

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6720
BILL NUMBER: SB 244

NOTE PREPARED: Jan 11, 2026
BILL AMENDED:

SUBJECT: Relocation of Casino to Marion County.

FIRST AUTHOR: Sen. Freeman
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that the licensed owner of the riverboat located in the city of Rising Sun (licensed owner) may relocate gaming operations to a casino in Marion County if certain conditions are met. It requires the licensed owner to pay a fee of \$50 M if the licensed owner sells or transfers the licensed owner's interest in the licensed owner's license within 10 years of the approval of relocation. It provides for the distribution of wagering tax revenue and supplemental wagering tax revenue from a casino in Marion County. It requires the licensed owner of a casino in Marion County to annually pay a community support fee to the city of Rising Sun and Ohio County.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Indiana Gaming Commission (IGC):* The bill would increase workload for the IGC. Any additional expenses would be paid from Riverboat Wagering Tax revenue annually appropriated to the IGC for administrative purposes. Current statute provides that sufficient funds are annually appropriated to the IGC from Riverboat Wagering Tax revenue deposited in the state Gaming Fund to administer the riverboat gambling laws. HEA 1001-2025 appropriated \$3.6 M for FY 2026 to the IGC for administrative purposes.

Explanation of State Revenues: *Summary:* The provisions in the bill related to the relocation of the casino will impact the state General Fund. The analysis assumes that the current license owner of the Ohio County casino will relocate the gaming facility to a location within Marion County and close the current operations at the Ohio County location. Depending on the approval, financing, and building timeline and process, the casino could start operating sometime between FY 2028 and FY 2030. This analysis provides the revenue and distributions impact from the full fiscal year of operations after completion of the first phase of development. The overall state impact is outlined in the following table.

Tax Type	Annual State General Fund Impact (in Millions)
Riverboat Wagering Tax	\$97.0
Supplemental Wagering Tax	\$7.1
Racino Wagering Tax	(\$35.9)
All Tax Types	\$68.2
Fee	State General Fund Impact (in Millions)
Initial License Fee	\$25.0
<i>Note: The approved licensee will pay the initial license fee in two equal installments of \$12.5 M.</i>	

Additional Information: Ohio County Riverboat Relocation to Marion County: After July 1, 2026, the bill allows the licensee of the Ohio County casino to move to a location within Marion County if the following occur:

- (1) The licensed owner submits to the IGC a request for approval to relocate along with evidence of support from the mayor of city of Indianapolis and the mayor of the city of Rising Sun as required in the bill;
- (2) The licensee stops operation at the current Ohio County casino; and
- (3) The IGC approves the move. It sets guidelines and criteria for the IGC to consider in evaluating the application to move the casino. It requires that the licensee pay a fee of \$25 M in two equal installments.

The bill requires that over a five-year period at least \$750 M be invested in the casino and nongaming amenities. It sets additional requirements related to reaching the investment threshold. It requires the licensed owner of the relocated casino to pay an additional fee of \$50 M if the licensed owner sells or transfers the owner's interest in the owner's license within ten years of relocation. It requires that the entity acquiring the license must reach the investment threshold within 10 years of relocation of the casino. Any license fee or transfer fee will be deposited in the state General Fund.

If approved, the relocated casino operator will continue to pay riverboat wagering tax and supplemental wagering tax currently imposed under riverboat tax laws. Under the riverboat wagering tax structure, a graduated rate of 10% to 40% of AGR will continue to apply to the relocated casino. The wagering tax distribution will be similar to the wagering tax distributions from the other riverboats in the state.

The bill imposes a 3.5% supplemental wagering tax rate on the potential new casino. It provides guidelines for distribution and use of the revenue generated under the supplemental wagering tax at the relocated casino. It provides that the revenue be divided equally between Marion County and the state General Fund.

Marion County Location - Adjusted Gross Receipts and Tax Impact: It is estimated that 3.3 million to 4.5 million patrons will annually visit the new casino and generate between \$408 M to \$452 M in AGR annually. The actual AGR would likely be lower in the initial years and higher once the full investment is completed at the location. The bill does not provide the actual location of the casino within Marion County. The substantial amount of investment required in the bill along with a central location could result in higher than estimated AGR.

The estimate is based on various factors including regional population, regional per capita income, accessibility to the potential location, available gaming options, and gaming market trends in Indiana and

other states.

A large portion of AGR at the relocated casino will be displaced from other Indiana riverboats and racinos. It is estimated that the racinos in Anderson and Shelbyville will have significant impact from the relocated casino. All other Indiana casinos are located at a substantial distance, so most impact will occur due to competitive cascade effect caused by changes in marketing within Indiana by various gaming facilities. Some central Indiana patrons that visit casinos outside the region may find another option in the Marion County casino. The total AGR loss to Indiana racinos and riverboats is estimated to be about \$152 M to \$168 M.

These statewide AGR impacts will result in a net increase in riverboat wagering tax and supplemental wagering tax revenues and loss of racino wagering tax and county slot machine wagering fee.

Ohio County Casino - Adjusted Gross Receipts and Tax Impact: The closure of the Ohio County casino will result in a net loss of AGR. Since the majority of the AGR loss from the Ohio County casino will be absorbed by other Indiana riverboats with higher graduated riverboat wagering tax rates, it is estimated that the net impact on the riverboat wagering tax will be positive. The loss of supplemental wagering tax at the Ohio County casino will not be offset by the gains at other casinos, resulting in a net negative impact on supplemental wagering tax. There would also be a small impact on supplemental wagering tax revenues deposited in state funds or distributed to local units. The bill requires that the licensed owner of the relocated Marion County casino will pay an annual community support fee to offset any loss of revenue to the city of Rising Sun and Ohio County. (See *Explanation of Local Revenues.*)

Other Indiana Casinos - Adjusted Gross Receipts and Tax Impact: It is estimated that the relocated casino will result in AGR loss at the racinos in Anderson and Shelbyville, resulting in a loss of racino wagering tax, county slot machine wagering fees, and AGR distributions to the horse racing industry. To a much lower extent, the relocated casino could also impact some other riverboats in the state, impacting AGR, wagering tax and supplemental wagering tax generated from these gaming facilities. The closure of the Ohio County casino will also result in a gain of AGR at competing southeastern Indiana casinos. This will result in additional riverboat wagering tax and supplemental wagering tax from gaming facilities in Lawrenceburg and Dearborn County.

The loss to the horse racing industry and breed funds could total up to \$14 M annually. All other fiscal impacts are shown as state and local fiscal impacts or would be partially or fully offset by adjustments to existing hold-harmless distributions.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Summary:* The provisions in the bill allowing for the relocation of a riverboat will result in local fiscal impacts as shown in the following table.

Tax Type	Local Unit	Annual Impact (in Millions)
Riverboat Wagering Tax	City in Marion County	\$30.8
Riverboat Wagering Tax	Other Local Units	\$1.6
Supplemental Wagering Tax	Marion County	\$7.4
Hold Harmless Distributions	Local Units with Riverboats	\$3.4
Revenue Sharing	Marion County Local Units	(\$5.6)
Revenue Sharing	Non-Riverboat Counties	\$5.6
County Slot Machine Wagering Fee	Madison County	(\$1.6)
County Slot Machine Wagering Fee	Shelby County	(\$1.6)
Riverboat Wagering Tax	Rising Sun	Losses will be replaced by community support fee paid by Marion Co. riverboat licensee.
Supplemental Wagering Tax	Ohio County Local units	
Hold Harmless Distributions	Ohio County Local Units	
All Tax Types	Total	\$40.0
<i>Note: Ohio County units will receive the revenue sharing distributions for non riverboat communities.</i>		

Riverboat Wagering Tax and Supplemental Wagering Tax from Marion County Casino: The local portion of riverboat wagering tax is estimated to be about \$30.8 M annually distributed to the city in Marion County where the casino is located. The local portion of supplemental wagering tax is estimated to be about \$7.4 M annually distributed to Marion County.

Revenue Sharing With Non Riverboat Local Units: Since the new relocated casino might contribute a larger share to the revenue sharing amount as compared to the Ohio County casino, effectively reducing the contribution required by other riverboats, it is possible that some units with riverboats will receive additional wagering tax revenues. Additionally, after having a casino, Marion County units will stop receiving the distribution of revenue sharing. The reduction in revenues will be about \$2.5 M for Indianapolis, \$2.5 M for Marion County, and \$0.6 M for the remaining local units. All other non riverboat counties in the state will receive a total of \$5.6 M in additional revenue sharing distributions. The bill will also result in Ohio County and Rising Sun receiving revenue sharing distributions of about \$36,000. Being a location of a riverboat, Ohio County units currently do not receive this distribution.

County Slot Machine Wagering Fee: The loss of AGR at the two racinos will also reduce the 3% fee paid by the racinos to the counties of their location. It will result in revenue loss of about \$1.6 M each for Madison County and Shelby County.

Ohio County - Wagering Tax: After the relocation, the Ohio County casino will not generate riverboat wagering tax or supplemental wagering tax. This will result in revenue loss for Rising Sun, Ohio County, and the Ohio County Convention and Visitors' Bureau. The revenue loss from wagering tax will be about \$0.4 M to city of Rising Sun. The bill removes the distributions of supplemental wagering tax hold-harmless distributions to Ohio County and Rising Sun. As a result of losing supplemental wagering tax revenues and the hold harmless distributions, Ohio County units will have a revenue loss of about \$4.3 M. These revenue losses will be offset by distribution of the community support fee to Rising Sun and Ohio County. A portion of supplemental wagering tax distributed to the Ohio County Convention and Visitors' Bureau will not be replaced.

Community Support Fee to Ohio County and City of Rising Sun: The bill requires that the license owner of

the relocated riverboat will annually make a payment to the city of Rising Sun and Ohio County in an amount equal to the total amount of revenue loss from wagering tax, supplemental wagering tax, and hold harmless distributions. It is estimated that these local units will receive a total of \$4.7 M annually. This will offset any revenue loss to Rising Sun and Ohio County from relocation of the casino to Marion County.

Other Local Units: The bill will result in other local units receiving about \$1.6 M in additional wagering taxes. Other local units will also receive about \$3.4 M in hold harmless distributions. A portion of the hold harmless loss to Ohio County units will also result in a gain for some state dedicated funds.

State Agencies Affected: Indiana Gaming Commission, Indiana Horse Racing Commission, Department of State Revenue, State Fair Commission, Division of Mental Health.

Local Agencies Affected: Local units receiving riverboat taxes or racino taxes.

Information Sources: State Revenue Forecast; Michigan Gaming Control Board, <https://www.michigan.gov/mgcb>; Casino Control Commission, Ohio, <https://casinocontrol.ohio.gov/>; Pennsylvania Gaming Control Board, <https://gamingcontrolboard.pa.gov/>; Illinois Gaming Board, <https://igb.illinois.gov/>; Missouri Gaming Commission, <https://www.mgc.dps.mo.gov/>; Indiana Gaming Commission, <https://www.in.gov/igc/>; State of the States (2025), American Gaming Association; <https://www.americangaming.org/wp-content/uploads/2025/05/AGA-State-of-the-States-2025.pdf>; OFMA, Casino Data.

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