



February 12, 2019

HOUSE BILL No. 1517

DIGEST OF HB 1517 (Updated February 7, 2019 2:46 pm - DI 134)

Citations Affected: IC 4-1; IC 4-29; IC 4-32.2; IC 4-32.3; IC 4-33; IC 4-35; IC 4-36; IC 5-2; IC 6-3; IC 7.1-3; IC 12-13; IC 33-26; IC 35-45; IC 35-52.

Synopsis: Charity gaming. Repeals the current charity gaming article and replaces it with a reorganized and revised charity gaming article. Raises the prize limits for when a qualified organization is not required to obtain a license for an allowable activity. Consolidates the current license types into an annual activity license, single activity license, convention raffle license, and annual affiliate license. Creates an expedited application processing fee. Repeals the door prize limits and qualified drawings. Renames the comprehensive charity gaming license to the annual affiliate license. Revises fee tables for license renewals.

Effective: July 1, 2019.

Smaltz, Clere, Mayfield, Moed

January 17, 2019, read first time and referred to Committee on Public Policy.
January 24, 2019, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.
February 11, 2019, amended, reported — Do Pass.

HB 1517—LS 7523/DI 107



February 12, 2019

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1517

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 4-1-8-1, AS AMENDED BY P.L.86-2018,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]: Sec. 1. (a) No individual may be compelled by any
4 state agency, board, commission, department, bureau, or other entity of
5 state government (referred to as "state agency" in this chapter) to
6 provide the individual's Social Security number to the state agency
7 against the individual's will, absent federal requirements to the
8 contrary. However, the provisions of this chapter do not apply to the
9 following:
10 (1) Department of state revenue.
11 (2) Department of workforce development.
12 (3) The programs administered by:
13 (A) the division of family resources;
14 (B) the division of mental health and addiction;
15 (C) the division of disability and rehabilitative services;
16 (D) the division of aging; and
17 (E) the office of Medicaid policy and planning;

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of the office of the secretary of family and social services.

(4) Auditor of state.

(5) State personnel department.

(6) Secretary of state, with respect to the registration of broker-dealers, agents, and investment advisors.

(7) The lobby registration commission, with respect to the registration of lobbyists.

(8) Indiana department of administration, with respect to bidders on contracts.

(9) Indiana department of transportation, with respect to bidders on contracts.

(10) Indiana professional licensing agency.

(11) Department of insurance, with respect to licensing of insurance producers.

(12) The department of child services.

(13) A pension fund administered by the board of trustees of the Indiana public retirement system.

(14) The state police benefit system.

(15) The alcohol and tobacco commission.

(16) The state department of health, for purposes of licensing radiologic technologists under IC 16-41-35-29(c).

(b) The bureau of motor vehicles may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number in an application for an official certificate of title for any vehicle required to be titled under IC 9-17.

(2) That an individual include the individual's Social Security number on an application for registration.

(3) That a corporation, limited liability company, firm, partnership, or other business entity include its federal tax identification number on an application for registration.

(4) That an individual include the individual's Social Security number on an application for a license, a permit, or an identification card.

(c) The Indiana department of administration, the Indiana department of transportation, and the Indiana professional licensing agency may require an employer to provide its federal employer identification number.

(d) The department of correction may require a committed offender to provide the offender's Social Security number for purposes of matching data with the Social Security Administration to determine benefit eligibility.



(e) The Indiana gaming commission may, notwithstanding this chapter, require the following:

(1) That an individual include the individual's Social Security number:

(A) in any application for a riverboat owner's license, supplier's license, or occupational license; or

(B) in any document submitted to the commission in the course of an investigation necessary to ensure that gaming under ~~IC 4-32.2~~, **IC 4-32.3**, IC 4-33, and IC 4-35 is conducted with credibility and integrity.

(2) That a sole proprietorship, a partnership, an association, a fiduciary, a corporation, a limited liability company, or any other business entity include its federal tax identification number on an application for a riverboat owner's license or supplier's license.

(f) Notwithstanding this chapter, the department of education established by IC 20-19-3-1 may require an individual who applies to the department for a license or an endorsement to provide the individual's Social Security number. The Social Security number may be used by the department only for conducting a background investigation, if the department is authorized by statute to conduct a background investigation of an individual for issuance of the license or endorsement.

SECTION 2. IC 4-29-1-1, AS ADDED BY P.L.255-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. This article does not apply to the following:

(1) A permit holder licensed to conduct a pari-mutuel wagering horse racing meeting under IC 4-31.

(2) A qualified organization licensed to conduct charity gaming events under ~~IC 4-32.2~~, **IC 4-32.3**.

(3) A licensed owner or operating agent operating a riverboat under IC 4-33.

(4) A permit holder licensed to conduct gambling games under IC 4-35.

(5) A person authorized to conduct type II gaming under IC 4-36.

SECTION 3. IC 4-32.2 IS REPEALED [EFFECTIVE JULY 1, 2019]. (Charity Gaming).

SECTION 4. IC 4-32.3 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:

ARTICLE 32.3. CHARITY GAMING

Chapter 1. General Provisions

Sec. 1. (a) This article applies only to a qualified organization.



(b) This article applies only to the following approved gambling activities conducted as fundraising activities by qualified organizations:

(1) Bingo events, casino game nights, raffles, festivals, and other gaming activities approved by the commission.

(2) The sale of pull tabs, punchboards, and tip boards:

(A) at bingo events, casino game nights, raffles, and festivals conducted by qualified organizations; or

(B) at any time on the premises owned or leased by qualified organizations and regularly used for the activities of qualified organizations.

This article does not apply to any other sale of pull tabs, punchboards, and tip boards.

(c) This article does not apply to a promotion offer subject to IC 24-8.

(d) This article does not apply to the following:

(1) A type II gambling game authorized by IC 4-36.

(2) A raffle or other gambling game authorized by IC 4-36-5-1(b).

(e) This article does not apply to a prize linked savings program that:

(1) is offered or conducted by an eligible financial institution under IC 28-1-23.2;

(2) is:

(A) offered or conducted by a credit union organized or reorganized under United States law; and

(B) conducted in the same manner as a prize linked savings program under IC 28-1-23.2; or

(3) is:

(A) offered or conducted by an insured depository institution (as defined in 12 U.S.C. 1813) that is:

(i) a national bank formed under 12 U.S.C. 21;

(ii) a state member bank (as defined in 12 U.S.C. 1813);

(iii) a state nonmember bank (as defined in 12 U.S.C. 1813); or

(iv) a savings association (as defined in 12 U.S.C. 1813); and

(B) conducted in the same manner as a prize linked savings program under IC 28-1-23.2.

Sec. 2. The purpose of this article is to permit a licensed qualified organization:

(1) to conduct allowable activities; and



(2) to sell pull tabs, punchboards, and tip boards;
as a fundraising activity for lawful purposes of the organization.

Sec. 3. A bingo event, casino game night, raffle, festival, or other charity gambling activity is not allowed in Indiana unless it is conducted by a qualified organization in accordance with this article.

Sec. 4. Local taxes, regardless of type, may not be imposed upon the operations of the commission under this article or upon the sale of bingo cards, bingo boards, bingo sheets, bingo pads, pull tabs, punchboards, or tip boards under this article.

Sec. 5. (a) Local governmental authority concerning the following is preempted by the state under this article and IC 4-30:

(1) All matters relating to the operation of bingo events, casino game nights, or raffles.

(2) All matters relating to the possession, transportation, advertising, sale, manufacture, printing, storing, or distribution of pull tabs, punchboards, or tip boards.

(b) A county, municipality, or other political subdivision of the state may not enact an ordinance relating to the commission's operations authorized by this article.

Chapter 2. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

Sec. 2. "Allowable event" means:

(1) a bingo event;

(2) a casino game night;

(3) a raffle;

(4) a festival;

(5) a sale of pull tabs, punchboards, or tip boards; or

(6) a gambling activity under IC 4-32.3-4-11;

conducted by a qualified organization in accordance with this article and rules adopted by the commission under this article.

Sec. 3. "Bingo" means a game conducted in the following manner:

(1) Each participant receives at least one (1) card, board, pad, or piece of paper marked off into twenty-five (25) squares that are arranged in five (5) vertical rows of five (5) squares each, with each row designated by a single letter, and each box containing a number, from one (1) to seventy-five (75), except the center box, which is always marked with the word "free".

(2) As the caller of the game announces a letter and number combination, each player covers the square corresponding to



the announced number, letter, or combination of numbers and letters.

(3) The winner of each game is the player who is the first to properly cover a predetermined and announced pattern of squares upon the card used by the player.

Sec. 4. "Bona fide charitable organization" means an organization operating in Indiana that is not for pecuniary profit and is exempt from federal income taxation under Section 501(c) of the Internal Revenue Code.

Sec. 5. "Bona fide civic organization" means a branch, lodge, or chapter of a national or state organization that is not for pecuniary profit or a local organization that is not for pecuniary profit and not affiliated with a state or national organization whose written constitution, charter, articles of incorporation, or bylaws provide that the organization is organized primarily for civic, fraternal, or charitable purposes.

Sec. 6. "Bona fide fraternal organization" means a type of bona fide civic organization that:

- (1) is a branch, lodge, or chapter of a national organization; and
- (2) exists for the common charitable purposes, brotherhood, and other interests of its members.

Sec. 7. "Bona fide national foundation" refers to an organization that:

- (1) operates without profit to the organization's members;
- (2) is exempt from taxation under Section 501 of the Internal Revenue Code;
- (3) is related in both its mission and organization to a bona fide national organization; and
- (4) has provided grants to Indiana organizations in aggregate amounts that annually exceed fifty thousand dollars (\$50,000) in the preceding calendar year in which the organization applies for a license under this article.

Sec. 8. "Bona fide national organization" refers to an organization that:

- (1) operates without profit to the organization's members;
- (2) is exempt from taxation under Section 501 of the Internal Revenue Code;
- (3) has a national membership; and
- (4) has been continuously in existence in Indiana for at least one (1) year.

Sec. 9. "Bona fide out-of-state charitable organization" refers



1 to an organization that:

- 2 (1) operates without profit to the organization's members;
- 3 (2) is exempt from taxation under Section 501 of the Internal
- 4 Revenue Code;
- 5 (3) has a constitution, articles, charter, or bylaws that contain
- 6 a clause that provides that upon dissolution all remaining
- 7 assets shall be used for the nonprofit's stated purposes; and
- 8 (4) is otherwise ineligible to obtain a charity gaming license in
- 9 Indiana.

10 Sec. 10. (a) "Bona fide political organization" means a party
 11 committee, association, fund, or other organization, whether
 12 incorporated or not, organized and operated primarily for the
 13 purpose of directly or indirectly accepting contributions or making
 14 expenditures, or both, for an exempt function (as defined in Section
 15 527 of the Internal Revenue Code).

16 (b) The term does not include a candidate's committee (as
 17 defined in IC 3-5-2-7).

18 Sec. 11. "Bona fide veterans organization" means a local
 19 organization or a branch, lodge, or chapter of a state or national
 20 organization chartered by the Congress of the United States that
 21 is not for pecuniary profit and that:

- 22 (1) consists of individuals who are or were members of the
- 23 armed forces of the United States; and
- 24 (2) is organized for the mutual support and advancement of
- 25 the organization's membership and patriotic causes.

26 Sec. 12. (a) "Casino game night" means an event in which
 27 wagers are placed upon the following permitted games of chance
 28 through the use of imitation money:

- 29 (1) A card game approved by the commission.
- 30 (2) A dice game approved by the commission.
- 31 (3) A roulette wheel approved by the commission.
- 32 (4) A spindle approved by the commission.

33 (b) The term does not include an event at which wagers are
 34 placed upon any of the following:

- 35 (1) Bookmaking.
- 36 (2) A slot machine.
- 37 (3) A one-ball machine or a variant of a one-ball machine.
- 38 (4) A pinball machine that awards anything other than an
- 39 immediate and unrecorded right of replay.
- 40 (5) A policy or numbers game.
- 41 (6) A banking or percentage game played with cards or
- 42 counters, including the acceptance of a fixed share of the



1 stakes in a game.

2 Sec. 13. "Commission" means the Indiana gaming commission
3 established by IC 4-33-3-1.

4 Sec. 14. "Department" means the department of state revenue.

5 Sec. 15. "Door prize" means a prize awarded to a person based
6 solely upon the person's paid attendance at a charity fundraising
7 event or the purchase of a ticket to attend a charity fundraising
8 event.

9 Sec. 16. "Executive director" means the executive director of
10 the Indiana gaming commission appointed under IC 4-33-3-18.

11 Sec. 17. "Full-time employee" means an individual who:

12 (1) is and has been employed by a particular qualified
13 organization for at least thirty (30) consecutive days as of the
14 date of the qualified organization's allowable event; and

15 (2) works at least an average of thirty-two (32) hours per
16 week or one thousand six hundred sixty-two (1,662) hours per
17 year for the qualified organization in a capacity that is
18 primarily unrelated to the qualified organization's charity
19 gaming operations.

20 Sec. 18. "Fund" means the charity gaming enforcement fund
21 established by IC 4-32.3-7.

22 Sec. 19. "Gross revenue" mean gross receipts.

23 Sec. 20. "Indiana affiliate" refers to either of the following:

24 (1) An Indiana chapter or other subdivision of a bona fide
25 national organization that:

26 (A) operates without profit to the organization's members;
27 and

28 (B) is exempt from taxation under Section 501 of the
29 Internal Revenue Code.

30 (2) An association, whether incorporated or not, or a
31 committee of Indiana residents authorized by a bona fide
32 national foundation to conduct allowable activities and other
33 fundraising events for the benefit of the bona fide national
34 foundation.

35 Sec. 21. "Key person" means any:

36 (1) officer;

37 (2) director;

38 (3) executive;

39 (4) employee;

40 (5) trustee;

41 (6) substantial owner;

42 (7) independent owner;



(8) agent; or
 (9) any other individual adopted in rules under IC 4-22-2;
 of a business entity that has the power to exercise management or
 operating authority over the business entity or its affiliates.

Sec. 22. "Licensed supply" refers to any of the following:

- (1) Bingo supplies.
- (2) Pull tabs.
- (3) Punchboards.
- (4) Tip boards.
- (5) Game boards, including but not limited to, raffle and coin boards.
- (6) Any other supplies, devices, or equipment designed to be used in allowable activities designated by rule of the commission.

Sec. 23. "Marketing sheet" means additional information published about a wagering game that describes winnings.

Sec. 24. "Member" means any of the following:

- (1) An individual entitled to membership in a qualified organization under the bylaws, articles of incorporation, charter, or rules of the qualified organization.
- (2) A member of the qualified organization's auxiliary.
- (3) In the case of a qualified organization that is a public or nonpublic school (as defined in IC 20-18-2-12), any of the following:
 - (A) A parent of a child enrolled in the school.
 - (B) A member of the school's parent organization.
 - (C) A member of the school's alumni association.
 - (D) An employee of the school.
 - (E) An officer of the school.
 - (F) A student enrolled in the school.
- (4) A member of a qualified organization's board of directors or board of trustees.

Sec. 25. "Operator" means an individual who is responsible for conducting an allowable activity for a qualified organization under this article in accordance with Indiana law.

Sec. 26. "Progressive bingo" means a bingo game in which, if no person matches the predetermined pattern of squares upon the card within a specified number of balls called, the same game will be played later:

- (1) for an increased amount of money;
- (2) for increased balls called; or
- (3) as described in both subdivisions (1) and (2).



1 **Sec. 27. "Progressive or carryover pull tab" means a pull tab**
 2 **game played with a seal card that is designed by the manufacturer**
 3 **to include a jackpot prize that is carried over to a subsequent deal**
 4 **of the same form number, in the event the jackpot prize is not won.**

5 **Sec. 28. "Pull tab" means either of the following:**

6 **(1) A game conducted in the following manner:**

7 **(A) A single folded or banded ticket or a two-ply card with**
 8 **perforated break-open tabs is bought by a player from a**
 9 **qualified organization.**

10 **(B) The face of each card is initially covered or otherwise**
 11 **hidden from view, concealing a number, letter, symbol, or**
 12 **set of letters or symbols.**

13 **(C) In each set of tickets or cards, a designated number of**
 14 **tickets or cards have been randomly designated in advance**
 15 **as winners.**

16 **(D) Winners, or potential winners if the game includes the**
 17 **use of a seal, are determined by revealing the faces of the**
 18 **tickets or cards. The player may be required to sign the**
 19 **player's name on numbered lines provided if a seal is used.**

20 **(E) The player with a winning pull tab ticket or numbered**
 21 **line receives the prize stated on the flare from the qualified**
 22 **organization. The prize must be fully and clearly described**
 23 **on the flare.**

24 **(2) Any game played in a similar fashion as a game described**
 25 **in subdivision (1) that is approved by the commission.**

26 **Sec. 29. "Punchboard" means a card or board that contains a**
 27 **grid or section that hides the random opportunity to win a prize**
 28 **based on the results of punching a single section to reveal a symbol**
 29 **or prize amount.**

30 **Sec. 30. "Qualified card game" refers to any of the following**
 31 **card games:**

32 **(1) Euchre.**

33 **(2) Texas hold'em poker.**

34 **(3) Omaha poker.**

35 **(4) Any other card game designated by the executive director.**

36 **Sec. 31. (a) "Qualified organization" refers to any of the**
 37 **following:**

38 **(1) A bona fide charitable organization, including civic,**
 39 **fraternal, and veterans organizations, operating in Indiana**
 40 **that:**

41 **(A) has a constitution, articles, charter, or bylaws that**
 42 **contain a clause that provides that upon dissolution all**



remaining assets shall be used for the nonprofit's state purposes; and

(B) satisfies at least one (1) of the following requirements:

(i) The organization is in existence in Indiana.

(ii) The organization is affiliated with a parent organization that is in existence in Indiana.

(iii) The organization has reorganized and is continuing its mission under a new name on file with the secretary of state of Indiana and with a new tax identification number after having satisfied the requirements set forth in either item (i) or (ii).

(2) A bona fide political organization operating in Indiana that produces exempt function income (as defined in Section 527 of the Internal Revenue Code).

(3) A state educational institution (as defined in IC 21-7-13-32).

(4) A bona fide national organization operating in Indiana.

(5) A bona fide national foundation.

(b) For purposes of IC 4-32.3-4-3, a "qualified organization" includes the following:

(1) A hospital licensed under IC 16-21.

(2) A health facility licensed under IC 16-28.

(3) A psychiatric facility licensed under IC 12-25.

(4) An organization defined in subsection (a).

(c) Evidence that an organization satisfies subsection (a)(1)(B)(iii) includes the following:

(1) Evidence of the organization's continued use of a service mark or trademarked logo associated with the organization's former name.

(2) Evidence of the continuity of the organization's activities as shown in the federal income tax returns filed for the organization.

(3) Evidence of the continuity of the organization's activities as shown by the most recent annual external financial reviews of the organization prepared by a certified public accountant.

(4) Any other information considered sufficient by the commission.

(d) Unless the construction is plainly repugnant to the intent of the general assembly or the context of the statute, "qualified organization" refers to an Indiana affiliate of a bona fide national organization or bona fide national foundation.

(e) Any organization seeking to be a "qualified organization"



1 must complete all forms required by the commission.

2 Sec. 32. "Qualified recipient" means:

- 3 (1) a hospital or medical center operated by the federal
- 4 government;
- 5 (2) a hospital licensed under IC 16-21;
- 6 (3) a hospital subject to IC 16-22;
- 7 (4) a hospital subject to IC 16-23;
- 8 (5) a health facility licensed under IC 16-28;
- 9 (6) a psychiatric facility licensed under IC 12-25;
- 10 (7) an organization described in section 31(a) of this chapter;
- 11 (8) an activity or a program of a local law enforcement agency
- 12 intended to reduce substance abuse;
- 13 (9) a charitable activity of a local law enforcement agency; or
- 14 (10) a veterans' home.

15 Sec. 33. "Raffle" means the selling of tickets or chances to win
16 a prize awarded through a random drawing, including a door
17 prize.

18 Sec. 34. "Seal card" means a board or placard used with pull
19 tabs that contains one (1) or more seals, that when removed or
20 opened, reveals a predesignated winning number, letter, symbol,
21 or monetary denomination.

22 Sec. 35. "Substantial owner" means:

- 23 (1) a person holding at least a five percent (5%) ownership
- 24 interest; or
- 25 (2) an institutional investor holding at least a fifteen percent
- 26 (15%) ownership interest;

27 in a business entity.

28 Sec. 36. "Surplus revenue" means the amount of money in the
29 charity gaming enforcement fund that is not required to meet the
30 cost of administration and the cash flow need of the commission
31 under this article, IC 4-33-19, and IC 4-33-20.

32 Sec. 37. "Tip board" means a board, a placard, or other device
33 that is marked off in a grid or columns, with each section
34 containing a hidden number or numbers or other symbols that
35 determine a winner.

36 Sec. 38. "Veterans' home" means either of the following:

- 37 (1) The Indiana Veterans' Home.
- 38 (2) The VFW National Home for Children.

39 Sec. 39. "Volunteer ticket agent" means a person acting on
40 behalf of a qualified organization that:

- 41 (1) receives no compensation from the qualified organization;
- 42 (2) sells tickets at a raffle licensed under IC 4-32.3-4-6, a



1 festival under IC 4-32.3-4-7, or a gambling activity under
 2 IC 4-32.3-4-11; and

3 (3) does not assist the qualified organization in conducting the
 4 allowable activity in any other way.

5 Sec. 40. (a) Except as provided in subsection (b), "worker"
 6 means an individual who helps or participates in any manner in
 7 conducting or assisting in conducting an allowable activity under
 8 this article.

9 (b) The following are not considered workers for the purposes
 10 of this article:

11 (1) A patron dealing cards under IC 4-32.3-5-11(b).

12 (2) A volunteer ticket agent.

13 Chapter 3. Powers and Duties of the Commission

14 Sec. 1. (a) The commission shall supervise and administer
 15 allowable activities conducted under this article.

16 (b) The commission may by resolution assign to the executive
 17 director any duty imposed upon the commission by this article.

18 (c) The executive director shall perform the duties assigned to
 19 the executive director by the commission. The executive director
 20 may exercise any power conferred upon the commission by this
 21 article that is consistent with the duties assigned to the executive
 22 director under subsection (b).

23 Sec. 2. For purposes of conducting an investigation or a
 24 proceeding under this article, the commission may do the
 25 following:

26 (1) Administer oaths.

27 (2) Take depositions.

28 (3) Issue subpoenas.

29 (4) Compel the attendance of witnesses and the production of
 30 books, papers, documents, and other evidence.

31 Sec. 3. (a) The commission shall adopt rules under IC 4-22-2 for
 32 the following purposes:

33 (1) Administering this article.

34 (2) Establishing the conditions under which charity gaming in
 35 Indiana may be conducted, including the manner in which a
 36 qualified organization may supervise a qualified card game
 37 conducted under IC 4-32.3-5-11(b).

38 (3) Providing for the prevention of practices detrimental to
 39 the public interest and providing for the best interests of
 40 charity gaming.

41 (4) Establishing rules concerning inspection of qualified
 42 organizations and the review of the licenses necessary to



1 conduct charity gaming.

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

4 (6) Establishing standards for independent audits conducted
5 under IC 4-32.3-5-5(d).

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

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

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

12 Sec. 4. (a) The commission has the sole authority to license
13 entities under this article to sell, distribute, or manufacture a
14 licensed supply.

15 (b) The commission may not limit the number of qualified
16 entities licensed under subsection (a).

17 (c) The commission may deny a license to an applicant for a
18 license to sell, manufacture, or distribute licensed supplies if the
19 commission determines that at least one (1) of the following applies
20 with respect to the applicant:

21 (1) The applicant has:

22 (A) violated a local ordinance, a state or federal statute, or
23 an administrative rule or regulation and the violation
24 would cause the commission to determine that the
25 applicant, a key person, or a substantial owner of the
26 applicant is not of good moral character or reputation; or
27 (B) committed any other act that would negatively impact
28 the integrity of charity gaming in Indiana.

29 (2) The applicant has engaged in fraud, deceit, or
30 misrepresentation.

31 (3) The applicant has failed to provide information required
32 by this article or a rule adopted under this article.

33 (4) Conduct prejudicial to public confidence in the
34 commission or for any reason deemed necessary by the
35 commission to ensure the integrity of charitable gaming in
36 Indiana.

37 Sec. 5. The commission shall charge appropriate fees to the
38 following:

39 (1) An applicant for a license to conduct an allowable event.

40 (2) An applicant seeking a license to distribute a licensed
41 supply.

42 (3) An applicant seeking a license to manufacture a licensed



supply.

Sec. 6. The commission may own, sell, and lease real and personal property necessary to carry out the commission's responsibilities under this article.

Sec. 7. The commission may employ investigators and other staff necessary to carry out this article. However, the restrictions and limitations on the operators and workers set forth in IC 4-32.3-5-7 apply to staff employed under this article. The employees hired by the commission under this article may be the same as the commission's employees hired under IC 4-33.

Chapter 4. Licenses

Sec. 1. Except as provided in section 3 of this chapter, a qualified organization must obtain a license under this chapter to conduct an allowable activity.

Sec. 1.5. A license issued under IC 4-32.2-4 (repealed) before July 1, 2019, is valid until that license expires.

Sec. 2. The commission may deny a license or reissuance of a license to an organization if the commission determines that at least one (1) of the following applies with respect to the organization:

(1) The organization has:

- (A) violated a local ordinance, a state or federal statute, or an administrative rule or regulation and the violation would cause the commission to determine that the applicant, a key person, or a substantial owner of the applicant is not of good moral character or reputation; or
- (B) committed any other act that would negatively affect the integrity of charity gaming in Indiana.

(2) The organization has engaged in fraud, deceit, or misrepresentation.

(3) The organization has failed to provide information required by this article or a rule adopted under this article.

(4) The organization has failed to provide sufficient information to enable the commission to determine that the organization is a qualified organization.

(5) Conduct prejudicial to public confidence in the commission for any reason deemed necessary by the commission to ensure the integrity of charitable gaming in Indiana.

Sec. 3. (a) A qualified organization is not required to obtain a license from the commission if the value of all prizes awarded at the allowable activity does not exceed two thousand five hundred



dollars (\$2,500) for a single activity and not more than seven thousand five hundred dollars (\$7,500) during a calendar year.

(b) A qualified organization that plans to hold an allowable activity described in subsection (a) more than one (1) time a year shall send an annual written notice to the commission informing the commission of the following:

(1) The estimated frequency of the planned allowable activities.

(2) The location or locations where the qualified organization plans to hold the allowable activities.

(3) The estimated value of all prizes awarded at each allowable activity.

(c) The notice required under subsection (b) must be filed not later than thirty (30) days before the qualified organization holds the first allowable activity of the year.

(d) A qualified organization that conducts an allowable activity described in subsection (a) shall maintain accurate records of all financial transactions of the activity. The commission may inspect records kept in compliance with this section.

Sec. 4. (a) Each qualified organization applying for a license under this chapter must submit to the commission a written application on a form prescribed by the commission.

(b) The application must include the information that the commission requires, including the following:

(1) The name and address of the organization.

(2) The names and addresses of the officers of the organization.

(3) The type of activity the organization proposes to conduct.

(4) The location where the organization will conduct the allowable activity.

(5) The dates and times for the proposed allowable activity.

(6) Any other information considered necessary by the commission.

Sec. 5. (a) The commission may issue an annual activity license to a qualified organization if the qualified organization:

(1) meets the requirements of this section;

(2) submits an application; and

(3) pays a fee set by the commission under IC 4-32.3-6.

(b) The following information must be included in an annual activity license:

(1) Whether the qualified organization is authorized to conduct bingo, pull tabs, punchboards, tip boards, or raffle



activities on more than one (1) occasion during a one (1) year period.

(2) The location of the allowable activities.

(3) The expiration date of the license.

(c) A qualified organization may conduct casino game night activities under an annual activity license if the requirements of subsections (a) and (b) are met, and:

(1) the organization is a qualified veteran or fraternal organization; and

(2) the annual casino night license requires that a facility or location may not be used for purposes of conducting an annual casino game night activity on more than three (3) calendar days per calendar week regardless of the number of qualified organizations conducting annual casino night activities at the facility or location.

(d) An annual activity license may be reissued annually upon the submission of an application for reissuance on a form prescribed by the commission after the qualified organization has paid the fee under IC 4-32.3-6.

Sec. 6. (a) The commission may issue a single activity license to a qualified organization if the qualified organization:

(1) submits an application; and

(2) pays the required fees under IC 4-32.3-6.

(b) A single activity license:

(1) may authorize:

(A) bingo;

(B) a casino game night; or

(C) a raffle;

at one (1) specific time and location;

(2) must state the:

(A) date;

(B) beginning times; and

(C) ending times;

of the authorized single activity; and

(3) may authorize a qualified organization to sell pull tabs, punchboards, and tip boards.

Sec. 7. (a) The commission may issue a festival license to a qualified organization if the qualified organization:

(1) submits an application; and

(2) pays the required fees under IC 4-32.3-6.

(b) The license may authorize the qualified organization:

(1) to conduct:



- 1 (A) bingo events;
- 2 (B) casino game nights;
- 3 (C) raffles; and
- 4 (D) gambling activities licensed under section 11 of this
- 5 chapter; and
- 6 (2) to sell:
- 7 (A) pull tabs;
- 8 (B) punchboards; and
- 9 (C) tip boards.
- 10 (c) The license must state the location and the dates the activities
- 11 may be conducted.
- 12 (d) A festival cannot exceed five (5) consecutive days.
- 13 (e) A qualified organization may apply for up to three (3)
- 14 festival licenses each calendar year.
- 15 (f) Festival licenses may not be used consecutively.
- 16 Sec. 8. (a) Only a:
- 17 (1) bona fide national organization; and
- 18 (2) bona fide national foundation;
- 19 may apply for an annual affiliate license under this section.
- 20 (b) The commission may issue an annual affiliate license to a
- 21 qualified organization described in subsection (a) if the qualified
- 22 organization:
- 23 (1) submits an application; and
- 24 (2) pays the required fees under IC 4-32.3-6.
- 25 (c) The application must include the information the
- 26 commission requires, including the following:
- 27 (1) The name and address of the organization.
- 28 (2) The names and addresses of the officers of the
- 29 organization.
- 30 (3) The mailing address of each Indiana affiliate of the
- 31 organization.
- 32 (4) An estimate of the number and approximate locations of
- 33 the bingo events and raffles the organization's Indiana
- 34 affiliates plan to conduct.
- 35 (5) The name of each proposed operator and sufficient facts
- 36 relating to the proposed operator to enable the commission to
- 37 determine whether the proposed operator is qualified.
- 38 (6) A sworn statement signed by the presiding officer and
- 39 secretary of the organization attesting to the eligibility of the
- 40 organization for a license, including the nonprofit character
- 41 of the organization.
- 42 (d) An annual affiliate license:



(1) may authorize a qualified organization to conduct:

(A) bingo events; and

(B) raffles;

through the organization's Indiana affiliates on more than one

(1) occasion during a one (1) year period;

(2) must state the expiration date of the license; and

(3) may be reissued annually upon the submission of an application for reissuance on a form prescribed by the commission after the qualified organization has paid the fee under IC 4-32.3-6.

(e) An Indiana affiliate of the qualified organization may not conduct an activity under an annual affiliate license until the affiliate has been in existence in Indiana for at least sixty (60) days.

(f) The following limitations apply to a qualified organization holding an annual affiliate license:

(1) The qualified organization may not conduct more than ten (10) activities under the annual affiliate license per week through any combination of its Indiana affiliates.

(2) The qualified organization or the Indiana affiliate of a qualified organization, except the Indiana affiliates that decline affiliate status, may not hold a single activity license for bingo or a raffle.

(g) A qualified organization conducting a bingo event or raffle shall provide notice to the commission at least twenty-one (21) days before the day of the allowable activity. Raffle tickets may not be sold before providing notice to the commission. The notice provided under this section must be on a form prescribed by the commission.

Sec. 9. (a) This section applies only to an organization that is an Indiana affiliate of a bona fide national organization.

(b) An organization may elect not to participate in charity gaming under an annual affiliate gaming license. The organization shall provide notice of the election to the commission on a form prescribed by the commission.

(c) An election under this section disqualifies the organization from conducting an allowable activity under the parent organization's annual affiliate license for the term of the license.

(d) An organization making an election under this section may participate in charity gaming if qualified and licensed under this article in its own right. An organization making an election under this section is considered a separate organization from its parent bona fide national organization.



Sec. 10. (a) An out-of-state charitable organization:

- (1) may apply for a license to conduct a single raffle; and**
- (2) is prohibited from conducting any other allowable activity.**

(b) A raffle conducted under this section must occur:

- (1) during a conference conducted by the out-of-state charitable organization; and**
- (2) at a designated Indiana convention center, as defined by IC 36-10-1-5, or at a location approved by the executive director.**

(c) The members of an out-of-state charitable organization may conduct a raffle under this section without meeting the requirements of IC 4-32.3-5-13 concerning the membership of a qualified organization.

Sec. 11. (a) This section applies to a gambling activity other than a bingo event, casino game night, festival, pull tabs, punchboards, tip boards, or raffle.

(b) The commission may issue a single activity license to conduct a gambling activity approved by the commission to a qualified organization upon the organization's submission of an application and payment of applicable fees under IC 4-32.3-6.

(c) A single activity license may:

- (1) authorize the qualified organization to conduct the gambling event at only one (1) time and location; and**
- (2) state the date, beginning and ending times, and location of the gambling event.**

(d) An annual activity license:

- (1) may authorize the qualified organization to conduct the activity on more than one (1) occasion during a period of one (1) year;**
- (2) must state the locations of the permitted activities;**
- (3) must state the expiration date of the license; and**
- (4) may be reissued annually upon the submission of an application for reissuance on the form prescribed by the commission and upon the qualified organization's payment of the applicable fees under IC 4-32.3-6.**

(e) The commission may impose any condition upon a qualified organization that is issued a license to conduct a gambling activity under this section.

Sec. 12. (a) With respect to any action authorized by this section, a candidate's committee (as defined in IC 3-5-2-7) is considered a bona fide political organization.

(b) A candidate's committee may apply for a license to conduct



1 a raffle, but is prohibited from conducting any other kind of
2 allowable event.

3 (c) The members of a candidate's committee may conduct a
4 raffle without meeting the requirements of this article concerning
5 the membership of a qualified organization. A candidate's
6 committee licensed under this section must remain in good
7 standing with the election division or the county election board
8 having jurisdiction over the committee.

9 Sec. 13. (a) The commission may hold a public hearing to obtain
10 input on the proposed issuance of an annual activity license to an
11 applicant that is applying to conduct annual bingo events or casino
12 game night activities that has never previously held a license to
13 conduct such activities under this article.

14 (b) A qualified organization that applies for an initial annual
15 activity license to conduct annual bingo events or casino game
16 night activities shall publish notice that the application has been
17 filed by publication at least one (1) time in one (1) newspaper in the
18 county where the allowable activity will be conducted.

19 (c) The notification required by subsection (b) must contain the
20 following:

21 (1) The name of the qualified organization and the fact that it
22 has applied for an annual activity license to conduct annual
23 bingo events or casino game night activities.

24 (2) The location where the activities will be held.

25 (3) The names of the operator and officers of the qualified
26 organization.

27 (4) A statement that any person can protest the proposed
28 issuance of the annual activity license.

29 (5) A statement that the commission shall hold a public
30 hearing if ten (10) written and signed protest letters are
31 received by the commission.

32 (6) The address of the commission where correspondence
33 concerning the application may be sent.

34 (d) If the commission receives at least ten (10) protest letters, the
35 commission shall hold a public hearing in accordance with
36 IC 5-14-1.5. The commission shall issue a license or deny the
37 application not later than sixty (60) days after the date of the
38 public hearing.

39 (e) The commission may hold a public hearing for the reissuance
40 of an annual activity license to conduct annual bingo events or
41 casino game night activities if at least one (1) of the following
42 conditions is met:



1 (1) An applicant has been cited for a violation of law or a rule
2 of the commission.

3 (2) The commission receives at least ten (10) protest letters
4 concerning the qualified organization's bingo operation.

5 (3) A public hearing is considered necessary by the
6 commission.

7 Sec. 14. (a) Except for raffles, pull tabs, punchboards, and tip
8 boards conducted under an annual activity license, raffles
9 conducted under an annual affiliate license, or an allowable
10 activity conducted under a festival license, a qualified organization
11 may not conduct more than three (3) allowable activities during a
12 calendar week and not more than one (1) allowable activity each
13 day.

14 (b) Not more than one (1) qualified organization may conduct
15 an allowable event on the same day at the same location.

16 Sec. 15. (a) A bona fide veterans organization applying for a
17 three (3) year charity gaming license must submit to the
18 commission a written application on a form prescribed by the
19 commission.

20 (b) The application under subsection (a) must include the
21 information the commission requires including the following:

22 (1) The name and address of the organization.

23 (2) The names and addresses of the officers of the
24 organization.

25 (3) The type of allowable events the organization proposes to
26 conduct.

27 (4) The location where the organization will conduct the
28 allowable events.

29 (5) The dates and times for the proposed allowable events.

30 (6) Sufficient facts relating to the organization or the
31 organization's incorporation or founding to enable the
32 commission to determine whether the organization is a
33 qualified organization.

34 (7) The name of each proposed operator and sufficient facts
35 relating to the proposed operator to enable the commission to
36 determine whether the proposed operator is qualified to serve
37 as an operator.

38 (8) A sworn statement signed by the presiding officer and
39 secretary of the organization attesting to the eligibility of the
40 organization for a license, including the nonprofit character
41 of the organization.

42 (9) Any other information considered necessary by the



commission.

(c) To renew a three (3) year charity gaming license, a bona fide veterans organization must submit an application every three (3) years.

Sec. 16. (a) This section applies only to a qualified organization that is a bona fide veterans organization.

(b) The commission may issue a three (3) year charity gaming license, for any license issued under this chapter, to a qualified organization if:

(1) the provisions of this section are satisfied; and

(2) for each license held by the qualified organization, the organization:

(A) submits a report to the commission that includes:

(i) information described in section 15(b)(1) through 15(b)(7) of this chapter;

(ii) a financial report; and

(iii) a gross receipts report; and

(B) pays the applicable fees under IC 4-32.3-6-3.

(c) A license issued under this section authorizes a qualified organization to conduct any of the following allowable events:

(1) A bingo event.

(2) A charity game night.

(3) A raffle.

(4) A festival.

(5) A sale of pull tabs, punchboards, or tip boards.

(6) Other gambling activities authorized under section 11 of this chapter.

(d) A license issued under this section:

(1) must state the expiration date of the license; and

(2) may be reissued after the expiration of the three (3) year period upon the submission of an application for reissuance on the form established by the commission and upon the licensee's payment of a fee in the amount set by IC 4-32.3-6-7.5.

Chapter 5. Conduct of Allowable Activities

Sec. 1. IC 35-45-5 does not apply to a person who conducts, participates in, or receives a prize in an allowable event.

Sec. 2. A qualified organization may not contract or otherwise enter into an agreement with an individual, a corporation, a partnership, a limited liability company, or other association to conduct an allowable activity for the benefit of the organization. A qualified organization shall use only operators and workers



meeting the requirements of this chapter to manage and conduct an allowable activity.

Sec. 3. (a) All net proceeds from an allowable activity and related activities may be used only for the lawful purposes of the qualified organization.

(b) To determine the net proceeds from an allowable activity, a qualified organization shall subtract the following from the gross receipts received from the allowable activity:

(1) An amount equal to the total value of the prizes awarded at the allowable activity.

(2) The sum of the purchase prices paid for licensed supplies dispensed at the allowable activity.

(3) An amount equal to the qualified organization's license fees attributable to the allowable activity.

(4) An amount equal to the advertising expenses incurred by the qualified organization to promote the allowable activity.

(5) An amount not to exceed two hundred dollars (\$200) per day for rent paid for facilities leased for an allowable activity.

Sec. 4. (a) A qualified organization that receives at least ninety percent (90%) of the organization's total gross receipts from any activity under this article must donate sixty percent (60%) of its gross charitable gaming receipts less prize payout to a qualified recipient that is not an affiliate, a parent, or a subsidiary organization of the qualified organization.

(b) For purposes of this section, a veterans' home or hospital is not considered to be an affiliate, a parent, or a subsidiary organization of a qualified organization that is a bona fide veterans organization.

Sec. 5. (a) A qualified organization shall maintain and submit to the commission accurate records of all financial aspects of an allowable event as set forth in rules adopted by the commission under IC 4-22-2. A qualified organization shall make accurate reports of all financial aspects of an allowable activity to the commission within the time established by the commission as set forth in rules adopted by the commission under IC 4-22-2.

(b) Except for a candidate's committee, a convention license, and an exempt event, a qualified organization shall deposit funds received from an allowable activity in a separate and segregated account set up for that purpose.

(c) A qualified organization conducting a bingo event or raffle under an annual affiliate license shall deposit the funds received from each activity conducted by its separate Indiana affiliates into



1 a single account maintained by a financial institution physically
 2 located in Indiana. All expenses of the qualified organization with
 3 respect to an allowable activity shall be paid from the separate
 4 account.

5 (d) The commission may require a qualified organization to
 6 submit any records maintained under this section for an
 7 independent audit by a certified public accountant selected by the
 8 commission. A qualified organization must bear the cost of any
 9 audit required under this section.

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

14 (1) An event summary for each allowable event conducted
 15 under the license.

16 (2) An annual financial report.

17 (3) An annual gross receipts report.

18 Sec. 6. (a) This section does not apply to a festival license.

19 (b) If a facility, location, or personal property is leased for an
 20 allowable activity, the rent may not be based in whole or in part on
 21 the revenue generated from the event.

22 (c) Subject to the additional restrictions on the use of a facility
 23 or location for an annual casino game night, a facility or location
 24 may not be rented for more than three (3) days during a calendar
 25 week for an allowable activity.

26 Sec. 7. An operator or a worker may not be a person who has
 27 been convicted of or entered a plea of nolo contendere to a felony
 28 committed in the preceding ten (10) years, regardless of the
 29 adjudication, unless the commission determines that:

30 (1) the person has been pardoned or the person's civil rights
 31 have been restored; or

32 (2) after the conviction or entry of the plea, the person has
 33 engaged in the kind of good citizenship that would reflect well
 34 upon the integrity of the qualified organization and the
 35 commission.

36 Sec. 8. (a) Except as provided in subsection (b) or (c), an
 37 operator, a worker, or a volunteer ticket agent who is not a
 38 full-time employee may not receive remuneration for:

39 (1) conducting; or

40 (2) assisting in conducting;

41 an allowable activity.

42 (b) A qualified organization that conducts an allowable activity



1 may:

2 (1) provide meals for the operators and workers during the
3 allowable event; and

4 (2) provide recognition dinners and social events for the
5 operators and workers;

6 if the value of the meals and social events does not constitute a
7 significant inducement to participate in the conduct of the
8 allowable activity.

9 (c) In the case of a qualified organization selling pull tabs,
10 punchboards, or tip boards under an annual activity license, any
11 employee of the qualified organization may:

12 (1) participate in the sale and redemption of pull tabs,
13 punchboards, or tip boards on the premises of the qualified
14 organization; and

15 (2) receive the remuneration ordinarily provided to the
16 employee in the course of the employee's employment.

17 Sec. 9. (a) For each allowable activity conducted under this
18 article, a qualified organization shall designate an individual to
19 serve as the operator of the allowable activity. An individual
20 designated under this section:

21 (1) must be qualified to serve as an operator under this
22 article; and

23 (2) in the case of a qualified organization holding an annual
24 affiliate license, must be a member of the Indiana affiliate
25 conducting the particular activity.

26 (b) A qualified organization holding an annual affiliate license
27 may do the following:

28 (1) Designate an individual qualified under subsection (a)(2)
29 to serve as the operator of raffles conducted by two (2) or
30 more Indiana affiliates of the qualified organization.

31 (2) Designate a full-time employee of the qualified
32 organization as the operator of a raffle conducted by an
33 Indiana affiliate of the qualified organization if the employee
34 is qualified under subsection (a)(2).

35 Sec. 10. (a) For purposes of this section, the Indiana affiliates of
36 a qualified organization holding an annual gaming license are not
37 considered separate qualified organizations.

38 (b) An individual may not be an operator for more than three
39 (3) qualified organizations during a calendar month.

40 (c) If an individual has previously served as an operator for
41 another qualified organization, the commission may require
42 additional information concerning the proposed operator to satisfy



1 the commission that the individual is a bona fide member of the
2 qualified organization.

3 Sec. 11. (a) Except as provided in subsections (c) through (e), an
4 operator or a worker may not directly or indirectly participate,
5 other than in a capacity as an operator or a worker, in an
6 allowable activity that the operator or worker is conducting.

7 (b) A patron at a casino game night may deal the cards in a card
8 game if:

9 (1) the card game in which the patron deals the cards is a
10 qualified card game;

11 (2) the patron deals the cards in the manner required in the
12 ordinary course of the qualified card game; and

13 (3) the qualified card game is played under the supervision of
14 the qualified organization conducting the charity game night
15 in accordance with section 12 of this chapter (in the case of a
16 game of Texas hold'em poker or Omaha poker) and any rules
17 adopted by the commission.

18 A patron who deals the cards in a qualified card game conducted
19 under this subsection is not considered a worker or an operator for
20 purposes of this article.

21 (c) A worker at a festival event may participate as a player in
22 any gaming activity offered at the festival event except as follows:

23 (1) A worker may not participate in any game during the time
24 in which the worker is conducting or helping to conduct the
25 game.

26 (2) A worker who conducts or helps to conduct a pull tab,
27 punchboard, or tip board event during a festival event may
28 not participate as a player in a pull tab, punchboard, or tip
29 board event conducted on the same calendar day.

30 (d) A worker at a bingo event:

31 (1) whose duties are limited to:

32 (A) selling bingo supplies;

33 (B) selling tickets for a raffle conducted at the bingo event;
34 or

35 (C) the duties described in both clauses (A) and (B);

36 (2) who has completed all of the worker's duties before the
37 start of the first bingo game of the bingo event; and

38 (3) who is not engaged as a worker at any other time during
39 the bingo event;

40 may participate as a player in any gaming activity offered at the
41 bingo event following the completion of the worker's duties at the
42 bingo event.



(e) A worker at a raffle conducted by a qualified organization holding an annual activity license may purchase a raffle ticket for a particular drawing at the raffle unless:

- (1) the worker personally sold tickets for; or
 - (2) the worker otherwise personally participated in the conduct of;
- that particular drawing.

Sec. 12. The following rules apply when a patron at a casino game night deals the cards in a game of Texas hold'em poker or Omaha poker under section 11(b) of this chapter:

- (1) Patrons may take turns dealing, but a patron may not play in a hand for which the patron deals the cards.
- (2) The dealer shall submit the deck of cards to be cut to the nearest player to the right of the dealer.
- (3) A blank card must be at the bottom of the deck of cards.
- (4) The operator or a worker shall deal the cards at the final table of a tournament.

Sec. 13. (a) For purposes of this section, an operator is considered to be a member in good standing of the qualified organization if:

- (1) the operator is an Indiana resident;
- (2) the operator has been a member in good standing of a bona fide national organization that is related to the bona fide national foundation for at least sixty (60) days; and
- (3) the operator's authority to serve as an operator for the qualified organization has been acknowledged by the qualified organization on a form prescribed by the commission.

(b) An operator must be a member in good standing of the qualified organization that is conducting the allowable activity for at least six (6) months at the time of the allowable activity.

Sec. 14. (a) Except as provided in:

- (1) section 8(c) of this chapter;
- (2) section 13 of this chapter; and
- (3) subsection (c);

a worker at an allowable event must be a member in good standing of the qualified organization that is conducting the allowable activity for at least thirty (30) days before the allowable activity.

(b) For purposes of this section, an individual is considered to be a member in good standing of the qualified organization if:

- (1) the individual is an Indiana resident;
- (2) the individual has been a member in good standing of a bona fide national organization that is related to the bona fide



national foundation for at least thirty (30) days; and
 (3) the individual's authority to serve as a worker for the
 qualified organization has been acknowledged by the qualified
 organization on a form prescribed by the commission.

(c) A qualified organization may allow an individual who is not
 a member of the qualified organization to participate in an
 allowable activity as a worker if the individual is a full-time
 employee of the qualified organization that is conducting the
 allowable activity; or if:

- (1) the individual is a member of another qualified
 organization; and
- (2) the individual's participation is approved by the
 commission.

A qualified organization may apply to the commission on a form
 prescribed by the commission for approval of the participation of
 a nonmember under this subsection. A qualified organization may
 share the proceeds of an allowable activity with the qualified
 organization in which a worker participating in the allowable
 activity under this subsection is a member. The tasks that will be
 performed by an individual participating in an allowable activity
 under this subsection and the amounts shared with the individual's
 qualified organization must be described in the application and
 approved by the commission.

(d) For purposes of:

- (1) the licensing requirements of this article; and
- (2) section 9 of this chapter;

a qualified organization that receives a share of the proceeds of an
 allowable activity described in IC 4-32.3-4-14(a) is not considered
 to be conducting an allowable activity.

Sec. 15. (a) The prize for:

- (1) one (1) bingo game may not have a value of more than one
 thousand dollars (\$1,000); and
- (2) a progressive bingo game may not have a value of more
 than two thousand dollars (\$2,000).

(b) Except as provided in subsection (c), the total prizes
 permitted at one (1) bingo event may not have a value of more than
 six thousand dollars (\$6,000).

(c) The commission may, by express authorization, allow any
 qualified organization to conduct two (2) bingo events each year at
 which the total prizes for each event may not exceed ten thousand
 dollars (\$10,000). Bingo events authorized under this subsection
 may be conducted at a festival.



(d) The commission may, by express authorization, allow a qualified organization to conduct a bingo event in which the total prizes for the event may exceed ten thousand dollars (\$10,000).

(e) The proceeds of the sale of pull tabs, punchboards, and tip boards are not included in the total prize limit at a bingo event.

Sec. 16. (a) The total prizes awarded for one (1) pull tab, punchboard, or tip board game may not exceed ten thousand dollars (\$10,000).

(b) A single prize awarded:

(1) for one (1) winning ticket in a pull tab, punchboard, or tip board game may not exceed five hundred ninety-nine dollars (\$599);

(2) in a game using a seal card may not exceed one thousand dollars (\$1,000); and

(3) in a progressive or carryover pull tab game may not exceed five thousand dollars (\$5,000).

(c) The selling price for one (1) ticket for a pull tab, punchboard, or tip board game may not exceed one dollar (\$1).

Sec. 17. (a) Except as provided in subsections (b) and (c), the following persons may not play or participate in any manner in an allowable activity:

(1) A member or an employee of the commission.

(2) A person less than eighteen (18) years of age.

(b) A member or employee of the commission may participate in an allowable activity if that person:

(1) has received written authorization from the executive director to participate in an allowable activity; and

(2) is participating only to the extent approved by the executive director.

(c) Except as provided in subsection (b), an employee of the commission or a relative of an employee of the commission living in the same household with the employee may not be an operator, worker, or a volunteer ticket taker.

(d) An employee, officer, or owner of a manufacturer or distributor is prohibited from participating in or affiliating in any way with the charity gaming operations of a qualified organization that an employee, officer, or owner is a member.

Sec. 18. An advertisement for an allowable activity in radio broadcast media must announce, within the advertisement, the name of the qualified organization conducting the allowable activity.

Sec. 19. If a qualified organization is required to report a



patron's gambling winnings to the Internal Revenue Service for federal income tax purposes, the winning patron shall provide the qualified organization with the information necessary to comply with all applicable state and federal tax laws.

Sec. 20. (a) Except as provided in subsection (b), a qualified organization shall obtain licensed supplies from an entity licensed by the commission as a distributor.

(b) Subsection (a) does not apply to a reusable licensed supply:

(1) constructed, purchased, or otherwise obtained by a qualified organization before January 1, 2009; or

(2) borrowed at any time from another qualified organization.

(c) A qualified organization may pay for licensed supplies only with a check drawn on or by an electronic funds transfer from the qualified organization's gaming account.

Sec. 21. (a) A licensed distributor may obtain licensed supplies to be used in charity gaming only from an entity licensed by the commission as a manufacturer or distributor unless the supplies are obtained from a qualified organization if:

(1) the qualified organization has ceased gaming;

(2) the qualified organization is upgrading equipment; or

(3) the licensed distributor notifies and obtains permission from the commission.

(b) A licensed distributor may provide supplies to be used in charity gaming only to:

(1) a qualified organization that has obtained a license from the commission to conduct allowable activities; or

(2) a qualified organization that is exempt from obtaining a license under IC 4-32.3-4-3.

Sec. 22. The following apply to a qualified organization's use of a volunteer raffle ticket agent:

(1) Before using volunteer ticket agents to sell tickets to an allowable activity, a qualified organization shall provide a list containing the following information to the commission:

(A) The name, address, and telephone number of each retail establishment whose employees will serve as volunteer ticket agents.

(B) The name of the general manager of each retail establishment listed under clause (A).

(2) A volunteer ticket agent may not sell pull tabs, punchboards, or tip boards.

(3) A volunteer ticket agent is not required to be a member in good standing of the qualified organization.



(4) A volunteer ticket agent may participate as a patron in any allowable activity conducted by the qualified organization.

(5) A qualified organization must include on each ticket or entry sold by a volunteer ticket agent the name of the qualified organization, the date of the allowable activity, and a valid license number for the allowable activity.

(6) All tickets sold by volunteer ticket agents must be numbered sequentially.

(7) After tickets to the allowable activity are sold, the qualified organization shall provide to the commission the name, address, and telephone number of each person who served as a volunteer ticket agent.

Sec. 23. (a) Subject to subsection (b), a qualified organization may accept credit cards at an allowable activity for the purchase of:

(1) food and beverages;

(2) merchandise; and

(3) retail goods and services offered at a benefit auction.

(b) A qualified organization may not accept credit cards or extend credit to a player for the purchase of:

(1) a chance to play any game of chance offered at an allowable activity; or

(2) licensed supplies.

Chapter 6. License Fees

Sec. 1. The commission shall charge a license fee to an applicant under this article.

Sec. 2. (a) An organization may request the commission to expedite the reviews of its charity gaming application to ten (10) business days by paying an expedited application processing fee at the time of filing the application.

(b) The expedited application processing fee is:

(1) One hundred dollars (\$100) if the qualified organization is applying for an initial license; or

(2) One hundred dollars (\$100) or ten percent (10%) of the organization's renewal fee, whichever amount is greater, if the organization is seeking a reissuance of a license.

Sec. 3. (a) A qualified organization holding a license under IC 4-32.2-4 (repealed) on June 30, 2019, is exempt from fees required under this section.

(b) Except as provided under subsections (c), (d), and (e), the license fee that is charged to a qualified organization in the first year that the qualified organization applies for a license is:



1 (1) fifty dollars (\$50); or

2 (2) the amount determined under subsection (c) for a qualified
3 organization issued an annual affiliate license for the first
4 time.

5 (c) When a qualified organization is issued an annual affiliate
6 license under IC 4-32.3-4-8 for the first time, the initial license fee
7 is determined as follows:

8 (1) The fee is an amount equal to fifty dollars (\$50) per
9 Indiana affiliate in the case of a qualified organization that:

10 (A) has not previously conducted an allowable activity; and

11 (B) consists of Indiana affiliates that have not previously
12 conducted any allowable activities.

13 (2) In the case of a qualified organization that includes at least
14 one (1) Indiana affiliate that conducted an allowable activity
15 before the date the qualified organization applies for an
16 annual affiliate license, the fee is equal to the greatest of the
17 following:

18 (A) An amount equal to the sum of the license renewal fees
19 determined under this chapter for the organization's
20 Indiana affiliates in 2011.

21 (B) An amount equal to the sum of the license renewal fees
22 determined under this chapter for the organization's
23 Indiana affiliates during the twelve (12) month period
24 ending on the date the qualified organization's license
25 application is filed.

26 (C) Fifty dollars (\$50) per Indiana affiliate.

27 (d) The license fee that is charged to a qualified organization
28 that is a bona fide veterans organization for a three (3) year
29 charity gaming license under IC 4-32.3-4-16 for the first time the
30 qualified organization has applied for that particular license type
31 issued under IC 4-32.3-4 is fifty dollars (\$50).

32 (e) The license fee for a three (3) year charity gaming license
33 that is charged to a qualified organization that is a bona fide
34 veterans organization that currently holds a license issued under
35 IC 4-32.3-4-5, IC 4-32.3-4-6, IC 4-32.3-4-8, or IC 4-32.3-4-11 for
36 the first time is equal to the amount the bona fide veterans
37 organization paid for the license it held under IC 4-32.3-4-5,
38 IC 4-32.3-4-6, IC 4-32.3-4-8, or IC 4-32.3-4-11.

39 Sec. 4. This section applies to an annual activity license under
40 IC 4-32.3-4-5 and an annual gambling activity license under
41 IC 4-32.3-4-11. A qualified organization's adjusted gross revenue
42 is an amount equal to the difference between:



(1) the qualified organization's total gross revenue from allowable activities in the preceding year; minus

(2) the sum of any amounts deducted under IC 4-32.3-5-3(b)(5) in the preceding year.

Sec. 5. (a) This section applies only to the renewal of a single activity license issued under IC 4-32.3-4-6, a single gambling activity license issued under IC 4-32.3-4-11, and a festival license issued under IC 4-32.3-4-7.

(b) A qualified organization's adjusted gross revenue is an amount equal to the difference between:

(1) the qualified organization's total gross revenue from the preceding activity; minus

(2) the sum of any amounts deducted under IC 4-32.3-5-3(b)(5) in the preceding year.

Sec. 6. (a) This section applies only to the renewal of an annual affiliate license under IC 4-32.3-4-8.

(b) A qualified organization's adjusted gross revenue is an amount equal to the difference between:

(1) the qualified organization's total gross revenue; minus

(2) any amount deducted under IC 4-32.3-5-3(b)(5) for the preceding activity.

(c) For purposes of determining adjusted gross revenue under subsection (b), a qualified organization must aggregate:

(1) the gross revenue from all activities by the qualified organization's Indiana affiliates under the qualified organization's annual affiliate license in a particular year; and

(2) the deductions taken with respect to the activities described in subsection (b) by all of the qualified organization's Indiana affiliates in particular year.

Sec. 7. The license fee that is charged to a qualified organization that renews a license is equal to the amount determined according to the following schedule using the adjusted gross revenue of the qualified organization that held a license under IC 4-32.2-4 (repealed) on June 30, 2019, or a qualified organization as described in sections 4, 5, and 6 of this chapter:

Class	Adjusted Gross Revenues		Fee
	At Least	But Less Than	
A	\$ 0	\$ 15,000	\$ 50
B	\$ 15,000	\$ 25,000	\$ 100
C	\$ 25,000	\$ 50,000	\$ 300
D	\$ 50,000	\$ 75,000	\$ 400



1	E	\$ 75,000	\$ 100,000	\$ 700
2	F	\$ 100,000	\$ 150,000	\$ 1,000
3	G	\$ 150,000	\$ 200,000	\$ 1,500
4	H	\$ 200,000	\$ 250,000	\$ 1,800
5	I	\$ 250,000	\$ 300,000	\$ 2,500
6	J	\$ 300,000	\$ 400,000	\$ 3,250
7	K	\$ 400,000	\$ 500,000	\$ 5,000
8	L	\$ 500,000	\$ 750,000	\$ 6,750
9	M	\$ 750,000	\$ 1,000,000	\$ 9,000
10	N	\$ 1,000,000	\$ 1,250,000	\$ 11,000
11	O	\$ 1,250,000	\$ 1,500,000	\$ 13,000
12	P	\$ 1,500,000	\$ 1,750,000	\$ 15,000
13	Q	\$ 1,750,000	\$ 2,000,000	\$ 17,000
14	R	\$ 2,000,000	\$ 2,250,000	\$ 19,000
15	S	\$ 2,250,000	\$ 2,500,000	\$ 21,000
16	T	\$ 2,500,000	\$ 2,750,000	\$ 23,000
17	U	\$ 2,750,000	\$ 3,000,000	\$ 25,000
18	V	\$ 3,000,000	\$ 3,250,000	\$ 27,000
19	W	\$ 3,250,000	\$ 3,500,000	\$ 29,000
20	X	\$ 3,500,000	\$ 3,750,000	\$ 31,000
21	Y	\$ 3,750,000	\$ 4,000,000	\$ 33,000
22	Z	\$ 4,000,000	\$ 4,250,000	\$ 35,000
23	AA	\$ 4,250,000	\$ 4,500,000	\$ 37,000
24	BB	\$ 4,500,000	\$ 4,750,000	\$ 39,000
25	CC	\$ 4,750,000	\$ 5,000,000	\$ 41,000

26 **Sec. 7.5. (a) This section applies only to a three (3) year charity**
 27 **gaming license issued under IC 4-32.3-4-16.**

28 **(b) A qualified organization's adjusted gross revenue is an**
 29 **amount equal to the difference between:**

30 **(1) the qualified organization's total gross revenue from**
 31 **allowable activities conducted under the three (3) year charity**
 32 **gaming license in the year prior to the annual anniversary**
 33 **date of the issuance of the three (3) year charity gaming**
 34 **license; minus**

35 **(2) the sum of any amounts deducted under**
 36 **IC 4-32.3-5-3(b)(5) with respect to the allowable events**
 37 **described in subdivision (1) in the year prior to the annual**
 38 **anniversary date of the issuance of the three (3) year charity**
 39 **gaming license.**

40 **(c) A qualified organization shall pay an annual fee determined**
 41 **under this section before the annual anniversary date of the**
 42 **issuance of the three (3) year charity gaming license, including a**



license issued under IC 4-32.2-4 (repealed). The annual fee that is charged to a qualified organization holding a three (3) year charity gaming license is equal to the amount determined according to the following schedule using the adjusted gross revenue of the qualified organization as specified by subsection (b):

Class	Adjusted Gross Revenues		Fee
	At Least	But Less Than	
A	\$ 0	\$ 15,000	\$ 50
B	\$ 15,000	\$ 25,000	\$ 100
C	\$ 25,000	\$ 50,000	\$ 300
D	\$ 50,000	\$ 75,000	\$ 400
E	\$ 75,000	\$ 100,000	\$ 700
F	\$ 100,000	\$ 150,000	\$ 1,000
G	\$ 150,000	\$ 200,000	\$ 1,500
H	\$ 200,000	\$ 250,000	\$ 1,800
I	\$ 250,000	\$ 300,000	\$ 2,500
J	\$ 300,000	\$ 400,000	\$ 3,250
K	\$ 400,000	\$ 500,000	\$ 5,000
L	\$ 500,000	\$ 750,000	\$ 6,750
M	\$ 750,000	\$ 1,000,000	\$ 9,000
N	\$ 1,000,000	\$ 1,250,000	\$ 11,000
O	\$ 1,250,000	\$ 1,500,000	\$ 13,000
P	\$ 1,500,000	\$ 1,750,000	\$ 15,000
Q	\$ 1,750,000	\$ 2,000,000	\$ 17,000
R	\$ 2,000,000	\$ 2,250,000	\$ 19,000
S	\$ 2,250,000	\$ 2,500,000	\$ 21,000
T	\$ 2,500,000	\$ 2,750,000	\$ 23,000
U	\$ 2,750,000	\$ 3,000,000	\$ 25,000
V	\$ 3,000,000	\$ 3,250,000	\$ 27,000
W	\$ 3,250,000	\$ 3,500,000	\$ 29,000
X	\$ 3,500,000	\$ 3,750,000	\$ 31,000
Y	\$ 3,750,000	\$ 4,000,000	\$ 33,000
Z	\$ 4,000,000	\$ 4,250,000	\$ 35,000
AA	\$ 4,250,000	\$ 4,500,000	\$ 37,000
BB	\$ 4,500,000	\$ 4,750,000	\$ 39,000
CC	\$ 4,750,000	\$ 5,000,000	\$ 41,000

Sec. 8. The fee for an organization applying for a convention raffle license is two hundred fifty dollars (\$250) due at the time of filing the application.

Sec. 9. The commission shall establish a license fee schedule for the renewal of licenses for manufacturers and distributors.

Sec. 10. The commission shall deposit license fees collected



under this chapter in the charity gaming enforcement fund established by IC 4-32.3-7-1.

Chapter 7. Charity Gaming Enforcement Fund

Sec. 1. The charity gaming enforcement fund is established. The commission shall administer the fund.

Sec. 2. The fund consists of the following:

- (1) License fees collected under IC 4-32.3-6.
- (2) Civil penalties collected under IC 4-32.3-8.
- (3) Charity gaming card excise taxes received under IC 4-32.3-10.

Sec. 3. Money in the fund does not revert to the state general fund at the end of a state fiscal year. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

Sec. 4. There is appropriated annually to the commission from the fund an amount sufficient to cover the costs incurred by the commission for the purposes specified in this article, IC 4-33-19, and IC 4-33-20.

Sec. 5. Before the last business day of January, April, July, and October, the commission shall, upon approval of the budget agency, transfer the surplus revenue to the treasurer of state for deposit in the build Indiana fund.

Chapter 8. Penalties

Sec. 1. (a) The commission may suspend or revoke the license of or levy a civil penalty against a qualified organization, a manufacturer, a distributor, or an individual under this article for any of the following:

- (1) Violation of:
 - (A) a provision of this article, IC 35-45-5-3, IC 35-45-5-3.5, IC 35-45-5-4, or a rule of the commission; or
 - (B) any other local ordinance, state or federal statute, or administrative rule or regulation that would cause the commission to determine that the person is not of good moral character or reputation.
- (2) Failure to accurately account for a licensed supply.
- (3) Failure to accurately account for sales proceeds from an event or activity licensed or permitted under this article.
- (4) Commission of a fraud, deceit, or misrepresentation.
- (5) Conduct prejudicial to public confidence in the commission.
- (6) To ensure the integrity of charitable gaming in Indiana.



(b) If a violation is of a continuing nature, the commission may impose a civil penalty upon a licensee or an individual for each day the violation continues.

(c) For purposes of subsection (a), a finding that a person has violated IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4 must be supported by a preponderance of the evidence.

Sec. 2. A civil penalty imposed by the commission upon a qualified organization or an individual under section 1 of this chapter may not exceed the following amounts:

(1) One thousand dollars (\$1,000) for the first violation.

(2) Two thousand five hundred dollars (\$2,500) for the second violation.

(3) Five thousand dollars (\$5,000) for each additional violation.

Sec. 3. In addition to imposing a penalty described in section 2 of this chapter, the commission may do all or any of the following:

(1) Lengthen a period of suspension of the license.

(2) Prohibit an operator or an individual who has been found to be in violation of this article from associating with charity gaming conducted by a qualified organization.

(3) Impose an additional civil penalty of not more than one hundred dollars (\$100) for each day the civil penalty goes unpaid.

Sec. 4. (a) Except as provided in subsection (b), a person or an organization that recklessly, knowingly, or intentionally violates a provision of this article commits a Class B misdemeanor.

(b) An individual, a corporation, a partnership, a limited liability company, or other association that recklessly, knowingly, or intentionally enters into a contract or other agreement with a qualified organization in violation of IC 4-32.3-5-2 commits a Level 6 felony.

Sec. 5. The commission shall deposit civil penalties collected under this chapter in the charity gaming enforcement fund established by IC 4-32.3-7-1.

Chapter 9. Security

Sec. 1. (a) The commission may employ investigators and other individuals necessary to carry out this chapter.

(b) An employee of the commission engaged in the enforcement of this article is vested with the necessary police powers to enforce this article. The police powers granted by this subsection are limited to the enforcement of this article.

(c) An employee described in subsection (b) may not:



- (1) issue a summons for an infraction or a misdemeanor violation of any law other than this article;
- (2) act as an officer for the arrest of offenders for the violation of an Indiana law other than this article; or
- (3) exercise any other police power with respect to the enforcement of any state or local law other than this article.

Sec. 2. An employee of the commission may do any of the following:

- (1) Investigate an alleged violation of this article.
- (2) Arrest an alleged violator of this article.
- (3) Enter upon the premises where a charitable gaming activity is being conducted for the performance of the employee's lawful duties.
- (4) Take necessary equipment from the premises for further investigation.
- (5) Obtain full access to all financial records of the entity upon request.
- (6) If there is a reason to believe that a violation has occurred, search and inspect the premises where the violation is alleged to have occurred or is occurring. A search under this subdivision may not be conducted unless a warrant has first been obtained by the executive director. A contract entered into by the executive director may not include a provision allowing for warrantless searches. A warrant may be obtained in the county where the search will be conducted or in Marion County.
- (7) Seize or take possession of any items associated with the charitable gaming activities related to an alleged violation of this article or commission regulations.

Sec. 3. (a) The commission shall conduct investigations necessary to ensure the security and integrity of the operation of games of chance under this article. The commission may conduct investigations of the following:

- (1) Licensed qualified organizations.
 - (2) Applicants for licenses issued under this article.
 - (3) Entities that sell, manufacture, or distribute licensed supplies.
 - (4) Employees of the commission under this article.
 - (5) Applicants for contracts or employment with the commission under this article.
 - (6) Individuals engaged in conducting allowable activities.
- (b) The commission may require persons subject to an



1 investigation under subsection (a) to provide information,
2 including fingerprints, that is:

- 3 (1) required by the commission to carry out the investigation;
4 or
5 (2) otherwise needed to facilitate access to state and criminal
6 history information.

7 Sec. 4. (a) The state police department shall, at the request of the
8 executive director, provide the following:

- 9 (1) Assistance in obtaining criminal history information
10 relevant to investigations required for honest, secure,
11 exemplary operations under this article.
12 (2) Any other assistance requested by the executive director
13 and agreed to by the superintendent of the state police
14 department.

15 (b) Any other state agency, including the alcohol and tobacco
16 commission and the Indiana professional licensing agency, shall
17 upon request provide the executive director with information
18 relevant to an investigation conducted under this article.

19 Sec. 5. A marketing sheet published in connection with a
20 wagering game must be maintained for the lesser of:

- 21 (1) three (3) years after the year in which the marketing sheet
22 was published; or
23 (2) the end of an audit in which the marketing sheet and
24 similar records are audited.

25 Sec. 6. (a) This section applies only to products sold in Indiana.

26 (b) If a licensed manufacturer or distributor destroys,
27 discontinues, or otherwise renders unusable a licensed supply, the
28 manufacturer or distributor shall provide the commission with a
29 written list of the items destroyed, discontinued, or rendered
30 otherwise unusable.

31 (c) The list required under subsection (b) must contain the
32 following information concerning the items destroyed,
33 discontinued, or rendered otherwise unusable:

- 34 (1) The quantity.
35 (2) A description.
36 (3) The serial numbers.
37 (4) The date the items were destroyed, discontinued, or
38 rendered otherwise unusable.

39 (d) Notwithstanding subsection (b), this section does not apply
40 to a product considered defective by the manufacturer or
41 distributor.

42 Sec. 7. Records of a manufacturer or distributor must be



1 produced upon request by the commission within seventy-two (72)
 2 hours or by another mutually agreed upon time if production of
 3 the requested documents within seventy-two (72) hours is
 4 impractical or burdensome.

5 Sec. 8. (a) A manufacturer or distributor of a licensed supply to
 6 be used in charity gaming in Indiana must file a quarterly report
 7 listing the manufacturer's or distributor's sales of the licensed
 8 supply.

9 (b) A licensed distributor that sells any licensed supply with a
 10 prize value that would require reporting of a patron's gambling
 11 winnings to the:

12 (1) Internal Revenue Service for federal income tax purposes;
 13 or

14 (2) department of revenue for state income tax purposes;
 15 must notify the commission of the sale in the quarterly reports
 16 described in subsection (a).

17 Sec. 9. (a) Information obtained by the commission during the
 18 course of an investigation conducted under this chapter is
 19 confidential.

20 (b) A driver's license number or other identifying information
 21 of an operator or worker that is submitted to the commission on an
 22 application for a license under this article is confidential.

23 Chapter 10. Gaming Card Excise Tax

24 Sec. 1. An excise tax is imposed on the distribution of pull tabs,
 25 punchboards, and tip boards in the amount of ten percent (10%)
 26 of the price paid by the qualified organization that purchases the
 27 pull tabs, punchboards, and tip boards.

28 Sec. 2. A licensed entity distributing pull tabs, punchboards, or
 29 tip boards under this article is liable for the tax. The tax is imposed
 30 at the time the licensed entity:

31 (1) brings or causes the pull tabs, punchboards, or tip boards
 32 to be brought into Indiana for distribution;

33 (2) distributes pull tabs, punchboards, or tip boards in
 34 Indiana; or

35 (3) transports pull tabs, punchboards, or tip boards to
 36 qualified organizations in Indiana for resale by those qualified
 37 organizations.

38 Sec. 3. The department shall establish procedures by which each
 39 licensed entity must account for the following:

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

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



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

Sec. 4. A payment by a licensed entity to the department may not be in cash. All payments must be in the form of a check, a draft, an electronic funds transfer, or another financial instrument authorized by the commissioner. The department may require licensed entities to establish separate electronic funds transfer accounts for the purpose of making payments to the department.

Sec. 5. All taxes imposed on a licensed entity under this chapter shall be remitted to the department at the times and as directed by the department. The department is responsible for all administrative functions related to the receipt of funds. The department may require each licensed entity to file with the department reports of the licensed entity's receipts and transactions in the sale of pull tabs, punchboards, and tip boards. The department shall prescribe the form of the reports and the information to be contained in the reports. For purposes of this section, a qualified organization is not required to report the name, signature, or driver's license number of a prize winner unless the qualified organization is required to withhold adjusted gross income tax from the prize winner under IC 6-3-4-8.2(d).

Sec. 6. The department may at any time perform an audit of the books and records of a licensed entity to ensure compliance with this chapter.

Sec. 7. IC 4-32.3-8 applies to licensed entities.

Sec. 8. The department shall transfer all taxes collected under this chapter to the commission for deposit in the charity gaming enforcement fund established by IC 4-32.3-7-1.

SECTION 5. IC 4-33-13-5, AS AMENDED BY P.L.212-2018(ss), SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) This subsection does not apply to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue deposited in the state gaming fund under this chapter to the following:

(1) An amount equal to the following shall be set aside for revenue sharing under subsection (e):

(A) Before July 1, 2021, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(B) After June 30, 2021, if the total adjusted gross receipts



received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter shall be set aside for revenue sharing under subsection (e).

(C) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state year ending June 30, 2020, an amount equal to the first thirty-three million dollars (\$33,000,000) of tax revenues collected under this chapter multiplied by the result of:

(i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by

(ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020;

shall be set aside for revenue sharing under subsection (e).

(2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted by each licensed owner shall be paid:

(A) to the city that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of:

(i) a city described in IC 4-33-12-6(b)(1)(A); or

(ii) a city located in a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or

(B) to the county that is designated as the home dock of the riverboat from which the tax revenue was collected, in the case of a riverboat whose home dock is not in a city described in clause (A).

(3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner shall be paid to the state general fund. In each state fiscal year, the treasurer of state shall make the transfer required by this subdivision not later than the last business day of the month in which the tax revenue is remitted to



the state for deposit in the state gaming fund. However, if tax revenue is received by the state on the last business day in a month, the treasurer of state may transfer the tax revenue to the state general fund in the immediately following month.

(b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat in a historic hotel district after June 30, 2015. After funds are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the tax revenue remitted by the operating agent under this chapter as follows:

(1) Fifty-six and five-tenths percent (56.5%) shall be paid to the state general fund.

(2) Forty-three and five-tenths percent (43.5%) shall be paid as follows:

(A) Twenty-two and four-tenths percent (22.4%) shall be paid as follows:

(i) Fifty percent (50%) to the fiscal officer of the town of French Lick.

(ii) Fifty percent (50%) to the fiscal officer of the town of West Baden Springs.

(B) Fourteen and eight-tenths percent (14.8%) shall be paid to the county treasurer of Orange County for distribution among the school corporations in the county. The governing bodies for the school corporations in the county shall provide a formula for the distribution of the money received under this clause among the school corporations by joint resolution adopted by the governing body of each of the school corporations in the county. Money received by a school corporation under this clause must be used to improve the educational attainment of students enrolled in the school corporation receiving the money. Not later than the first regular meeting in the school year of a governing body of a school corporation receiving a distribution under this clause, the superintendent of the school corporation shall submit to the governing body a report describing the purposes for which the receipts under this clause were used and the improvements in educational attainment realized through the use of the money. The report is a public record.

(C) Thirteen and one-tenth percent (13.1%) shall be paid to the county treasurer of Orange County.

(D) Five and three-tenths percent (5.3%) shall be distributed quarterly to the county treasurer of Dubois County for appropriation by the county fiscal body after receiving a



1 recommendation from the county executive. The county fiscal
 2 body for the receiving county shall provide for the distribution
 3 of the money received under this clause to one (1) or more
 4 taxing units (as defined in IC 6-1.1-1-21) in the county under
 5 a formula established by the county fiscal body after receiving
 6 a recommendation from the county executive.

7 (E) Five and three-tenths percent (5.3%) shall be distributed
 8 quarterly to the county treasurer of Crawford County for
 9 appropriation by the county fiscal body after receiving a
 10 recommendation from the county executive. The county fiscal
 11 body for the receiving county shall provide for the distribution
 12 of the money received under this clause to one (1) or more
 13 taxing units (as defined in IC 6-1.1-1-21) in the county under
 14 a formula established by the county fiscal body after receiving
 15 a recommendation from the county executive.

16 (F) Six and thirty-five hundredths percent (6.35%) shall be
 17 paid to the fiscal officer of the town of Paoli.

18 (G) Six and thirty-five hundredths percent (6.35%) shall be
 19 paid to the fiscal officer of the town of Orleans.

20 (H) Twenty-six and four-tenths percent (26.4%) shall be paid
 21 to the Indiana economic development corporation established
 22 by IC 5-28-3-1 for transfer as follows:

23 (i) Beginning after December 31, 2017, ten percent (10%)
 24 of the amount transferred under this clause in each calendar
 25 year shall be transferred to the South Central Indiana
 26 Regional Economic Development Corporation or a
 27 successor entity or partnership for economic development
 28 for the purpose of recruiting new business to Orange County
 29 as well as promoting the retention and expansion of existing
 30 businesses in Orange County.

31 (ii) The remainder of the amount transferred under this
 32 clause in each calendar year shall be transferred to Radius
 33 Indiana or a successor regional entity or partnership for the
 34 development and implementation of a regional economic
 35 development strategy to assist the residents of Orange
 36 County and the counties contiguous to Orange County in
 37 improving their quality of life and to help promote
 38 successful and sustainable communities.

39 To the extent possible, the Indiana economic development
 40 corporation shall provide for the transfer under item (i) to be
 41 made in four (4) equal installments. However, an amount
 42 sufficient to meet current obligations to retire or refinance



1 indebtedness or leases for which tax revenues under this
 2 section were pledged before January 1, 2015, by the Orange
 3 County development commission shall be paid to the Orange
 4 County development commission before making distributions
 5 to the South Central Indiana Regional Economic Development
 6 Corporation and Radius Indiana or their successor entities or
 7 partnerships. The amount paid to the Orange County
 8 development commission shall proportionally reduce the
 9 amount payable to the South Central Indiana Regional
 10 Economic Development Corporation and Radius Indiana or
 11 their successor entities or partnerships.

12 (c) For each city and county receiving money under subsection
 13 (a)(2), the treasurer of state shall determine the total amount of money
 14 paid by the treasurer of state to the city or county during the state fiscal
 15 year 2002. The amount determined is the base year revenue for the city
 16 or county. The treasurer of state shall certify the base year revenue
 17 determined under this subsection to the city or county. The total
 18 amount of money distributed to a city or county under this section
 19 during a state fiscal year may not exceed the entity's base year revenue.
 20 For each state fiscal year, the treasurer of state shall pay that part of the
 21 riverboat wagering taxes that:

- 22 (1) exceeds a particular city's or county's base year revenue; and
- 23 (2) would otherwise be due to the city or county under this
- 24 section;

25 to the state general fund instead of to the city or county.

26 (d) Each state fiscal year the treasurer of state shall transfer from the
 27 tax revenue remitted to the state general fund under subsection (a)(3)
 28 to the build Indiana fund an amount that when added to the following
 29 may not exceed two hundred fifty million dollars (\$250,000,000):

- 30 (1) Surplus lottery revenues under IC 4-30-17-3.
- 31 (2) Surplus revenue from the charity gaming enforcement fund
- 32 under ~~IC 4-32.2-7-7~~. **IC 4-32.3-7-5.**
- 33 (3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

34 The treasurer of state shall make transfers on a monthly basis as needed
 35 to meet the obligations of the build Indiana fund. If in any state fiscal
 36 year insufficient money is transferred to the state general fund under
 37 subsection (a)(3) to comply with this subsection, the treasurer of state
 38 shall reduce the amount transferred to the build Indiana fund to the
 39 amount available in the state general fund from the transfers under
 40 subsection (a)(3) for the state fiscal year.

41 (e) Except as provided in subsections (l) and (m), before August 15
 42 of each year, the treasurer of state shall distribute the wagering taxes



1 set aside for revenue sharing under subsection (a)(1) to the county
 2 treasurer of each county that does not have a riverboat according to the
 3 ratio that the county's population bears to the total population of the
 4 counties that do not have a riverboat. Except as provided in subsection
 5 (h), the county auditor shall distribute the money received by the
 6 county under this subsection as follows:

7 (1) To each city located in the county according to the ratio the
 8 city's population bears to the total population of the county.

9 (2) To each town located in the county according to the ratio the
 10 town's population bears to the total population of the county.

11 (3) After the distributions required in subdivisions (1) and (2) are
 12 made, the remainder shall be retained by the county.

13 (f) Money received by a city, town, or county under subsection (e)
 14 or (h) may be used for any of the following purposes:

15 (1) To reduce the property tax levy of the city, town, or county for
 16 a particular year (a property tax reduction under this subdivision
 17 does not reduce the maximum levy of the city, town, or county
 18 under IC 6-1.1-18.5).

19 (2) For deposit in a special fund or allocation fund created under
 20 IC 8-22-3.5, IC 36-7-14, IC 36-7-14.5, IC 36-7-15.1, and
 21 IC 36-7-30 to provide funding for debt repayment.

22 (3) To fund sewer and water projects, including storm water
 23 management projects.

24 (4) For police and fire pensions.

25 (5) To carry out any governmental purpose for which the money
 26 is appropriated by the fiscal body of the city, town, or county.
 27 Money used under this subdivision does not reduce the property
 28 tax levy of the city, town, or county for a particular year or reduce
 29 the maximum levy of the city, town, or county under
 30 IC 6-1.1-18.5.

31 (g) Before July 15 of each year, the treasurer of state shall determine
 32 the total amount of money distributed to an entity under IC 4-33-12-6
 33 or IC 4-33-12-8 during the preceding state fiscal year. If the treasurer
 34 of state determines that the total amount of money distributed to an
 35 entity under IC 4-33-12-6 or IC 4-33-12-8 during the preceding state
 36 fiscal year was less than the entity's base year revenue (as determined
 37 under IC 4-33-12-9), the treasurer of state shall make a supplemental
 38 distribution to the entity from taxes collected under this chapter and
 39 deposited into the state general fund. Except as provided in subsection
 40 (i), the amount of an entity's supplemental distribution is equal to:

41 (1) the entity's base year revenue (as determined under
 42 IC 4-33-12-9); minus



(2) the sum of:

(A) the total amount of money distributed to the entity and constructively received by the entity during the preceding state fiscal year under IC 4-33-12-6 or IC 4-33-12-8; plus

(B) the amount of any admissions taxes deducted under IC 6-3.1-20-7.

(h) This subsection applies only to a county containing a consolidated city. The county auditor shall distribute the money received by the county under subsection (e) as follows:

(1) To each city, other than a consolidated city, located in the county according to the ratio that the city's population bears to the total population of the county.

(2) To each town located in the county according to the ratio that the town's population bears to the total population of the county.

(3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be paid in equal amounts to the consolidated city and the county.

(i) This subsection applies to a supplemental distribution made after June 30, 2017. The maximum amount of money that may be distributed under subsection (g) in a state fiscal year is equal to the following:

(1) Before July 1, 2021, forty-eight million dollars (\$48,000,000).

(2) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is equal to or greater than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is forty-eight million dollars (\$48,000,000).

(3) After June 30, 2021, if the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year is less than the total adjusted gross receipts received by licensees from gambling games authorized under this article during the state fiscal year ending June 30, 2020, the maximum amount is equal to the result of:

(A) forty-eight million dollars (\$48,000,000); multiplied by

(B) the result of:

(i) the total adjusted gross receipts received by licensees from gambling games authorized under this article during the preceding state fiscal year; divided by

(ii) the total adjusted gross receipts received by licensees from gambling games authorized under this article during



1 the state fiscal year ending June 30, 2020.
 2 If the total amount determined under subsection (g) exceeds the
 3 maximum amount determined under this subsection, the amount
 4 distributed to an entity under subsection (g) must be reduced according
 5 to the ratio that the amount distributed to the entity under IC 4-33-12-6
 6 or IC 4-33-12-8 bears to the total amount distributed under
 7 IC 4-33-12-6 and IC 4-33-12-8 to all entities receiving a supplemental
 8 distribution.

9 (j) This subsection applies to a supplemental distribution, if any,
 10 payable to Lake County, Hammond, Gary, or East Chicago under
 11 subsections (g) and (i). Beginning in July 2016, the treasurer of state
 12 shall, after making any deductions from the supplemental distribution
 13 required by IC 6-3.1-20-7, deduct from the remainder of the
 14 supplemental distribution otherwise payable to the unit under this
 15 section the lesser of:

- 16 (1) the remaining amount of the supplemental distribution; or
- 17 (2) the difference, if any, between:
 - 18 (A) three million five hundred thousand dollars (\$3,500,000);
 - 19 minus
 - 20 (B) the amount of admissions taxes constructively received by
 - 21 the unit in the previous state fiscal year.

22 The treasurer of state shall distribute the amounts deducted under this
 23 subsection to the northwest Indiana redevelopment authority
 24 established under IC 36-7.5-2-1 for deposit in the development
 25 authority revenue fund established under IC 36-7.5-4-1.

26 (k) Money distributed to a political subdivision under subsection
 27 (b):

- 28 (1) must be paid to the fiscal officer of the political subdivision
- 29 and may be deposited in the political subdivision's general fund
- 30 or riverboat fund established under IC 36-1-8-9, or both;
- 31 (2) may not be used to reduce the maximum levy under
- 32 IC 6-1.1-18.5 of a county, city, or town or the maximum tax rate
- 33 of a school corporation, but, except as provided in subsection
- 34 (b)(2)(B), may be used at the discretion of the political
- 35 subdivision to reduce the property tax levy of the county, city, or
- 36 town for a particular year;
- 37 (3) except as provided in subsection (b)(2)(B), may be used for
- 38 any legal or corporate purpose of the political subdivision,
- 39 including the pledge of money to bonds, leases, or other
- 40 obligations under IC 5-1-14-4; and
- 41 (4) is considered miscellaneous revenue.

42 Money distributed under subsection (b)(2)(B) must be used for the



purposes specified in subsection (b)(2)(B).

(l) After June 30, 2020, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be deposited as being received from all riverboats whose supplemental wagering tax, as calculated under IC 4-33-12-1.5(b), is over three and five-tenths percent (3.5%). The amount deposited under this subsection, in each riverboat's account, is proportionate to the supplemental wagering tax received from that riverboat under IC 4-33-12-1.5 in the month of July. The amount deposited under this subsection must be distributed in the same manner as the supplemental wagering tax collected under IC 4-33-12-1.5. This subsection expires June 30, 2021.

(m) After June 30, 2021, the amount of wagering taxes that would otherwise be distributed to South Bend under subsection (e) shall be withheld and deposited in the state general fund.

SECTION 6. IC 4-33-18-5, AS AMENDED BY P.L.91-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. The department shall research and analyze data and public policy issues relating to all aspects of gaming in Indiana for the enhancement of:

- (1) the Indiana lottery under IC 4-30;
- (2) pari-mutuel horse racing under IC 4-31;
- (3) charity gaming under ~~IC 4-32-2~~; **IC 4-32.3**; and
- (4) riverboat casino gambling under IC 4-33.

SECTION 7. IC 4-33-18-9, AS AMENDED BY P.L.233-2007, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9. (a) Nothing in this chapter may be construed to limit the powers or responsibilities of:

- (1) the state lottery commission under IC 4-30;
- (2) the Indiana horse racing commission under IC 4-31; or
- (3) the Indiana gaming commission under ~~IC 4-32-2~~; **IC 4-32.3**, IC 4-33, or IC 4-35.

(b) The department may not exercise any administrative or regulatory powers with respect to:

- (1) the Indiana lottery under IC 4-30;
- (2) pari-mutuel horse racing under IC 4-31;
- (3) charity gaming under ~~IC 4-32-2~~; **IC 4-32.3**;
- (4) riverboat casino gambling under IC 4-33; or
- (5) gambling games conducted at a racetrack (as defined in IC 4-35-2-9) under IC 4-35.

SECTION 8. IC 4-33-19-2, AS ADDED BY P.L.227-2007, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2019]: Sec. 2. As used in this chapter, "licensed entity" means a person holding:

- (1) a charity gaming license issued under ~~IC 4-32.2~~; **IC 4-32.3**;
- (2) a retail merchant's certificate issued under IC 6-2.5-8;
- (3) a tobacco sales certificate issued under IC 7.1-3-18.5; or
- (4) an alcoholic beverage permit issued under IC 7.1-3.

SECTION 9. IC 4-33-19-5, AS ADDED BY P.L.227-2007, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. The division shall carry out the commission's duties under ~~IC 4-32.2-8~~ **IC 4-32.3-8** and ~~IC 4-32.2-9~~ **IC 4-32.3-9** with respect to any person that is:

- (1) licensed under ~~IC 4-32.2~~; **IC 4-32.3**; and
- (2) suspected of violating IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4.

SECTION 10. IC 4-33-20-5, AS ADDED BY P.L.227-2007, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. The commission shall:

- (1) pay all personnel costs incurred by the division; and
- (2) purchase all property, supplies, and equipment for the division;

from money deposited in the charity gaming enforcement fund established by ~~IC 4-32.2-7-3~~; **IC 4-32.3-7-1**.

SECTION 11. IC 4-35-4-1, AS ADDED BY P.L.233-2007, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) The commission shall regulate and administer gambling games conducted by a licensee under this article.

(b) The commission has the following powers and duties for the purpose of administering, regulating, and enforcing the system of gambling games at racetracks authorized under this article:

- (1) All powers and duties specified in this article.
- (2) All powers necessary and proper to fully and effectively execute this article.
- (3) Jurisdiction and supervision over the following:
 - (A) All gambling game operations in Indiana.
 - (B) All persons at racetracks where gambling games are conducted.
- (4) The power to investigate and reinvestigate applicants and licensees and determine the eligibility of applicants for licenses.
- (5) The power to take appropriate administrative enforcement or disciplinary action against a licensee.
- (6) The power to investigate alleged violations of this article.
- (7) The power to conduct hearings.



(8) The power to issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records, and other relevant documents.

(9) The power to administer oaths and affirmations to the witnesses.

(10) The power to prescribe forms to be used by licensees.

(11) The power to revoke, suspend, or renew licenses issued under this article.

(12) The power to hire employees to gather information, conduct investigations, and carry out other tasks under this article. The employees hired by the commission under this article may be the same as the commission's employees hired under ~~IC 4-32.2~~ **IC 4-32.3** or IC 4-33.

(13) The power to take any reasonable or appropriate action to enforce this article.

(c) The commission may by resolution assign to the executive director any duty imposed upon the commission by this article.

(d) The executive director shall perform the duties assigned to the executive director by the commission. The executive director may exercise any power conferred upon the commission by this article that is consistent with the duties assigned to the executive director under subsection (c).

SECTION 12. IC 4-36-1-3, AS AMENDED BY P.L.255-2015, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. This article does not apply to the following:

(1) The Indiana state lottery established under IC 4-30.

(2) Pari-mutuel horse racing under IC 4-31.

(3) Charity gaming under ~~IC 4-32.2~~ **IC 4-32.3**.

(4) Riverboat gambling under IC 4-33.

(5) Wagering on gambling games under IC 4-35.

SECTION 13. IC 4-36-2-5, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. "Distributor" means a person licensed to distribute pull tabs, punchboards, and tip boards under ~~IC 4-32.2~~ **IC 4-32.3**.

SECTION 14. IC 4-36-2-12, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12. "Manufacturer" means a person licensed to manufacture pull tabs, punchboards, and tip boards under ~~IC 4-32.2~~ **IC 4-32.3**.

SECTION 15. IC 4-36-2-14, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2019]: Sec. 14. "Pull tab" has the meaning set forth in ~~IC 4-32.2-2-22~~. **IC 4-32.3-2-28.**

SECTION 16. IC 4-36-2-15, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 15. "Punchboard" has the meaning set forth in ~~IC 4-32.2-2-23~~. **IC 4-32.3-2-29.**

SECTION 17. IC 4-36-2-19, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 19. "Tip board" has the meaning set forth in ~~IC 4-32.2-2-28~~. **IC 4-32.3-2-37.**

SECTION 18. IC 4-36-2-20, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 20. "Type II gambling game" means a pull tab, punchboard, or tip board game approved by the Indiana gaming commission for play under ~~IC 4-32.2~~. **IC 4-32.3.**

SECTION 19. IC 4-36-4-2, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) To qualify for a retailer's endorsement, a person must operate a tavern licensed under IC 7.1-3 to sell alcoholic beverages to customers for consumption on the premises of the tavern.

(b) The following may not apply for a retailer's endorsement under this article:

- (1) A person holding a horse track permit under IC 7.1-3-17.7.
- (2) A licensed owner of a riverboat licensed under IC 4-33.
- (3) An operating agent who operates a riverboat in a historic hotel district under IC 4-33.
- (4) A qualified organization (as defined in ~~IC 4-32.2-2-24~~). **IC 4-32.3-2-31).**
- (5) An organization that is eligible to apply for a charity gaming license under ~~IC 4-32.2~~. **IC 4-32.3.**
- (6) A person holding a gambling game license issued under IC 4-35-5.
- (7) A person holding a permit issued under IC 7.1-3 for a licensed premises that is not a tavern, including holders of the following:
 - (A) A boat permit.
 - (B) A hotel permit.
 - (C) A fraternal club permit.
 - (D) A resort hotel permit.
 - (E) An airport permit.
 - (F) A satellite facility permit.
 - (G) A microbrewery permit.
 - (H) A social club permit.



- (I) A civic center permit.
- (J) A catering hall permit.
- (K) A dining car permit.
- (L) A temporary event permit.
- (M) A permit for any of the following facilities:
 - (i) A stadium.
 - (ii) An automobile race track.
 - (iii) A concert hall.

SECTION 20. IC 4-36-4-9, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9. (a) To obtain a distributor's license or a manufacturer's license, a person must submit an application to the commission on a form prescribed by the commission. An applicant shall furnish all information required by the commission.

(b) To qualify for a distributor's license or a manufacturer's license under this chapter, a person must also be a licensed distributor or manufacturer under ~~IC 4-32-2~~. **IC 4-32.3.**

SECTION 21. IC 5-2-1-2, AS AMENDED BY P.L.180-2017, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. For the purposes of this chapter, and unless the context clearly denotes otherwise, the following definitions apply throughout this chapter:

(1) "Law enforcement officer" means an appointed officer or employee hired by and on the payroll of the state, any of the state's political subdivisions, or a public or private postsecondary educational institution whose board of trustees has established a police department under IC 21-17-5-2 or IC 21-39-4-2 who is granted lawful authority to enforce all or some of the penal laws of the state of Indiana and who possesses, with respect to those laws, the power to effect arrests for offenses committed in the officer's or employee's presence. However, the following are expressly excluded from the term "law enforcement officer" for the purposes of this chapter:

- (A) A constable.
- (B) A special officer whose powers and duties are described in IC 36-8-3-7 or a special deputy whose powers and duties are described in IC 36-8-10-10.6.
- (C) A county police reserve officer who receives compensation for lake patrol duties under IC 36-8-3-20(f)(3).
- (D) A conservation reserve officer who receives compensation for lake patrol duties under IC 14-9-8-27.
- (E) An employee of the gaming commission whose powers



- 1 and duties are described in ~~IC 4-32.2-9~~ **IC 4-32.3-9**.
- 2 (F) A correctional police officer described in IC 11-8-9.
- 3 (2) "Board" means the law enforcement training board created by
- 4 this chapter.
- 5 (3) "Executive training program" means the police chief executive
- 6 training program developed by the board under section 9 of this
- 7 chapter.
- 8 (4) "Law enforcement training council" means one (1) of the
- 9 confederations of law enforcement agencies recognized by the
- 10 board and organized for the sole purpose of sharing training,
- 11 instructors, and related resources.
- 12 (5) "Training regarding the lawful use of force" includes
- 13 classroom and skills training in the proper application of hand to
- 14 hand defensive tactics, use of firearms, and other methods of:
- 15 (A) overcoming unlawful resistance; or
- 16 (B) countering other action that threatens the safety of the
- 17 public or a law enforcement officer.
- 18 (6) "Hiring or appointing authority" means:
- 19 (A) the chief executive officer, board, or other entity of a
- 20 police department or agency with authority to appoint and hire
- 21 law enforcement officers; or
- 22 (B) the governor, mayor, board, or other entity with the
- 23 authority to appoint a chief executive officer of a police
- 24 department or agency.
- 25 (7) "Crisis intervention team" refers to a local coalition with a
- 26 goal of improving the manner in which law enforcement and the
- 27 community respond to crisis situations in which an individual is
- 28 experiencing a mental health or addictive disorder crisis.
- 29 SECTION 22. IC 6-3-4-8.2, AS AMENDED BY P.L.212-2018(ss),
- 30 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 31 JULY 1, 2019]: Sec. 8.2. (a) Each person in Indiana who is required
- 32 under the Internal Revenue Code to withhold federal tax from winnings
- 33 shall deduct and retain adjusted gross income tax at the time and in the
- 34 amount described in withholding instructions issued by the department.
- 35 (b) In addition to amounts withheld under subsection (a), every
- 36 person engaged in a gambling operation (as defined in IC 4-33-2-10)
- 37 or a gambling game (as defined in IC 4-35-2-5) and making a payment
- 38 in the course of the gambling operation (as defined in IC 4-33-2-10) or
- 39 a gambling game (as defined in IC 4-35-2-5) of:
- 40 (1) winnings (not reduced by the wager) valued at one thousand
- 41 two hundred dollars (\$1,200) or more from slot machine play; or
- 42 (2) winnings (reduced by the wager) valued at one thousand five



1 hundred dollars (\$1,500) or more from a keno game;
 2 shall deduct and retain adjusted gross income tax at the time and in the
 3 amount described in withholding instructions issued by the department.
 4 The department's instructions must provide that amounts withheld shall
 5 be paid to the department on the twenty-fourth calendar day of each
 6 month. Any taxes collected during the month but after the day on which
 7 the taxes are required to be paid shall be paid to the department at the
 8 same time the following month's taxes are due. Slot machine and keno
 9 winnings from a gambling operation (as defined in IC 4-33-2-10) or a
 10 gambling game (as defined in IC 4-35-2-5) that are reportable for
 11 federal income tax purposes shall be treated as subject to withholding
 12 under this section, even if federal tax withholding is not required.

13 (c) The adjusted gross income tax due on prize money or prizes:

14 (1) received from a winning lottery ticket purchased under
 15 IC 4-30; and

16 (2) exceeding one thousand two hundred dollars (\$1,200) in
 17 value;

18 shall be deducted and retained at the time and in the amount described
 19 in withholding instructions issued by the department, even if federal
 20 withholding is not required.

21 (d) In addition to the amounts withheld under subsection (a), a
 22 qualified organization (as defined in ~~IC 4-32.2-2-24(a)~~)
 23 **IC 4-32.3-2-31(a)**) that awards a prize under ~~IC 4-32.2~~ **IC 4-32.3**
 24 exceeding one thousand two hundred dollars (\$1,200) in value shall
 25 deduct and retain adjusted gross income tax at the time and in the
 26 amount described in withholding instructions issued by the department.
 27 The department's instructions must provide that amounts withheld shall
 28 be paid to the department before the close of the business day following
 29 the day the winnings are paid, actually or constructively.

30 SECTION 23. IC 7.1-3-6.1-1, AS ADDED BY P.L.153-2015,
 31 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2019]: Sec. 1. As used in this chapter, "allowable event" has
 33 the meaning set forth in ~~IC 4-32.2-2-2~~ **IC 4-32.3-2-2**.

34 SECTION 24. IC 7.1-3-6.1-2, AS ADDED BY P.L.153-2015,
 35 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2019]: Sec. 2. As used in this chapter, "qualified organization"
 37 has the meaning set forth in ~~IC 4-32.2-2-24~~ **IC 4-32.3-2-31**.

38 SECTION 25. IC 7.1-3-6.1-3, AS ADDED BY P.L.153-2015,
 39 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2019]: Sec. 3. A qualified organization that holds a license
 41 under ~~IC 4-32.2-4~~ **IC 4-32.3-4** may give an alcoholic beverage as a
 42 prize at an allowable event without obtaining an alcoholic beverage



1 permit under this title.

2 SECTION 26. IC 7.1-3-6.2-1, AS ADDED BY P.L.153-2015,
3 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2019]: Sec. 1. As used in this chapter, "qualified organization"
5 has the meaning set forth in ~~IC 4-32.2-2-24~~. **IC 4-32.3-2-31.**

6 SECTION 27. IC 12-13-14-4.5, AS AMENDED BY P.L.197-2013,
7 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
8 JULY 1, 2019]: Sec. 4.5. (a) Except as provided in this section, the
9 division may distribute cash assistance benefits to a person who is
10 eligible for assistance under the Title IV-A assistance program though
11 an automated teller machine or a point of sale terminal that is
12 connected to the EBT system.

13 (b) The following establishments shall post a sign next to each
14 automated teller machine or point of sale terminal located on the
15 premises informing a potential user that the automated teller machine
16 or point of sale terminal may not be used to receive cash assistance
17 benefits under the Title IV-A assistance program:

- 18 (1) A horse racing establishment:
 - 19 (A) where the pari-mutuel system of wagering is authorized;
 - 20 and
 - 21 (B) for which a permit is required under IC 4-31-5.
- 22 (2) A satellite facility:
 - 23 (A) where wagering on horse racing is conducted; and
 - 24 (B) for which a license is required under IC 4-31-5.5.
- 25 (3) An allowable event required to be licensed by the Indiana
26 gaming commission under ~~IC 4-32.2~~. **IC 4-32.3.**
- 27 (4) A riverboat or other facility required to be licensed by the
28 Indiana gaming commission under IC 4-33.
- 29 (5) A store or other establishment:
 - 30 (A) where the primary business is the sale of firearms (as
31 defined in IC 35-47-1-5); and
 - 32 (B) that sells handguns for which a license to sell handguns is
33 required under IC 35-47-2.
- 34 (6) A store or other establishment where the primary business is
35 the sale of alcoholic beverages for which a permit is required
36 under IC 7.1-3.
- 37 (7) An adult entertainment establishment.

38 (c) An:

- 39 (1) establishment that does not post the sign required under
40 subsection (b); or
- 41 (2) individual who attempts to use an automated teller machine or
42 point of sale terminal with a sign posted as required under



1 subsection (b) to access cash assistance benefits under the Title
 2 IV-A assistance program in violation of subsection (b);
 3 commits a Class C misdemeanor.

4 (d) The owner, vendor, or third party processor of an automated
 5 teller machine or point of sale terminal shall disable or have disabled
 6 access to electronic cash assistance benefits in a location described in
 7 subsection (b) unless the location has been approved by the federal
 8 Food and Nutrition Services. The division shall provide assistance to
 9 an owner, vendor, or third party processor under this subsection. A
 10 person that violates this subsection commits a Class B infraction.

11 (e) The division shall adopt rules under IC 4-22-2 to carry out this
 12 section.

13 SECTION 28. IC 33-26-3-6, AS AMENDED BY P.L.91-2006,
 14 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2019]: Sec. 6. (a) The tax court does not have jurisdiction over
 16 a case that is an appeal from a final determination made by the Indiana
 17 gaming commission under ~~IC 4-32-2~~. **IC 4-32.3.**

18 (b) The tax court has jurisdiction over a case that is an appeal from
 19 a final determination made by the department of state revenue
 20 concerning the gaming card excise tax established under ~~IC 4-32-2-10~~.
 21 **IC 4-32.3-10.**

22 SECTION 29. IC 33-26-6-2, AS AMENDED BY P.L.91-2006,
 23 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 JULY 1, 2019]: Sec. 2. (a) A taxpayer who wishes to initiate an original
 25 tax appeal must file a petition in the tax court to set aside the final
 26 determination of the department of state revenue or the Indiana board
 27 of tax review. If a taxpayer fails to comply with any statutory
 28 requirement for the initiation of an original tax appeal, the tax court
 29 does not have jurisdiction to hear the appeal.

30 (b) A taxpayer who wishes to enjoin the collection of a tax pending
 31 the original tax appeal must file a petition with the tax court to enjoin
 32 the collection of the tax. The petition must set forth a summary of:

33 (1) the issues that the petitioner will raise in the original tax
 34 appeal; and

35 (2) the equitable considerations for which the tax court should
 36 order the collection of the tax to be enjoined.

37 (c) After a hearing on the petition filed under subsection (b), the tax
 38 court may enjoin the collection of the tax pending the original tax
 39 appeal, if the tax court finds that:

40 (1) the issues raised by the original tax appeal are substantial;

41 (2) the petitioner has a reasonable opportunity to prevail in the
 42 original tax appeal; and



(3) the equitable considerations favoring the enjoining of the collection of the tax outweigh the state's interests in collecting the tax pending the original tax appeal.

(d) This section does not apply to a final determination of the Indiana gaming commission under ~~IC 4-32.2~~; **IC 4-32.3**.

(e) This section applies to a final determination made by the department of state revenue concerning the gaming card excise tax established under ~~IC 4-32.2-10~~; **IC 4-32.3-10**.

SECTION 30. IC 35-45-5-7, AS AMENDED BY P.L.186-2015, SECTION 51, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. This chapter does not apply to the publication or broadcast of an advertisement, a list of prizes, or other information concerning:

(1) pari-mutuel wagering on horse races or a lottery authorized by the law of any state;

(2) a game of chance operated in accordance with ~~IC 4-32.2~~; **IC 4-32.3**;

(3) a gambling game operated in accordance with IC 4-35; or

(4) a prize linked savings program that:

(A) is offered or conducted by an eligible financial institution under IC 28-1-23.2;

(B) is:

(i) offered or conducted by a credit union organized or reorganized under United States law; and

(ii) conducted in the same manner as a prize linked savings program under IC 28-1-23.2; or

(C) is offered or conducted by an insured depository institution (as defined in 12 U.S.C. 1813) that is:

(i) a national bank formed under 12 U.S.C. 21;

(ii) a state member bank (as defined in 12 U.S.C. 1813);

(iii) a state nonmember bank (as defined in 12 U.S.C. 1813);

or

(iv) a savings association (as defined in 12 U.S.C. 1813);

if the prize linked savings program is conducted in the same manner as a prize linked savings program under IC 28-1-23.2.

SECTION 31. IC 35-45-5-8, AS AMENDED BY P.L.91-2006, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 8. This chapter does not apply to the sale or use of gambling devices authorized under ~~IC 4-32.2~~; **IC 4-32.3**.

SECTION 32. IC 35-52-4-23, AS ADDED BY P.L.169-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 23. ~~IC 4-32.2-8-4~~ **IC 4-32.3-8-4** defines a crime



1 concerning charity gaming.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1517, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 15, between lines 14 and 15, begin a new paragraph and insert:

"Sec. 1.5. A license issued under IC 4-32.2-4 (repealed) before July 1, 2019, is valid until that license expires."

Page 18, line 4, delete "(5)" and insert "(2)".

Page 21, line 8, delete "bingo" and insert "activity".

Page 21, line 8, delete "or".

Page 21, line 9, delete "annual casino game license".

Page 21, line 9, delete "has never held an" and insert **"is applying to conduct annual bingo events or casino game night activities that has never previously held a license to conduct such activities"**.

Page 21, line 10, delete "annual bingo license".

Page 21, line 12, delete "bingo" and insert "activity".

Page 21, line 12, delete "or annual casino game night license" and insert **"to conduct annual bingo events or casino game night activities"**.

Page 21, line 19, delete "bingo" and insert "activity".

Page 21, line 19, delete "or an annual casino" and insert **"to conduct annual bingo events or casino game night activities."**

Page 21, delete line 20.

Page 21, line 25, delete "bingo license casino game night license." and insert **"activity license."**

Page 21, line 37, delete "bingo" and insert "activity".

Page 21, line 37, delete "or an annual casino game license" and insert **"to conduct annual bingo events or casino game night activities"**.

Page 22, between lines 39 and 40, begin a new paragraph and insert:

"(c) To renew a three (3) year charity gaming license, a bona fide veterans organization must submit an application every three (3) years."

Page 25, between lines 1 and 2, begin a new paragraph and insert:

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

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



(2) An annual financial report.

(3) An annual gross receipts report."

Page 27, line 17, delete "door prize drawing or".

Page 28, line 18, delete "(b);" and insert "(c);".

Page 32, line 19, delete "last".

Page 32, line 21, after "(a)" insert **"A qualified organization holding a license under IC 4-32.2-4 (repealed) on June 30, 2019, is exempt from fees required under this section.**

(b)".

Page 32, line 21, delete "subsection (b)," and insert **"subsections (c), (d), and (e),"**

Page 32, line 25, delete "(b)" and insert "(c)".

Page 32, line 28, delete "(b)" and insert "(c)".

Page 33, between lines 7 and 8, begin a new paragraph and insert:

"(d) The license fee that is charged to a qualified organization that is a bona fide veterans organization for a three (3) year charity gaming license under IC 4-32.3-4-16 for the first time the qualified organization has applied for that particular license type issued under IC 4-32.3-4 is fifty dollars (\$50).

(e) The license fee for a three (3) year charity gaming license that is charged to a qualified organization that is a bona fide veterans organization that currently holds a license issued under IC 4-32.3-4-5, IC 4-32.3-4-6, IC 4-32.3-4-8, or IC 4-32.3-4-11 for the first time is equal to the amount the bona fide veterans organization paid for the license it held under IC 4-32.3-4-5, IC 4-32.3-4-6, IC 4-32.3-4-8, or IC 4-32.3-4-11."

Page 34, line 3, after "organization" insert **"that held a license under IC 4-32.2-4 (repealed) on June 30, 2019, or a qualified organization"**.

Page 35, line 10, delete "license." and insert **"license, including a license issued under IC 4-32.2-4 (repealed)."**

and when so amended that said bill do pass.

(Reference is to HB 1517 as introduced.)

SMALTZ

Committee Vote: yeas 13, nays 0.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1517, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

- Page 6, line 42, delete "out of state" and insert "**out-of-state**".
- Page 16, line 41, delete "whether" and insert "**Whether**".
- Page 17, line 2, delete "period;" and insert "**period.**".
- Page 17, line 3, delete "(2) the" and insert "**(2) The**".
- Page 17, line 3, delete "activities; and" and insert "**activities.**".
- Page 17, line 4, delete "(3) the" and insert "**(3) The**".
- Page 18, line 8, delete "punch boards;" and insert "**punchboards;**".
- Page 20, line 1, delete "out of state" and insert "**out-of-state**".
- Page 20, line 5, delete "out of state" and insert "**out-of-state**".
- Page 20, line 10, delete "out of state" and insert "**out-of-state**".
- Page 20, line 26, delete "A" and insert "**An**".
- Page 23, line 25, delete "punch boards," and insert "**punchboards,**".
- Page 23, line 26, delete "IC 4-32.3-4-11." and insert "**section 11 of this chapter.**".
- Page 24, line 24, delete "are" and insert "**is**".
- Page 24, line 35, delete "committee," and insert "**committee, a**".
- Page 30, line 32, delete "worker" and insert "**worker,**".
- Page 30, line 36, delete "officer" and insert "**officer,**".
- Page 32, line 19, delete "of a:" and insert "**of:**".
- Page 32, line 20, delete "(1) chance" and insert "**(1) a chance**".
- Page 32, line 30, after "application" insert "**processing**".
- Page 33, line 4, after "an" insert "**annual**".
- Page 33, line 18, delete "section 5(c) of".
- Page 33, line 21, delete "section 5(c) of".
- Page 34, line 22, delete "(a)" and insert "**(b)**".
- Page 46, line 31, delete "IC 4-32.3-7-3." and insert "**IC 4-32.3-7-5.**".
- Page 59, line 40, delete "FOLLOWS:" and insert "FOLLOWS [EFFECTIVE JULY 1, 2019]:".

and when so amended that said bill do pass.

(Reference is to HB 1517 as printed January 25, 2019.)

HUSTON

Committee Vote: yeas 23, nays 0.

HB 1517—LS 7523/DI 107

