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FISCAL IMPACT STATEMENT

LS 6527

BILL NUMBER: HB 1837

NOTE PREPARED: Feb 26, 2007

BILL AMENDED: Feb 23, 2007

SUBJECT: Gaming.

FIRST AUTHOR: Rep. Pelath

FIRST SPONSOR: Sen. Merritt

BILL STATUS: As Passed House

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: *Riverboat Construction:* The bill provides that after June 30, 2007, a licensed owner must apply for and receive the Gaming Commission's approval before constructing a new riverboat that is certified under marine structural and life safety standards determined by the Gaming Commission. That bill allows the Gaming Commission to approve a phase of the construction project that will be completed outside Indiana only if the Commission finds that it is technologically or economically unfeasible to perform the work in Indiana. The bill specifically excludes any construction begun before July 1, 2007 from the approval requirement.

Approved Gambling Games: Changes the definition of "gambling game" for purposes of the riverboat law from a list of specified games to any game approved by the gaming commission as a wagering device.

Effective Date: July 1, 2007.

Explanation of State Expenditures: *Riverboat Construction:* The bill contains the following provisions regarding construction of new riverboat casinos.

(1) The bill requires a licensed riverboat casino owner to apply for and receive the approval of the Indiana Gaming Commission (IGC) before constructing a new riverboat certified by the IGC. The approval requirement applies after June 30, 2007, to construction of a new riverboat that begins after June 30, 2007. The bill also requires the IGC to adopt rules governing the procedure a licensed riverboat casino owner must follow to obtain such an approval.

(2) The bill requires the IGC to review each phase of the construction of a new riverboat and the location at which each construction phase will be completed.

(3) The bill also prohibits the IGC from approving any phase of construction of a new riverboat that will be completed outside of Indiana unless it is technologically or economically unfeasible for that work to be completed in Indiana.

These provisions will result in additional administrative responsibilities for the IGC. The fiscal impact that might arise from these new responsibilities is indeterminable. However, any additional expenses would be paid from Riverboat Wagering Tax revenue annually appropriated to IGC for administrative purposes. (Note: 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.) In FY 2006, this distribution totaled about \$2.4 M.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Gaming Commission.

Local Agencies Affected:

Information Sources:

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