TITLE 68 INDIANA GAMING COMMISSION

Final Rule
LSA Document #20-466(F)

DIGEST

Adds 68 IAC 21-8, 68 IAC 21-9, 68 IAC 21-10, 68 IAC 21-11, 68 IAC 21-12, 68 IAC 21-13, and 68 IAC 21-14 regarding charity gaming. Repeals 68 IAC 21-1, 68 IAC 21-2, 68 IAC 21-3, 68 IAC 21-4, 68 IAC 21-5, 68 IAC 21-6, and 68 IAC 21-7. Statutory authority: IC 4-32.3-3-3. Effective 30 days after filing with Publisher.

68 IAC 21-1; 68 IAC 21-2; 68 IAC 21-3; 68 IAC 21-4; 68 IAC 21-5; 68 IAC 21-6; 68 IAC 21-7; 68 IAC 21-8; 68 IAC 21-9; 68 IAC 21-10; 68 IAC 21-11; 68 IAC 21-12; 68 IAC 21-13; 68 IAC 21-14

SECTION 1. 68 IAC 21-8 IS ADDED TO READ AS FOLLOWS:

Rule 8. Definitions

68 IAC 21-8-1 Applicability

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-2

Sec. 1. The definitions in this rule and in IC 4-32.3-2 apply throughout this article.

(Indiana Gaming Commission; 68 IAC 21-8-1; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-2 "Bingo card" or "bingo paper" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 2. "Bingo card" or "bingo paper" means permutations of letter and number combinations printed on reusable or nonreusable card or paper stock containing five (5) rows of five (5) squares, each imprinted with randomly placed numbers, one (1) through seventy-five (75), except for the center square, which is always marked with the word "free". The letters "B-I-N-G-O", in this order, must also be imprinted above each of the five (5) columns. The numbers one (1) through fifteen (15) are assigned to the "B" column. The numbers sixteen (16) through thirty (30) are assigned to the "I" column. The numbers thirty-one (31) through forty-five (45) are assigned to the "N" column. The numbers forty-six (46) through sixty (60) are assigned to the "G" column. The numbers sixty-one (61) through seventy-five (75) are assigned to the "O" column. A serial number consisting of at least five (5) alpha characters or numeric characters, or both, must be printed on each item manufactured and sold.

(Indiana Gaming Commission; 68 IAC 21-8-2; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-3 "Bingo equipment" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 3. "Bingo equipment" means all paraphernalia used to conduct bingo, including, but not limited to, the following:
(1) Random number selection equipment.
(2) Designators, such as bingo balls.
(3) Designator receptacles.
(4) Number display boards.
The term does not include audio or video equipment, which plays no part in the conduct of the game.

(Indiana Gaming Commission; 68 IAC 21-8-3; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-4 "Bingo supplies" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 4. "Bingo supplies" includes, but is not limited to, any of the following:
(1) Bingo paper.
(2) Bingo cards.
(3) Concealed face bingo cards.
(4) Other devices designed to cover squares on a bingo card or bingo paper.

(Indiana Gaming Commission; 68 IAC 21-8-4; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-5 "Calendar day" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 5. "Calendar day" means one (1) continuous twenty-four (24) hour period beginning at 12:01 a.m. and ending at 11:59 p.m.

(Indiana Gaming Commission; 68 IAC 21-8-5; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-6 "Calendar week" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 6. "Calendar week" means one (1) continuous seven (7) day period beginning on 12:01 a.m. Sunday and ending at 11:59 p.m. on the following Saturday.

(Indiana Gaming Commission; 68 IAC 21-8-6; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-7 "Concealed face bingo card" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 7. "Concealed face bingo card" means a nonreusable bingo card constructed to conceal the card face. This type of card is commonly referred to under trade names, which includes, but is not limited to, the following:
(1) Tear-Open.
(2) Bonanza Bingo.
(3) Bull's-eye.
(4) Fortune Cards.

(Indiana Gaming Commission; 68 IAC 21-8-7; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-8 "Deal" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 8. "Deal" means each separate package, or series of packages, consisting of one (1) game of pull tabs or tip boards with the same serial number.

(Indiana Gaming Commission; 68 IAC 21-8-8; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-9 "Dispensing device" defined

Authority: IC 4-32.3-3-3

Affected: IC 4-32.3

Sec. 9. "Dispensing device" means a mechanical or electromechanical device with one (1) or more stacking columns that dispenses a licensed supply or raffle ticket only after a player inserts an appropriate amount of coin or currency. The term does not include a device that electronically generates a pull tab or electronically displays the results of a pull tab.

(Indiana Gaming Commission; 68 IAC 21-8-9; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-10 "Exempt event" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-4-3

Sec. 10. "Exempt event" means an allowable activity conducted by a qualified organization under IC 4-32.3-4-3 for which a charity gaming license is not required.

(Indiana Gaming Commission; 68 IAC 21-8-10; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-11 "Flare" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 11. "Flare" means the board or placard enclosed with or accompanying each punchboard or deal of pull tabs and tip boards that has printed on, or affixed to it, the following information:

(1) The name of the game.
(2) The manufacturer's name or distinctive logo.
(3) The game form number.
(4) The ticket count.
(5) The prize structure for the game, which includes the number of winning pull tabs by denomination and their respective winning symbol or symbols or number or numbers combination.
(6) The cost per ticket.
(7) The serial number of the game.
(8) If the seal card serves as the game flare, it must contain the information required in subdivisions (1) through (7), unless the manufacturer provides an additional flare containing the required information.

(Indiana Gaming Commission; 68 IAC 21-8-11; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-12 "Gross receipts" or "gross revenue" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 12. "Gross receipts" or "gross revenue" means the entire amount of receipts accrued, actually or constructively, without any deductions.

(Indiana Gaming Commission; 68 IAC 21-8-12; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-13 "Lawful purposes" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 13. "Lawful purposes" means one (1) or more of the authorized purposes stated in a qualified organization's written bylaws, constitution, charter, or articles of incorporation and is on file with the commission, or any of the purposes set forth in the 501(c) Section of the Internal Revenue Code under which the qualified organization is tax exempt.

(Indiana Gaming Commission; 68 IAC 21-8-13; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-14 "Licensed supply" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-2-22; IC 4-32.3-4

Sec. 14. "Licensed supply," in addition to the items identified in IC 4-32.3-2-22, means any supplies, devices, or equipment critical to the conduct of any gaming activities at an allowable activity, including the following:

(1) Roulette and any other prize wheels.
(2) Bingo equipment.
(3) Seal cards.
(4) Tip board tickets.
(5) Dispensing devices.
(6) Sports-themed tip boards and pull tab games.
(7) Any other gaming materials designed to be used in and necessary to conduct an allowable activity and specified by the executive director or commission.

(Indiana Gaming Commission; 68 IAC 21-8-14; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-15 "Operator" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-2-25

Sec. 15. "Operator", as defined in IC 4-32.3-2-25, means either of the following:

(1) A member of a qualified organization who has oversight of or is responsible for performing functions directly associated with critical aspects of gaming activities, including, but not limited to:
(A) accounting for money received and disbursed at a charity gaming activity;
(B) keeping records of a charity gaming activity;
(C) announcing the letter-number combination at a bingo event;
(D) conducting:
(i) the winning draw for a raffle; or
(ii) a door prize drawing;
(E) determining the winner in a guessing game or a water race;
(F) determining the flare and seal card winner;
(G) controlling the mixing and distributing of pull tabs;
(H) redeeming a pull tab, punchboard, or tip board valued at more than fifty dollars ($50); or
(I) performing a task of a worker.
(2) A remunerated bartender designated on a qualified organization's annual license. A remunerated bartender is limited to participating in the sale and redemption of:
(A) pull tabs;
(B) punchboards; and
(C) tip boards;
on the premises of the qualified organization.

(Indiana Gaming Commission; 68 IAC 21-8-15; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-16 "Retail establishment" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 16. "Retail establishment" means a for-profit business maintaining a physical storefront presence in Indiana. The term does not include qualified organizations or an organization that is eligible to become a qualified organization.

(Indiana Gaming Commission; 68 IAC 21-8-16; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-17 "Sports-themed tip board" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 17. "Sports-themed tip board" means a board, placard, or other device that contains a grid or list of predesignated numbers or outcomes hidden behind a seal or opaque material. The winning numbers or outcomes are determined in whole or in part by the numerical score or outcome of one (1) or more sporting events approved by the commission, and the board, placard, or other device serves as the game flare for player registration.

(Indiana Gaming Commission; 68 IAC 21-8-17; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-18 "Tip board ticket" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 18. "Tip board ticket" is a single folded or banded ticket, or multi-ply card, the face of which is initially covered or otherwise hidden from view to conceal a number, symbol, or set of symbols, some of which have been designated in advance and at random as prize winners.

(Indiana Gaming Commission; 68 IAC 21-8-18; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-8-19 "Worker" defined

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-2-40

Sec. 19. "Worker", as defined in IC 4-32.3-2-40, means a member of a qualified organization who assists in conducting gaming activities, including, but not limited to, the following:
(1) Selling pull tabs, punchboards, and tip boards.
(2) Selling bingo supplies.
(3) Dealing cards at a card game.
(4) Selling tickets or chances to an allowable event.
(5) Redeeming pull tabs, punchboards, and tip boards valued at fifty dollars ($50) or less.

(Indiana Gaming Commission; 68 IAC 21-8-19; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

SECTION 2. 68 IAC 21-9 IS ADDED TO READ AS FOLLOWS:

Rule 9. Application Procedures

68 IAC 21-9-1 Application by qualified organization

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-2-31; IC 4-32.3-4; IC 4-32.3-6-2

Sec. 1. (a) To obtain a license to conduct an allowable activity, a qualified organization must submit a complete written application on the form or forms prescribed by the commission. Unless the application is expedited under IC 4-32.3-6-2, applications must be submitted as follows:
(1) An application for a single activity license, an annual activity license, including licenses issued under IC 4-32.3-4-5.5 and IC 4-32.3-4-16, or a festival license must be received not later than forty-five (45) business days before the date on which the allowable activity is to be conducted.
(2) An application to conduct a raffle at a convention under IC 4-32.3-4-10 must be received not later than twenty-one (21) business days before the date on which the raffle is to be conducted.
(3) An application to expedite a license or renewal application under IC 4-32.3-6-2 must be received not later than ten (10) business days before the date on which the allowable activity is to be conducted.

(b) The application shall include the following information:
(1) The legal name and principal address of the organization.

(2) Except for a candidate's committee, the organization's federal taxpayer identification number.
(3) The daytime telephone number, fax number, if applicable, and email address of the organization.
(4) The name, daytime telephone number, and email address of the primary contact person of the organization.
(5) The organization's license number, if applicable.
(6) Except for an annual affiliate license, convention raffle license, or candidate's committee license, the type of allowable activities the organization proposes to conduct.
(7) The physical location of the facility or locations of the facilities where the organization will conduct the allowable activities.
(8) The date or dates and time or times of the proposed allowable activities.
(9) Sufficient facts relating to the organization or the organization's incorporation or founding to enable the commission to determine whether the organization is a qualified organization as defined in IC 4-32.3-2-31, including, but not limited to, any of the following:
(A) A notice issued by the commission under this rule in which the commission has determined the organization is a qualified organization.
(B) Evidence that the organization has been previously determined by the commission to be a qualified organization.
(C) The information outlined in section 2(a) of this rule.
(10) The full legal name or names of each proposed operator and worker and sufficient facts to determine that each person identified is qualified to be an operator or worker, including, but not limited to, the proposed operator's or worker's:
(A) address of primary residence;
(B) date of birth;
(C) beginning date of membership;
(D) driver's license number or state identification number; and
(E) telephone number.
(11) Whether any of the proposed operators or workers has had a felony conviction within the past ten (10) years.
(12) The name, address, and telephone number of the general manager for each retail establishment where tickets will be sold, if the organization is proposing to utilize volunteer ticket agents under a single activity license or festival license.
(13) A sworn statement signed by the presiding officer and secretary of the organization attesting to the eligibility of the organization for a license, including the nonprofit character of the organization.
(14) A current copy of the organization's membership roster or other proof of membership of each proposed operator or worker.
(15) A copy of the lease or sublease if the organization is renting the premises at which the gaming activity occurs. The lease or sublease must state that the lessor understands that the lessee intends to conduct gaming activity on the leased premises. A sublease must clearly indicate that it is a sublease.
(16) The lease of a location or facility for an allowable event must be in writing and executed:
(A) between the qualified organization and the owner of the premises, as determined by the property owner of record on the property tax rolls of the county in which the property is located; or
(B) as a valid sublease between the sublessor and sublessee, with written consent of the assignment by the property owner of record, as determined by the property tax rolls of the county in which the property is located.
(17) Except for applications for a license issued under IC 4-32.3-4-5.5, a copy of the donation statement if the organization is using the premises at which the gaming activity occurs without any change from the owner of the premises. The donation statement must state that the donor understands that the donee intends to conduct gaming activity on the donated premises.
(18) The name and address of the distributor from whom the organization intends to purchase licensed supplies, and the general category of items the organization intends to purchase.
(19) Whether the organization already owns gaming equipment or devices, and if so, the name of the distributor, date of purchase, purchase price, and type of equipment or device.
(20) Financial information regarding the organization's charitable gaming activities, including:
(A) the physical address where the organization's financial records will be maintained;
(B) the name, address, and phone number of the person who will be maintaining the financial records; and
(C) the name and address of the bank for the organization's separate and segregated checking account, and the name and account number of the separate and segregated checking account.

(c) If an organization that has been determined by the commission to be a qualified organization does not conduct an allowable activity for a period of at least three (3) years, the organization must provide to the commission the information outlined in section 2 of this rule before conducting an allowable activity.

(Indiana Gaming Commission; 68 IAC 21-9-1; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-9-2 Qualified organization predetermination

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-2-31; IC 4-32.3-4-4; IC 12-25; IC 16-21; IC 16-28

Sec. 2. (a) Not later than sixty (60) business days before conducting an allowable activity under IC 4-32.3-4-4, an organization not yet determined to be a qualified organization must provide to the commission facts sufficient for the commission to make a determination that the organization is a qualified organization as defined in IC 4-32.3-2-31. The information must be submitted on a form prescribed by the commission and must include the following information:

(1) The organization's legal name, doing business as or "d/b/a" name, physical address, mailing address, daytime telephone number, and email address.
(2) The organization's federal taxpayer identification number.
(3) The organization's primary contact person's name, telephone number, and email address.
(4) The date of the organization's formation and current number of members.
(5) A letter from the Internal Revenue Service stating that the organization is exempt from taxation under Section 501 of the Internal Revenue Code.
(6) Proof that the organization is a bona fide charitable organization.
(7) Proof that the organization is a bona fide political organization, if applicable.
(8) Proof that the organization is a hospital licensed under IC 16-21, a health facility licensed under IC 16-28, or a psychiatric facility licensed under IC 12-25, if applicable.
(9) A copy of the organization's bylaws, constitution, charter, and articles of incorporation, if applicable, showing:
(A) the purpose or mission of the organization;
(B) the titles of the officeholders and their corresponding duties;
(C) the membership requirements of the organization, including classes of members or voting rights, if any; and
(D) a dissolution clause showing that upon dissolution, the remaining assets of the organization shall be used for nonprofit purposes that will support or advance the purpose or mission of the organization.
(10) The name, complete address, and federal taxpayer identification number of the national or Indiana parent organization, if applicable.
(11) The name, home address, title, date of term expiration, and home telephone number of current officers.
(12) A sworn statement signed by the presiding officer and secretary of the organization attesting to the truth of the contents of the application, including the nonprofit character of the organization.

(b) Upon receipt and verification of the information required in subsection (a), the commission shall issue a notice to the organization that the organization is a qualified organization as defined in IC 4-32.3-2-31.

(Indiana Gaming Commission; 68 IAC 21-9-2; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-9-3 Notice of exempt event

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-4-3

Sec. 3. (a) To conduct an exempt event, a qualified organization must submit written notice on the form or forms prescribed by the commission informing the commission of the following:

(1) Verification that the organization has been determined by the commission to be a qualified organization, including any of the following:
(A) A notice issued by the commission under section 2 of this rule in which the commission has determined that the organization is a qualified organization.

(B) Evidence that the organization has been previously determined by the commission to be a qualified organization.
(C) The information outlined in section 2(a) of this rule.
(2) The type or types of allowable activities the organization proposes to conduct.
(3) The date or dates and time or times of the planned exempt event or events.
(4) The location or locations where the qualified organization plans to hold the exempt event or events.
(5) The estimated retail value of all prizes to be awarded at each exempt event.
(6) The total retail value of all prizes awarded to date at all previously held gaming activities within the same calendar year.
(7) The names of at least three (3) operators who will supervise, manage, and be responsible for the operation of the allowable activity or activities, one (1) of whom must be designated as the principal operator.
(8) Whether the organization owns or intends to purchase licensed supplies, and if so, the name of the distributor.
(9) A sworn statement signed by the presiding officer and secretary of the organization attesting to the truth of the contents of the application, including the nonprofit character of the organization.

(b) An organization conducting an exempt event must prominently post the written notice acknowledged by the commission at the location of the event.

(Indiana Gaming Commission; 68 IAC 21-9-3; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-9-4 Application by a manufacturer or distributor

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-3-4

Sec. 4. (a) In order to sell or lease licensed supply to a qualified organization, an entity is required to be licensed as a distributor under IC 4-32.3-3-4. A licensed distributor may sell or lease licensed supply to another licensed distributor. In order to manufacture licensed supply for sale or lease to a licensed distributor, an entity is required to be licensed as a manufacturer under IC 4-32.3-3-4. A licensed manufacturer may sell or lease licensed supply to a licensed distributor or another licensed manufacturer. To obtain an annual license, a manufacturer or distributor must submit a written application on a form prescribed by the commission.

(b) The manufacturer's application shall include all information deemed appropriate by the commission or the executive director, including, but not limited to, the following:
(1) The legal name, doing business as name, if applicable, of the applicant and the address of the applicant's principal place of business.
(2) The address of each of the applicant's separate locations where licensed supplies are manufactured.
(3) The name and home address of all owners of the applicant's business if it is not a corporation and, if it is a corporation, the name and address of the following:
(A) Each officer of the corporation.
(B) Each substantial owner.
(C) Each key person.
(4) The name, business address, and home address of the registered agent for service in Indiana if the applicant is a corporation not domiciled in Indiana.
(5) Whether the applicant or a person required to be named in the application is an owner, officer, director, or employee of another entity that would be licensed under this rule.
(6) A full description or basic category of the type of licensed supply that will be manufactured.
(7) The name of each state where the applicant has been licensed to manufacture, supply, or distribute licensed supplies, the license numbers, the period of time licensed, and whether or not a license has ever been suspended, revoked, or voluntarily forfeited, and the reason for that action.
(8) Whether the applicant currently holds a registered retail merchant certificate, out-of-state use tax certificate, or tax advisory letter issued by the department of revenue. If so, the applicant shall provide a copy.
(9) A sworn statement signed by the president or owner of the applicant attesting to the truth of the contents of the application.

(c) A distributor must purchase licensed supplies to be used in charity gaming in Indiana from a licensed manufacturer or another licensed distributor. The distributor's application shall include the following information:

(1) The legal name, doing business as name, if applicable, of the applicant, and the address of the applicant's principal place of business.

(2) The name and address of the following:

(A) Each location operated by the distributor where licensed supplies are stored.

(B) Each owner, if the applicant is not a corporation.

(C) Each substantial owner.

(D) The registered agent for service in Indiana, if the applicant is a corporation not domiciled in Indiana.

(E) Each key person.

(3) A full description or the basic category of the type of licensed supply that will be distributed.

(4) The name of the states where the applicant has been a licensed distributor, the license number, the period of time licensed, and whether or not a license has ever been suspended or revoked, or voluntarily forfeited, and the reason for that action.

(5) The name and address of the manufacturers from which purchases are made to be distributed in Indiana.

(6) Whether the applicant currently holds a registered retail merchant certificate, out-of-state use tax certificate, or tax advisory letter issued by the department of revenue. If so, the applicant shall provide a copy.

(7) A sworn statement signed by the president or owner of the applicant attesting to the truth of the contents of the application.

(d) An entity that both manufactures and distributes licensed supply to be used in charity gaming in Indiana must possess a manufacturer's license and a distributor's license.

(e) A license issued to a manufacturer or a distributor is not transferable.

(Indiana Gaming Commission; 68 IAC 21-9-4; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-9-5 Denial of license

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-2-31; IC 4-32.3-3-4; IC 4-32.3-4-2

Sec. 5. (a) In addition to the reasons identified in IC 4-32.3-3-4 and IC 4-32.3-4-2, the commission shall deny a license to an organization, a manufacturer, or a distributor if the commission determines that the applicant has failed to timely pay any federal, state, or local tax obligation due, unless the applicant withdraws the application prior to the denial of the license.

(b) For purposes of the grant, renewal, or denial of a license, the commission shall consider the relevant activities of an organization prior to a reorganization conducted under IC 4-32.3-2-31(a)(1)(B)(iii).

(Indiana Gaming Commission; 68 IAC 21-9-5; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-9-6 License fees

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-6-3

Sec. 6. (a) All license fees must be paid at the time the application for licensure is submitted to the commission.

(b) The annual license fee for a manufacturer or distributor is five thousand dollars ($5,000).

(c) The initial fee on each separate license held by a qualified organization is fifty dollars ($50).

(d) If a period of at least three (3) years elapses between the dates on which a qualified organization lawfully conducts an allowable activity, a license issued for the first time following the three (3) year period shall be considered an initial license for purposes of IC 4-32.3-6-3 and this rule.

(e) If a qualified organization withdraws its application for an initial license or a license renewal, in writing, prior to issuance of the license or grant of the renewal, the commission shall refund the applicable license fee or renewal fee to the qualified organization, minus a fifty dollar ($50) processing charge.

(f) If a qualified organization surrenders to the commission a single or annual activity license prior to the effective date of the license, the commission shall refund the lesser of:
(1) the applicable license fee or renewal fee, minus a fifty dollar ($50) processing charge; or
(2) fifty percent (50%) of the applicable license fee or renewal fee.

(g) The commission may collect outstanding license fees resulting from underreported gaming income from an allowable activity.

(Indiana Gaming Commission; 68 IAC 21-9-6; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-9-7 Two year annual casino game night license annual fee

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-4-5.5; IC 4-32.3-5-3; IC 4-32.3-6-7.5

Sec. 7. (a) This section applies only to a two (2) year annual casino game night license issued under IC 4-32.3-4-5.5.

(b) 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 conducted under the two (2) year annual casino game night license in the year prior to the annual anniversary date of the issuance of the two (2) year annual casino game night license; minus
(2) the sum of any amounts deducted under IC 4-32.3-5-3(b)(5) with respect to the allowable events described in subdivision (1) in the year prior to the annual anniversary date of the issuance of the two (2) year annual casino game night license.

(c) A qualified organization shall pay an annual fee determined under this section before the annual anniversary date of the issuance of the two (2) year annual casino game night license issued under IC 4-32.3-4-5.5. The annual fee that is charged to a qualified organization holding a two (2) year annual casino game night license issued under IC 4-32.3-4-5.5 is equal to the amount determined according to the fee schedule described in IC 4-32.3-6-7.5 using the adjusted gross revenue of the qualified organization as specified by subsection (b).

(Indiana Gaming Commission; 68 IAC 21-9-7; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-9-8 Adding or removing affiliates

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 8. Affiliates of a bona fide national organization or foundation may only be added to or removed from an annual affiliate license at the time of the initial or renewal application.

(Indiana Gaming Commission; 68 IAC 21-9-8; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-9-9 Exemption from prize limits

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 9. (a) To obtain express authorization for an exemption from a normal prize limit where permissible in IC 4-32.3, a qualified organization must submit a written application on a form prescribed by the commission stating the organization's name, address, telephone number, fax number, if applicable, current license number, contact person, applicable event program, and the date, time, and location of the activity at least fourteen (14) business days before the date of the activity or event.

(b) The authorization to exceed the normal prize limits must be prominently displayed at the time and location of the activity.

(Indiana Gaming Commission; 68 IAC 21-9-9; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-9-10 Amendments

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-4-13; IC 4-32.3-6

Sec. 10. (a) The commission shall assess a twenty-five dollar ($25) fee for an amendment to a license.

(b) The amendment must be submitted at least twenty-one (21) business days prior to the date the activity is to be conducted.

(c) If the amendment proposes to add annual bingo or annual casino game night activities to an annual license, and a period of at least three (3) years elapses between the dates on which the qualified organization lawfully conducted annual bingo or annual casino game night activities, the qualified organization must comply with the notice requirements set forth in IC 4-32.3-4-13 and this rule before conducting the proposed activity.

(Indiana Gaming Commission; 68 IAC 21-9-10; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

SECTION 3. 68 IAC 21-10 IS ADDED TO READ AS FOLLOWS:

Rule 10. Charity Gaming

68 IAC 21-10-1 Allowable activities

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-2-2

Sec. 1. In addition to the allowable activities identified in IC 4-32.3-2-2, the following activities are allowed:
(1) A water race.
(2) A guessing game.
(3) A game of chance conducted as a fundraising activity of a qualified organization and approved by the commission.

(Indiana Gaming Commission; 68 IAC 21-10-1; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-2 Advertising an allowable activity

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 2. (a) A qualified organization or an out-of-state charitable organization may advertise an allowable activity. Except for exempt events as set forth in subsection (c), an advertisement in printed media, such as newspapers, magazines, and Internet websites, or on temporary signage, such as fliers, yard signs, billboards, and marquee advertisements, must contain the name, license number, and reference number, in bold print, of the organization conducting the event. An advertisement in broadcast media must announce at the end of the advertisement:

(1) the name of the qualified organization or out-of-state charitable organization conducting the event; and

(2) the license and reference number of the qualified organization or out-of-state charitable organization, and that the organization's license is on file with the commission.

A television announcement of the name, license number, and reference number of the qualified organization or out-of-state charitable organization conducting the allowable activity may be in the form of audio or video, or both.

(b) An organization conducting an allowable activity shall not advertise for that activity using a business name, such as a "d/b/a", which is different from the name on the organization's license, on any advertisement or signage.

(c) An advertisement for an exempt event activity must state or announce that the exempt event activity notification is on file with the commission.

(Indiana Gaming Commission; 68 IAC 21-10-2; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-3 Required signage

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 3. (a) A sign printed with a font size legible from a distance of at least ten (10) feet must be prominently posted near each entrance and registration area throughout the activity stating that the operators and workers are not allowed to accept tips.

(b) An organization must conspicuously post a "no change" sign on a dispensing device that does not provide change.

(c) An unaltered photocopy of at least eight and one-half (8 1/2) inches by eleven (11) inches of the charity gaming activity license is required to be prominently displayed at the facility where the activity is being held. If allowable activities are held in multiple areas of the facility, a photocopy of at least eight and one-half (8 1/2) inches by eleven (11) inches of the charity gaming activity license must be displayed in each area where allowable activities are taking place.

(Indiana Gaming Commission; 68 IAC 21-10-3; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-4 Disposal of unused licensed supplies; procedure

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 4. (a) An organization may dispose of unused bingo supplies, punchboards, pull tabs, tip boards, and other licensed supplies specified by the commission by shredding, burning, or otherwise destroying them. The organization must notify the commission that such items are to be destroyed thirty (30) days in advance of the destruction and must provide the following information:

(1) The date the items will be destroyed.
(2) The manner of destruction.
(3) A description of the items to be destroyed.
(4) The quantity of the items to be destroyed.
(5) The serial numbers of the items to be destroyed.
(6) The trade name of the items.
(7) The reason for destruction.

(b) Destruction of unused licensed supplies must be certified by one (1) officer of the qualified organization on a form prescribed by the commission.

(Indiana Gaming Commission; 68 IAC 21-10-4; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-5 Lost licensed supplies; procedure

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 5. If an organization has lost licensed supplies through theft, fire, flood, or other disaster, the organization must notify the commission in writing of the loss and provide the following information within ten (10) days of discovering the loss:

(1) The date the items were lost.
(2) The manner of loss and a description of the items lost.
(3) The serial numbers of the items lost.
(4) The trade name of the items.
(5) Copies of all insurance forms submitted for the loss.
(6) Police or fire department reports created in connection to the loss.
(7) Other information required by the commission or the executive director.

(Indiana Gaming Commission; 68 IAC 21-10-5; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-6 Publication of notice

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-4; IC 5-14-1.5

Sec. 6. (a) Publication of notice required by IC 4-32.3-4-13(b) shall be made not later than fifteen (15) business days after the applicant has received a prelicense review letter issued by the commission.

(b) If the gaming location at which a qualified organization holding a license issued under IC 4-32.3-4-5(c) changes, the qualified organization shall publish notice as required by IC 4-32.3-4-13(b). Notification must meet the requirements of IC 4-32.3-4-13(c). In the event the commission receives at least ten (10) written and signed protest letters, the commission shall hold a hearing in accordance with IC 5-14-1.5.

(c) Protest letters referenced in IC 4-32.3-4-13(d) opposing the issuance of an initial annual license to conduct bingo or casino game night activities must be received by the commission not later than fifteen (15) business days after the last publication required by IC 4-32.3-4-13(c).

(d) A qualified organization that applies for an initial two (2) year casino game night license issued under IC 4-32.3-4-5.5 or an initial three (3) year charity gaming license issued under IC 4-32.3-4-16 shall be subject to the requirements of IC 4-32.3-4-13 and this section.

(Indiana Gaming Commission; 68 IAC 21-10-6; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-7 Standards on pull tabs and bingo; record keeping and reporting

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 7. (a) Pull tabs manufactured or distributed for sale in Indiana must meet the "Standards on Pull-Tabs" and "Pull-Tab Record Keeping and Reporting Standards" adopted by the North American Gaming Regulators Association (NAGRA), October 12, 1991, and May 11, 1994, respectively, as amended October 20, 1998, and amended December 12, 2005, which is incorporated by reference. Except for when a conflict exists with a provision of IC 4-32.3 or a rule of the commission, a qualified organization must conduct pull tab games in the manner prescribed by these NAGRA standards. Copies are available from the North American Gaming Regulators Association, 26 East Exchange Street, Suite 500, St. Paul, MN 55101 or http://www.nagra.org.

(b) Bingo supplies manufactured or distributed for sale in Indiana must meet the "Bingo Standards" and "Bingo Record-Keeping and Reporting Standards" adopted by the North American Gaming Regulators Association (NAGRA), October 22, 1992, and May 11, 1994, respectively, and amended March

18, 2011, which is incorporated by reference. Except for when a conflict exists with a provision of IC 4-32.3 or a rule of the commission, a qualified organization must conduct bingo games in the manner prescribed by these NAGRA standards. Copies are available from the North American Gaming Regulators Association, 26 East Exchange Street, Suite 500, St. Paul, MN 55101 or http://www.nagra.org.

(Indiana Gaming Commission; 68 IAC 21-10-7; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-8 Use of volunteer ticket agents

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 8. (a) A qualified organization using volunteer ticket agents to sell tickets to an allowable activity must maintain a ledger in which the qualified organization records the:
(1) date of the allowable activity to which the tickets are sold;
(2) name, address, and telephone number of each volunteer ticket agent and the retail establishment where the volunteer ticket agent sold tickets; and
(3) sequential numbers of the tickets provided to the retail establishment.

(b) A qualified organization using volunteer ticket agents must account for and retain possession of unsold licensed supply provided to a retail establishment for sale by volunteer ticket agents.

(c) Tickets sold for an allowable activity for which a volunteer ticket agent is being used must be sequentially numbered.

(d) A qualified organization may not remunerate a retail establishment whose employees are serving as volunteer ticket agents.

(Indiana Gaming Commission; 68 IAC 21-10-8; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-9 Conducting an allowable activity

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-5-11; IC 5-14-1.5; IC 35-45-5-1

Sec. 9. (a) With the exception of activities taking place under a festival license, an allowable activity must begin and end within a period of twenty-four (24) consecutive hours.

(b) A qualified organization may not conduct more than six (6) casino game night single activities per calendar year.

(c) Except for a festival, an organization must not pay more than five hundred dollars ($500) per activity in total for personal property that may be used by the organization to conduct the activity. This includes the rental of tables, chairs, and related equipment owned and leased by the lessor that is leasing the facility to the qualified organization for an allowable activity. The rental of tangible personal property cannot be based on the revenue generated by the event. For a festival event, the five hundred dollar ($500) limitation applies only to the rental of gambling-related equipment and supplies.

(d) Pull tabs cannot be sold under this article unless a flare accompanies the deal. Flare shall not be altered or defaced.

(e) Except for selling tickets or chances in a raffle, an organization may not permit a person less than eighteen (18) years of age to play or participate in an allowable event activity. However, a qualified organization may allow a person less than eighteen (18) years of age to play or participate in nongaming activities associated with an allowable event activity.

(f) An organization may employ not more than three (3) nonmember Indiana law enforcement officers

or private detectives properly licensed in Indiana to perform security services during an allowable activity. An organization may not use more than three (3) security personnel, unless the organization has prior written approval of the executive director or the executive director's designee.

(g) To pay out a pull tab, punchboard, or tip board prize valued at two hundred fifty dollars ($250) or more, an organization shall comply with the following:

(1) The winner must provide the following to the organization:

(A) The winner's printed name.

(B) The winner's signature.

(C) The winner's date of birth.

(2) The organization awarding the prize must verify the identity of the winner using any reasonable means the organization considers necessary.

(h) A charitable organization may not conduct an allowable activity on or through the Internet.

(i) Except as authorized by this rule or otherwise authorized by the commission, no organization shall conduct any allowable activity in which the winner of a prize is determined, in whole or in part, on a sporting event.

(j) A qualified organization may conduct sports-themed tip boards and pull tab games in which the outcome is determined, in whole or in part, on a sporting event, subject to the following requirements:

(1) The sports-themed tip board or pull tab game and any flare accompanying the board or game must be prominently posted while the board or game is in play.

(2) Use with high school or amateur sporting events is prohibited.

(3) Before a sports-themed tip board or pull tab game is put into play, the name or description of the sporting event, date of the sporting event, and selling price for each square, chance, or spot must be printed legibly in permanent ink on the grid or board.

(4) Unless tickets are utilized, the maximum selling price for a square, chance, or spot is ten dollars ($10).

(5) Seals or other opaque material covering the scores or outcomes may not be opened or removed until all the grid chances or spots have been sold. Any unsold squares, chances, or spots must be marked "VOID" in permanent ink before the seals or opaque material can be opened or removed.

(6) Winning squares, chances, or spots must be marked "paid" in permanent ink after the player claims the player's prize.

(k) A qualified organization conducting an allowable activity must conduct its own winning draws.

(l) Under an annual license, a qualified organization may sell pull tabs, punchboards, or tip boards at any time on the premises owned or leased by the organization, or donated to the qualified organization, and regularly used for the activities of the qualified organization.

(m) For purposes of determining whether an allowable activity is exempt from licensure or whether any prize limit is applicable, a qualified organization must use the fair market retail value of any noncash prize awarded to a winner of the allowable activity to determine the applicable prize payout for the allowable activity.

(n) Except for a candidate's committee, a convention license, and an exempt event, an organization must deposit gaming proceeds from an allowable activity into its separate and segregated checking account within five (5) business days after receipt of the proceeds or the conclusion of the event, whichever is earlier. Monies deposited into the separate and segregated checking account must not be transferred into another account.

(o) Except as permitted under IC 4-32.3-5-11, an operator or worker may never purchase a chance in an allowable activity on the same day that they served as an operator or worker for the organization conducting the allowable activity.

(Indiana Gaming Commission; 68 IAC 21-10-9; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-10 Conducting single and exempt events at bars or taverns; requirements

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 10. A qualified organization may conduct allowable single activities or exempt events in bars or taverns, including Indiana licensed casinos, subject to the following procedures and conditions:

(1) The qualified organization must submit a single activity application for the activity and receive a license, or submit written notice as outlined in 68 IAC 21-9-3 and receive acknowledgment by the commission, whichever applies to the particular activity.

(2) Except for a reasonable amount of rent paid for facilities leased, the bar or tavern, either with or without a type II gaming endorsement from the alcohol and tobacco commission, shall not receive any present or residual financial benefit from the proceeds of the allowable activity.

(3) The charitable gaming license or licenses or the exempt event written notice or notices acknowledged by the commission, whichever applies to the particular activity, must be conspicuously posted at the location of the allowable activity.

(4) Employees of the bar or tavern may not serve as operators or workers for the allowable activity being conducted at the bar or tavern.

(5) If the bar or tavern has a type II gaming endorsement from the alcohol and tobacco commission, clear, distinct records must be kept in order to delineate the type II gaming payments and account records from the charitable gaming activity or activities.

(Indiana Gaming Commission; 68 IAC 21-10-10; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-11 Water races

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 11. The commission may issue a single or annual activity license that permits a qualified organization to conduct a water race in the following manner:

(1) Each item is marked with a number corresponding to the number on a ticket, chance, or entry purchased in a water race.

(2) The winner of the water race is determined by the number on the item that crosses a designated finish line on the body of water first.

(Indiana Gaming Commission; 68 IAC 21-10-11; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-12 Guessing game

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 12. The commission may issue a single or annual activity license that permits a qualified organization to conduct a guessing game.

(Indiana Gaming Commission; 68 IAC 21-10-12; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-13 Euchre

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-4

Sec. 13. (a) A patron participating in a euchre game conducted under a license authorizing casino game night activities or as an exempt event must deal every time the patron has the opportunity to do so in the regular course of the game of euchre.

(b) A qualified organization conducting a euchre game under a license authorizing casino game night activities or as an exempt event must have one (1) operator for each six (6) tables of four (4) players.

Determination of prize payouts, resolution of disputes, and responsibility for all buy-ins and cash-outs of chips must be done by an operator.

(Indiana Gaming Commission; 68 IAC 21-10-13; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-14 Qualified card game requirements

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 14. (a) A qualified organization licensed to conduct a qualified card game other than euchre must use a minimum of two (2) operators, and must use a minimum of one (1) additional operator per forty (40) players per event.

(b) The dealer of a qualified card game is required to submit the deck of cards to be cut to the nearest player to the right of the dealer. When the dealer submits the deck to be cut, the player to whom the deck is submitted may:
(1) cut the deck; or
(2) decline to cut the deck.

(c) When dealing cards, the dealer must place a blank card at the bottom of the deck. "Blank card" means a nonplaying card that is not used during the course of the game.

(Indiana Gaming Commission; 68 IAC 21-10-14; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-15 Raffle sales by out-of-state charitable organization

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-4-10

Sec. 15. An out-of-state charitable organization that is licensed to conduct a raffle under IC 4-32.3-4-10 shall sell tickets only for the raffle within the geographic boundaries of the state of Indiana.

(Indiana Gaming Commission; 68 IAC 21-10-15; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-16 Reasonable and necessary charity gaming expenses

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-5-3

Sec. 16. (a) In addition to the expenses listed in IC 4-32.3-5-3(b), a qualified organization may use its gross receipts received from an allowable activity for necessary charitable gaming expenses in reasonable amounts.

(b) Any expenses under subsection (a) must be incurred in connection with the holding, operating, or conducting of an allowable activity.

(Indiana Gaming Commission; 68 IAC 21-10-16; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-10-17 Deviation from provisions

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 17. The executive director or the commission may approve deviations from the provisions of this article upon written request if the executive director or the commission determines that:
(1) the requirement or procedure is impractical or burdensome; and
(2) the alternative means of satisfying the requirement or procedure:
(A) fulfills the purpose of the article;

(B) is in the best interest of the public and charity gaming in Indiana; and
(C) does not violate IC 4-32.3.

(Indiana Gaming Commission; 68 IAC 21-10-17; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

SECTION 4. 68 IAC 21-11 IS ADDED TO READ AS FOLLOWS:

Rule 11. Record Keeping Requirements

68 IAC 21-11-1 Records of qualified organization

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-4-3; IC 4-32.3-5-16

Sec. 1. (a) A qualified organization must maintain records of all financial aspects of each allowable activity adequate for the commission to conduct oversight as authorized and required by IC 4-32.3 and to report the information to the commission on forms prescribed by the commission. Except for a candidate's committee, a convention license, and an exempt event, the organization must set up a separate and segregated checking account to account for the proceeds and expenditures of the allowable activity. If a qualified organization donates gaming proceeds to another qualified organization that is licensed by the commission, then the donee qualified organization must account for the donation and related expenditures in its own separate and segregated charity gaming checking account. The records that must be kept and the information that must be submitted on the forms prescribed by the commission include, but are not limited to, the following:
(1) Gross receipts from each type of activity conducted at each allowable activity.
(2) Prize payouts.
(3) Net receipts to the organization.
The rental costs associated with conducting an allowable activity, including, but not limited to, a facility lease and the lease of tangible personal property, must be included in the organization's financial records.

(b) The appropriate financial forms prescribed by the commission must be provided as follows:
(1) Annual license holders must submit the appropriate forms prescribed by the commission postmarked not later than the tenth day of the month in which the annual license expires.
(2) Single activity license holders must submit the appropriate forms prescribed by the commission not more than ten (10) days after the allowable activity is concluded.
(3) Qualified organizations conducting an exempt event must submit the appropriate forms prescribed by the commission annually, one (1) year after the date of the first exempt event of a calendar year. If the value of all prizes awarded for a single exempt event exceeds two thousand five hundred dollars ($2,500) or exceeds an aggregate of a total of seven thousand five hundred dollars ($7,500) for all exempt events at any point during the calendar year, a qualified organization shall submit the appropriate forms prescribed by the commission within ten (10) days of exceeding the limit.

(c) The commission shall be granted unrestricted access to the records of a qualified organization, including, but not limited to, the following:
(1) Membership information.
(2) Financial records.
(3) Receipts for the purchase or lease of all licensed supplies.

(d) A qualified organization must retain the following records for three (3) years from the conclusion of the financial accounting period for the license containing the allowable activity:
(1) All documents associated with allowable activities.
(2) All other documents kept in the regular course of allowable activities.

(Indiana Gaming Commission; 68 IAC 21-11-1; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-11-2 Records of manufacturer or distributor

Authority: IC 4-32.3-3-3

Affected: IC 4-32.3

Sec. 2. (a) An entity licensed as a manufacturer or distributor must keep records adequate for the commission to conduct oversight as authorized by IC 4-32.3 and to report the information to the commission on forms prescribed by the commission. The records required must include, but are not limited to, the following:

(1) A general sales invoice that:

(A) is:

(i) numbered consecutively; and

(ii) prepared in at least two (2) parts, one (1) being issued to the customer and the other retained in an invoice file; and

(B) sets out:

(i) the date of sale;

(ii) the customer name and business address;

(iii) a full description of the licensed supply sold, including the serial numbers of the licensed supply sold;

(iv) the quantity and sales price of the licensed supply;

(v) the manufacturer's or distributor's current license number at the time of invoicing;

(vi) the customer's current license number at the time of invoicing; and

(vii) the gaming card excise tax due on the sale.

(2) Credit memoranda prepared in the same detail as sales invoices.

(3) A sales journal containing at least the following, by calendar month:

(A) The date of sale.

(B) The invoice number of the sale.

(C) The customer name or account number.

(D) The total amount of the invoice.

(E) The total amount of the gaming card excise tax due on the sale.

(4) A complete list of the persons representing the buyer and seller of licensed supplies.

(5) Purchase records documenting that all licensed supplies were purchased from either a licensed manufacturer or another licensed distributor.

(b) The serial number printed on the licensed supply sold must be identifiable with the sales invoice reflecting the sale of the specific licensed supply.

(c) Records shall be maintained until the later of the following:

(1) Six (6) years after the year in which they are created.

(2) The end of the audit if the records are under audit.

(d) Marketing sheets must show the expected gross income, payout, net income, and number of deals in the pull tab game that has been sold to the qualified organization. Payout does not include the cost of the game itself.

(e) If a licensed manufacturer or distributor destroys, discontinues, or otherwise renders unusable licensed supplies sold in Indiana, then ten (10) business days prior to the destruction, the manufacturer or distributor must provide the commission with a written list of the licensed supplies to be destroyed, including the following:

(1) The quantity of the items.

(2) A description of the items.

(3) Serial numbers of the items.

(4) The date on which the items were destroyed.

(f) A licensed manufacturer or distributor must keep the commission informed of the following:

(1) The manufacturer's or distributor's location.

(2) The location of all facilities where licensed supplies are manufactured or distributed.

(3) Where the records will be stored if the manufacturer or distributor ceases business or sells its business to another entity.

(g) The records referenced in subsections (a) through (e) must be produced upon request by the:

(1) commission;
(2) executive director; or
(3) executive director's designee.

(h) If a licensed manufacturer or distributor sells its business to another entity, then the manufacturer or distributor must provide the following to the commission within ten (10) days of the closing of the sale:
(1) Records documenting the sale.
(2) The original manufacturer or distributor's license.

(Indiana Gaming Commission; 68 IAC 21-11-2; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

SECTION 5. 68 IAC 21-12 IS ADDED TO READ AS FOLLOWS:

Rule 12. Restrictions

68 IAC 21-12-1 Restrictions

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-5-17

Sec. 1. (a) A qualified organization shall not enter into a formal or informal agreement relating to an allowable activity, including, but not limited to:
(1) hiring or contracting operators and workers;
(2) leasing real or tangible personal property; or
(3) paying for concessions or retail sales;
with a person affiliated with that organization. Such affiliations include, but are not limited to, members, officers, directors, or members of their family.

(b) Unless otherwise provided in IC 4-32.3-5-17, a manufacturer or distributor, or their officers, employees, key persons, or agents shall not affiliate with the gaming operation of a qualified organization in any manner other than the sale or lease of licensed supplies.

(Indiana Gaming Commission; 68 IAC 21-12-1; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-12-2 Prohibited participants

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-5-17

Sec. 2. In addition to individuals listed in IC 4-32.3-5-17(a) that are prohibited from playing or participating in an allowable activity, spouses of members or employees of the commission may not play or participate in an allowable activity.

(Indiana Gaming Commission; 68 IAC 21-12-2; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

SECTION 6. 68 IAC 21-13 IS ADDED TO READ AS FOLLOWS:

Rule 13. Disciplinary Action

68 IAC 21-13-1 Disciplinary action

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-2-31; IC 4-32.3-8-1

Sec. 1. (a) Qualified organizations, manufacturers, and distributors have a continuing duty to maintain compliance with IC 4-32.3 and this article. A commission license does not create a property right, but is a privilege contingent upon continuing compliance and suitability for licensure.

(b) In addition to the grounds for penalties listed in IC 4-32.3-8-1, the commission may initiate an investigation or a disciplinary action, or both, against a qualified organization, a manufacturer, a distributor, or an individual, if the commission has reason to believe the qualified organization, manufacturer, distributor, or individual:

(1) has violated a statute, regulation, local ordinance, or other law providing for the best interests of charity gaming; or

(2) owes license fees.

(c) The commission shall pursue a disciplinary action against a qualified organization, a manufacturer, a distributor, or an individual in accordance with the procedures in 68 IAC 13, except any provision therein that is inapplicable to charity gaming.

(d) For purposes of the initiation of an investigation or a disciplinary action under this article, the commission may consider the relevant activities of an organization prior to any reorganization conducted under IC 4-32.3-2-31(a)(1)(B)(iii).

(e) If the commission revokes a license of a qualified organization, manufacturer, or distributor, then the commission shall publish notice of the revocation in a newspaper of general circulation in the county where the qualified organization is located and in the county where the allowable activity was conducted.

(Indiana Gaming Commission; 68 IAC 21-13-1; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-13-2 Actions available to an administrative judge and the commission

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3-8; IC 6-8.1

Sec. 2. In addition to the actions listed in IC 4-32.3-8-1 and IC 4-32.3-8-3, the commission may collect any underreported license fees.

(Indiana Gaming Commission; 68 IAC 21-13-2; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

SECTION 7. 68 IAC 21-14 IS ADDED TO READ AS FOLLOWS:

Rule 14. General Provisions

68 IAC 21-14-1 Coverage of rule

Authority: IC 4-32.3-3-3
Affected: IC 4-21.5-3; IC 4-32.3

Sec. 1. (a) A person whose application for a license has been denied or has not been renewed under this article may petition for review as outlined in IC 4-21.5-3 and this rule.

(b) As used in this rule, "petitioner" refers to a person whose:

(1) application has been denied by the commission; or

(2) license has not been renewed.

(c) The petitioner shall submit an original and one (1) copy of any request, pleading, or other written document submitted to the commission or the administrative law judge, or both.

(d) Once a petitioner has filed a petition for review, a certificate of service must be attached to each pleading filed. The certificate of service shall indicate that the pleading has been served on each attorney or party of record.

(e) An action involving a denial or nonrenewal must also comply with IC 4-21.5-3.

(Indiana Gaming Commission; 68 IAC 21-14-1; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-14-2 Petition for review

Authority: IC 4-32.3-3-3
Affected: IC 4-21.5-3; IC 4-32.3

Sec. 2. (a) A petition for review shall meet the following requirements:
(1) Be in writing.
(2) State the name, current address, and current telephone number of the petitioner.

(b) To facilitate the review and commission determination regarding the grant or denial of a petition for review, the petitioner shall state in detail the reasons why and the facts upon which the petitioner will rely to show that the:
(1) petitioner's application for a license should not have been denied; or
(2) license should have been renewed;
including specific responses to any facts enumerated in the commission's notice of denial or notice of nonrenewal.

(c) A petition for review shall be as follows:
(1) Submitted within the time frame set by IC 4-21.5-3-7. The petition for review shall meet the following requirements:
(A) The petitioner must submit a petition for review in accordance with IC 4-21.5-3-1.
(B) A petition for review must be submitted to the executive director at the commission's office in Indianapolis, Indiana.
(2) Granted or denied as outlined in IC 4-21.5-3.

(d) Once a petition for review is granted, the executive director shall assign a title and case number to the matter.

(e) A petition for review shall not be withdrawn or voluntarily dismissed if the executive director or commission determines that withdrawal or voluntary dismissal is not in the best interest of the public and the gaming industry. If the executive director or commission allows a petitioner to withdraw a hearing request, the initial denial or nonrenewal becomes a final commission order.

(f) The commission shall request assignment of an administrative law judge by the office of administrative law proceedings to conduct a hearing in accordance with IC 4-21.5-3 and this rule. The petitioner shall be served with a copy of the request of assignment, and the request shall serve as notice of the pendency of the hearing. The administrative law judge who is to conduct the hearing shall establish a hearing date and notify the parties thereof.

(Indiana Gaming Commission; 68 IAC 21-14-2; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-14-3 Continuances

Authority: IC 4-32.3-3-3
Affected: IC 4-21.5-3-1; IC 4-32.3

Sec. 3. (a) A motion to continue a hearing or deposition must be made at least ten (10) days before the hearing or deposition date, unless the requesting party can show good cause.

(b) Continuances may be granted by the administrative law judge upon a showing of good cause.

(c) The administrative law judge may order a continuance of a hearing on the administrative law judge's own initiative.

(Indiana Gaming Commission; 68 IAC 21-14-3; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-14-4 Proceedings

Authority: IC 4-32.3-3-3
Affected: IC 4-21.5-3-1; IC 4-32.3

Sec. 4. All hearings or other proceedings shall be carried out in accordance with IC 4-21.5-3 and this rule.

(Indiana Gaming Commission; 68 IAC 21-14-4; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-14-5 Transmittal of record and recommendation to the commission

Authority: IC 4-32.3-3-3
Affected: IC 4-21.5-3-25; IC 4-21.5-3-33; IC 4-32.3

Sec. 5. (a) The record shall consist of those items set forth in IC 4-21.5-3-33.

(b) All records of hearings shall be recorded and transcribed as outlined in IC 4-21.5-3-25.

(c) Copies of the final commission order shall be served on the petitioner by certified mail.

(Indiana Gaming Commission; 68 IAC 21-14-5; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-14-6 Settlement offers

Authority: IC 4-32.3-3-3
Affected: IC 4-21.5-3-34; IC 4-32.3

Sec. 6. (a) The parties may propose settlement offers to the administrative law judge, the commission, or the executive director at any stage of the proceedings where time, the nature of the proceeding, and public interest permit. Such offers may be made at any time prior to the entry of a final order. The commission, the executive director, or the administrative law judge may require that any of the parties to the offer make an oral or written presentation to the administrative law judge, the commission, or the executive director regarding the settlement offer.

(b) Settlement agreements shall meet the following requirements:
(1) Be in writing.
(2) Be signed by the parties to the settlement offer.
(3) Be consistent with the provisions and objectives of the law.
(4) Accurately reflect all the terms of the settlement.
(5) Be accompanied by a proposed order.

(c) If the commission or the executive director rejects a settlement offer, the commission or the executive director shall notify the parties in writing, by certified mail or personal delivery, that the settlement offer was rejected. The offer and any documents relating to the offer shall not constitute a part of the record.

(Indiana Gaming Commission; 68 IAC 21-14-6; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

68 IAC 21-14-7 Status of applicant for licensure or transfer upon filing request for hearing on a notice of denial

Authority: IC 4-32.3-3-3
Affected: IC 4-32.3

Sec. 7. An applicant who has been denied a license or whose license has not been renewed and who has petitioned for review under this rule shall still be considered an applicant for purposes of compliance with applicable statutory provisions and commission rules.

(Indiana Gaming Commission; 68 IAC 21-14-7; filed Jul 29, 2021, 3:00 p.m.: 20210825-IR-068200466FRA)

SECTION 8. THE FOLLOWING ARE REPEALED: 68 IAC 21-1; 68 IAC 21-2; 68 IAC 21-3; 68 IAC 21-4; 68 IAC 21-5; 68 IAC 21-6; 68 IAC 21-7.

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Documents Incorporated by Reference: North American Gaming Regulators Association, "Pull-Tab Record Keeping and Reporting Standards" and "Standards on Pull-Tabs", both as amended December 12, 2005, and "Bingo Standards" and "Bingo Record-Keeping and Reporting Standards", both as amended March 18, 2011
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