

SENATE BILL No. 447

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-32.3.

Synopsis: Charity gaming matters. Defines the term "professional sports team foundation" for purposes of the charity gaming law. Specifies that a professional sports team foundation is a qualified organization. Specifies that qualified organizations may conduct unlicensed allowable events at facilities leased or owned by the capital improvement board of managers of Marion County (CIB). (Current law allows qualified organizations to conduct charity gaming events without a license if the value of all prizes awarded is less than \$2,500 for a single event and \$7,500 for all unlicensed events conducted during a calendar year.) Authorizes payment by credit card for a chance to enter an allowable event conducted at a facility leased or owned by the CIB. (Current law limits the sale of entries by credit card to a specified annual event conducted by a charitable government services organization (CGSO)). Specifies that the provision of ongoing programming and support for children is a permissible use of the proceeds of entries purchased by credit card from a CGSO.

Effective: July 1, 2023.

Busch

January 19, 2023, read first time and referred to Committee on Public Policy.



First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

SENATE BILL No. 447



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

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

1 SECTION 1. IC 4-32.3-2-25.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2023]: **Sec. 25.5. "Professional sports team**
4 **foundation" means a bona fide charitable organization that meets**
5 **the following requirements:**
6 (1) **The organization:**
7 (A) **operates; and**
8 (B) **is in existence;**
9 **in Indiana.**
10 (2) **The organization has a constitution, articles, charter, or**
11 **bylaws that contain a clause that provides that upon**
12 **dissolution all remaining assets shall be used for the**
13 **organization's stated purposes.**
14 (3) **The organization is exempt from federal income taxation**
15 **under Section 501(c)(3) of the Internal Revenue Code.**
16 (4) **The organization is affiliated with a franchise in the**
17 **National Football League or the National Basketball**



1 **Association.**

2 SECTION 2. IC 4-32.3-2-31, AS ADDED BY P.L.58-2019,
3 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2023]: Sec. 31. (a) "Qualified organization" refers to any of
5 the following:

6 (1) A bona fide charitable organization, including civic, fraternal,
7 and veterans organizations, operating in Indiana that:

8 (A) has a constitution, articles, charter, or bylaws that contain
9 a clause that provides that upon dissolution all remaining
10 assets shall be used for the nonprofit's stated purposes; and

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

12 (i) The organization is in existence in Indiana.

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

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

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

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

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

25 (5) A bona fide national foundation.

26 **(6) A professional sports team foundation.**

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

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

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

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

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

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

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

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

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



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

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

7 (e) Any organization seeking to be a "qualified organization" must
8 complete all forms required by the commission.

9 SECTION 3. IC 4-32.3-4-3, AS ADDED BY P.L.58-2019,
10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2023]: Sec. 3. (a) A qualified organization is not required to
12 obtain a license from the commission if the value of all prizes awarded
13 at the allowable activity does not exceed two thousand five hundred
14 dollars (\$2,500) for a single activity and not more than seven thousand
15 five hundred dollars (\$7,500) during a calendar year.

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

- 20 (1) The estimated frequency of the planned allowable activities.
21 (2) The location or locations where the qualified organization
22 plans to hold the allowable activities.
23 (3) The estimated value of all prizes awarded at each allowable
24 activity.

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

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

32 **(e) A qualified organization may conduct an allowable event**
33 **under this section at a facility leased or owned by the capital**
34 **improvement board of managers created under IC 36-10-9.**

35 SECTION 4. IC 4-32.3-5-23, AS AMENDED BY P.L.136-2022,
36 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2023]: Sec. 23. (a) Subject to subsections (b) and (c), a
38 qualified organization may accept credit cards at an allowable activity
39 for the purchase of:

- 40 (1) food and beverages;
41 (2) merchandise; and
42 (3) retail goods and services offered at a benefit auction.



1 (b) Except as provided in ~~subsection (c)~~; **subsections (c) and (d)**,
 2 a qualified organization may not accept credit cards or extend credit to
 3 a player for the purchase of:

- 4 (1) a chance to play any game of chance offered at an allowable
 5 activity; or
 6 (2) licensed supplies.

7 (c) A charitable government services organization, including a
 8 worker, or a volunteer ticket agent assisting the charitable government
 9 services organization may accept payment by credit card for the
 10 purchase of a chance to enter a raffle or water race offered at an
 11 allowable activity if the transaction satisfies the following
 12 requirements:

- 13 (1) The payment is made face to face and not on the Internet.
 14 (2) The proceeds from an entry purchased for the allowable
 15 activity are used:

16 (A) by the charitable government services organization to
 17 provide child welfare services; ~~or~~

18 **(B) by the charitable government services organization to**
 19 **provide ongoing programming and support for children;**
 20 **or**

21 **(C) to:**

- 22 (i) purchase a prize for; or
 23 (ii) pay prize money to;

24 a winner of the allowable activity.

25 (3) It is the only allowable activity in a calendar year for which
 26 the charitable government services organization accepts payment
 27 by credit card for a chance to enter a raffle or water race under
 28 this subsection. This subdivision does not limit the number of
 29 times that a person may purchase by credit card a chance to enter
 30 a raffle or water race under this subsection.

31 **(d) A qualified organization may accept payment by credit card**
 32 **for the purchase of a chance to enter an allowable event if the**
 33 **allowable event is conducted at a facility leased or owned by the**
 34 **capital improvement board of managers created by IC 36-10-9.**

