Reprinted
February 20, 2007

HOUSE BILL No. 1510

DIGEST OF HB 1510 (Updated February 19, 2007 4:53 pm - DI 92)

Citations Affected: IC 4-32.2.

Synopsis: Charity gaming. Makes numerous changes to the laws concerning charity gaming licenses and the participants in charity gaming. Authorizes the gaming commission to issue an annual license permitting a qualified organization to sell pull tabs, punchboards, and tip boards at any time on the premises owned or leased by the qualified organization and regularly used for the activities of the qualified organization. Authorizes an annual charity game night license. Specifies that state educational institutions are qualified organizations. Specifies the conditions for conducting raffles and door prize drawings applicable to a candidate's committee. Makes certain changes concerning manufacturers and distributors of charity gaming supplies. Makes certain changes concerning the gaming commission's administration of charity gaming.

Effective: July 1, 2007.

Van Haaften, Whetstone

January 23, 2007, read first time and referred to Committee on Public Policy.
February 15, 2007, amended, reported — Do Pass.
February 19, 2007, read second time, amended, ordered engrossed.

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First Regular Session 115th General Assembly (2007)

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 2006 Regular Session of the General Assembly.

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HOUSE BILL No. 1510

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

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

SECTION 1. IC 4-32.2-1-1, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) This article applies only to a qualified organization.

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

(1) Bingo events, charity game nights, door prize events, raffle events, festivals, and other gaming events approved by the commission. ~~and~~

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

(A) at bingo events, charity game nights, door prize events, raffle events, and festivals conducted by qualified organizations; or

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

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.

SECTION 2. IC 4-32.2-1-3, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. A bingo event, charity game night, door prize drawing, ~~or~~ raffle, **festival event, or other charity gambling event licensed under IC 4-32.2-4-16** is not allowed in Indiana unless it is conducted by a qualified organization in accordance with this article.

SECTION 3. IC 4-32.2-2-15, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. "Door prize" means a prize awarded to a person based solely upon the person's **paid** attendance at ~~an~~ **a charity fundraising** event or the purchase of a ticket to attend ~~an~~ **a charity fundraising** event.

SECTION 4. IC 4-32.2-2-18.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 18.5. "Full-time employee" means an individual who:**

(1) is and has been employed by a particular qualified organization for at least ninety (90) consecutive days as of the date of the qualified organization's allowable event; and

(2) works at least an average of thirty-two (32) hours per week or one thousand six hundred sixty-two (1,662) hours per year for the qualified organization.

SECTION 5. IC 4-32.2-2-20.5, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20.5. "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), ~~either~~ **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.

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(4) A member of a qualified organization's board of directors or board of trustees.

SECTION 6. IC 4-32.2-2-21.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 21.5. "PPT license" refers to a license issued to a qualified organization under IC 4-32.2-4-16.5.**

SECTION 7. IC 4-32.2-2-24, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 24. (a) "Qualified organization" means:

(1) a bona fide religious, educational, senior citizens, veterans, or civic organization operating in Indiana that:

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

(B) is exempt from taxation under Section 501 of the Internal Revenue Code; and

(C) has been continuously in existence in Indiana for at least five (5) years or is affiliated with a parent organization that has been in existence in Indiana for at least five (5) years; ~~or~~

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

(3) a state educational institution (as defined in IC 20-12-0.5-1).

(b) For purposes of IC 4-32.2-4-3, 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) For purposes of IC 4-32.2-4-10, a "qualified organization" includes a bona fide business organization.

SECTION 8. IC 4-32.2-2-30, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 30. "Worker" means an individual who helps or participates in any manner in ~~preparing for,~~ conducting **or** assisting in conducting ~~cleaning up after, or taking any other action in connection with~~ an allowable event under this article.

SECTION 9. IC 4-32.2-3-4, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) The commission has the sole authority to license entities under this article to sell, distribute, or manufacture ~~the following:~~

~~(1) Bingo cards.~~

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~~(2) Bingo boards.~~
~~(3) Bingo sheets.~~
~~(4) Bingo pads.~~
~~(5) Pull tabs.~~
~~(6) Punchboards.~~
~~(7) Tip boards.~~
~~(8) Any other supplies, devices, or equipment designed to be used in allowable events designated by rule of the commission.~~
a licensed supply.

(b) Qualified organizations must obtain ~~the materials described in subsection (a)~~ **licensed supplies** only from an entity licensed by the commission.

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

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

(1) The applicant has:

(A) violated a local ordinance, a state or federal statute, or an administrative rule or regulation; or

(B) committed any other act harmful to the best interests of charity gaming.

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

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

SECTION 10. IC 4-32.2-3-5, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. The commission shall charge appropriate fees to the following:

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

(2) An applicant seeking a license to distribute ~~bingo supplies, pull tabs, punchboards, or tip boards.~~ **a licensed supply.**

(3) An applicant seeking a license to manufacture ~~bingo supplies, pull tabs, punchboards, or tip boards.~~ **a licensed supply.**

SECTION 11. IC 4-32.2-4-2.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 2.5. The commission may deny a license to an organization if the commission determines that at least one (1) of the following applies with respect to the organization:**

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(1) The organization has:

(A) violated a local ordinance, a state or federal statute, or an administrative rule or regulation; or

(B) committed any other act harmful to the best interests of charity gaming.

(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.

SECTION 12. IC 4-32.2-4-3, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: 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 bingo event, charity game night, raffle event, ~~or~~ door prize event, **festival event, or other event licensed under section 16 of this chapter,** including prizes from pull tabs, punchboards, and tip boards, does not exceed one thousand dollars ($1,000) for a single event and not more than three thousand dollars ($3,000) during a calendar year.

(b) A qualified organization ~~described in subsection (a)~~ that plans to hold ~~a bingo~~ **an allowable** event **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 ~~bingo~~ **allowable** events.

(2) The location or locations where the qualified organization plans to hold the ~~bingo~~ **allowable** events.

(3) The estimated ~~amount of revenue expected to be generated by~~ **value of all prizes awarded at** each ~~bingo~~ **allowable** event.

(c) The notice required under subsection (b) must be filed before the earlier of the following:

(1) March 1 of each year.

(2) One (1) week before the qualified organization holds the first ~~bingo~~ **allowable** event of the year.

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

SECTION 13. IC 4-32.2-4-5, AS ADDED BY P.L.91-2006,

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SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) The commission may issue a bingo license to a qualified organization if:

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

(2) the qualified organization:

(A) submits an application; and

(B) pays a fee set by the commission under IC 4-32.2-6.

(b) The commission may hold a public hearing to obtain input on the proposed issuance of an annual bingo license to an applicant that has never held an annual bingo license under this article.

(c) The first time that a qualified organization applies for an annual bingo license, the ~~commission~~ **qualified organization** shall publish notice that the application has been filed **by publication at least two (2) times, seven (7) days apart, as follows:**

(1) In one (1) newspaper in the county where the qualified organization is located.

(2) In one (1) newspaper in the county where the allowable event will be conducted.

(d) The notification ~~must be in accordance with IC 5-14-1.5-5 and~~ **required by subsection (c)** must contain the following:

(1) The name of the qualified organization and the fact that it has applied for an annual bingo license.

(2) The location where the bingo events will be held.

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

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

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

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

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

~~(e)~~ **(f)** A license issued under this section:

(1) may authorize the qualified organization to conduct bingo events on more than one (1) occasion during a period of one (1) year;

(2) must state the locations of the permitted bingo events;

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

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(4) may be reissued annually upon the submission of an application for reissuance on the form established by the commission and upon the licensee's payment of a fee set by the commission.

~~(f)~~ **(g)** Notwithstanding subsection ~~(c)(4),~~ **(f)(4),** the commission shall hold a public hearing for the reissuance of an annual bingo license if **either of the following conditions are met:**

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

~~(2) The commission finds, based upon investigation of at least three (3) written and signed complaints alleging a violation of law or a rule of the commission in connection with the bingo license, that one (1) or more of the alleged violations:~~

~~(A) has occurred;~~

~~(B) is a type of violation that would allow the commission to cite the applicant for a violation of a provision of this article or of a rule of the commission; and~~

~~(C) has not been corrected after notice has been given by the commission.~~

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

~~(g) If the commission is required to hold a public hearing on an application for a reissuance of an annual bingo license, it shall comply with the same procedures required under this section for notice and for conducting the hearing.~~

~~(h) The commission may deny a license if, after a public hearing, the commission determines that the applicant:~~

~~(1) has violated a local ordinance; or~~

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

SECTION 14. IC 4-32.2-4-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 7.5. (a) The commission may issue an annual charity game night license to a qualified organization if:**

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

(2) the qualified organization:

(A) submits an application; and

(B) pays a fee set by the commission under IC 4-32.2-6.

(b) The commission may hold a public hearing to obtain input on the proposed issuance of an annual charity game night license to an applicant that has never held an annual charity game night license under this article.

(c) The first time that a qualified organization applies for an

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annual charity game night license, the qualified organization shall publish notice that the application has been filed by publication at least two (2) times, seven (7) days apart, as follows:

(1) In one (1) newspaper in the county where the qualified organization is located.

(2) In one (1) newspaper in the county where the allowable events will be conducted.

(d) The notification required by subsection (c) must contain the following:

(1) The name of the qualified organization and the fact that it has applied for an annual charity game night license.

(2) The location where the charity game night events will be held.

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

(4) A statement that any person can protest the proposed issuance of the annual charity game night license.

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

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

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

(f) A license issued under this section:

(1) may authorize the qualified organization to conduct charity game night events on more than one (1) occasion during a period of one (1) year;

(2) must state the locations of the permitted charity game night events;

(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 established by the commission and upon the licensee's payment of a fee set by the commission.

(g) Notwithstanding subsection (f)(4), the commission shall hold a public hearing for the reissuance of an annual charity game night license if either of the following conditions is met:

(1) An applicant has been cited for a violation of law or a rule

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of the commission.

(2) The commission receives at least ten (10) protest letters concerning the qualified organization's charity game night operation.

SECTION 15. IC 4-32.2-4-8, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. ~~(a)~~ The commission may issue a raffle license to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32.2-6. The license must:

(1) authorize the qualified organization to conduct a raffle event at only one (1) time and location; and

(2) state the date, beginning and ending times, and location of the raffle event.

~~(b) A qualified organization, by rule of the commission, may be excused from the requirement of obtaining a license to conduct a raffle event if the total market value of the prize or prizes to be awarded at the raffle event does not exceed one thousand dollars ($1,000).~~

SECTION 16. IC 4-32.2-4-9, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. **(a)** The ~~commissioner~~ **commission** may issue an annual raffle license to a qualified organization ~~upon the organization's submission of an application and payment of a fee determined under IC 4-32.2-6. The license must~~

~~(1) authorize the qualified organization to conduct not more than five (5) raffle events in the calendar year in which the license is issued; and~~

~~(2) state the date, beginning and ending times, and location of each raffle event conducted by the qualified organization in the calendar year.~~

if:

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

(2) the qualified organization:

(A) submits an application; and

(B) pays a fee set by the commission under IC 4-32.2-6.

(b) The application for an annual raffle prize license must contain the following:

(1) The name of the qualified organization.

(2) The location where the raffle events will be held.

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

(c) A license issued under this section:

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(1) may authorize the qualified organization to conduct raffle events on more than one (1) occasion during a period of one (1) year;

(2) must state the locations of the permitted raffle events;

(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 established by the commission and upon the licensee's payment of a fee set by the commission.

SECTION 17. IC 4-32.2-4-10, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. ~~(a)~~ The commission may issue a door prize license to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32.2-6. The license must:

(1) authorize the qualified organization to conduct a door prize event at only one (1) time and location; and

(2) state the date, beginning and ending times, and location of the door prize event.

~~(b) A qualified organization, by rule of the commission, may be excused from the requirement of obtaining a license to conduct a door prize event if the total market value of the prize or prizes to be awarded at the door prize event does not exceed one thousand dollars ($1,000).~~

SECTION 18. IC 4-32.2-4-11, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) The commission may issue an annual door prize license to a qualified organization if:

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

(2) the qualified organization:

(A) submits an application; and

(B) pays a fee set by the commission under IC 4-32.2-6.

(b) The application for an annual door prize license must contain the following:

(1) The name of the qualified organization.

(2) The location where the door prize events will be held.

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

(c) A license issued under this section:

(1) may authorize the qualified organization to conduct door prize events on more than one (1) occasion during a period of one (1) year;

(2) must state the locations of the permitted door prize events;

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(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 established by the commission and upon the licensee's payment of a fee set by the commission.

~~(d) The commission may reject an application for an annual door prize license if, after a public hearing, the commission determines that the applicant:~~

~~(1) has violated a local ordinance; or~~

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

SECTION 19. IC 4-32.2-4-12, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) The commission may issue a festival license to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32.2-6. The license must authorize the qualified organization to conduct bingo events, charity game nights, ~~one (1)~~ raffle ~~event,~~ **events, gambling events licensed under section 16 of this chapter,** and door prize events and to sell pull tabs, punchboards, and tip boards. The license must state the location and the dates, not exceeding four (4) consecutive days, on which these activities may be conducted.

(b) **Except as provided in IC 4-32.2-5-6(c),** a qualified organization may not conduct more than one (1) festival each year. ~~at which bingo events, charity game nights, raffle events, and door prize events, are conducted and pull tabs, punchboards, and tip boards are sold.~~

(c) The raffle event authorized by a festival license is not subject to the prize limits set forth in this chapter. Bingo events, charity game nights, and door prize events conducted at a festival are subject to the prize limits set forth in this chapter.

SECTION 20. IC 4-32.2-4-13, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. (a) A bingo license or special bingo license may also authorize a qualified organization to conduct **raffle events and** door prize drawings and sell pull tabs, punchboards, and tip boards at the bingo event.

(b) A charity game night license may also authorize a qualified organization to:

(1) conduct **raffle events and** door prize drawings; and

(2) sell pull tabs, punchboards, and tip boards;

at the charity game night.

(c) A raffle license **or an annual raffle license** may also authorize

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a qualified organization to conduct door prize drawings and sell pull tabs, punchboards, and tip boards at the raffle event.

(d) A door prize license **or an annual door prize license** may also authorize a qualified organization to **conduct a raffle event and to** sell pull tabs, punchboards, and tip boards at the door prize event.

SECTION 21. IC 4-32.2-4-14, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. A qualified organization may hold more than one (1) license at a time. ~~However, a qualified organization with multiple licenses may not hold a bingo event and raffle at the same event or at the same time and place unless, by express determination, the commission allows a qualified organization to do so. The commission may allow a qualified organization to conduct only one (1) event each year at which both bingo and a raffle may be held.~~

SECTION 22. IC 4-32.2-4-16, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. (a) This section applies to a gambling event that is described in neither:

(1) section 1(1) through 1(6) of this chapter; nor

(2) IC 4-32.2-2-12(b).

(b) The commission may issue a **single event license or an annual event** license to conduct a gambling event approved by the commission to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32.2-6. ~~The~~

(c) A single event license must:

(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 event license:

(1) must authorize the qualified organization to conduct the events on more than one (1) occasion during a period of one (1) year;

(2) must state the locations of the permitted events;

(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 established by the commission and upon the licensee's payment of a fee set by the commission.

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

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SECTION 23. IC 4-32.2-4-16.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 16.5. (a) The commission may issue an annual PPT license to a qualified organization upon the organization's submission of an application and payment of a fee determined under IC 4-32.2-6.**

(b) A license issued under this section authorizes a qualified organization to sell pull tabs, punchboards, and tip boards at any time on the premises owned or leased by the qualified organization and regularly used for the activities of the qualified organization.

(c) A license issued under this section is not required for the sale of pull tabs, punchboards, and tip boards at another allowable event as permitted under section 13 of this chapter.

(d) The application for an annual PPT license must contain the following:

(1) The name of the qualified organization.

(2) The location where the qualified organization will sell pull tabs, punchboards, and tip boards.

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

SECTION 24. IC 4-32.2-4-18, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. (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 under section 8 of this chapter to conduct a raffle event. A candidate's committee may ~~not~~ **also** conduct **a door prize drawing but is prohibited from conducting** any other kind of allowable event.

(c) The following are subject to this ~~article:~~ **chapter and IC 4-32.2-6:**

(1) A candidate's committee that applies for a license under section 8 of this chapter.

(2) A raffle event **or door prize drawing** conducted by a candidate's committee.

(d) The members of a candidate's committee may conduct an event under this section without meeting the requirements of this article concerning the membership of a qualified organization. A candidate's committee licensed under this section must remain in good standing with the election division or the county election board having jurisdiction over the committee.

SECTION 25. IC 4-32.2-5-3, AS ADDED BY P.L.91-2006,

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SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) All net proceeds from an allowable event and related activities may be used only for the lawful purposes of the qualified organization.

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

(1) An amount equal to the total value of the prizes, including door prizes, awarded at the allowable event.

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

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

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

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

SECTION 26. IC 4-32.2-5-6, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) A qualified organization may not conduct more than three (3) allowable events during a calendar week and not more than one (1) allowable event each day.

(b) Except as provided in IC 4-32.2-4-12 **and IC 4-32.2-4-16.5,** allowable events may not be held on more than two (2) consecutive days.

(c) A ~~bona fide civic~~ **qualified** organization may conduct one (1) additional allowable event during each six (6) months of a calendar year.

SECTION 27. IC 4-32.2-5-8, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) ~~Except as provided in subsection (d),~~ If facilities are leased for an allowable event, the rent may not

~~(1)~~ be based in whole or in part on the revenue generated from the event. ~~or~~

~~(2) exceed two hundred dollars ($200) per day.~~

(b) A facility may not be rented for more than three (3) days during a calendar week for an allowable event.

(c) If personal property is leased for an allowable event, the rent may not be based in whole or in part on the revenue generated from the event.

~~(d) If a qualified organization conducts an allowable event in conjunction with or at the same facility where the qualified~~

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~~organization or its affiliate is having a convention or other meeting of its membership, facility rent for the allowable event may exceed two hundred dollars ($200) per day. A qualified organization may conduct only one (1) allowable event under this subsection in a calendar year.~~

SECTION 28. IC 4-32.2-5-12, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) Except as provided in subsection (b), an operator or a worker **who is not a full-time employee** may not receive remuneration for:

~~(1) preparing for;~~

~~(2)~~ **(1)** conducting; **or**

~~(3)~~ **(2)** assisting in conducting;

~~(4) cleaning up after; or~~

~~(5) taking any other action in connection with;~~

an allowable event.

(b) A qualified organization that conducts an allowable event may:

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

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

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

SECTION 29. IC 4-32.2-5-16, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 16. (a) Except as provided in subsection (b), a worker must be a member in good standing of a qualified organization that is conducting an allowable event for at least thirty (30) days at the time of the allowable event.

(b) A qualified organization may allow an individual who is not a member of the qualified organization to participate in an allowable event as a worker if **the individual is a full-time employee of the qualified organization that is conducting the allowable event 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 event with the qualified organization in which a worker participating in the allowable event under this subsection is a member. The tasks that will be performed by an

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individual participating in an allowable event under this subsection and the amounts shared with the individual's qualified organization must be described in the application and approved by the commission.

(c) 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 event described in subsection (b) is not considered to be conducting an allowable event.

SECTION 30. IC 4-32.2-5-22, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 22. If an **owner,** employee, or officer of a manufacturer or distributor is a member of a ~~bona fide civic or bona fide religious~~ **qualified** organization that holds a charity gaming license, the **owner's,** employee's, or officer's membership in the organization may not be construed as an affiliation with the organization's charity gaming operations.

SECTION 31. IC 4-32.2-8-1, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: 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 provision of this article or of a rule of the commission.

(2) Failure to accurately account for

~~(A) bingo cards;~~

~~(B) bingo boards;~~

~~(C) bingo sheets;~~

~~(D) bingo pads;~~

~~(E) pull tabs;~~

~~(F) punchboards; or~~

~~(G) tip boards.~~

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.

(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.

SECTION 32. IC 4-32.2-9-2, AS ADDED BY P.L.91-2006,

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SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: 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. ~~or of a rule adopted by the commission.~~

(3) Enter upon the following premises for the performance of the employee's lawful duties:

(A) A location where a bingo event, charity game night, **festival event,** raffle, ~~or~~ door prize drawing, **or other charity gambling event licensed under IC 4-32.2-4-16** is being conducted.

(B) A location where pull tabs, tip boards, or punchboards are being purchased, sold, manufactured, printed, or stored.

(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:

(A) papers;

(B) records;

(C) tickets;

(D) currency; or

(E) other items;

related to an alleged violation.

SECTION 33. IC 4-32.2-9-3, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: 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) Licensed manufacturers and distributors.~~

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(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 events.

(b) The commission may require persons subject to an investigation under subsection (a) to provide information, including fingerprints, that is:

(1) required by the commission to carry out the investigation; or

(2) otherwise needed to facilitate access to state and criminal history information.

SECTION 34. IC 4-32.2-9-6, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) This section applies only to products sold in Indiana.

(b) If a licensed manufacturer or distributor destroys, discontinues, or otherwise renders unusable

~~(1) bingo supplies,~~

~~(2) punchboards, or~~

~~(3) tip boards,~~

a licensed supply, the manufacturer or distributor shall provide the commission with a written list of the items destroyed, discontinued, or rendered otherwise unusable.

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

(1) The quantity.

(2) A description.

(3) The serial numbers.

(4) The date the items were destroyed, discontinued, or rendered otherwise unusable.

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

SECTION 35. IC 4-32.2-9-8, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. A manufacturer or distributor of ~~supplies, devices, or equipment described in IC 4-32.2-3-4(a)~~ **a licensed supply** to be used in charity gaming in Indiana must file a quarterly report listing the manufacturer's or distributor's sales of the ~~supplies, devices, and equipment.~~ **licensed supply.**

SECTION 36. IC 4-32.2-5-7 IS REPEALED [EFFECTIVE JULY

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1510, 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 1, line 17, after "organization" insert ".".

Page 2, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 3. IC 4-32.2-2-18.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 18.5. "Full-time employee" means an individual who:**

(1) is and has been employed by a particular qualified organization for at least ninety (90) consecutive days as of the date of the qualified organization's allowable event; and

(2) works at least an average of thirty-two (32) hours per week or one thousand six hundred sixty-two (1,662) hours per year for the qualified organization.".

Page 6, line 5, delete "newspapers" and insert "**one (1) newspaper**".

Page 6, line 6, delete "located, as provided in IC 5-3-1-6." and insert "**located.**".

Page 6, line 7, delete "daily".

Page 6, line 39, after "if" insert "**either of**".

Page 7, line 12, delete "(h)".

Page 7, line 12, strike "If the commission is required to hold a public hearing on an".

Page 7, strike lines 13 through 15.

Page 7, delete lines 28 through 42.

Page 8, delete lines 1 through 3, begin a new paragraph and insert:

"**(b) The commission may hold a public hearing to obtain input on the proposed issuance of an annual charity game night license to an applicant that has never held an annual charity game night license under this article.**

(c) The first time that a qualified organization applies for an annual bingo license, the qualified organization shall publish notice that the application has been filed by publication at least two (2) times, seven (7) days apart, as follows:

(1) In one (1) newspaper in the county where the qualified organization is located.

(2) In one (1) newspaper in the county where the allowable events will be conducted.

(d) The notification required by subsection (c) must contain the following:

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(1) The name of the qualified organization and the fact that it has applied for an annual charity game night license.

(2) The location where the charity game night events will be held.

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

(4) A statement that any person can protest the proposed issuance of the annual charity game night license.

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

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

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

(f) A license issued under this section:

(1) may authorize the qualified organization to conduct charity game night events on more than one (1) occasion during a period of one (1) year;

(2) must state the locations of the permitted charity game night events;

(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 established by the commission and upon the licensee's payment of a fee set by the commission.

(g) Notwithstanding subsection (f)(4), the commission shall hold a public hearing for the reissuance of an annual charity game night license if either of the following conditions is met:

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

(2) The commission receives at least ten (10) protest letters concerning the qualified organization's charity game night operation.".

Page 10, line 21, delete "A" and insert "**Except as provided in IC 4-32.2-5-6(c),** a".

Page 10, line 22, after "year" insert ".".

Page 10, line 22, strike "at which bingo events, charity game nights, raffle".

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Page 10, line 23, strike "events,".

Page 10, line 23, strike "door prize events,".

Page 10, line 23, delete "or other gambling events licensed".

Page 10, line 24, delete "under section 16 of this chapter".

Page 10, line 24, strike "are conducted and pull tabs,".

Page 10, strike line 25.

Page 10, line 33, after "conduct" insert "**raffle events and**".

Page 11, between lines 4 and 5, begin a new paragraph and insert:

"SECTION 20. IC 4-32.2-4-14, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. A qualified organization may hold more than one (1) license at a time. ~~However, a qualified organization with multiple licenses may not hold a bingo event and raffle at the same event or at the same time and place unless, by express determination, the commission allows a qualified organization to do so. The commission may allow a qualified organization to conduct only one (1) event each year at which both bingo and a raffle may be held.~~".

Page 12, between lines 3 and 4, begin a new paragraph and insert:

"**(d) The application for an annual PPT license must contain the following:**

(1) The name of the qualified organization.

(2) The location where the qualified organization will sell pull tabs, punchboards, and tip boards.

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

Page 12, between lines 24 and 25, begin a new paragraph and insert:

"SECTION 23. IC 4-32.2-5-3, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) All net proceeds from an allowable event and related activities may be used only for the lawful purposes of the qualified organization.

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

(1) An amount equal to the total value of the prizes, including door prizes, awarded at the allowable event.

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

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

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

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

Page 12, between lines 35 and 36, begin a new paragraph and insert:

"SECTION 24. IC 4-32.2-5-8, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) ~~Except as provided in subsection (d),~~ If facilities are leased for an allowable event, the rent may not

~~(1)~~ be based in whole or in part on the revenue generated from the event. ~~or~~

~~(2) exceed two hundred dollars ($200) per day.~~

(b) A facility may not be rented for more than three (3) days during a calendar week for an allowable event.

(c) If personal property is leased for an allowable event, the rent may not be based in whole or in part on the revenue generated from the event.

~~(d) If a qualified organization conducts an allowable event in conjunction with or at the same facility where the qualified organization or its affiliate is having a convention or other meeting of its membership, facility rent for the allowable event may exceed two hundred dollars ($200) per day. A qualified organization may conduct only one (1) allowable event under this subsection in a calendar year.~~

SECTION 25. IC 4-32.2-5-12, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) Except as provided in subsection (b), an operator or a worker **who is not a full-time employee** may not receive remuneration for:

~~(1) preparing for;~~

~~(2)~~ **(1)** conducting; **or**

~~(3)~~ **(2)** assisting in conducting;

~~(4) cleaning up after; or~~

~~(5) taking any other action in connection with;~~

an allowable event.

(b) A qualified organization that conducts an allowable event may:

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

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

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

SECTION 26. IC 4-32.2-5-16, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2007]: Sec. 16. (a) Except as provided in subsection (b), a worker must be a member in good standing of a qualified organization that is conducting an allowable event for at least thirty (30) days at the time of the allowable event.

(b) A qualified organization may allow an individual who is not a member of the qualified organization to participate in an allowable event as a worker if **the individual is a full-time employee of the qualified organization that is conducting the allowable event 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 event with the qualified organization in which a worker participating in the allowable event under this subsection is a member. The tasks that will be performed by an individual participating in an allowable event under this subsection and the amounts shared with the individual's qualified organization must be described in the application and approved by the commission.

(c) 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 event described in subsection (b) is not considered to be conducting an allowable event.".

Page 15, line 21, delete "8" and insert "8.".

Page 15, after line 25, begin a new paragraph and insert:

"SECTION 30. IC 4-32.2-5-7 IS REPEALED [EFFECTIVE JULY 1, 2007].".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1510 as introduced.)

VAN HAAFTEN, Chair

Committee Vote: yeas 8, nays 3.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1510 be amended to read as follows:

Page 8, line 1, delete "bingo" and insert "**charity game night**".

(Reference is to HB 1510 as printed February 16, 2007.)

VAN HAAFTEN

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