
TITLE 65 STATE LOTTERY COMMISSION

Emergency Rule
LSA Document #09-770(E)

DIGEST

Amends [65 IAC 1-4-2](#) confirming the application of the Office of the Inspector General's ethics standards to commission members and employees. Amends [65 IAC 1-4-7](#) concerning employee reporting of outside employment. Amends [65 IAC 1-4-9](#) concerning consequences of ethics violations of members and employees. Repeals [65 IAC 1-4-1](#), [65 IAC 1-4-3](#), [65 IAC 1-4-4](#), [65 IAC 1-4-5](#), [65 IAC 1-4-5.5](#), [65 IAC 1-4-6](#), and [65 IAC 1-4-8](#) to eliminate any conflicts with the ethics standards established by the Office of the Inspector General. Effective September 16, 2009.

[65 IAC 1-4-1](#); [65 IAC 1-4-2](#); [65 IAC 1-4-3](#); [65 IAC 1-4-4](#); [65 IAC 1-4-5](#); [65 IAC 1-4-5.5](#); [65 IAC 1-4-6](#); [65 IAC 1-4-7](#); [65 IAC 1-4-8](#); [65 IAC 1-4-9](#)

SECTION 1. [65 IAC 1-4-2](#) IS AMENDED TO READ AS FOLLOWS:

[65 IAC 1-4-2](#) Policy

Authority: [IC 4-30-3-7](#); [IC 4-30-3-9](#)

Affected: [IC 4-2-6](#); [IC 4-30](#)

Sec. 2. (a) The commission cannot function effectively without maintaining the integrity of the lottery. Members ~~officers, and employees therefore,~~ must encourage confidence in the commission by maintaining high standards of honesty, integrity, and impartiality. Members **and** employees ~~and officers~~ should conduct themselves in a manner that will enhance public respect for the lottery.

(b) All members and employees shall maintain compliance with all applicable ethics rules, statutes, and standards contained in [IC 4-2-6](#) or adopted by the inspector general of the state of Indiana.

(State Lottery Commission; [65 IAC 1-4-2](#); emergency rule filed Oct 24, 1989, 2:15 p.m.: 13 IR 404; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: [20071212-IR-065070656RFA](#); emergency rule filed Sep 16, 2009, 2:23 p.m.: [20090923-IR-065090770ERA](#))

SECTION 2. [65 IAC 1-4-7](#) IS AMENDED TO READ AS FOLLOWS:

[65 IAC 1-4-7](#) Reporting outside employment

Authority: [IC 4-30-3-7](#); [IC 4-30-3-9](#)

Affected: [IC 4-30](#)

Sec. 7. (a) ~~An officer or employee shall obtain written permission from the director before accepting any~~ **Employees engaged in** outside employment except for outside employment which existed at the time the officer or employee was hired and which was specifically disclosed at that time **involving compensation or any other income-generating venture must report the same** to the director, and the human resources director for the commission. Permission will be denied (or permission previously given will be revoked) if the nature of the work is considered to or does create a possible conflict of interest or the appearance of a conflict of interest or otherwise interferes with the officer or employee's duties for the commission. **or the director's designee, on such form as may be prescribed by the director. Any such employment or income-generating venture must be in compliance with all applicable ethics rules, statutes, and standards.**

~~(b) An officer or employee granted permission for outside employment shall not conduct any business or perform any activities, including solicitation, related to outside employment on premises owned or used by the commission or during the officer or employee's working hours for the commission.~~

~~(c) For purposes of this section, outside employment includes operation of a proprietorship, participation in a~~

partnership or group business enterprise, or performance as a director or corporate officer of any for-profit corporation, business enterprise, building and loan association, or banking or credit institution, but does not include service as an officer or director of nonprofit, tax-exempt organizations such as cooperative housing corporations, scouts, or civic, fraternal, religious, educational, veterans, social, community, or charitable organizations unless the management of any business-type activity involves the operation of a commercial clubhouse or if tax liable profit-making is involved.

(State Lottery Commission; [65 IAC 1-4-7](#); emergency rule filed Oct 24, 1989, 2:15 p.m.: 13 IR 406; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: [20071212-IR-065070656RFA](#); emergency rule filed Sep 16, 2009, 2:23 p.m.: [20090923-IR-065090770ERA](#))

SECTION 3. [65 IAC 1-4-9](#) IS AMENDED TO READ AS FOLLOWS:

[65 IAC 1-4-9](#) Consequences of violation

Authority: [IC 4-30-3-7](#); [IC 4-30-3-9](#)

Affected: [IC 4-30](#)

Sec. 9. Violation of this rule may constitute cause for removal of a member from the commission or result in disciplinary action, including termination, for an officer or employee. ~~The commission may waive a violation of the terms of this rule if it determines that the conduct involved does not violate the purpose of this rule.~~ Violation of this rule does not create a private cause of action in favor of any person.

(State Lottery Commission; [65 IAC 1-4-9](#); emergency rule filed Oct 24, 1989, 2:15 p.m.: 13 IR 406; emergency rule filed Jan 24, 1990, 4:00 p.m.: 13 IR 1067; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: [20071212-IR-065070656RFA](#); emergency rule filed Sep 16, 2009, 2:23 p.m.: [20090923-IR-065090770ERA](#))

SECTION 4. THE FOLLOWING ARE REPEALED: [65 IAC 1-4-1](#); [65 IAC 1-4-3](#); [65 IAC 1-4-4](#); [65 IAC 1-4-5](#); [65 IAC 1-4-5.5](#); [65 IAC 1-4-6](#); [65 IAC 1-4-8](#).

LSA Document #09-770(E)

Filed with Publisher: September 16, 2009, 2:23 p.m.

Posted: 09/23/2009 by Legislative Services Agency

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