

# ARTICLE 21. CHARITY GAMING

## Rule 1. Definitions

### 68 IAC 21-1-1 Applicability

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-2

Sec. 1. The definitions in this rule and in IC 4-32.2-2 apply throughout this article. (*Indiana Gaming Commission; 68 IAC 21-1-1; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

### 68 IAC 21-1-2 "Bingo card" or "bingo paper" defined

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

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 21-1-2; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

### 68 IAC 21-1-3 "Bingo equipment" defined

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

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 21-1-3; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

### 68 IAC 21-1-4 "Bingo supplies" defined

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

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 21-1-4; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-5 "Calendar" defined (Repealed)**

Sec. 5. *(Repealed by Indiana Gaming Commission; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA)*

**68 IAC 21-1-5.5 "Calendar day" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 5.5. "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 21-1-5.5; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

**68 IAC 21-1-6 "Calendar raffle" defined (Repealed)**

Sec. 6. *(Repealed by Indiana Gaming Commission; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA)*

**68 IAC 21-1-6.5 "Calendar week" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 6.5. "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 21-1-6.5; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

**68 IAC 21-1-7 "Concealed face bingo card" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

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, such as the following:

- (1) Tear-Open.
- (2) Bonanza Bingo.
- (3) Bull's-eye.
- (4) Fortune Cards.

*(Indiana Gaming Commission; 68 IAC 21-1-7; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

**68 IAC 21-1-8 "Deal" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

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 21-1-8; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

**68 IAC 21-1-8.5 "Dispensing device" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 8.5. "Dispensing device" means a mechanical or electromechanical device with one (1) or more stacking columns that dispenses a pull-tab 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. (*Indiana Gaming Commission; 68 IAC 21-1-8.5; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-8.7 "Exempt event" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-4-3

Sec. 8.7. "Exempt event" means an allowable event conducted by a qualified organization under IC 4-32.2-4-3 for which a charity gaming license is not required. (*Indiana Gaming Commission; 68 IAC 21-1-8.7; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-9 "Festival" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 9. "Festival" means an event where a qualified organization is authorized to:

(1) conduct:

- (A) bingo events;
- (B) charity game nights;
- (C) raffle events;
- (D) door prize events;
- (E) guessing games; and
- (F) water races; and

(2) sell pull-tabs, tabs, punchboards, and tip boards.

(*Indiana Gaming Commission; 68 IAC 21-1-9; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-10 "Flare" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 10. "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.

(*Indiana Gaming Commission; 68 IAC 21-1-10; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-11 "Gross income" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 11. "Gross income" means gross receipts. (*Indiana Gaming Commission; 68 IAC 21-1-11; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-12 "Gross receipts" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 12. "Gross receipts" means the entire amount of receipts accrued, actually or constructively, without any deductions of any kind or nature. (*Indiana Gaming Commission; 68 IAC 21-1-12; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-13 "Gross revenue" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 13. "Gross revenue" means gross receipts. The term does not include wagers made in a winner take all drawing or in a qualified drawing. (*Indiana Gaming Commission; 68 IAC 21-1-13; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-14 "Licensed supply" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-2-19; IC 4-32.2-4

Sec. 14. In addition to the items identified in IC 4-32.2-2-19, "licensed supply" means any supplies, devices, or equipment critical to the conduct of any gaming activities at an allowable event, including the following:

- (1) Roulette and any other prize wheels.
- (2) Qualified personal property.
- (3) Bingo equipment.
- (4) Bingo supplies.
- (5) Seal cards.
- (6) Tip board tickets.
- (7) Tickets sold for an allowable event, held under a license issued under IC 4-32.2-4-8, IC 4-32.2-4-10, or IC 4-32.2-4-12 or a single event license issued under IC 4-32.2-4-16, for which a volunteer ticket agent is used.
- (8) Dispensing devices.
- (9) Any other gaming materials designed to be used in and necessary to conduct an allowable event and specified by the executive director or commission.

(*Indiana Gaming Commission; 68 IAC 21-1-14; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-15 "Operator" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-1-21

Sec. 15. "Operator", as defined in IC 4-32.2-2-21, means either:

- (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 the charity gaming event;
  - (B) keeping records of the charity gaming event;

- (C) announcing the letter-number combination at a bingo event;
- (D) conducting:
  - (i) the winning draw for a raffle;
  - (ii) a qualified drawing;
  - (iii) a winner take all drawing; or
  - (iv) 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; or

(2) a remunerated bartender designated on a qualified organization's annual PPT license or annual raffle license.

*(Indiana Gaming Commission; 68 IAC 21-1-15; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

#### **68 IAC 21-1-15.5 "Qualified drawing" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 15.5. "Qualified drawing" means a random drawing to award one (1) monetary prize, conducted under an annual PPT license, in which the qualified organization keeps no portion of the amounts wagered. *(Indiana Gaming Commission; 68 IAC 21-1-15.5; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

#### **68 IAC 21-1-16 "Qualified personal property" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 16. "Qualified personal property" means personal property leased or owned by a qualified organization or donated to a qualified organization, that is as follows:

- (1) Designed to be used on a body of water.
- (2) Used to conduct a water race associated with the qualified organization's allowable event in the following manner:
  - (A) Each item of the qualified personal property is marked with a number corresponding to the number on a chance purchased in a water race.
  - (B) The winner of the water race is determined by the number of the item of qualified personal property that crosses a designated finish line on the body of water first.

*(Indiana Gaming Commission; 68 IAC 21-1-16; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed May 27, 2008, 4:09 p.m.: 20080625-IR-068070748FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

#### **68 IAC 21-1-16.5 "Retail establishment" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 16.5. "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 21-1-16.5; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

**68 IAC 21-1-17 "Seal card" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 17. "Seal card" means a board or placard used with pull-tabs that contains a seal or seals, which when removed or opened, reveals predesignated winning numbers, letters, symbols, or monetary denominations. The seal card serves as the game flare and must contain the information required in section 10 of this rule unless the manufacturer provides an additional flare containing the required information. (*Indiana Gaming Commission; 68 IAC 21-1-17; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-18 "Tip board ticket" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

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 21-1-18; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-19 "Winner take all drawing" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 19. "Winner take all drawing" means a random drawing to award one (1) monetary prize, conducted under an annual PPT license, in which the qualified organization keeps no portion of the amounts wagered. (*Indiana Gaming Commission; 68 IAC 21-1-19; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-1-20 "Worker" defined**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-2-30

Sec. 20. "Worker", as defined in IC 4-32.2-2-30, 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 other than a qualified 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 21-1-20; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**Rule 2. Application Procedures**

**68 IAC 21-2-1 Application by qualified organization**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-2-24; IC 4-32.2-5-6

Sec. 1. (a) To obtain a license to conduct an allowable event, a qualified organization must submit a written application on

the form or forms prescribed by the commission. An application for a single event license must be received not later than forty-five (45) business days before the date on which the allowable event is conducted. An application for an annual event license must be received not later than one hundred twenty (120) business days before the date on which the first allowable event is conducted.

(b) The application shall include the following information:

- (1) The name and address of the organization.
- (2) The names, addresses, and telephone numbers of the officers of the organization.
- (3) The type of allowable event the organization proposes to conduct.
- (4) The physical location where the organization will conduct the allowable event.
- (5) The date or dates and time or times of the proposed allowable event.
- (6) 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 4-32.2-2-24, including 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.

(7) The full legal name or names of each proposed operator and worker and sufficient facts to determine that person 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.

(8) 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.

(9) A current copy of the organization's membership roster or other proof of membership of each proposed operator or worker.

(10) 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 lessee intends to conduct gaming activity on the leased premises. A sublease must clearly indicate that it is a sublease.

(11) 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.

(12) A copy of the donation statement if the organization is using the premises at which the gaming activity occurs without any charge 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.

(c) If an organization that has been determined by the commission to be a qualified organization does not conduct an allowable event 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 event. (*Indiana Gaming Commission; 68 IAC 21-2-1; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed May 27, 2008, 4:09 p.m.: 20080625-IR-068070748FRA; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

#### **68 IAC 21-2-2 Qualified organization predetermination**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-2-24; IC 4-32.2-4-4; IC 12-25; IC 16-21; IC 16-28

Sec. 2. (a) Not later than one hundred twenty (120) business days before conducting an allowable event under IC 4-32.2-4-4,

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 4-32.2-2-24. The information must be submitted on a form prescribed by the commission and must include the following information:

- (1) The organization's federal taxpayer identification number.
- (2) A letter from the Internal Revenue Service stating that the organization is exempt from taxation under Section 501 of the Internal Revenue Code.
- (3) Proof that the organization has been in existence as required by IC 4-32.2-2-24(a), if the organization is a bona fide:
  - (A) religious;
  - (B) educational;
  - (C) senior citizens;
  - (D) veterans; or
  - (E) civic;

organization.

- (4) Proof that the organization is a bona fide political organization, if applicable.
- (5) Proof that the organization is a state educational institution, if applicable.
- (6) Proof that the organization is a bona fide fraternal organization, if applicable.
- (7) Proof that the organization is a bona fide educational organization, if applicable.
- (8) Proof that the organization is a bona fide religious organization, if applicable.
- (9) Proof that the organization is a bona fide senior citizens organization, if applicable.
- (10) Proof that the organization is a bona fide veterans organization, if applicable.
- (11) Proof that the organization is a bona fide civic organization, if applicable.
- (12) Proof that the organization is a bona fide business organization, if applicable.
- (13) 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.
- (14) 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;
  - (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.
- (15) Proof that the organization is in good standing with the department of state revenue.

(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 4-32.2-2-24. (*Indiana Gaming Commission; 68 IAC 21-2-2; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed May 27, 2008, 4:09 p.m.: 20080625-IR-068070748FRA; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-2-3 License not required; notice**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-4-3

Sec. 3. (a) To receive approval 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 date or dates and time or times of the planned exempt event or events.
- (3) The location or locations where the qualified organization plans to hold the exempt event or events.
- (4) The estimated value of all prizes to be awarded at each exempt event.

(b) An organization conducting an exempt event must post the approval at the location of the event. (*Indiana Gaming Commission; 68 IAC 21-2-3; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-2-4 Application by a manufacturer or distributor**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-3-4

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 4-32.2-3-4. 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 4-32.2-3-4. 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 name 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.
- (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 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.

(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 full name and address of the applicant.
- (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 it is a corporation not domiciled in Indiana.
- (3) A full description 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.
- (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 21-2-4; filed*

*May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

**68 IAC 21-2-5 Denial of license**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 5. (a) In addition to the reasons identified in IC 4-32.2-3-4 and IC 4-32.2-4-2.5, the commission may deny a license to an organization, a manufacturer, or a distributor, if the commission determines any of the following:

- (1) The applicant has violated a statute, regulation, rule, local ordinance, or other law providing for the best interests of charity gaming.
- (2) The applicant has failed to timely pay any federal, state, or local tax obligation due.
- (3) The applicant has had a license revoked by the commission during the three (3) years prior to the date of the submission of the current license application.
- (4) The applicant has failed to pay the appropriate license fee.

(b) For purposes of the grant, renewal, or denial of a license, the commission may consider the relevant activities of an organization prior to a reorganization conducted under IC 4-32.2-2-24(a)(1)(C)(iii). (*Indiana Gaming Commission; 68 IAC 21-2-5; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-2-6 License fees**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-6-3

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

(b) The initial license fee and renewal 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 event, a license issued for the first time following the three (3) year period shall be considered an initial license for purposes of IC 4-32.2-6-3 and this rule.

(e) The commission may assess a twenty-five dollar (\$25) fee for an amendment to a license.

(f) 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.

(g) If a qualified organization surrenders to the commission a single event license prior to hosting the event or events for which a single event license had been procured, 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.

(h) If a qualified organization surrenders to the commission an annual event 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.

(i) The commission may collect outstanding license fees resulting from underreported gaming income from an allowable event. (*Indiana Gaming Commission; 68 IAC 21-2-6; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed May 27, 2008, 4:09 p.m.: 20080625-IR-068070748FRA; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-2-7 Charity gaming licenses (Repealed)**

Sec. 7. *(Repealed by Indiana Gaming Commission; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA)*

**68 IAC 21-2-8 Adding or removing affiliates**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 8. Affiliates of a bona fide national organization or foundation may only be added to or removed from an annual comprehensive charity gaming license at the time of the initial or renewal application. *(Indiana Gaming Commission; 68 IAC 21-2-8; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

**Rule 3. Charity Gaming**

**68 IAC 21-3-1 Allowable events**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-2-2

Sec. 1. In addition to the events identified in IC 4-32.2-2-2, the following events are allowed:

(1) A water race event.

(2) A guessing game event.

(3) A game of chance conducted as a fundraising activity of a qualified organization and approved by the commission.

*(Indiana Gaming Commission; 68 IAC 21-3-1; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed May 27, 2008, 4:09 p.m.: 20080625-IR-068070748FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

**68 IAC 21-3-2 Conducting an allowable event**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2; IC 5-14-1.5; IC 35-45-5-1

Sec. 2. (a) Except as provided for pull-tabs, punchboards, and tip boards obtained from the state lottery commission, all licensed supplies must be obtained under IC 4-32.2-5-25.

(b) The purchase of Hoosier Lottery pull-tabs by the qualified organization is only permitted if the qualified organization is licensed by the state lottery commission to sell the items. The provisions of IC 4-32.2 do not apply to the purchase and sale of Hoosier Lottery pull-tabs by a qualified organization.

(c) Except as otherwise provided, an allowable event must begin and end within a period of twenty-four (24) consecutive hours.

(d) A qualified organization may not conduct more than six (6) charity game night single events per calendar year.

(e) Except for a festival, an organization must not pay more than five hundred dollars (\$500) per event in total for personal property that may be used by the organization to conduct the event. This includes the rental of tables, chairs, and related equipment owned and leased by the lessor who is leasing the facility to the qualified organization for an allowable event. 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 only applies to the rental of gambling-related equipment and supplies.

(f) A qualified organization may advertise an allowable event. An advertisement in printed media, such as newspapers, magazines, and Internet websites, or temporary signage, such as fliers, yard signs, billboards, and marquee advertisements, must contain the name and license 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 conducting the event; and

(2) that the qualified organization's license number is on file.

A television announcement of the name and license number of the organization conducting the event may be in the form of an

audio or a video, or both.

(g) An organization conducting a charity game night event shall not advertise for that event 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. An organization must include "charity game night" on any advertisement or signage that describes, names, or identifies the event.

(h) Pull-tabs cannot be sold under this rule unless a flare accompanies the deal.

(i) An organization may not permit a person less than eighteen (18) years of age to play or participate in an allowable event. However, a person less than eighteen (18) years of age may play or participate in nongaming activities associated with an allowable event. A qualified organization is prohibited from allowing an individual less than eighteen (18) years of age to serve food or drinks to participants in the area where the gaming is occurring.

(j) 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 event stating that the operators and workers are not allowed to accept tips.

(k) 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 event. 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.

(l) To obtain express authorization for an exemption from a normal prize limit where permissible in IC 4-32.2, a qualified organization must submit a written application on a form prescribed by the commission stating the date, time, and location of the event at least forty-five (45) days before the date of the event. The authorization to exceed the normal prize limits must be prominently displayed at the time and location of the event.

(m) 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.

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

(n) 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.
- (o) To collect a pull-tab, punchboard, or tip board prize valued at two hundred fifty dollars (\$250) or more:
  - (1) The winner must provide the following to the organization:
    - (A) His or her printed name.
    - (B) His or her signature.
    - (C) His or her date of birth.
  - (2) The organization awarding the prize must verify the identity of the winner using any reasonable means the organization considers necessary.

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

(q) No organization shall conduct any allowable event in which the winner of a prize is determined, in whole or in part, on

a sporting event.

(r) An organization may accept only United States currency, coin, personal check, or debit card from players when conducting an allowable event.

(s) Publication of notice required by IC 4-32.2-4-5(c) and IC 4-32.2-4-7.5(c) shall be made not later than fifteen (15) days after the applicant has received a precense review letter issued by the commission.

(t) If the gaming location at which a qualified organization holding a license issued under IC 4-32.2-4-5 and IC 4-32.2-4-7.5 changes, the qualified organization shall publish notice as required by IC 4-32.2-4-5(c) and IC 4-32.2-4-7.5(c). Notification must meet the requirements of IC 4-32.2-4-5(d) and IC 4-32.2-4-7.5(d). In the event the commission receives at least ten (10) written and signed protest letters, the commission may hold a hearing in accordance with IC 5-14-1.5.

(u) Protest letters referenced in IC 4-32.2-4-5(e) and IC 4-32.2-4-7.5(e) opposing the issuance of an initial annual bingo or annual charity game night license, respectively, must be received by the commission not later than fifteen (15) days after the last publication required by IC 4-32.2-4-5(c) and IC 4-32.2-4-7.5(c), respectively.

(v) Prizes awarded for a winner take all drawing or a qualified drawing must be U.S. currency.

(w) A qualified organization conducting a winner take all drawing or a qualified drawing must maintain a ledger in which the qualified organization records:

(1) the date of each drawing;

(2) each winning patron's:

(A) name;

(B) address; and

(C) telephone number; and

(3) the amount awarded to each winner.

The ledger must be printed legibly and must be available for inspection upon request.

(x) A qualified organization conducting a raffle, door prize, winner take all drawing, or qualified drawing must conduct its own winning draws.

(y) A qualified organization is prohibited from conducting an allowable event at a bar or tavern, or at a facility connected to a bar or tavern, that is not owned by a qualified organization.

(z) An organization must deposit gaming proceeds from an allowable event into its separate and segregated checking account within five (5) business days after the conclusion of the event. Monies deposited into the separate and segregated checking account must not be transferred into another account.

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

(bb) 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 4-32.2 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>.

(cc) 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, 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 4-32.2 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>.

(dd) A qualified organization using volunteer ticket agents to sell tickets to an allowable event must maintain a ledger in which the qualified organization records the:

(1) date of the allowable event 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.

(ee) 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.

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

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

(hh) A full-sized photocopy of the charity gaming event license is required to be prominently displayed at the facility where the event is being held. The original license must be available for inspection upon request at all times. In addition to the photocopy, a legible sign of adequate dimension of at least eight and one-half (8 1/2) inches by eleven (11) inches must be prominently posted near each entrance and registration area at the event, in such a manner that it can be clearly read by all the players during an event, containing the following:

(1) The name of the qualified organization.

(2) The license number of the qualified organization.

(3) The expiration date of the license.

(ii) Under an annual raffle license or an annual PPT license, an employee of the qualified organization may participate in the sale and redemption of pull-tabs, punchboards, and tip boards on the premises owned or leased by the qualified organization, or donated to the qualified organization, and receive the remuneration ordinarily provided to the employee in the course of the employee's employment.

(jj) Under an annual raffle license or an annual PPT 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.

(kk) A qualified organization must use the fair market retail value of any noncash prize awarded to a winner of an allowable event to determine the applicable prize payout for the allowable event. (*Indiana Gaming Commission; 68 IAC 21-3-2; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed May 27, 2008, 4:09 p.m.: 20080625-IR-068070748FRA; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

### **68 IAC 21-3-3 Calendar raffle; sale of tickets, calendars, and drawings for prizes (Repealed)**

Sec. 3. (*Repealed by Indiana Gaming Commission; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA*)

### **68 IAC 21-3-4 Water races**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 4. The commission may issue a water race 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 21-3-4; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

### **68 IAC 21-3-4.1 Euchre**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-4

Sec. 4.1. (a) A patron participating in a euchre game conducted under a charity game night license issued under IC 4-32.2-4-7 or IC 4-32.2-4-7.5 or a festival license issued under IC 4-32.2-4-12 must deal every time he or she has the opportunity to do so in the regular course of the game of euchre.

(b) No patron participating in a euchre game conducted under a charity game night license issued under IC 4-32.2-4-7 or IC 4-32.2-4-7.5 or a festival license issued under IC 4-32.2-4-12 may receive prizes other than those awarded to the winners of the game.

(c) A qualified organization conducting a euchre game under a charity game night license issued under IC 4-32.2-4-7 or IC 4-32.2-4-7.5 or a festival license issued under IC 4-32.2-4-12 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 21-3-4.1; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

#### **68 IAC 21-3-4.2 Guessing game license**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 4.2. The commission may issue a guessing game license that permits a qualified organization to conduct a guessing game. (*Indiana Gaming Commission; 68 IAC 21-3-4.2; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

#### **68 IAC 21-3-4.3 Qualified card game requirements**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 4.3. (a) A qualified organization licensed to conduct a qualified card game other than euchre must use a minimum of two (2) operators and a minimum of one (1) 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 21-3-4.3; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

#### **68 IAC 21-3-5 Deviation from provisions**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 5. 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 4-32.2.

(*Indiana Gaming Commission; 68 IAC 21-3-5; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

### **Rule 4. Record Keeping Requirements**

## **68 IAC 21-4-1 Records of qualified organization**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-4-3; IC 4-32.2-5-16

Sec. 1. (a) A qualified organization must maintain records of all financial aspects of each allowable event adequate for the commission to conduct oversight as authorized and required by IC 4-32.2 and to report the information to the commission on forms prescribed by the commission. The organization must set up a separate and segregated checking account to account for the proceeds and expenditures of the allowable event. If a qualified organization donates gaming proceeds to a recognized subsidiary or auxiliary that is separately qualified by the commission, then the subsidiary or auxiliary must account for the donation and related expenditures in its own separate and segregated charity gaming checking account. If a qualified organization donates gaming proceeds to another qualified organization pursuant to IC 4-32.2-5-16(b), 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 event.
- (2) Prize payouts.
- (3) Net receipts to the organization.

The rental costs associated with conducting an allowable event, 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 event license holders must submit the appropriate forms prescribed by the commission not more than ten (10) days after the allowable event 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 one thousand dollars (\$1,000), or exceeds an aggregate of a total of three thousand dollars (\$3,000) 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 event:

- (1) All documents associated with allowable events.
- (2) All other documents kept in the regular course of allowable events.

*(Indiana Gaming Commission; 68 IAC 21-4-1; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed May 27, 2008, 4:09 p.m.: 20080625-IR-068070748FRA; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

## **68 IAC 21-4-2 Records of manufacturer or distributor**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

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 4-32.2 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 license number;
    - (vi) the customer's current license number; 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 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 that show the expected gross income, payout, net income, and number of deals in the pull-tab game that have 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 the manufacturer or distributor must provide the commission with a written list of the licensed supplies destroyed, including the following:
  - (1) The quantity.
  - (2) A description of the items.
  - (3) Serial numbers.
  - (4) The date on which the items were destroyed.
- (f) A licensed manufacturer or distributor must keep the commission informed of the following:
  - (1) Its 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 21-4-2; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

## **Rule 5. Restrictions**

### **68 IAC 21-5-1 Restrictions**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-5-22

Sec. 1. (a) A qualified organization shall not enter into a formal or informal agreement relating to an allowable event, including, but not limited to:

- (1) hiring or contracting operators and workers;
- (2) leasing real or tangible personal property; or
- (3) concessions and 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 4-32.2-5-22, a manufacturer, distributor, or their officers, employees, 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 21-5-1; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

## **Rule 6. Disciplinary Action**

### **68 IAC 21-6-1 Disciplinary action**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-2-24; IC 4-32.2-8-1

Sec. 1. (a) Qualified organizations, manufacturers, and distributors have a continuing duty to maintain compliance with IC 4-32.2 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 4-32.2-8-1, 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 4-32.2-2-24(a)(1)(C)(iii).

(e) If the commission revokes a license of a qualified organization, manufacturer, or distributor, then the commission may 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 event was conducted. *(Indiana Gaming Commission; 68 IAC 21-6-1; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed May 27, 2008, 4:09 p.m.: 20080625-IR-068070748FRA; filed Dec 30, 2009, 2:06 p.m.: 20100127-IR-068090676FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

### **68 IAC 21-6-2 Actions available to an administrative judge and the commission**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2-8-1; IC 4-32.2-8-3; IC 6-8.1

Sec. 2. In addition to the actions listed in IC 4-32.2-8-1 and IC 4-32.2-8-3, the commission may collect any underreported license fees. (*Indiana Gaming Commission; 68 IAC 21-6-2; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; filed Aug 14, 2013, 2:25 p.m.: 20130911-IR-068120280FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

## **Rule 7. General Provisions**

### **68 IAC 21-7-1 Coverage of rule**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3; IC 4-32.2

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 the 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 21-7-1; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

### **68 IAC 21-7-2 Petition for review**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3-1; IC 4-21.5-3-7; IC 4-32.2

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 approval or denial of a petition for review, the petitioner may 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 may 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 appoint an administrative law judge to conduct a hearing in accordance with this rule. The commission may appoint a commission member to serve as an administrative law judge. The petitioner shall be served with a copy of the letter of appointment, and the letter 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.

(g) Default judgment or dismissal may result at any stage of the proceeding in accordance with IC 4-21.5-3. (*Indiana Gaming Commission; 68 IAC 21-7-2; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

#### **68 IAC 21-7-3 Appearances; service**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3-1; IC 4-21.5-3-15; IC 4-32.2

Sec. 3. A petitioner may:

(1) represent himself or herself; or

(2) be represented by an attorney or duly authorized representative under IC 4-21.5-3-15.

Service shall be made in accordance with IC 4-21.5-3. (*Indiana Gaming Commission; 68 IAC 21-7-3; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

#### **68 IAC 21-7-4 Discovery**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3-1; IC 4-32.2

Sec. 4. Pursuant to Trial Rule 28F of the Indiana Rules of Trial Procedure, the discovery provisions of Trial Rules 26 through 37 shall apply to all proceedings subject to this rule. (*Indiana Gaming Commission; 68 IAC 21-7-4; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

#### **68 IAC 21-7-5 Subpoenas**

Authority: IC 4-32.2-3-2; IC 4-32.2-3-3

Affected: IC 4-21.5-3-1; IC 4-21.5-3-22; IC 4-32.2

Sec. 5. All subpoenas shall be issued in accordance with IC 4-21.5-3-22. (*Indiana Gaming Commission; 68 IAC 21-7-5; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

#### **68 IAC 21-7-6 Prehearing conferences**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3-1; IC 4-21.5-3-18; IC 4-21.5-3-19; IC 4-32.2

Sec. 6. The administrative law judge shall or may hold prehearing conferences to resolve discovery disputes or any other matters as provided in IC 4-21.5-3-18 and IC 4-21.5-3-19. (*Indiana Gaming Commission; 68 IAC 21-7-6; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

#### **68 IAC 21-7-7 Motions for summary judgment and other appropriate motions**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3-1; IC 4-32.2

Sec. 7. The administrative law judge may do the following:

(1) Recommend a directed finding or summary judgment upon the filing of an appropriate motion by any party. These motions shall be made in compliance with the Indiana Rules of Trial Procedure and IC 4-21.5-3.

(2) Hear arguments on the motion for summary judgment or other appropriate motion. The administrative law judge may require the parties to brief their positions in support of or against the motion for summary judgment or other appropriate motion.

(*Indiana Gaming Commission; 68 IAC 21-7-7; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov*

26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)

**68 IAC 21-7-8 Continuances**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3-1; IC 4-32.2

Sec. 8. (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 21-7-8; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)*

**68 IAC 21-7-9 Proceedings**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3-1; IC 4-32.2

Sec. 9. (a) The burden of proof is at all times on the petitioner. The charity gaming division of the Indiana gaming commission shall act as the respondent. The petitioner shall have the affirmative responsibility of establishing by a preponderance of the evidence that the:

(1) petitioner should have been awarded a license; or

(2) license should have been renewed.

(b) Any testimony shall be given under oath or affirmation. The administrative law judge or recorder shall be authorized to administer oaths.

(c) Both parties may present an opening statement on the merits. The petitioner proceeds first followed by the respondent. The respondent may not reserve opening statement for a later time. The administrative law judge may determine the length of time each party is permitted for the presentation of an opening statement.

(d) The petitioner shall then present the petitioner's case-in-chief.

(e) Upon conclusion of the petitioner's case-in-chief, the respondent may move for a directed finding. The administrative law judge may:

(1) hear arguments on the motion; or

(2) grant, deny, or reserve any decision thereon, with or without argument.

(f) If:

(1) no motion for directed finding is made; or

(2) such motion is denied or decision reserved thereon;

the respondent may present its case.

(g) Each party may conduct cross-examination of adverse witnesses.

(h) Upon conclusion of the respondent's case, the petitioner may present evidence in rebuttal.

(i) The administrative law judge may:

(1) ask questions of the witnesses; and

(2) request or allow additional evidence at any time, including additional rebuttal evidence.

(j) Both parties may present closing argument. The petitioner proceeds first, then the respondent, and, thereafter, the petitioner may present rebuttal argument. The administrative law judge may determine the length of time each party is permitted for the presentation of closing argument.

(k) The administrative law judge may require or allow the parties to submit posthearing briefs, proposed findings of fact and conclusions of law, or both, within:

(1) ten (10) days of the conclusion of the hearing; or

(2) such other time period the administrative law judge might order.

*(Indiana Gaming Commission; 68 IAC 21-7-9; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov*

26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA)

**68 IAC 21-7-10 Evidence**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3-25; IC 4-21.5-3-26; IC 4-32.2

Sec. 10. (a) The hearing shall be conducted in accordance with IC 4-21.5-3-25 and IC 4-21.5-3-26.

(b) All parties must be afforded an opportunity to investigate and verify information or documents that any party intends to offer in support of his or her case. The administrative law judge may prohibit a party from introducing into evidence any information or documents that the opposing party has not been afforded the opportunity to investigate and verify.

(c) The parties shall, to the fullest extent possible, stipulate all matters that are not or should not be in dispute.

(d) The parties may make objections to evidentiary offers. When an objection is made, the administrative law judge may receive the disputed evidence subject to a ruling at a later time.

(e) The administrative law judge may take official notice as outlined in IC 4-21.5-3-26(b) and IC 4-21.5-3-26(g). (*Indiana Gaming Commission; 68 IAC 21-7-10; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-7-11 Sanctions and penalties**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3-1; IC 4-32.2

Sec. 11. (a) The administrative law judge may impose sanctions and penalties as outlined in Indiana Rules of Trial Procedure 26 through 37 and IC 4-21.5-3.

(b) If a petitioner refuses to testify on his or her own behalf with respect to any question propounded to him or her, the administrative law judge may infer therefrom that such testimony or answer would have been adverse to the case of the party refusing to testify. (*Indiana Gaming Commission; 68 IAC 21-7-11; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-7-12 Transmittal of record and recommendation to the commission**

Authority: IC 4-32.2-3-3

Affected: IC 4-21.5-3-25; IC 4-21.5-3-33; IC 4-32.2

Sec. 12. (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 21-7-12; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

**68 IAC 21-7-13 Settlement offers**

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 13. (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 21-7-13; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

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

Authority: IC 4-32.2-3-3

Affected: IC 4-32.2

Sec. 14. An applicant who has been denied a license or whose license has not been renewed and who has requested a hearing 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 21-7-14; filed May 30, 2007, 8:28 a.m.: 20070627-IR-068060335FRA; readopted filed Nov 26, 2013, 3:58 p.m.: 20131225-IR-068130354RFA*)

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