

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

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6755**  
**BILL NUMBER: SB 376**

**DATE PREPARED:** Dec 17, 1999  
**BILL AMENDED:**

**SUBJECT:** Prohibit ATMs at gaming sites.

**FISCAL ANALYST:** Brian Tabor  
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**FUNDS AFFECTED:**     **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill prohibits the placement of an automated teller machine (ATM) at a racetrack or off-track betting facility used for pari-mutuel wagering on horse races, on board a riverboat on which gambling is authorized, or in an on-shore riverboat facility where tokens or chips are purchased.

**Effective Date:** July 1, 2000.

**Explanation of State Expenditures:**

**Explanation of State Revenues:** This bill prohibits automated teller machines (ATMs) at racetracks, off-track betting facilities, riverboat casinos, and certain on-shore riverboat gaming facilities. This could impact the amount of money wagered on riverboats, at pari-mutuel racetracks, and at off-track betting facilities.

Prohibiting ATMs at riverboat casinos would have an indeterminable impact on revenue from the Riverboat Wagering Tax. The Wagering Tax is assessed at a rate of 20% of each riverboat's adjusted gross receipts. After administrative expenses of the Indiana Gaming Commission are paid, three-quarters of the Wagering Tax revenue is distributed to the Lottery and Gaming Surplus Account (LGSA) within the Build Indiana Fund. One quarter of the remaining revenue is distributed to the city or county in which the riverboat is docked. In FY 1999, Riverboat Wagering Tax revenue totaled \$291 M and almost \$213.7 M was distributed to the LGSA. It is unlikely that prohibiting ATMs would significantly affect the number of patrons visiting riverboat casinos, and consequently there should be a negligible impact on the Riverboat Admission Tax.

A ban on ATMs at racetracks and off-track betting facilities would also have an indeterminable impact on revenue from the Pari-Mutuel Wagering Tax. This tax is levied at a rate of 2% on the total amount wagered on live races and simulcasts at a horse track. A 2.5% rate is assessed on the total amount wagered on simulcasts at satellite facilities. The first \$150,000 of Pari-Mutuel Wagering Tax revenue is deposited in the

Veterinary School Research Account within the state General Fund and the remainder is deposited in the LGSA. In FY 1999, Pari-Mutuel Wagering Tax revenue totaled \$3.6 M.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** If revenue from the Riverboat Wagering Tax declines under this proposal, certain local units where Indiana's nine riverboat casinos are located could receive smaller distributions. In counties along Lake Michigan or the Ohio River where riverboats are docked in the largest city in the county, only the municipal unit receives a distribution from Wagering Tax revenue. In counties along the Ohio River where riverboats are *not* docked in the largest city in the county, funds are distributed to the county. The local units currently receiving Riverboat Wagering Tax distributions are East Chicago, Evansville, Gary, Hammond, Harrison County, Lawrenceburg, Michigan City, and Rising Sun. (Note: a certificate of suitability has been granted for a riverboat operation in Switzerland County.)

**State Agencies Affected:**

**Local Agencies Affected:** Local units receiving Riverboat Wagering Tax distributions.

**Information Sources:** Auditor of State.