
SENATE BILL No. 252

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-32.2.

Synopsis: Charity gaming. Adds a bona fide national foundation to the types of organizations that may become qualified organizations for purposes of the charity gaming laws. Defines a member of a bona fide national foundation. Reduces the number of years that an organization must exist in Indiana to become a qualified organization from five years to three years. Provides that: (1) qualified organizations may conduct raffles without obtaining a license; (2) unlicensed charity gaming events are not considered allowable events; removing such events from the application of the regulatory statutes governing allowable events; and (3) the criminal laws concerning gambling do not apply to participants in an unlicensed charity gaming event. Repeals the single event raffle license and the annual raffle license. Makes conforming changes.

Effective: July 1, 2012.

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January 4, 2012, read first time and referred to Committee on Public Policy.

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Second Regular Session 117th General Assembly (2012)

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 2011 Regular Session of the General Assembly.

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SENATE BILL No. 252



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

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

1 SECTION 1. IC 4-32.2-1-2, AS AMENDED BY P.L.95-2008,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2012]: Sec. 2. Except as provided in ~~IC 4-32.2-4-13(e)~~,
4 **IC 4-32.2-4-13(d)**, the purpose of this article is to permit a ~~licensed~~
5 qualified organization:

- 6 (1) to conduct **unlicensed charity gaming events described in**
- 7 **IC 4-32.2-4-3 and licensed** allowable events; and
- 8 (2) to sell pull tabs, punchboards, and tip boards;
- 9 as a fundraising activity for lawful purposes of the organization.

10 SECTION 2. IC 4-32.2-2-2, AS ADDED BY P.L.91-2006,
11 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2012]: Sec. 2. "Allowable event" means

- 13 (+) a bingo event;
- 14 (2) a charity game night;
- 15 (3) a raffle;
- 16 (4) a door prize drawing;
- 17 (5) a festival;



- 1 (6) a sale of pull tabs, punchboards, or tip boards; or
- 2 (7) any other gambling event approved by the commission under
- 3 this article;
- 4 **any of the following events conducted under a license issued under**
- 5 **IC 4-32.2-4 and by a qualified organization in accordance with this**
- 6 **article and rules adopted by the commission under this article:**
- 7 (1) **A bingo event.**
- 8 (2) **A charity game night.**
- 9 (3) **A door prize drawing.**
- 10 (4) **A festival.**
- 11 (5) **A sale of pull tabs, punchboards, or tip boards.**
- 12 (6) **A gambling event licensed by the commission under**
- 13 **IC 4-32.2-4-16.**

14 SECTION 3. IC 4-32.2-2-7.6 IS ADDED TO THE INDIANA
 15 CODE AS A NEW SECTION TO READ AS FOLLOWS
 16 [EFFECTIVE JULY 1, 2012]: **Sec. 7.6. "Bona fide national**
 17 **foundation" refers to an organization that:**

- 18 (1) **was founded before 1995;**
- 19 (2) **does not own real property in Indiana that is used to**
- 20 **conduct charity gaming events;**
- 21 (3) **operates without profit to the organization's members;**
- 22 (4) **is exempt from taxation under Section 501 of the Internal**
- 23 **Revenue Code;**
- 24 (5) **is related in both its mission and organization to a national**
- 25 **organization founded before 1995 that is exempt from**
- 26 **taxation under Section 501 of the Internal Revenue Code; and**
- 27 (6) **has provided grants to Indiana organizations in aggregate**
- 28 **amounts that annually exceed fifty thousand dollars (\$50,000)**
- 29 **in each of the three (3) calendar years preceding the calendar**
- 30 **year in which the organization submits a qualification**
- 31 **application to become eligible to conduct charity gaming**
- 32 **events under this article.**

33 SECTION 4. IC 4-32.2-2-8, AS ADDED BY P.L.91-2006,
 34 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 35 JULY 1, 2012]: Sec. 8. (a) "Bona fide political organization" means a
 36 party committee, association, fund, or other organization, whether
 37 incorporated or not, organized and operated primarily for the purpose
 38 of directly or indirectly accepting contributions or making
 39 expenditures, or both, for an exempt function (as defined in Section
 40 527 of the Internal Revenue Code).

41 (b) Except as provided in subsection (c), the term does not include
 42 a candidate's committee (as defined in IC 3-5-2-7).

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1 (c) For purposes of ~~IC 4-32.2-4-8~~ and IC 4-32.2-4-18, the term
2 includes a candidate's committee (as defined in IC 3-5-2-7).

3 SECTION 5. IC 4-32.2-2-20.5, AS AMENDED BY P.L.227-2007,
4 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2012]: Sec. 20.5. "Member" means any of the following:

6 (1) An individual entitled to membership in a qualified
7 organization under the bylaws, articles of incorporation, charter,
8 or rules of the qualified organization.

9 (2) A member of the qualified organization's auxiliary.

10 (3) In the case of a qualified organization that is a public or
11 nonpublic school (as defined in IC 20-18-2-12), any of the
12 following:

13 (A) A parent of a child enrolled in the school.

14 (B) A member of the school's parent organization.

15 (C) A member of the school's alumni association.

16 (D) An employee of the school.

17 (E) An officer of the school.

18 (F) A student enrolled in the school.

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

21 **(5) In the case of a qualified organization that is a bona fide
22 national foundation, any of the following:**

23 **(A) An employee of the foundation.**

24 **(B) An employee of a related national organization.**

25 **(C) An Indiana resident who is:**

26 **(i) a member of a related national organization; and**

27 **(ii) designated as a member by the bona fide national
28 foundation.**

29 **(D) An Indiana resident who is:**

30 **(i) a donor to the bona fide national foundation or a
31 sponsor of a fundraising event conducted by the bona
32 fide national foundation; and**

33 **(ii) designated as a member by the bona fide national
34 foundation.**

35 SECTION 6. IC 4-32.2-2-24, AS AMENDED BY P.L.108-2009,
36 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2012]: Sec. 24. (a) "Qualified organization" refers to any of
38 the following:

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

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

42 (B) is exempt from taxation under Section 501 of the Internal

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- 1 Revenue Code; and
 2 (C) satisfies at least one (1) of the following requirements:
 3 (i) The organization has been continuously in existence in
 4 Indiana for at least ~~five (5)~~ **three (3)** years.
 5 (ii) The organization is affiliated with a parent organization
 6 that has been in existence in Indiana for at least ~~five (5)~~
 7 **three (3)** years.
 8 (iii) The organization has reorganized and is continuing its
 9 mission under a new name on file with the Indiana secretary
 10 of state and with a new tax identification number after
 11 having satisfied the requirements set forth in either item (i)
 12 or (ii).
 13 (2) A bona fide political organization operating in Indiana that
 14 produces exempt function income (as defined in Section 527 of
 15 the Internal Revenue Code).
 16 (3) A state educational institution (as defined in IC 21-7-13-32).
 17 **(4) A bona fide national foundation.**
 18 (b) For purposes of IC 4-32.2-4-3, a "qualified organization"
 19 includes the following:
 20 (1) A hospital licensed under IC 16-21.
 21 (2) A health facility licensed under IC 16-28.
 22 (3) A psychiatric facility licensed under IC 12-25.
 23 (4) An organization defined in subsection (a).
 24 (c) For purposes of IC 4-32.2-4-10, a "qualified organization"
 25 includes a bona fide business organization.
 26 (d) Evidence that an organization satisfies subsection (a)(1)(C)(iii)
 27 includes:
 28 (1) evidence of the organization's continued use of a service mark
 29 or trademarked logo associated with the organization's former
 30 name;
 31 (2) evidence of the continuity of the organization's activities as
 32 shown in the federal income tax returns filed for the organization's
 33 ~~five (5)~~ **three (3)** most recent taxable years;
 34 (3) evidence of the continuity of the organization's activities as
 35 shown by the ~~five (5)~~ **three (3)** most recent annual external
 36 financial reviews of the organization prepared by a certified
 37 public accountant; or
 38 (4) any other information considered sufficient by the
 39 commission.
 40 SECTION 7. IC 4-32.2-2-29.5, AS ADDED BY P.L.104-2011,
 41 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2012]: Sec. 29.5. "Volunteer ticket agent" means a person

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1 acting on behalf of a qualified organization that:

- 2 (1) receives no compensation from the qualified organization;
- 3 (2) sells tickets to an allowable event held under a license issued
- 4 under ~~IC 4-32.2-4-8~~, ~~IC 4-32.2-10~~, **IC 4-32.2-4-10** or
- 5 IC 4-32.2-4-12 or a single event license issued under
- 6 IC 4-32.2-4-16; and
- 7 (3) does not assist the qualified organization in conducting the
- 8 allowable event in any other way.

9 SECTION 8. IC 4-32.2-4-2, AS ADDED BY P.L.91-2006,
10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2012]: Sec. 2. ~~Except as provided in section 3 of this chapter,~~
12 A qualified organization must obtain a license under this chapter to
13 conduct an allowable event.

14 SECTION 9. IC 4-32.2-4-3, AS AMENDED BY P.L.227-2007,
15 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2012]: Sec. 3. **(a) A charity gaming event described in**
17 **subsection (b) or (f) may be conducted by a qualified organization**
18 **but is not considered an allowable event.**

19 ~~(a)~~ **(b)** A qualified organization is not required to obtain a license
20 from the commission if the value of all prizes awarded at the bingo
21 event, charity game night, ~~raffle event~~, door prize event, festival event,
22 or other event licensed under section 16 of this chapter, including
23 prizes from pull tabs, punchboards, and tip boards, does not exceed one
24 thousand dollars (\$1,000) for a single event and not more than three
25 thousand dollars (\$3,000) during a calendar year.

26 ~~(b)~~ **(c)** A qualified organization that plans to hold an ~~allowable~~ event
27 described in subsection ~~(a)~~ **(b)** more than one (1) time a year shall send
28 an annual written notice to the commission informing the commission
29 of the following:

- 30 (1) The estimated frequency of the planned ~~allowable~~ events.
- 31 (2) The location or locations where the qualified organization
32 plans to hold the ~~allowable~~ events.
- 33 (3) The estimated value of all prizes awarded at each ~~allowable~~
34 event.

35 ~~(c)~~ **(d)** The notice required under subsection ~~(b)~~ **(c)** must be filed
36 before the earlier of the following:

- 37 (1) March 1 of each year.
- 38 (2) One (1) week before the qualified organization holds the first
39 allowable event of the year.

40 ~~(d)~~ **(e)** A qualified organization that conducts an allowable event
41 described in subsection ~~(a)~~ **(b)** shall maintain accurate records of all
42 financial transactions of the event. The commission may inspect

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1 records kept in compliance with this section.

2 **(f) A qualified organization is not required to obtain a license to**
 3 **conduct a raffle. The prize limits set forth in subsection (b) do not**
 4 **apply to a raffle.**

5 SECTION 10. IC 4-32.2-4-4, AS ADDED BY P.L.91-2006,
 6 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2012]: Sec. 4. (a) Each organization applying for a bingo
 8 license, a special bingo license, a charity game night license, ~~a raffle~~
 9 ~~license~~, a door prize drawing license, a festival license, or a license to
 10 conduct any other gambling event approved by the commission must
 11 submit to the commission a written application on a form prescribed by
 12 the commission.

13 (b) Except as provided in subsection (c), the application must
 14 include the information that the commission requires, including the
 15 following:

- 16 (1) The name and address of the organization.
- 17 (2) The names and addresses of the officers of the organization.
- 18 (3) The type of event the organization proposes to conduct.
- 19 (4) The location where the organization will conduct the
 20 allowable event.
- 21 (5) The dates and times for the proposed allowable event.
- 22 (6) Sufficient facts relating to the organization or the
 23 organization's incorporation or founding to enable the commission
 24 to determine whether the organization is a qualified organization.
- 25 (7) The name of each proposed operator and sufficient facts
 26 relating to the proposed operator to enable the commission to
 27 determine whether the proposed operator is qualified to serve as
 28 an operator.
- 29 (8) A sworn statement signed by the presiding officer and
 30 secretary of the organization attesting to the eligibility of the
 31 organization for a license, including the nonprofit character of the
 32 organization.
- 33 (9) Any other information considered necessary by the
 34 commission.

35 (c) This subsection applies only to a qualified organization that
 36 conducts only one (1) allowable event in a calendar year. The
 37 commission may not require the inclusion in the qualified
 38 organization's application of the Social Security numbers of the
 39 workers who will participate in the qualified organization's proposed
 40 allowable event. A qualified organization that files an application
 41 described in this subsection must attach to the application a sworn
 42 statement signed by the presiding officer and secretary of the

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1 organization attesting that:

2 (1) the workers who will participate in the qualified organization's
3 proposed allowable event are eligible to participate under this
4 article; and

5 (2) the organization has not conducted any other allowable events
6 in the calendar year.

7 SECTION 11. IC 4-32.2-4-8 IS REPEALED [EFFECTIVE JULY
8 1, 2012]. Sec. 8: The commission may issue a raffle license to a
9 qualified organization upon the organization's submission of an
10 application and payment of a fee determined under IC 4-32.2-6. The
11 license must:

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

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

16 SECTION 12. IC 4-32.2-4-9 IS REPEALED [EFFECTIVE JULY
17 1, 2012]. Sec. 9: (a) The commission may issue an annual raffle license
18 to a qualified organization if:

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

20 (2) the qualified organization:

21 (A) submits an application; and

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

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

25 (1) The name of the qualified organization;

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

27 (3) The names of the operator and officers of the qualified
28 organization;

29 (c) A license issued under this section:

30 (1) must authorize the qualified organization to conduct raffle
31 events at any time during a period of one (1) year;

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

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

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

38 (d) A license issued under this section is not required for raffles
39 permitted under section 13 of this chapter at events held under a bingo
40 license, a special bingo license, a charity game night license, a door
41 prize license, or an annual door prize license.

42 SECTION 13. IC 4-32.2-4-13, AS AMENDED BY P.L.108-2009,



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1 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JULY 1, 2012]: Sec. 13. (a) A bingo license or special bingo license
3 may also authorize a qualified organization to conduct raffle events and
4 door prize drawings and sell pull tabs, punchboards, and tip boards at
5 the bingo event.

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

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

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

10 at the charity game night.

11 ~~(c) A raffle license or an annual raffle license may also authorize a~~
12 ~~qualified organization to conduct door prize drawings and sell pull~~
13 ~~tabs, punchboards, and tip boards at the raffle event.~~

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

17 ~~(e) (d)~~ A PPT license may also authorize a qualified organization to
18 conduct on the premises described in section 16.5(b) of this chapter
19 winner take all drawings and other qualified drawings in the manner
20 required by IC 4-32.2-5-26.

21 SECTION 14. IC 4-32.2-4-18, AS AMENDED BY P.L.227-2007,
22 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2012]: Sec. 18. (a) With respect to any action authorized by
24 this section, a candidate's committee (as defined in IC 3-5-2-7) is
25 considered a bona fide political organization.

26 (b) A candidate's committee may ~~apply for a license under section~~
27 ~~8 of this chapter to~~ conduct a raffle event. A candidate's committee may
28 also conduct a door prize drawing at the raffle event but is prohibited
29 from conducting any other kind of allowable event.

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

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

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

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

41 SECTION 15. IC 4-32.2-5-1, AS ADDED BY P.L.91-2006,
42 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2012]: Sec. 1. IC 35-45-5 does not apply to a person who conducts, participates in, or receives a prize in:

- (1) a charity gaming event held under IC 4-32.2-4-3; or
- (2) an allowable event.

SECTION 16. IC 4-32.2-5-6, AS AMENDED BY P.L.95-2008, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 6. (a) Except as provided in ~~IC 4-32.2-4-9~~ and IC 4-32.2-4-16.5, 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 4-32.2-4-9~~, 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 qualified organization may conduct one (1) additional festival event during each six (6) months of a calendar year.

SECTION 17. IC 4-32.2-6-3, AS AMENDED BY P.L.104-2011, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 3. (a) This subsection does not apply to the renewal of a license issued under IC 4-32.2-4-6, IC 4-32.2-4-7, ~~IC 4-32.2-4-8~~, IC 4-32.2-4-10, or IC 4-32.2-4-12, or a single event license issued under IC 4-32.2-4-16. A qualified organization's adjusted gross revenue is an amount equal to the difference between:

- (1) the qualified organization's total gross revenue from allowable events in the preceding year; minus
- (2) the sum of any amounts deducted under IC 4-32.2-5-3(b)(5) in the preceding year.

(b) This subsection applies only to the renewal of a license issued under IC 4-32.2-4-6, IC 4-32.2-4-7, ~~IC 4-32.2-4-8~~, IC 4-32.2-4-10, or IC 4-32.2-4-12, or a single event license issued under IC 4-32.2-4-16. A qualified organization's adjusted gross revenue is an amount equal to the difference between:

- (1) the qualified organization's total gross revenue from the preceding event; minus
- (2) any amount deducted under IC 4-32.2-5-3(b)(5) for the preceding event.

(c) The license fee that is charged to a qualified organization that renews a license is equal to the amount determined according to the following schedule using the adjusted gross revenue of the qualified organization as specified by subsection (a) or (b), as applicable:

Class	Adjusted Gross Revenues		Fee
	At Least	But Less Than	
A	\$ 0	\$ 15,000	\$ 50

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1	B	\$ 15,000	\$ 25,000	\$ 100
2	C	\$ 25,000	\$ 50,000	\$ 300
3	D	\$ 50,000	\$ 75,000	\$ 400
4	E	\$ 75,000	\$ 100,000	\$ 700
5	F	\$ 100,000	\$ 150,000	\$ 1,000
6	G	\$ 150,000	\$ 200,000	\$ 1,500
7	H	\$ 200,000	\$ 250,000	\$ 1,800
8	I	\$ 250,000	\$ 300,000	\$ 2,500
9	J	\$ 300,000	\$ 400,000	\$ 3,250
10	K	\$ 400,000	\$ 500,000	\$ 5,000
11	L	\$ 500,000	\$ 750,000	\$ 6,750
12	M	\$ 750,000	\$ 1,000,000	\$ 9,000
13	N	\$ 1,000,000	\$ 1,250,000	\$ 11,000
14	O	\$ 1,250,000	\$ 1,500,000	\$ 13,000
15	P	\$ 1,500,000	\$ 1,750,000	\$ 15,000
16	Q	\$ 1,750,000	\$ 2,000,000	\$ 17,000
17	R	\$ 2,000,000	\$ 2,250,000	\$ 19,000
18	S	\$ 2,250,000	\$ 2,500,000	\$ 21,000
19	T	\$ 2,500,000	\$ 3,000,000	\$ 24,000
20	U	\$ 3,000,000		\$ 26,000

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