CONFERENCE COMMITTEE REPORT
DIGEST FOR EHB 1286

Citations Affected: IC 4-30-11; IC 26-1-9.1-102; IC 4-32.2; IC 4-36; IC 35-45-5-12.

Synopsis: Gaming. Extends the period in which an instant prize may be claimed from 60 to 180 days after the end of the lottery game. Requires the lottery commission to deduct from a lottery prize the amounts intercepted by law for payment to the state and to pay the balance of the prize to the prize winner. (Current law requires the lottery commission to transfer the prize to the auditor of state, who makes the deduction and pays the balance to the prize winner.) Provides that the right to a prize in the state lottery is not considered an account for purposes of the Uniform Commercial Code. (This provision eliminates a conflict between the lottery law, which does not permit the right to a prize to be assigned, and the Uniform Commercial Code, which does.) Specifies the manner in which qualified drawings may be conducted. Amends the definition of "qualified organization" to enable an organization that reorganizes or changes its name to obtain, if certain conditions are met, a charity gaming license under the new name. Specifies when a festival worker may participate as a player in gaming activity offered at the festival. Provides that identifying information of an operator or a worker submitted to the gaming commission on an application for a license is confidential. Provides that only fraternal and veteran organizations may apply for an annual charity game night license. Specifies that a facility or location may not be used or rented for purposes of conducting an annual charity game night event on more than three calendar days per calendar week. Provides for a new retailer's endorsement renewal fee schedule and requires that the fee be submitted with the renewal form. **(This conference committee inserts SECTIONS 2, 3, and 4 of ESB 298 as printed March 17, 2009, concerning the state lottery, and makes technical corrections.)**

Effective: Upon passage; July 1, 2009.

Adopted Rejected

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill No. 1286 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-30-11-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. Holders of lottery tickets are entitled to claim prizes for one hundred eighty (180) days after the drawing or at the end of the lottery game play in which the prize was won. ~~However, with respect to a game in which the player may determine instantly if the player has won or lost, the right to claim prizes exists for sixty (60) days after the end of the lottery game.~~ If a valid claim is not made for a prize within the applicable period, the prize is considered an unclaimed prize for purposes of section 9 of this chapter.

SECTION 2. IC 4-30-11-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. (a) The treasurer of state, the department of state revenue, the department of administration, the Indiana department of transportation, the attorney general, and the courts shall identify to the commission, in the form and format prescribed by the commission and approved by the auditor of state, a person who:

(1) owes an outstanding debt ~~to~~ to a state agency;

(2) owes delinquent state taxes; or

(3) owes child support collected and paid to a recipient through a court.

(b) Before the payment of a prize of more than five hundred ninety-nine dollars ($599) to a claimant identified under subsection (a), the commission shall **deduct the amount of the obligation from the prize money and** transmit the ~~prize money~~ **deducted amount** to the auditor of state. ~~who shall authorize payment of~~ **The commission shall pay** the balance **of the prize money** to the prize winner after deduction of the obligation. If a prize winner owes multiple obligations subject to offset under this section and the prize is insufficient to cover all obligations, the amount of the prize shall be applied as follows:

(1) First, to the child support obligations owed by the prize winner that are collected and paid to a recipient through a court.

(2) Second, to judgments owed by the prize winner.

(3) Third, to tax liens owed by the prize winner.

(4) Fourth, to unsecured debts owed by the prize winner.

Within each of the categories described in subdivisions (1) through (4), the amount and priority of the prize shall be applied in the manner that the auditor of state determines to be appropriate. The commission shall reimburse the auditor of state pursuant to an agreement under IC 4-30-15-5 for the expenses incurred by the auditor of state in carrying out the duties required by this section.

(c) As used in this section, "debt" means an obligation that is ~~evidence~~ **evidenced** by an assessment or lien issued by a state agency, a judgment, or a final order of an administrative agency.

SECTION 3. IC 26-1-9.1-102, AS AMENDED BY P.L.143-2007, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 102. (a) In IC 26-1-9.1:

(1) "Accession" means goods that are physically united with other goods in such a manner that the identity of the original goods is not lost.

(2) "Account", except as used in "account for", means a right to payment of a monetary obligation, whether or not earned by performance:

~~(i)~~ **(A)** for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of;

~~(ii)~~ **(B)** for services rendered or to be rendered;

~~(iii)~~ **(C)** for a policy of insurance issued or to be issued;

~~(iv)~~ **(D)** for a secondary obligation incurred or to be incurred;

~~(v)~~ **(E)** for energy provided or to be provided;

~~(vi)~~ **(F)** for the use or hire of a vessel under a charter or other contract;

~~(vii)~~ **(G)** arising out of the use of a credit or charge card or information contained on or for use with the card; or

~~(viii)~~ **(H)** as winnings in a lottery or other game of chance operated or sponsored by a state **other than Indiana, a** governmental unit of a state, or **a** person licensed or authorized to operate the game by a state or governmental unit of a state.

The term does not include a right to a payment of a prize awarded by the state lottery commission in the Indiana state lottery established under IC 4-30. The term includes health-care-insurance receivables. The term does not include (i)

rights to payment evidenced by chattel paper or an instrument, (ii) commercial tort claims, (iii) deposit accounts, (iv) investment property, (v) letter-of-credit rights or letters of credit, or (vi) rights to payment for money or funds advanced or sold, other than rights arising out of the use of a credit or charge card or information contained on or for use with the card.

(3) "Account debtor" means a person obligated on an account, chattel paper, or general intangible. The term does not include persons obligated to pay a negotiable instrument, even if the instrument constitutes part of chattel paper.

(4) "Accounting", except as used in "accounting for", means a record:

(A) authenticated by a secured party;

(B) indicating the aggregate unpaid secured obligations as of a date not more than thirty-five (35) days earlier or thirty-five (35) days later than the date of the record; and

(C) identifying the components of the obligations in reasonable detail.

(5) "Agricultural lien" means an interest, other than a security interest, in farm products:

(A) that secures payment or performance of an obligation for:

(i) goods or services furnished in connection with a debtor's farming operation; or

(ii) rent on real property leased by a debtor in connection with the debtor's farming operation;

(B) that is created by statute in favor of a person that:

(i) in the ordinary course of its business furnished goods or services to a debtor in connection with the debtor's farming operation; or

(ii) leased real property to a debtor in connection with the debtor's farming operation; and

(C) whose effectiveness does not depend on the person's possession of the personal property.

(6) "As-extracted collateral" means:

(A) oil, gas, or other minerals that are subject to a security interest that:

(i) is created by a debtor having an interest in the minerals before extraction; and

(ii) attaches to the minerals as extracted; or

(B) accounts arising out of the sale at the wellhead or minehead of oil, gas, or other minerals in which the debtor had an interest before extraction.

(7) "Authenticate" means:

(A) to sign; or

(B) to execute or otherwise adopt a symbol, or encrypt or similarly process a record in whole or in part, with the present intent of the authenticating person to identify the person and adopt or accept a record.

(8) "Bank" means an organization that is engaged in the business of banking. The term includes savings banks, savings and loan associations, credit unions, and trust companies.

(9) "Cash proceeds" means proceeds that are money, checks, deposit accounts, or the like.

(10) "Certificate of title" means a certificate of title with respect to which a statute provides for the security interest in question to be indicated on the certificate as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral.

(11) "Chattel paper" means a record or records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods. In this subdivision, "monetary obligation" means a monetary obligation secured by the goods or owed under a lease of the goods and includes a monetary obligation with respect to software used in the goods. The term "chattel paper" does not include: (i) charters or other contracts involving the use or hire of a vessel; or (ii) records that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card. If a transaction is evidenced by records that include an instrument or series of instruments, the group of records taken together constitutes chattel paper.

(12) "Collateral" means the property subject to a security interest or agricultural lien. The term includes:

(A) proceeds to which a security interest attaches;

(B) accounts, chattel paper, payment intangibles, and promissory notes that have been sold; and

(C) goods that are the subject of a consignment.

(13) "Commercial tort claim" means a claim arising in tort with respect to which:

(A) the claimant is an organization; or

(B) the claimant is an individual and the claim:

(i) arose in the course of the claimant's business or profession; and

(ii) does not include damages arising out of personal injury to or the death of an individual.

(14) "Commodity account" means an account maintained by a commodity intermediary in which a commodity contract is carried for a commodity customer.

(15) "Commodity contract" means a commodity futures contract, an option on a commodity futures contract, a commodity option, or another contract if the contract or option is:

(A) traded on or subject to the rules of a board of trade that has been designated as a contract market for such a contract pursuant to federal commodities laws; or

(B) traded on a foreign commodity board of trade, exchange, or market, and is carried on the books of a commodity intermediary for a commodity customer.

(16) "Commodity customer" means a person for which a commodity intermediary carries a commodity contract on its

books.

(17) "Commodity intermediary" means a person that:

(A) is registered as a futures commission merchant under federal commodities law; or

(B) in the ordinary course of its business provides clearance or settlement services for a board of trade that has been designated as a contract market pursuant to federal commodities law.

(18) "Communicate" means:

(A) to send a written or other tangible record;

(B) to transmit a record by any means agreed upon by the persons sending and receiving the record; or

(C) in the case of transmission of a record to or by a filing office, to transmit a record by any means prescribed by filing-office rule.

(19) "Consignee" means a merchant to which goods are delivered in a consignment.

(20) "Consignment" means a transaction, regardless of its form, in which a person delivers goods to a merchant for the purpose of sale and:

(A) the merchant:

(i) deals in goods of that kind under a name other than the name of the person making delivery;

(ii) is not an auctioneer; and

(iii) is not generally known by its creditors to be substantially engaged in selling the goods of others;

(B) with respect to each delivery, the aggregate value of the goods is one thousand dollars ($1,000) or more at the time of delivery;

(C) the goods are not consumer goods immediately before delivery; and

(D) the transaction does not create a security interest that secures an obligation.

(21) "Consignor" means a person that delivers goods to a consignee in a consignment.

(22) "Consumer debtor" means a debtor in a consumer transaction.

(23) "Consumer goods" means goods that are used or bought for use primarily for personal, family, or household purposes.

(24) "Consumer-goods transaction" means a consumer transaction in which:

(A) an individual incurs an obligation primarily for personal, family, or household purposes; and

(B) a security interest in consumer goods secures the obligation.

(25) "Consumer obligor" means an obligor who is an individual and who incurred the obligation as part of a transaction entered into primarily for personal, family, or household purposes.

(26) "Consumer transaction" means a transaction in which (i) an individual incurs an obligation primarily for personal, family, or household purposes, (ii) a security interest secures the obligation,

and (iii) the collateral is held or acquired primarily for personal, family, or household purposes. The term includes consumer-goods transactions.

(27) "Continuation statement" means an amendment of a financing statement that:

(A) identifies, by its file number, the initial financing statement to which it relates; and

(B) indicates that it is a continuation statement for, or that it is filed to continue the effectiveness of, the identified financing statement.

(28) "Debtor" means:

(A) a person having an interest, other than a security interest or other lien, in the collateral, whether or not the person is an obligor;

(B) a seller of accounts, chattel paper, payment intangibles, or promissory notes; or

(C) a consignee.

(29) "Deposit account" means a demand, time, savings, passbook, or similar account maintained with a bank. The term does not include investment property or accounts evidenced by an instrument.

(30) "Document" means a document of title or a receipt of the type described in IC 26-1-7-201(b).

(31) "Electronic chattel paper" means chattel paper evidenced by a record or records consisting of information stored in an electronic medium.

(32) "Encumbrance" means a right, other than an ownership interest, in real property. The term includes mortgages and other liens on real property.

(33) "Equipment" means goods other than inventory, farm products, or consumer goods.

(34) "Farm products" means goods, other than standing timber, with respect to which the debtor is engaged in a farming operation and which are:

(A) crops grown, growing, or to be grown, including:

(i) crops produced on trees, vines, and bushes; and

(ii) aquatic goods produced in aquacultural operations;

(B) livestock, born or unborn, including aquatic goods produced in aquacultural operations;

(C) supplies used or produced in a farming operation; or

(D) products of crops or livestock in their unmanufactured states.

(35) "Farming operation" means raising, cultivating, propagating, fattening, grazing, or any other farming, livestock, or aquacultural operation.

(36) "File number" means the number assigned to an initial financing statement pursuant to IC 26-1-9.1-519(a).

(37) "Filing office" means an office designated in IC 26-1-9.1-501 as the place to file a financing statement.

(38) "Filing-office rule" means a rule adopted pursuant to IC 26-1-9.1-526.

(39) "Financing statement" means a record or records composed of an initial financing statement and any filed record relating to the initial financing statement.

(40) "Fixture filing" means the filing of a financing statement covering goods that are or are to become fixtures and satisfying IC 26-1-9.1-502(a) and IC 26-1-9.1-502(b). The term includes the filing of a financing statement covering goods of a transmitting utility which are or are to become fixtures.

(41) "Fixtures" means goods that have become so related to particular real property that an interest in them arises under real property law.

(42) "General intangible" means any personal property, including things in action, other than accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas, or other minerals before extraction. The term includes payment intangibles and software.

(43) "Good faith" means honesty in fact and the observance of reasonable commercial standards of fair dealing.

(44) "Goods" means all things that are movable when a security interest attaches. The term includes (i) fixtures, (ii) standing timber that is to be cut and removed under a conveyance or contract for sale, (iii) the unborn young of animals, (iv) crops grown, growing, or to be grown, even if the crops are produced on trees, vines, or bushes, and (v) manufactured homes. The term also includes a computer program embedded in goods and any supporting information provided in connection with a transaction relating to the program if (i) the program is associated with the goods in such a manner that it customarily is considered part of the goods, or (ii) by becoming the owner of the goods, a person acquires a right to use the program in connection with the goods. The term does not include a computer program embedded in goods that consist solely of the medium in which the program is embedded. The term also does not include accounts, chattel paper, commercial tort claims, deposit accounts, documents, general intangibles, instruments, investment property, letter-of-credit rights, letters of credit, money, or oil, gas, or other minerals before extraction.

(45) "Governmental unit" means a subdivision, agency, department, county, parish, municipality, or other unit of the government of the United States, a state, or a foreign country. The term includes an organization having a separate corporate existence if the organization is eligible to issue debt on which interest is exempt from income taxation under the laws of the United States.

(46) "Health-care-insurance receivable" means an interest in or claim under a policy of insurance that is a right to payment of a monetary obligation for health-care goods or services provided.

(47) "Instrument" means a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a

type that in the ordinary course of business is transferred by delivery with any necessary endorsement or assignment. The term does not include (i) investment property, (ii) letters of credit, or (iii) writings that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card.

(48) "Inventory" means goods, other than farm products, that:

(A) are leased by a person as lessor;

(B) are held by a person for sale or lease or to be furnished under a contract of service;

(C) are furnished by a person under a contract of service; or

(D) consist of raw materials, work in process, or materials used or consumed in a business.

(49) "Investment property" means a security, whether certificated or uncertificated, security entitlement, securities account, commodity contract, or commodity account.

(50) "Jurisdiction of organization", with respect to a registered organization, means the jurisdiction under whose law the organization is organized.

(51) "Letter-of-credit right" means a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance. The term does not include the right of a beneficiary to demand payment or performance under a letter of credit.

(52) "Lien creditor" means:

(A) a creditor that has acquired a lien on the property involved by attachment, levy, or the like;

(B) an assignee for benefit of creditors from the time of assignment;

(C) a trustee in bankruptcy from the date of the filing of the petition; or

(D) a receiver in equity from the time of appointment.

(53) "Manufactured home" means a structure, transportable in one (1) or more sections, which, in the traveling mode, is eight (8) body feet or more in width or forty (40) body feet or more in length, or, when erected on site, is three hundred twenty (320) or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained therein. The term includes any structure that meets all of the requirements of this subdivision except the size requirements, and with respect to which the manufacturer voluntarily files a certification required by the United States Secretary of Housing and Urban Development and complies with the standards established under Title 42 of the United States Code.

(54) "Manufactured-home transaction" means a secured transaction:

(A) that creates a purchase-money security interest in a

manufactured home, other than a manufactured home held as inventory; or

(B) in which a manufactured home, other than a manufactured home held as inventory, is the primary collateral.

(55) "Mortgage" means a consensual interest in real property, including fixtures, that secures payment or performance of an obligation.

(56) "New debtor" means a person that becomes bound as debtor under IC 26-1-9.1-203(d) by a security agreement previously entered into by another person.

(57) "New value" means (i) money, (ii) money's worth in property, services, or new credit, or (iii) release by a transferee of an interest in property previously transferred to the transferee. The term does not include an obligation substituted for another obligation.

(58) "Noncash proceeds" means proceeds other than cash proceeds.

(59) "Obligor" means a person that, with respect to an obligation secured by a security interest in or an agricultural lien on the collateral, (i) owes payment or other performance of the obligation, (ii) has provided property other than the collateral to secure payment or other performance of the obligation, or (iii) is otherwise accountable in whole or in part for payment or other performance of the obligation. The term does not include issuers or nominated persons under a letter of credit.

(60) "Original debtor", except as used in IC 26-1-9.1-310(c), means a person that, as debtor, entered into a security agreement to which a new debtor has become bound under IC 26-1-9.1-203(d).

(61) "Payment intangible" means a general intangible under which the account debtor's principal obligation is a monetary obligation.

(62) "Person related to", with respect to an individual, means:

(A) the spouse of the individual;

(B) a brother, brother-in-law, sister, or sister-in-law of the individual;

(C) an ancestor or lineal descendant of the individual or the individual's spouse; or

(D) any other relative, by blood or marriage, of the individual or the individual's spouse who shares the same home with the individual.

(63) "Person related to", with respect to an organization, means:

(A) a person directly or indirectly controlling, controlled by, or under common control with the organization;

(B) an officer or director of, or a person performing similar functions with respect to, the organization;

(C) an officer or director of, or a person performing similar functions with respect to, a person described in clause (A);

(D) the spouse of an individual described in clause (A), (B), or (C); or

(E) an individual who is related by blood or marriage to an

individual described in clause (A), (B), (C), or (D) and shares the same home with the individual.

(64) "Proceeds", except as used in IC 26-1-9.1-609(b), means the following property:

(A) Whatever is acquired upon the sale, lease, license, exchange, or other disposition of collateral.

(B) Whatever is collected on, or distributed on account of, collateral.

(C) Rights arising out of collateral.

(D) To the extent of the value of collateral, claims arising out of the loss, nonconformity, or interference with the use of, defects or infringement of rights in, or damage to, the collateral.

(E) To the extent of the value of collateral and to the extent payable to the debtor or the secured party, insurance payable by reason of the loss or nonconformity of, defects or infringement of rights in, or damage to, the collateral.

(65) "Promissory note" means an instrument that evidences a promise to pay a monetary obligation, does not evidence an order to pay, and does not contain an acknowledgment by a bank that the bank has received for deposit a sum of money or funds.

(66) "Proposal" means a record authenticated by a secured party that includes the terms on which the secured party is willing to accept collateral in full or partial satisfaction of the obligation it secures pursuant to IC 26-1-9.1-620, IC 26-1-9.1-621, and IC 26-1-9.1-622.

(67) "Public-finance transaction" means a secured transaction in connection with which:

(A) debt securities are issued;

(B) all or a portion of the securities issued have an initial stated maturity of at least twenty (20) years; and

(C) the debtor, obligor, secured party, account debtor, or other person obligated on collateral, assignor or assignee of a secured obligation, or assignor or assignee of a security interest is a state or a governmental unit of a state.

(68) "Pursuant to commitment", with respect to an advance made or other value given by a secured party, means pursuant to the secured party's obligation, whether or not a subsequent event of default or other event not within the secured party's control has relieved or may relieve the secured party from its obligation.

(69) "Record", except as used in "for record", "of record", "record or legal title", and "record owner", means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(70) "Registered organization" means an organization organized solely under the law of a single state or the United States and as to which the state or the United States must maintain a public record showing the organization to have been organized.

(71) "Secondary obligor" means an obligor to the extent that:

(A) the obligor's obligation is secondary; or

(B) the obligor has a right of recourse with respect to an

obligation secured by collateral against the debtor, another obligor, or property of either.

(72) "Secured party" means:

(A) a person in whose favor a security interest is created or provided for under a security agreement, whether or not any obligation to be secured is outstanding;

(B) a person that holds an agricultural lien;

(C) a consignor;

(D) a person to which accounts, chattel paper, payment intangibles, or promissory notes have been sold;

(E) a trustee, indenture trustee, agent, collateral agent, or other representative in whose favor a security interest or agricultural lien is created or provided for; or

(F) a person that holds a security interest arising under IC 26-1-2-401, IC 26-1-2-505, IC 26-1-2-711(3), IC 26-1-2.1-508(5), IC 26-1-4-210, or IC 26-1-5.1-118.

(73) "Security agreement" means an agreement that creates or provides for a security interest.

(74) "Send", in connection with a record or notification, means:

(A) to deposit in the mail, deliver for transmission, or transmit by any other usual means of communication, with postage or cost of transmission provided for, addressed to any address reasonable under the circumstances; or

(B) to cause the record or notification to be received within the time that it would have been received if properly sent under clause (A).

(75) "Software" means a computer program and any supporting information provided in connection with a transaction relating to the program. The term does not include a computer program that is included in the definition of goods.

(76) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(77) "Supporting obligation" means a letter-of-credit right or secondary obligation that supports the payment or performance of an account, chattel paper, a document, a general intangible, an instrument, or investment property.

(78) "Tangible chattel paper" means chattel paper evidenced by a record or records consisting of information that is inscribed on a tangible medium.

(79) "Termination statement" means an amendment of a financing statement that:

(A) identifies, by its file number, the initial financing statement to which it relates; and

(B) indicates either that it is a termination statement or that the identified financing statement is no longer effective.

(80) "Transmitting utility" means a person primarily engaged in the business of:

(A) operating a railroad, subway, street railway, or trolley bus;

(B) transmitting communications electrically,

electromagnetically, or by light;

(C) transmitting goods by pipeline or sewer; or

(D) transmitting or producing and transmitting electricity, steam, gas, or water.

(b) "Control" as provided in IC 26-1-7-106 and the following definitions outside IC 26-1-9.1 apply to IC 26-1-9.1:

"Applicant" IC 26-1-5.1-102.
"Beneficiary" IC 26-1-5.1-102.
"Broker" IC 26-1-8.1-102.
"Certificated security" IC 26-1-8.1-102.
"Check" IC 26-1-3.1-104.
"Clearing corporation" IC 26-1-8.1-102.
"Contract for sale" IC 26-1-2-106.
"Customer" IC 26-1-4-104.
"Entitlement holder" IC 26-1-8.1-102.
"Financial asset" IC 26-1-8.1-102.
"Holder in due course" IC 26-1-3.1-302.
"Issuer" (with respect to a letter of credit or letter-of-credit right) IC 26-1-5.1-102.
"Issuer" (with respect to a security) IC 26-1-8.1-201.
"Issuer" (with respect to documents of title) IC 26-1-7-102.
"Lease" IC 26-1-2.1-103.
"Lease agreement" IC 26-1-2.1-103.
"Lease contract" IC 26-1-2.1-103.
"Leasehold interest" IC 26-1-2.1-103.
"Lessee" IC 26-1-2.1-103.
"Lessee in ordinary course of business" IC 26-1-2.1-103.
"Lessor" IC 26-1-2.1-103.
"Lessor's residual interest" IC 26-1-2.1-103.
"Letter of credit" IC 26-1-5.1-102.
"Merchant" IC 26-1-2-104.
"Negotiable instrument" IC 26-1-3.1-104.
"Nominated person" IC 26-1-5.1-102.
"Note" IC 26-1-3.1-104.
"Proceeds of a letter of credit" IC 26-1-5.1-114.
"Prove" IC 26-1-3.1-103.
"Sale" IC 26-1-2-106.
"Securities account" IC 26-1-8.1-501.
"Securities intermediary" IC 26-1-8.1-102.
"Security" IC 26-1-8.1-102.
"Security certificate" IC 26-1-8.1-102.
"Security entitlement" IC 26-1-8.1-102.
"Uncertificated security" IC 26-1-8.1-102.

(c) IC 26-1-1 contains general definitions and principles of construction and interpretation applicable throughout IC 26-1-9.1.

SECTION 4. IC 4-32.2-2-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 7.5. "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.

SECTION 5. IC 4-32.2-2-23.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 23.5. "Qualified drawing" means a random drawing to award one (1) or more prizes that is conducted in the manner required by IC 4-32.2-5-26.**

SECTION 6. IC 4-32.2-2-24, AS AMENDED BY P.L.227-2007, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 24. (a) "Qualified organization" ~~means.~~ **refers to any of the following:**

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

(i) The organization has been continuously in existence in Indiana for at least five (5) years. ~~or~~

(ii) The organization is affiliated with a parent organization that has been in existence in Indiana for at least five (5) years.

(iii) The organization has reorganized and is continuing its mission under a new name on file with the Indiana secretary of state 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). ~~or~~

(3) A state educational institution (as defined in ~~IC 20-12-0.5-1).~~ **IC 21-7-13-32).**

(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.

(d) Evidence that an organization satisfies subsection (a)(1)(C)(iii) includes:

(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's five (5) most recent taxable years;

(3) evidence of the continuity of the organization's activities as shown by the five (5) most recent annual external financial reviews of the organization prepared by a certified public

accountant; or

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

SECTION 7. IC 4-32.2-4-7.5, AS ADDED BY P.L.227-2007, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7.5. (a) ~~Subject to~~ **This section applies only to a qualified organization described in** subsection (h). 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 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 may hold a public hearing for the reissuance of an annual charity game night license if at least one (1) 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.

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

(h) ~~Notwithstanding IC 4-32.2-2-24, this section applies only to:~~ **A qualified organization may apply for an annual charity game night license under this section if the qualified organization is:**

(1) a bona fide ~~civic~~ **fraternal** organization; or

(2) a bona fide veterans organization;

that has been continuously in existence in Indiana for ten (10) years. ~~A qualified organization that is not described in this subsection may not apply for an annual charity game night license under this section.~~

(i) A facility or location may not be used for purposes of conducting an annual charity game night event on more than three (3) calendar days per calendar week regardless of the number of qualified organizations conducting an annual charity game night event at the facility or location.

SECTION 8. IC 4-32.2-4-13, AS AMENDED BY P.L.95-2008, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: 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 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.

(e) A PPT license may also authorize a qualified organization to conduct ~~at any time~~ on the premises described in section 16.5(b) of this chapter ~~a~~ winner take all ~~drawing in which the qualified organization retains no portion of the amounts wagered. The total amount awarded to a patron who participates in a winner take all drawing may not exceed three hundred dollars ($300).~~ **drawings and other qualified drawings in the manner required by IC 4-32.2-5-26.**

SECTION 9. IC 4-32.2-5-8, AS AMENDED BY P.L.227-2007, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

JULY 1, 2009]: Sec. 8. (a) If ~~facilities are~~ **a facility or location is** leased for an allowable event, the rent may not be based in whole or in part on the revenue generated from the event.

(b) **Subject to the additional restrictions on the use of a facility or location that are set forth in IC 4-32.2-4-7.5(i),** a facility **or location** 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.

SECTION 10. IC 4-32.2-5-14, AS AMENDED BY P.L.95-2008, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 14. (a) **Except as provided by subsection (c),** an operator or a worker may not directly or indirectly participate, other than in a capacity as an operator or a worker, in an allowable event that the operator or worker is conducting.

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

(1) the card game in which the patron deals the cards is a game of euchre;

(2) the patron deals the cards in the manner required in the ordinary course of the game of euchre; and

(3) the euchre game is played under the supervision of the qualified organization conducting the charity game night in accordance with rules adopted by the commission under IC 4-32.2-3-3.

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

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

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

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

SECTION 11. IC 4-32.2-5-26 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 26. (a) A qualified drawing must be conducted in the manner required by this section.**

(b) A qualified drawing is subject to the following rules and limitations:

(1) The purchase price for a chance to win a prize in a qualified drawing may not exceed five dollars ($5).

(2) The total value of all prizes that may be won in a particular qualified drawing may not exceed three hundred dollars ($300) for any of the following:

(A) A daily drawing.

(B) A weekly drawing.

(C) A monthly drawing.

(3) A qualified drawing must be conducted in accordance with the following limitations:

(A) Not more than one (1) daily drawing may be conducted each day.

(B) Not more than one (1) weekly drawing may be conducted each week.

(C) Not more than one (1) monthly drawing may be conducted each month.

(D) Weekly drawings must be held on regular seven (7) day intervals posted in the information required by subdivision (11).

(E) Monthly drawings must be held on regular monthly intervals posted in the information required by subdivision (11).

A weekly or monthly drawing may be conducted on the same day that a daily drawing is conducted.

(4) Except as otherwise provided in this section, a patron must be present to claim a prize awarded in a qualified drawing.

(5) A qualified organization may not profit from conducting a qualified drawing.

(6) All amounts wagered on qualified drawings must be returned to a qualified organization's patrons in the form of prizes.

(7) A qualified organization may not conduct a qualified drawing or any other event in which the winner of the prize is determined, in whole or in part, by a sporting event.

(8) If no winning ticket is drawn in a qualified drawing, a qualified organization may:

(A) carry the prize over to a later drawing in accordance with this section; or

(B) continue drawing tickets until a winner is drawn.

(9) If a patron who purchased a winning ticket is not present to claim a prize at the time of the qualified drawing, a qualified organization shall hold the prize for the winning patron in accordance with the rules of the qualified organization.

(10) In order to comply with subdivision (9), a qualified organization shall obtain the name, address, and telephone number of each patron who purchases a ticket for a qualified drawing.

(11) A qualified organization must conspicuously display the following information concerning each qualified drawing conducted by the qualified organization:

(A) The price of a ticket.

(B) The time of the drawing.

(C) The description and value of the prizes awarded in the drawing.

(D) The manner in which a prize may be claimed.

(E) The rules of the qualified organization concerning the following:

(i) Qualified drawings in which no winning ticket is drawn.

(ii) The period that the qualified organization will hold a prize for a winning patron who was not present to claim the prize at the time of the qualified drawing.

(12) Notwithstanding any other provision of this chapter, a qualified organization must continue drawing tickets in a monthly drawing until the qualified organization draws a ticket purchased by a patron who is present to claim the prize.

(c) When the winning patron is not present at the time of the qualified drawing to claim a prize, the qualified organization shall award the prize in the following manner:

(1) The qualified organization shall immediately notify the winning patron by telephone that the patron's name was drawn in a qualified drawing and that the patron has the time permitted by the rules of the qualified organization, which must be at least seventy-two (72) hours, to claim the prize.

(2) The winning patron must appear at the premises of the qualified organization within the time permitted by the rules of the qualified organization to claim the prize in person.

(3) The qualified organization shall verify the identity of the winning patron and award the prize.

(d) This subsection applies when the rules of a qualified organization require the qualified organization to carry over a prize when no winning ticket is drawn and when a winning patron fails to claim a prize in the manner required by subsection (c). The qualified organization shall carry the prize over to a later qualified drawing as follows:

(1) An unclaimed prize from a daily drawing must be carried over to the next daily drawing.

(2) Subject to the prize limits set forth in subsection (b)(2), a qualified organization may carry over a prize under subdivision (1) not more than fourteen (14) times. On the fourteenth calendar day to which a prize has been carried over, the qualified organization must continue drawing tickets until the qualified organization draws a ticket purchased by a patron who is present to claim the prize.

(3) An unclaimed prize from a weekly drawing must be carried over to the next weekly drawing.

(4) Subject to the prize limits set forth in subsection (b)(2), a qualified organization may carry over a prize under subdivision (3) not more than one (1) time. On the day that the qualified organization conducts a weekly drawing for the carried over prize, the qualified organization must continue drawing tickets until the qualified organization draws a ticket purchased by a patron who is present to claim the prize.

(e) The following apply to a qualified organization that carries over a prize under subsection (d):

(1) A qualified organization may conduct the daily drawing regularly scheduled for a calendar day occurring during the time that the qualified organization holds a prize for a

winning patron who was not present at the time of a qualified drawing.

(2) If an unclaimed prize from a daily drawing is carried over to a particular date, the qualified organization may not conduct the regular daily drawing that would otherwise be permitted under this section on that date.

(3) If an unclaimed prize from a weekly drawing is carried over to a particular date, the qualified organization may not conduct the regular weekly drawing that would otherwise be permitted under this section on that date.

(4) Subject to the prize limits set forth in subsection (b)(2), a qualified organization may accept additional entries to a drawing for a carried over prize.

SECTION 12. IC 4-32.2-6-0.5, AS ADDED BY P.L.95-2008, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 0.5. As used in this chapter, "gross revenue" does not include any amount wagered on ~~a~~ winner take all **and other qualified** ~~drawing~~ **drawings** conducted by a qualified organization under ~~IC 4-32.2-4-13(c).~~ **IC 4-32.2-5-26.**

SECTION 13. IC 4-32.2-9-9, AS ADDED BY P.L.91-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. **(a)** Information obtained by the commission during the course of an investigation conducted under this chapter is confidential.

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

SECTION 14. IC 4-36-2-9, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. "Gross receipts" means the total amount of money exchanged for the purchase of ~~raffle tickets,~~ pull tabs, punchboards, and tip boards by type II gaming patrons. The term does not include any amount wagered on ~~a~~ winner take all **and other qualified** ~~drawing~~ **drawings** conducted by a retailer under ~~IC 4-36-5-1(b)(2).~~ **IC 4-36-5-1(c).**

SECTION 15. IC 4-36-2-15.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 15.5. "Qualified drawing" means a random drawing to award one (1) or more prizes that is conducted in the manner required by IC 4-36-5-1(c).**

SECTION 16. IC 4-36-4-5, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The commission shall charge the following fees for the issuance of a person's initial annual endorsement or license under this chapter:

(1) Two hundred fifty dollars ($250) for a retailer's endorsement to conduct a type II gambling operation in the retailer's tavern.

(2) One thousand dollars ($1,000) for a distributor's license.

(3) One thousand five hundred dollars ($1,500) for a manufacturer's license.

(b) The commission shall charge the following fees for the renewal

of a person's annual endorsement or license under this chapter:

(1) The ~~amount determined under section 6 of this chapter~~ **following amounts** for a retailer's endorsement:

(A) One hundred dollars ($100) in the case of a retailer that had adjusted gross revenues of less than twenty-five thousand dollars ($25,000) in the previous year.

(B) Two hundred fifty dollars ($250) in the case of a retailer that had adjusted gross revenues of at least twenty-five thousand dollars ($25,000) but less than fifty thousand dollars ($50,000) in the previous year.

(C) Five hundred dollars ($500) in the case of a retailer that had adjusted gross revenues of at least fifty thousand dollars ($50,000) but less than one hundred thousand dollars ($100,000) in the previous year.

(D) One thousand dollars ($1,000) in the case of a retailer that had adjusted gross revenues of at least one hundred thousand dollars ($100,000) in the previous year.

(2) One thousand dollars ($1,000) for a distributor's license.

(3) One thousand five hundred dollars ($1,500) for a manufacturer's license.

(c) A retailer shall report the amount of the retailer's adjusted gross receipts on the form required to renew the retailer's endorsement. The renewal fee required under subsection (b)(1) must be submitted with the renewal form.

~~(c)~~ **(d)** The commission shall deposit all fees collected under this chapter into the enforcement and administration fund established under IC 7.1-4-10.

SECTION 17. IC 4-36-4-6, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) For the purposes of ~~subsection (c),~~ **section 5(b)(1) of this chapter,** a retailer's adjusted gross revenue is an amount equal to the difference between:

(1) the retailer's total gross revenue from the retailer's type II gambling operations in the preceding year; minus

(2) the sum of any amounts deducted under subsection (b) in the preceding year.

(b) To determine the amount of a retailer's adjusted gross revenue from the retailer's type II gambling operations in the preceding year under subsection (a), the retailer shall subtract the following from the retailer's gross receipts:

(1) An amount equal to the total value of the prizes awarded **in type II gambling games** in the preceding year.

(2) The sum of the purchase prices paid for type II gambling games dispensed in the retailer's type II gambling operation in the preceding year.

(3) An amount equal to the amount of license fees paid by the retailer in the preceding year.

~~(c) The license fee that is charged to a retailer that renews the endorsement must be based on the adjusted gross revenue from the retailer's type II gambling operations in the preceding year, according to the following schedule:~~

~~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~~	~~$ 3,000,000~~	~~$ 24,000~~
~~U~~	~~$ 3,000,000~~		~~$ 26,000~~

SECTION 18. IC 4-36-5-1, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) A retailer may offer the sale of type II gambling games in accordance with this article.

~~(b) A retailer's endorsement also authorizes a retailer to conduct the following gambling games on the premises of the retailer's tavern:~~

~~(1) Raffles in which the retailer retains the proceeds of the raffle drawing.~~

~~(2) Winner take all drawings in which the retailer retains no portion of the amounts wagered.~~

~~(c) The total amount awarded to:~~

~~(1) patrons who participate in a raffle permitted under subsection (b)(1); or~~

~~(2) a patron who participates in a winner take all drawing permitted under subsection (b)(2);~~

~~may not exceed three hundred dollars ($300).~~

(b) A retailer's endorsement also authorizes a retailer to conduct qualified drawings on the premises of the retailer's tavern. A qualified drawing must be conducted in the manner required by this section.

(c) A qualified drawing is subject to the following rules and limitations:

(1) The purchase price for a chance to win a prize in a qualified drawing may not exceed five dollars ($5).

(2) The total value of all prizes that may be won in a particular qualified drawing may not exceed three hundred dollars ($300) for any of the following:

(A) A daily drawing.

(B) A weekly drawing.
(C) A monthly drawing.
(3) A qualified drawing must be conducted in accordance with the following limitations:
(A) Not more than one (1) daily drawing may be conducted each day.
(B) Not more than one (1) weekly drawing may be conducted each week.
(C) Not more than one (1) monthly drawing may be conducted each month.
(D) Weekly drawings must be held on regular seven (7) day intervals posted in the information required by subdivision (11).
(E) Monthly drawings must be held on regular monthly intervals posted in the information required by subdivision (11).
A weekly or monthly drawing may be conducted on the same day that a daily drawing is conducted.
(4) Except as otherwise provided in this section, a patron must be present to claim a prize awarded in a qualified drawing.
(5) A retailer may not profit from conducting a qualified drawing.
(6) All amounts wagered on qualified drawings must be returned to a retailer's patrons in the form of prizes.
(7) A retailer may not conduct a qualified drawing or any other event in which the winner of the prize is determined, in whole or in part, by a sporting event.
(8) If no winning ticket is drawn in a qualified drawing, a retailer may:
(A) carry the prize over to a later drawing in accordance with this section; or
(B) continue drawing tickets until a winner is drawn.
(9) If a patron who purchased a winning ticket is not present to claim a prize at the time of the qualified drawing, a retailer shall hold the prize for the winning patron in accordance with the rules of the retailer.
(10) In order to comply with subdivision (9), a retailer shall obtain the name, address, and telephone number of each patron who purchases a ticket for a qualified drawing.
(11) A retailer must conspicuously display the following information concerning each qualified drawing conducted by the retailer:
(A) The price of a ticket.
(B) The time of the drawing.
(C) The description and value of the prizes awarded in the drawing.
(D) The manner in which a prize may be claimed.
(E) The rules of the retailer concerning the following:
(i) Qualified drawings in which no winning ticket is drawn.
(ii) The period that the retailer will hold a prize for a

winning patron who was not present to claim the prize at the time of the qualified drawing.

(12) Notwithstanding any other provision of this chapter, a retailer must continue drawing tickets in a monthly drawing until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(d) When the winning patron is not present at the time of the qualified drawing to claim a prize, the retailer shall award the prize in the following manner:

(1) The retailer shall immediately notify the winning patron by telephone that the patron's name was drawn in a qualified drawing and that the patron has the time permitted by the rules of the retailer, which must be at least seventy-two (72) hours, to claim the prize.

(2) The winning patron must appear at the retailer's premises within the time permitted by the rules of the retailer to claim the prize in person.

(3) The retailer shall verify the identity of the winning patron and award the prize.

(e) This subsection applies when the rules of a retailer require the retailer to carry over a prize when no winning ticket is drawn and when a winning patron fails to claim a prize in the manner required by subsection (d). The retailer shall carry the prize over to a later qualified drawing as follows:

(1) An unclaimed prize from a daily drawing must be carried over to the next daily drawing.

(2) Subject to the prize limits set forth in subsection (c)(2), a retailer may carry over a prize under subdivision (1) not more than fourteen (14) times. On the fourteenth calendar day to which a prize has been carried over, the retailer must continue drawing tickets until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(3) An unclaimed prize from a weekly drawing must be carried over to the next weekly drawing.

(4) Subject to the prize limits set forth in subsection (c)(2), a retailer may carry over a prize under subdivision (3) not more than one (1) time. On the day that the retailer conducts a weekly drawing for the carried over prize, the retailer must continue drawing tickets until the retailer draws a ticket purchased by a patron who is present to claim the prize.

(f) The following apply to a retailer that carries over a prize under subsection (e):

(1) A retailer may conduct the daily drawing regularly scheduled for a calendar day occurring during the time that the retailer holds a prize for a winning patron who was not present at the time of a qualified drawing.

(2) If an unclaimed prize from a daily drawing is carried over to a particular date, the retailer may not conduct the regular daily drawing that would otherwise be permitted under this section on that date.

(3) If an unclaimed prize from a weekly drawing is carried

over to a particular date, the retailer may not conduct the regular weekly drawing that would otherwise be permitted under this section on that date.

(4) Subject to the prize limits set forth in subsection (c)(2), a retailer may accept additional entries to a drawing for a carried over prize.

SECTION 19. IC 4-36-5-2, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) A type II gambling game may be sold under this article only on the premises of the retailer's tavern.

(b) Type II gambling games, raffles, and winner take all drawings **conducted under section 1(c) of this chapter** may not be offered in any part of the retailer's licensed premises in which a minor may be present under IC 7.1-5-7-11(a)(16).

SECTION 20. IC 4-36-5-6, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) Except as provided in subsection (b), a type II gambling game must pay out at least seventy-five percent (75%) and not more than one hundred percent (100%) of the amount wagered.

(b) This subsection applies only to a type II gambling game ticket that is sold for less than one dollar ($1). A type II gambling game subject to this subsection must comply with the following minimum payout percentages:

Purchase Price	Minimum Payout Percentage
$0.10	60%
$0.25	65%
Three (3) tickets for one dollar ($1)	65%
$0.50	70%

(c) A type II gambling game's ~~pay out~~ **payout** percentage must be stated on the ticket or on the accompanying flare.

SECTION 21. IC 4-36-7-4, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) The state police department shall, at the request of the commission, provide the following:

(1) Assistance in obtaining criminal history information relevant to investigations required for honest, secure, **and** exemplary operations under this article.

(2) Any other assistance requested by the executive director and agreed to by the superintendent of the state police department.

(b) Any other state agency, including the Indiana gaming commission and the Indiana professional licensing agency, shall upon request provide the commission with information relevant to an investigation conducted under this article.

SECTION 22. IC 4-36-9-1, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. **(a)** An excise tax is imposed on the distribution of type II gambling games in the amount of ten percent (10%) of the price paid by the retailer that purchases the type II gambling games.

(b) The excise tax imposed by this section does not apply to the distribution of tickets used in qualified drawings.

SECTION 23. IC 35-45-5-12, AS ADDED BY P.L.95-2008,

SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. This chapter does not apply to the following gambling games licensed or authorized under IC 4-36:

(1) Raffles ~~(2)~~ **and** winner take all drawings **conducted under IC 4-36-5-1.**

~~(3)~~ **(2)** Type II gambling games.

SECTION 24. **An emergency is declared for this act.**

(Reference is to EHB 1286 as reprinted April 15, 2009.)

Conference Committee Report
on
Engrossed House Bill 1286

Signed by:

_____	_____
Representative Van Haaften Chairperson	Senator Alting
_____	_____
Representative Bell	Senator Deig
House Conferees	**Senate Conferees**