

# HOUSE BILL No. 1494

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 4-32.3.

**Synopsis:** Charity gaming. Provides that certain charitable gaming funds do not have to be deposited into a separate and segregated account and may be sent directly to a qualified recipient. Provides that a licensed entity may elect to have the entity's annual accounting period end 60 days before the entity's license expires.

**Effective:** July 1, 2021.

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## Bartels

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January 14, 2021, read first time and referred to Committee on Public Policy.

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First Regular Session of the 122nd General Assembly (2021)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2020 Regular Session of the General Assembly.

# HOUSE BILL No. 1494

A BILL FOR AN ACT to amend the Indiana Code concerning gaming.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 4-32.3-2-1.5 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2021]: **Sec. 1.5. "Accounting period" means**  
4 **the period of time for which a licensed entity reports to the gaming**  
5 **commission the entity's income, expenses, and charitable**  
6 **contributions.**

7 SECTION 2. IC 4-32.3-3-3, AS ADDED BY P.L.58-2019,  
8 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JULY 1, 2021]: Sec. 3. (a) The commission shall adopt rules under  
10 IC 4-22-2 for the following purposes:

- 11 (1) Administering this article.
- 12 (2) Establishing the conditions under which charity gaming in  
13 Indiana may be conducted, including the manner in which a  
14 qualified organization may supervise a qualified card game  
15 conducted under IC 4-32.3-5-11(b).
- 16 (3) Providing for the prevention of practices detrimental to the  
17 public interest and providing for the best interests of charity



1 gaming.

2 (4) Establishing rules concerning inspection of qualified  
3 organizations and the review of the licenses necessary to conduct  
4 charity gaming.

5 (5) Imposing penalties for noncriminal violations of this article.

6 (6) Establishing standards for independent audits conducted under  
7 ~~IC 4-32.3-5-5(d)~~; **IC 4-32.3-5-5(e)**.

8 (b) The commission may adopt emergency rules under  
9 IC 4-22-2-37.1 if the commission determines that:

10 (1) the need for a rule is so immediate and substantial that  
11 rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36  
12 are inadequate to address the need; and

13 (2) an emergency rule is likely to address the need.

14 SECTION 3. IC 4-32.3-5-5, AS ADDED BY P.L.58-2019,  
15 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
16 JULY 1, 2021]: Sec. 5. (a) A qualified organization shall maintain and  
17 submit to the commission accurate records of all financial aspects of an  
18 allowable event as set forth in rules adopted by the commission under  
19 IC 4-22-2. A qualified organization shall make accurate reports of all  
20 financial aspects of an allowable activity to the commission within the  
21 time established by the commission as set forth in rules adopted by the  
22 commission under IC 4-22-2.

23 (b) Except for a candidate's committee, a convention license, ~~and~~ an  
24 exempt event, **and funds to be used as a donation described in**  
25 **section 4(a) of this chapter**, a qualified organization shall deposit  
26 funds received from an allowable activity in a separate and segregated  
27 account set up for that purpose.

28 **(c) Funds to be used as a donation to a qualified recipient under**  
29 **section 4(a) of this chapter may be sent directly to the qualified**  
30 **recipient and are not required to be deposited in a separate and**  
31 **segregated account.**

32 ~~(e)~~ **(d)** A qualified organization conducting a bingo event or raffle  
33 under an annual affiliate license shall deposit the funds received from  
34 each activity conducted by its separate Indiana affiliates into a single  
35 account maintained by a financial institution physically located in  
36 Indiana. All expenses of the qualified organization with respect to an  
37 allowable activity shall be paid from the separate account.

38 ~~(d)~~ **(e)** The commission may require a qualified organization to  
39 submit any records maintained under this section for an independent  
40 audit by a certified public accountant selected by the commission. A  
41 qualified organization must bear the cost of any audit required under  
42 this section.



1            ~~(e)~~ **(f)** A bona fide veterans organization holding a three (3) year  
 2 charity gaming license issued under IC 4-32.3-4-16 must submit the  
 3 following to the commission before the annual anniversary date of the  
 4 issuance of the three (3) year charity gaming license:

5            (1) An event summary for each allowable event conducted under  
 6 the license.

7            (2) An annual financial report.

8            (3) An annual gross receipts report.

9            SECTION 4. IC 4-32.3-10-3, AS ADDED BY P.L.58-2019,  
 10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 11 JULY 1, 2021]: Sec. 3. **(a)** The department shall establish procedures  
 12 by which each licensed entity must account for the following:

13            (1) The tax collected under this chapter by the licensed entity.

14            (2) The pull tabs, punchboards, and tip boards sold by the  
 15 licensed entity.

16            (3) The funds received for sales of pull tabs, punchboards, and tip  
 17 boards by the licensed entity.

18            **(b) At least ninety (90) days before a licensed entity's license**  
 19 **expires, the licensed entity may elect to have the entity's annual**  
 20 **accounting period end sixty (60) days before the date the entity's**  
 21 **license expires.**

