
HOUSE BILL No. 1155

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-32.2.

Synopsis: Charity gaming. Prohibits the Indiana gaming commission (IGC) from adopting rules after June 30, 2012, that impose requirements not specified by statute. Establishes an annual comprehensive charity gaming license for national organizations and foundations meeting certain eligibility requirements. Permits the Indiana affiliates of a national organization or foundation to conduct charity gaming events under a single annual comprehensive charity gaming license. Prescribes the following: (1) Who may serve as an operator or worker under the license. (2) The procedural requirements for obtaining the license. (3) The requirements for conducting particular events. (4) When a worker may purchase a raffle ticket at a raffle event conducted under the license. (5) Limits on the frequency of certain events. (6) The method of determining an organization's initial license fee. (7) The method of determining an organization's license renewal fee. Reduces from five years to three years the time an organization must exist in Indiana before becoming eligible to obtain a charity gaming license. Provides that the initial license fee for a charity gaming license is \$50 for licenses other than the annual comprehensive charity gaming license. (Current law grants the IGC discretion to establish the initial license fee at an amount that may not exceed \$50, which is the amount the IGC has selected.)

Effective: July 1, 2012.

**Messmer, Eberhart, Davisson,
McNamara**

January 9, 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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HOUSE BILL No. 1155



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 4-32.2-2-7.6 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2012]: **Sec. 7.6. "Bona fide national**
4 **foundation" refers to an organization that:**
5 **(1) was founded before 1995;**
6 **(2) does not own real property in Indiana that is used to**
7 **conduct allowable events;**
8 **(3) operates without profit to the organization's members;**
9 **(4) is exempt from taxation under Section 501 of the Internal**
10 **Revenue Code;**
11 **(5) is related in both its mission and organization to a bona**
12 **fide national organization; and**
13 **(6) has provided grants to Indiana organizations in aggregate**
14 **amounts that annually exceed fifty thousand dollars (\$50,000)**
15 **in each of the three (3) calendar years preceding the calendar**
16 **year in which the organization applies for a license under this**
17 **article.**



1 SECTION 2. IC 4-32.2-2-7.7 IS ADDED TO THE INDIANA
 2 CODE AS A NEW SECTION TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2012]: **Sec. 7.7. "Bona fide national**
 4 **organization" refers to an organization that:**

- 5 (1) was founded before 1995;
 6 (2) does not own real property in Indiana that is used to
 7 conduct allowable events;
 8 (3) operates without profit to the organization's members;
 9 (4) is exempt from taxation under Section 501 of the Internal
 10 Revenue Code;
 11 (5) has a national membership; and
 12 (6) has been continuously in existence in Indiana for at least
 13 three (3) years.

14 SECTION 3. IC 4-32.2-2-18.6 IS ADDED TO THE INDIANA
 15 CODE AS A NEW SECTION TO READ AS FOLLOWS
 16 [EFFECTIVE JULY 1, 2012]: **Sec. 18.6. "Indiana affiliate" refers to**
 17 **either of the following:**

- 18 (1) **An Indiana chapter or other subdivision of a bona fide**
 19 **national organization that:**
 20 (A) does not own real property in Indiana that is used to
 21 conduct allowable events;
 22 (B) operates without profit to the organization's members;
 23 and
 24 (C) is exempt from taxation under Section 501 of the
 25 Internal Revenue Code.
 26 (2) **An association, whether incorporated or not, or a**
 27 **committee of Indiana residents authorized by a bona fide**
 28 **national foundation to conduct allowable events and other**
 29 **fundraising events for the benefit of the bona fide national**
 30 **foundation.**

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

- 35 (1) A bona fide religious, educational, senior citizens, veterans,
 36 or civic organization operating in Indiana that:
 37 (A) operates without profit to the organization's members;
 38 (B) is exempt from taxation under Section 501 of the Internal
 39 Revenue Code; and
 40 (C) satisfies at least one (1) of the following requirements:
 41 (i) The organization has been continuously in existence in
 42 Indiana for at least ~~five (5)~~ **three (3)** years.

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- 1 (ii) The organization is affiliated with a parent organization
- 2 that has been in existence in Indiana for at least ~~five (5)~~
- 3 **three (3)** years.
- 4 (iii) The organization has reorganized and is continuing its
- 5 mission under a new name on file with the Indiana secretary
- 6 of state and with a new tax identification number after
- 7 having satisfied the requirements set forth in either item (i)
- 8 or (ii).
- 9 (2) A bona fide political organization operating in Indiana that
- 10 produces exempt function income (as defined in Section 527 of
- 11 the Internal Revenue Code).
- 12 (3) A state educational institution (as defined in IC 21-7-13-32).
- 13 **(4) A bona fide national organization operating in Indiana.**
- 14 **(5) A bona fide national foundation.**
- 15 (b) For purposes of IC 4-32.2-4-3, a "qualified organization"
- 16 includes the following:
 - 17 (1) A hospital licensed under IC 16-21.
 - 18 (2) A health facility licensed under IC 16-28.
 - 19 (3) A psychiatric facility licensed under IC 12-25.
 - 20 (4) An organization defined in subsection (a).
- 21 (c) For purposes of IC 4-32.2-4-10, a "qualified organization"
- 22 includes a bona fide business organization.
- 23 (d) Evidence that an organization satisfies subsection (a)(1)(C)(iii)
- 24 includes:
 - 25 (1) evidence of the organization's continued use of a service mark
 - 26 or trademarked logo associated with the organization's former
 - 27 name;
 - 28 (2) evidence of the continuity of the organization's activities as
 - 29 shown in the federal income tax returns filed for the organization's
 - 30 five (5) most recent taxable years;
 - 31 (3) evidence of the continuity of the organization's activities as
 - 32 shown by the five (5) most recent annual external financial
 - 33 reviews of the organization prepared by a certified public
 - 34 accountant; or
 - 35 (4) any other information considered sufficient by the
 - 36 commission.
- 37 **(e) Unless the construction is plainly repugnant to the intent of**
- 38 **the general assembly or the context of the statute, "qualified**
- 39 **organization" includes an Indiana affiliate of a bona fide national**
- 40 **organization or bona fide national foundation.**
- 41 SECTION 5. IC 4-32.2-3-3, AS AMENDED BY P.L.95-2008,
- 42 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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1 JULY 1, 2012]: Sec. 3. (a) **Subject to subsection (c)**, the commission
 2 ~~shall~~ **may** adopt rules under IC 4-22-2 for the following purposes:

3 (1) Administering this article.

4 (2) Establishing the conditions under which charity gaming in
 5 Indiana may be conducted, including the manner in which a
 6 qualified organization may supervise a euchre game conducted
 7 under IC 4-32.2-5-14(b).

8 (3) Providing for the prevention of practices detrimental to the
 9 public interest and providing for the best interests of charity
 10 gaming.

11 (4) Establishing rules concerning inspection of qualified
 12 organizations and the review of the licenses necessary to conduct
 13 charity gaming.

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

15 (6) Establishing standards for independent audits conducted under
 16 IC 4-32.2-5-5.

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

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

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

23 **(c) After June 30, 2012, the commission may not adopt a rule**
 24 **that requires a qualified organization:**

25 **(1) to:**

26 **(A) submit to an inspection; or**

27 **(B) file a form or other documentation;**

28 **that is not required by this article; or**

29 **(2) to comply with any other requirement that is not imposed**
 30 **by this article.**

31 **(d) Subsection (c) may not be construed to restrict the ability of**
 32 **the commission to investigate an alleged violation of a rule of the**
 33 **commission that is in effect on July 1, 2012. The commission may**
 34 **take any enforcement action authorized by this article with respect**
 35 **to any rule of the commission that is in effect on July 1, 2012.**

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

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1 the commission. **An organization applying for an annual**
 2 **comprehensive charity gaming license must submit an application**
 3 **under section 19 of this chapter.**

4 (b) Except as provided in subsection (c), the application must
 5 include the information that the commission requires, including the
 6 following:

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

26 (c) This subsection applies only to a qualified organization that
 27 conducts only one (1) allowable event in a calendar year. The
 28 commission may not require the inclusion in the qualified
 29 organization's application of the Social Security numbers of the
 30 workers who will participate in the qualified organization's proposed
 31 allowable event. A qualified organization that files an application
 32 described in this subsection must attach to the application a sworn
 33 statement signed by the presiding officer and secretary of the
 34 organization attesting that:

- 35 (1) the workers who will participate in the qualified organization's
- 36 proposed allowable event are eligible to participate under this
- 37 article; and
- 38 (2) the organization has not conducted any other allowable events
- 39 in the calendar year.

40 SECTION 7. IC 4-32.2-4-12, AS AMENDED BY P.L.104-2011,
 41 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2012]: Sec. 12. (a) The commission may issue a festival

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1 license to a qualified organization upon the organization's submission
 2 of an application and payment of a fee determined under IC 4-32.2-6.
 3 The license must authorize the qualified organization to conduct bingo
 4 events, charity game nights, raffle events, gambling events licensed
 5 under section 16 of this chapter, and door prize events, and to sell pull
 6 tabs, punchboards, and tip boards. The license must state the location
 7 and the dates, not exceeding five (5) consecutive days, on which these
 8 activities may be conducted.

9 (b) Except as provided in IC 4-32.2-5-6(c) **and IC 4-32.2-5-29**, a
 10 qualified organization may not conduct more than one (1) festival each
 11 year.

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

16 SECTION 8. IC 4-32.2-4-13, AS AMENDED BY P.L.108-2009,
 17 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2012]: Sec. 13. (a) A bingo license or special bingo license
 19 may also authorize a qualified organization to conduct raffle events and
 20 door prize drawings and sell pull tabs, punchboards, and tip boards at
 21 the bingo event.

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

- 24 (1) conduct raffle events and door prize drawings; and
- 25 (2) sell pull tabs, punchboards, and tip boards;

26 at the charity game night.

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

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

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

37 (f) **An annual comprehensive charity gaming license issued**
 38 **under section 20 of this chapter may also authorize a qualified**
 39 **organization to:**

- 40 (1) **sell pull tabs, punchboards, and tip boards; and**
- 41 (2) **conduct raffle events and door prize drawings;**

42 **at an allowable event in accordance with subsections (a) through**

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1 (d).

2 SECTION 9. IC 4-32.2-4-14, AS AMENDED BY P.L.227-2007,
3 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2012]: Sec. 14. **Except as provided in IC 4-32.2-5-29**, a
5 qualified organization may hold more than one (1) license at a time.

6 SECTION 10. IC 4-32.2-4-19 IS ADDED TO THE INDIANA
7 CODE AS A NEW SECTION TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2012]: **Sec. 19. (a) An organization applying
9 for an annual comprehensive charity gaming license must submit
10 to the commission a written application on a form prescribed by
11 the commission.**

12 **(b) The application must include the information the
13 commission requires, including the following:**

14 **(1) The name and address of the organization.**

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

17 **(3) The types of events the organization proposes to conduct.**

18 **(4) The mailing address of each Indiana affiliate of the
19 organization.**

20 **(5) A description of the location and type of allowable events
21 the organization's Indiana affiliates plan to conduct.**

22 **(6) Sufficient facts relating to the organization or the
23 organization's incorporation or founding to enable the
24 commission to determine whether the organization is a bona
25 fide national organization or a bona fide national foundation.**

26 **(7) The name of each proposed operator and sufficient facts
27 relating to the proposed operator to enable the commission to
28 determine whether the proposed operator is qualified to serve
29 as an operator.**

30 **(8) A sworn statement signed by the presiding officer and
31 secretary of the organization attesting to the eligibility of the
32 organization for a license, including the nonprofit character
33 of the organization.**

34 SECTION 11. IC 4-32.2-4-20 IS ADDED TO THE INDIANA
35 CODE AS A NEW SECTION TO READ AS FOLLOWS
36 [EFFECTIVE JULY 1, 2012]: **Sec. 20. (a) This section applies only
37 to a qualified organization that is a:**

38 **(1) bona fide national organization; or**

39 **(2) bona fide national foundation.**

40 **(b) The commission may issue an annual comprehensive charity
41 gaming license to a qualified organization if:**

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

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(2) the organization:

(A) submits an application in compliance with section 19 of this chapter; and

(B) pays a fee in the amount determined under IC 4-32.2-6.

(c) The commission may hold a public hearing to obtain input on the proposed issuance of an annual comprehensive charity gaming license to an applicant that has never held a license issued under this section.

(d) A license issued under this section:

(1) may authorize the qualified organization to conduct allowable events through the organization's Indiana affiliates on more than one (1) occasion during a period of one (1) year;

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

(3) 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 in the amount determined under IC 4-32.2-6.

(e) Notwithstanding subsection (d)(3), the commission may hold a public hearing for the reissuance of an annual comprehensive charity gaming license if the commission receives at least ten (10) protest letters concerning the qualified organization's charity gaming operations.

SECTION 12. IC 4-32.2-5-1.5, AS ADDED BY P.L.95-2008, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 1.5. **(a)** For each allowable event conducted under this article, a qualified organization shall designate an individual to serve as the operator of the allowable event. An individual designated under this section:

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

(2) in the case of a qualified organization holding an annual comprehensive charity gaming license issued under IC 4-32.2-4-20, must be a member of the Indiana affiliate conducting the particular event.

(b) A qualified organization holding an annual comprehensive charity gaming license may do the following:

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

(2) Designate a full-time employee of the qualified organization as the operator of an allowable event conducted by an Indiana affiliate of the qualified organization if the

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1 **employee is qualified under subsection (a)(2).**
 2 SECTION 13. IC 4-32.2-5-5, AS AMENDED BY P.L.60-2009,
 3 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2012]: Sec. 5. (a) A qualified organization shall maintain
 5 accurate records of all financial aspects of an allowable event under
 6 this article. A qualified organization shall make accurate reports of all
 7 financial aspects of an allowable event to the commission within the
 8 time established by the commission. The commission may prescribe
 9 forms for this purpose. **A qualified organization conducting**
 10 **allowable events under an annual comprehensive charity gaming**
 11 **license issued under IC 4-32.2-4-20 shall comply with the reporting**
 12 **requirements of this subsection in the manner specified by**
 13 **subsection (d).** For purposes of this section, a qualified organization
 14 is not required to record the name, signature, driver's license number,
 15 or other identifying information of a prize winner unless the qualified
 16 organization is required to withhold adjusted gross income tax from the
 17 prize winner under IC 6-3-4-8.2(d).

18 (b) The commission shall, by rule, require a qualified organization
 19 to deposit funds received from an allowable event in a separate and
 20 segregated account set up for that purpose. **A qualified organization**
 21 **conducting allowable events under an annual comprehensive**
 22 **charity gaming license shall deposit the funds received from**
 23 **allowable events conducted by the qualified organization's separate**
 24 **Indiana affiliates into a single account.** All expenses of the qualified
 25 organization with respect to an allowable event shall be paid from the
 26 separate account.

27 (c) The commission may require a qualified organization to submit
 28 any records maintained under this section for an independent audit by
 29 a certified public accountant selected by the commission. A qualified
 30 organization must bear the cost of any audit required under this section.

31 **(d) The following reports must be submitted to the commission**
 32 **with respect to the allowable events conducted under an annual**
 33 **comprehensive charity gaming license:**

34 **(1) An event summary report for each allowable event**
 35 **conducted under the license. Reports required under this**
 36 **subdivision may be submitted by the Indiana affiliate of the**
 37 **qualified organization.**

38 **(2) One (1) annual license financial report.**

39 **(3) One (1) annual license gross receipts report.**

40 SECTION 14. IC 4-32.2-5-6, AS AMENDED BY P.L.95-2008,
 41 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2012]: Sec. 6. (a) Except as provided in **section 29 of this**

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1 **chapter**, IC 4-32.2-4-9, and IC 4-32.2-4-16.5, a qualified organization
2 may not conduct more than three (3) allowable events during a
3 calendar week and not more than one (1) allowable event each day.

4 (b) Except as provided in **section 29 of this chapter**, IC 4-32.2-4-9,
5 IC 4-32.2-4-12, and IC 4-32.2-4-16.5, allowable events may not be held
6 on more than two (2) consecutive days.

7 (c) A qualified organization may conduct one (1) additional festival
8 event during each six (6) months of a calendar year.

9 SECTION 15. IC 4-32.2-5-13, AS AMENDED BY P.L.60-2009,
10 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2012]: Sec. 13. **(a) For purposes of this section, the Indiana
12 affiliates of a qualified organization holding an annual
13 comprehensive charity gaming license issued under IC 4-32.2-4-20
14 are not considered separate qualified organizations.**

15 ~~(a)~~ **(b)** An individual may not be an operator for more than three (3)
16 qualified organizations during a calendar month.

17 ~~(b)~~ **(c)** If an individual has previously served as an operator for
18 another qualified organization, the commission may require additional
19 information concerning the proposed operator to satisfy the
20 commission that the individual is a bona fide member of the qualified
21 organization.

22 SECTION 16. IC 4-32.2-5-14, AS AMENDED BY P.L.104-2011,
23 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
24 JULY 1, 2012]: Sec. 14. (a) Except as provided by subsections (c) ~~and~~
25 ~~(d)~~, **through (e)**, an operator or a worker may not directly or indirectly
26 participate, other than in a capacity as an operator or a worker, in an
27 allowable event that the operator or worker is conducting.

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

- 30 (1) the card game in which the patron deals the cards is a game of
- 31 euchre;
- 32 (2) the patron deals the cards in the manner required in the
- 33 ordinary course of the game of euchre; and
- 34 (3) the euchre game is played under the supervision of the
- 35 qualified organization conducting the charity game night in
- 36 accordance with rules adopted by the commission under
- 37 IC 4-32.2-3-3.

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

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

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- 1 (1) A worker may not participate in any game during the time in
- 2 which the worker is conducting or helping to conduct the game.
- 3 (2) A worker who conducts or helps to conduct a pull tab,
- 4 punchboard, or tip board event during a festival event may not
- 5 participate as a player in a pull tab, punchboard, or tip board
- 6 event conducted on the same calendar day.
- 7 (d) A worker at a bingo event:
- 8 (1) whose duties are limited to:
- 9 (A) selling bingo supplies;
- 10 (B) selling tickets for a door prize drawing or raffle conducted
- 11 at the bingo event; or
- 12 (C) the duties described in both clauses (A) and (B);
- 13 (2) who has completed all of the worker's duties before the start
- 14 of the first bingo game of the bingo event; and
- 15 (3) who is not engaged as a worker at any other time during the
- 16 bingo event;
- 17 may participate as a player in any gaming activity offered at the bingo
- 18 event following the completion of the worker's duties at the bingo
- 19 event.

20 (e) **A worker at a raffle event conducted by a qualified**

21 **organization holding an annual comprehensive charity gaming**

22 **license issued under IC 4-32.2-4-20 may purchase a raffle ticket for**

23 **a particular drawing at the raffle event unless:**

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

27 SECTION 17. IC 4-32.2-5-15, AS ADDED BY P.L.91-2006,

28 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

29 JULY 1, 2012]: Sec. 15. **Except as provided in section 15.5 of this**

30 **chapter**, an operator must be a member in good standing of the

31 qualified organization that is conducting the allowable event for at least

32 one (1) year at the time of the allowable event.

33 SECTION 18. IC 4-32.2-5-15.5 IS ADDED TO THE INDIANA

34 CODE AS A NEW SECTION TO READ AS FOLLOWS

35 [EFFECTIVE JULY 1, 2012]: **Sec. 15.5. (a) This section applies only**

36 **to a qualified organization that is a bona fide national foundation.**

37 (b) **For purposes of section 15 of this chapter, an individual is**

38 **considered a member in good standing of the qualified**

39 **organization and an Indiana affiliate of the qualified organization**

40 **if the individual meets the following criteria:**

- 41 (1) **The individual is an Indiana resident.**
- 42 (2) **The individual has been a member in good standing of a**

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1 **bona fide national organization that is related to the bona fide**
2 **national foundation for at least one (1) year.**
3 **(3) The individual's authority to serve as an operator for the**
4 **qualified organization has been acknowledged by the qualified**
5 **organization on a form prescribed by the commission.**
6 **(c) For purposes of section 16(a) of this chapter, an individual**
7 **is considered a member in good standing of the qualified**
8 **organization and an Indiana affiliate of the qualified organization**
9 **if the individual meets the following criteria:**
10 **(1) The individual is an Indiana resident.**
11 **(2) The individual has been a member in good standing of a**
12 **bona fide national organization that is related to the bona fide**
13 **national foundation for at least thirty (30) days.**
14 **(3) The individual's authority to serve as a worker for the**
15 **qualified organization has been acknowledged by the qualified**
16 **organization on a form prescribed by the commission.**
17 SECTION 19. IC 4-32.2-5-16, AS AMENDED BY P.L.60-2009,
18 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2012]: Sec. 16. (a) Except as provided in:
20 (1) section 12(c) of this chapter;
21 (2) **section 15.5 of this chapter**; and
22 (3) subsection (b);
23 a worker at an allowable event must be a member in good standing of
24 the qualified organization that is conducting the allowable event for at
25 least thirty (30) days at the time of the allowable event.
26 (b) A qualified organization may allow an individual who is not a
27 member of the qualified organization to participate in an allowable
28 event as a worker if the individual is a full-time employee of the
29 qualified organization that is conducting the allowable event; or if:
30 (1) the individual is a member of another qualified organization;
31 and
32 (2) the individual's participation is approved by the commission.
33 A qualified organization may apply to the commission on a form
34 prescribed by the commission for approval of the participation of a
35 nonmember under this subsection. A qualified organization may share
36 the proceeds of an allowable event with the qualified organization in
37 which a worker participating in the allowable event under this
38 subsection is a member. The tasks that will be performed by an
39 individual participating in an allowable event under this subsection and
40 the amounts shared with the individual's qualified organization must be
41 described in the application and approved by the commission.
42 (c) For purposes of:

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1 (1) the licensing requirements of this article; and
 2 (2) section 9 of this chapter;
 3 a qualified organization that receives a share of the proceeds of an
 4 allowable event described in subsection (b) is not considered to be
 5 conducting an allowable event.

6 SECTION 20. IC 4-32.2-5-29 IS ADDED TO THE INDIANA
 7 CODE AS A NEW SECTION TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2012]: **Sec. 29. (a) This section applies only**
 9 **to a qualified organization holding an annual comprehensive**
 10 **charity gaming license issued under IC 4-32.2-4-20.**

11 **(b) An Indiana affiliate of a qualified organization may conduct**
 12 **an allowable event without obtaining a separate license for itself.**
 13 **An allowable event conducted by the Indiana affiliate is considered**
 14 **an event conducted by the qualified organization.**

15 **(c) A qualified organization may conduct allowable events on**
 16 **more than two (2) consecutive days.**

17 **(d) An Indiana affiliate of the qualified organization may**
 18 **conduct an allowable event regardless of how long the Indiana**
 19 **affiliate has been in existence.**

20 **(e) Unless otherwise expressly provided, a requirement imposed**
 21 **upon the conduct of an allowable event by:**

22 **(1) this article; or**

23 **(2) the rules of the commission (as in effect on January 1,**
 24 **2012);**

25 **applies to the conduct of an allowable event under an annual**
 26 **comprehensive charity gaming license.**

27 **(f) The following limitations apply to a qualified organization**
 28 **holding an annual comprehensive charity gaming license:**

29 **(1) The qualified organization may not conduct more than ten**
 30 **(10) allowable events per week.**

31 **(2) The qualified organization may not conduct more than six**
 32 **(6) charity game night events per year.**

33 **(3) An Indiana affiliate of the qualified organization may not**
 34 **conduct more than three (3) festival events per year.**

35 **(4) The qualified organization may not sell pull tabs,**
 36 **punchboards, and tip boards except at a festival event and in**
 37 **conjunction with other events as permitted by IC 4-32.2-4-13.**

38 **(5) The qualified organization may not hold another license**
 39 **issued under this article while holding the annual**
 40 **comprehensive charity gaming license.**

41 **(6) Except as provided by section 31 of this chapter, the**
 42 **Indiana affiliates of the qualified organization may not hold**

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1 another license issued under this article while the qualified
2 organization holds the annual comprehensive charity gaming
3 license.

4 (7) IC 4-32.2-4-3 does not apply to the qualified organization
5 or any of the qualified organization's Indiana affiliates.

6 SECTION 21. IC 4-32.2-5-30 IS ADDED TO THE INDIANA
7 CODE AS A NEW SECTION TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2012]: **Sec. 30. (a) A qualified organization**
9 **conducting an allowable event under an annual comprehensive**
10 **charity gaming license issued under IC 4-32.2-4-20 shall provide**
11 **notice of the allowable event to the commission at least twenty-one**
12 **(21) days before the day of the allowable event. The notice**
13 **provided under this section must be on a form prescribed by the**
14 **commission and must include the following information:**

15 (1) The name and address of the Indiana affiliate conducting
16 the allowable event.

17 (2) The names and addresses of the officers of the Indiana
18 affiliate.

19 (3) The type of allowable event the Indiana affiliate will
20 conduct.

21 (4) The location where the Indiana affiliate will conduct the
22 allowable event.

23 (5) The dates and times for the allowable event.

24 (6) The name of the operator of the allowable event.

25 (b) A qualified organization conducting an allowable event
26 under an annual comprehensive charity gaming license issued
27 under IC 4-32.2-4-20 may sell tickets for the allowable event before
28 providing notice of the allowable event to the commission under
29 subsection (a).

30 SECTION 22. IC 4-32.2-5-31 IS ADDED TO THE INDIANA
31 CODE AS A NEW SECTION TO READ AS FOLLOWS
32 [EFFECTIVE JULY 1, 2012]: **Sec. 31. (a) This section applies only**
33 **to an organization that is an Indiana affiliate of a bona fide**
34 **national organization.**

35 (b) An organization may elect not to participate in charity
36 gaming under an annual comprehensive charity gaming license
37 obtained by the organization's parent bona fide national
38 organization under IC 4-32.2-4-20. The organization shall provide
39 notice of the election to the commission on a form prescribed by
40 the commission.

41 (c) An election under this section disqualifies the organization
42 from conducting any allowable event under the parent

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1 organization's annual comprehensive charity gaming license for
2 the term of the license.

3 (d) An organization making an election under this section may
4 participate in charity gaming if qualified and licensed under this
5 article in its own right. Except as provided in subsection (e), an
6 organization making an election under this section:

7 (1) is considered a separate qualified organization from its
8 parent bona fide national organization; and

9 (2) is not considered an Indiana affiliate of the parent bona
10 fide national organization.

11 (e) For purposes of determining under IC 4-32.2-6-2(b) or
12 IC 4-32.2-6-3(d) and IC 4-32.2-6-3.5 the amount of the fee for the
13 issuance or renewal of an annual comprehensive charity gaming
14 license, an organization making an election under this section is
15 considered an Indiana affiliate of the parent bona fide national
16 organization.

17 SECTION 23. IC 4-32.2-6-2, AS ADDED BY P.L.91-2006,
18 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2012]: Sec. 2. (a) The ~~commission shall establish an initial~~
20 ~~license fee schedule. However, the license fee that is charged to a~~
21 ~~qualified organization in the first year that the qualified organization~~
22 ~~applies for a license may not exceed is:~~

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

24 (2) the amount determined under subsection (b) for a
25 qualified organization that is issued an annual comprehensive
26 charity gaming license for the first time.

27 (b) When a qualified organization is issued an annual
28 comprehensive charity gaming license under IC 4-32.2-4-20 for the
29 first time, the initial license fee is determined as follows:

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

32 (A) has not previously conducted an allowable event; and

33 (B) consists of Indiana affiliates that have not previously
34 conducted any allowable events.

35 (2) In the case of a qualified organization that includes at least
36 one (1) Indiana affiliate that conducted an allowable event
37 before the date the qualified organization applies for an
38 annual comprehensive charity gaming license, the fee is equal
39 to the greatest of the following:

40 (A) An amount equal to the sum of the license renewal fees
41 determined under section 3(c) of this chapter for the
42 organization's Indiana affiliates in 2011.

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1 **(B) An amount equal to the sum of the license renewal fees**
 2 **determined under section 3(c) of this chapter for the**
 3 **organization's Indiana affiliates during the twelve (12)**
 4 **month period ending on the date the qualified**
 5 **organization's license application is filed.**

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

7 SECTION 24. IC 4-32.2-6-3, AS AMENDED BY P.L.104-2011,
 8 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 9 JULY 1, 2012]: Sec. 3. (a) This subsection does not apply to the
 10 renewal of a license issued under IC 4-32.2-4-6, IC 4-32.2-4-7,
 11 IC 4-32.2-4-8, IC 4-32.2-4-10, ~~or~~ IC 4-32.2-4-12, **or IC 4-32.2-4-20**,
 12 or a single event license issued under IC 4-32.2-4-16. A qualified
 13 organization's adjusted gross revenue is an amount equal to the
 14 difference between:

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

17 (2) the sum of any amounts deducted under IC 4-32.2-5-3(b)(5)
 18 in the preceding year.

19 (b) This subsection applies only to the renewal of a license issued
 20 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
 21 IC 4-32.2-4-12, or a single event license issued under IC 4-32.2-4-16.
 22 A qualified organization's adjusted gross revenue is an amount equal
 23 to the difference between:

24 (1) the qualified organization's total gross revenue from the
 25 preceding event; minus

26 (2) any amount deducted under IC 4-32.2-5-3(b)(5) for the
 27 preceding event.

28 **(c) This subsection does not apply to the renewal of an annual**
 29 **comprehensive charity gaming license issued under IC 4-32.2-4-20.**

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

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

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1	H	\$ 200,000	\$ 250,000	\$ 1,800
2	I	\$ 250,000	\$ 300,000	\$ 2,500
3	J	\$ 300,000	\$ 400,000	\$ 3,250
4	K	\$ 400,000	\$ 500,000	\$ 5,000
5	L	\$ 500,000	\$ 750,000	\$ 6,750
6	M	\$ 750,000	\$ 1,000,000	\$ 9,000
7	N	\$ 1,000,000	\$ 1,250,000	\$ 11,000
8	O	\$ 1,250,000	\$ 1,500,000	\$ 13,000
9	P	\$ 1,500,000	\$ 1,750,000	\$ 15,000
10	Q	\$ 1,750,000	\$ 2,000,000	\$ 17,000
11	R	\$ 2,000,000	\$ 2,250,000	\$ 19,000
12	S	\$ 2,250,000	\$ 2,500,000	\$ 21,000
13	T	\$ 2,500,000	\$ 3,000,000	\$ 24,000
14	U	\$ 3,000,000		\$ 26,000

(d) This subsection applies only to the renewal of an annual comprehensive charity gaming license issued under IC 4-32.2-4-20. 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 aggregate adjusted gross revenue of the Indiana affiliates of the qualified organization as specified by section 3.5 of this chapter:

Class	Adjusted Gross Revenues		Fee	
	At Least	But Less Than		
24	A	\$ 0	\$ 15,000	\$ 50
25	B	\$ 15,000	\$ 25,000	\$ 100
26	C	\$ 25,000	\$ 50,000	\$ 300
27	D	\$ 50,000	\$ 75,000	\$ 400
28	E	\$ 75,000	\$ 100,000	\$ 700
29	F	\$ 100,000	\$ 150,000	\$ 1,000
30	G	\$ 150,000	\$ 200,000	\$ 1,500
31	H	\$ 200,000	\$ 250,000	\$ 1,800
32	I	\$ 250,000	\$ 300,000	\$ 2,500
33	J	\$ 300,000	\$ 400,000	\$ 3,250
34	K	\$ 400,000	\$ 500,000	\$ 5,000
35	L	\$ 500,000	\$ 750,000	\$ 6,750
36	M	\$ 750,000	\$ 1,000,000	\$ 9,000
37	N	\$ 1,000,000	\$ 1,250,000	\$ 11,000
38	O	\$ 1,250,000	\$ 1,500,000	\$ 13,000
39	P	\$ 1,500,000	\$ 1,750,000	\$ 15,000
40	Q	\$ 1,750,000	\$ 2,000,000	\$ 17,000
41	R	\$ 2,000,000	\$ 2,250,000	\$ 19,000
42	S	\$ 2,250,000	\$ 2,500,000	\$ 21,000

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1 **T \$ 2,500,000 \$ 3,000,000 \$ 24,000**
2 **U \$ 3,000,000 \$ 26,000**
3 SECTION 25. IC 4-32.2-6-3.5 IS ADDED TO THE INDIANA
4 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2012]: **Sec. 3.5. (a) This section applies only**
6 **to the renewal of an annual comprehensive charity gaming license**
7 **issued under IC 4-32.2-4-20.**
8 **(b) A qualified organization's adjusted gross revenue is an**
9 **amount equal to the difference between:**
10 **(1) the qualified organization's total gross revenue from**
11 **allowable events in the preceding year; minus**
12 **(2) the sum of any amounts deducted under**
13 **IC 4-32.2-5-3(b)(5) in the preceding year.**
14 **(c) For purposes of determining a qualified organization's**
15 **adjusted gross revenue under subsection (b), a qualified**
16 **organization must aggregate:**
17 **(1) the gross revenue from all allowable events conducted by**
18 **the qualified organization's Indiana affiliates in a particular**
19 **year; and**
20 **(2) the deductions taken by all of the qualified organization's**
21 **Indiana affiliates in a particular year.**

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