



April 5, 2021

ENGROSSED

SENATE BILL No. 245

DIGEST OF SB 245 (Updated April 5, 2021 2:55 pm - DI 144)

Citations Affected: IC 4-30; IC 4-32.3; IC 4-36; IC 7.1-1; IC 7.1-3.

Synopsis: Gaming matters. Provides that net proceeds from an allowable activity and related activities may be used only for the lawful purposes of the qualified organization, including the: (1) repair; (2) maintenance; or (3) improvement; of owned real property used for the lawful purposes of the qualified organization. Increases the prize limit for a progressive or carryover pull tab game in charity gaming to \$15,000. Provides that a qualified organization must abide by the rules and regulations of the Internal Revenue Service regarding reporting and withholding rules for charitable prizes paid. Provides that for a raffle drawing, a retailer may not retain more than 20% of the proceeds,
(Continued next page)

Effective: Upon passage; July 1, 2021.

**Alting, Ford Jon,
Randolph Lonnie M**
(HOUSE SPONSOR — SMALTZ)

January 11, 2021, read first time and referred to Committee on Public Policy.
February 18, 2021, reported favorably — Do Pass.
February 22, 2021, read second time, amended, ordered engrossed.
February 23, 2021, engrossed. Read third time, passed. Yeas 38, nays 10.

HOUSE ACTION

March 4, 2021, read first time and referred to Committee on Public Policy.
April 5, 2021, amended, reported — Do Pass.

ES 245—LS 7278/DI 107



a retailer must establish and publish house rules, and the maximum amount of prizes in a raffle game is limited to \$30,000. Provides that the total prizes for one type II gambling game, except for a raffle game, may not exceed \$10,000. Provides that a single prize award for a winning ticket on a seal card game may not exceed \$1,000. Provides that a single prize on a progressive or carryover pull tab game in a type II gambling game may not exceed \$5,000. Provides that a type II gambling game includes raffles, progressive or carryover pull tab games, and sports-themed tip board and pull tab games. Provides that a licensed entity may elect to have the entity's annual accounting period end 60 days before the entity's license expires. Modifies the definition of "jumbo boat" by removing the requirement that the vessel be approved by the United States Coast Guard. Provides that a holder of a: (1) boat beer permit who operates a jumbo boat may sell beer for carryout; (2) boat liquor permit who operates a jumbo boat may sell liquor for carryout; and (3) boat wine permit who operates a jumbo boat may sell wine for carryout. Allows a jumbo boat to apply for and hold a retailer's endorsement. Allows type II gaming to be conducted on a jumbo boat. Provides that unless specifically granted authority by a statute passed by the general assembly, the state lottery commission and Indiana gaming commission (commission) shall not, independently or by public private partnership, operate or authorize the use or operation of the following: (1) A lottery game operated through a video lottery terminal. (2) A video lottery game. (3) A gambling game played on an electronic device. (4) The sale of lottery tickets over the internet. Also makes the following amendments to IC 4-32.3: (1) Replaces "annual casino night license" with "annual activity license". (2) Specifies that the commission may issue to a qualified organization an annual activity license to conduct a gambling activity approved by the commission, if certain requirements are met. (3) Modifies restrictions applicable to a festival license. (4) Modifies the restrictions applicable to a worker at a raffle conducted by a qualified organization. (5) Removes a provision that allows the commission to authorize two bingo events each year at which the total prizes may not exceed \$10,000. (6) Provides that the commission may authorize a qualified organization to conduct a bingo event at which the total prizes exceed \$6,000, and specifies that such a bingo may event may be conducted at a festival. (7) Provides that a person less than 18 years of age may sell tickets or chances for a raffle. (8) Modifies a provision relating to the license fee for a three year charity gaming license issued to a qualified organization that is a bona fide veterans organization. Makes technical corrections and conforming amendments.



April 5, 2021

First Regular Session of the 122nd General Assembly (2021)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2020 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 245

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

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

1 SECTION 1. IC 4-30-3-20 IS ADDED TO THE INDIANA CODE
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2021]: **Sec. 20. Unless specifically granted authority by a statute
4 passed by the general assembly, the commission and Indiana
5 gaming commission shall not, independently or by public private
6 partnership, operate or authorize the use or operation of the
7 following:**

- 8 (1) A lottery game operated through a video lottery terminal.
9 (2) A video lottery game.
10 (3) A gambling game played on an electronic device.
11 (4) The sale of lottery tickets over the internet.

12 SECTION 2. IC 4-32.3-2-1.5 IS ADDED TO THE INDIANA
13 CODE AS A NEW SECTION TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2021]: **Sec. 1.5. "Accounting period" means
15 the period of time for which a licensed entity reports to the gaming
16 commission the entity's income, expenses, and charitable
17 contributions.**

ES 245—LS 7278/DI 107



1 SECTION 3. IC 4-32.3-4-5, AS ADDED BY P.L.188-2019,
 2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2021]: Sec. 5. (a) The commission may issue an annual
 4 activity license to a qualified organization if the qualified organization:

- 5 (1) meets the requirements of this section;
- 6 (2) submits an application; and
- 7 (3) pays a fee set by the commission under IC 4-32.3-6.

8 (b) The following information must be included in an annual
 9 activity license:

- 10 (1) Whether the qualified organization is authorized to conduct
 11 bingo, pull tabs, punchboards, tip boards, or raffle activities on
 12 more than one (1) occasion during a one (1) year period.
- 13 (2) The location of the allowable activities.
- 14 (3) The expiration date of the license.

15 (c) A qualified organization may conduct casino game night
 16 activities under an annual activity license if the requirements of
 17 subsections (a) and (b) are met, and:

- 18 (1) the organization is a qualified veteran organization or fraternal
 19 organization; and
- 20 (2) the annual ~~casino night activity~~ license requires that a facility
 21 or location may not be used for purposes of conducting an annual
 22 casino game night activity on more than three (3) calendar days
 23 per calendar week regardless of the number of qualified
 24 organizations conducting annual casino night activities at the
 25 facility or location.

26 (d) An annual activity license may be reissued annually upon the
 27 submission of an application for reissuance on a form prescribed by the
 28 commission after the qualified organization has paid the fee under
 29 IC 4-32.3-6.

30 SECTION 4. IC 4-32.3-4-5.5, AS ADDED BY P.L.188-2019,
 31 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 JULY 1, 2021]: Sec. 5.5. (a) The commission may issue an annual
 33 ~~casino night activity~~ license to a bona fide civic organization for casino
 34 game night activities if:

- 35 (1) the requirements of section 5(a) and 5(b) of this chapter are
 36 met;
- 37 (2) not more than three (3) qualified organizations in the county
 38 where the bona fide civic organization operates currently possess
 39 an annual ~~casino night activity~~ license **for casino game night**
 40 **activities**; and
- 41 (3) the bona fide civic organization owns or leases a standalone
 42 building where the casino game night activities will be conducted.



1 (b) The number of bona fide civic organizations holding a license
 2 issued under this section in a particular county may not exceed one (1).
 3 In determining whether to grant a license under this section to a bona
 4 fide civic organization, the commission shall consider:

5 (1) the character and reputation of the bona fide civic organization
 6 in furthering its charitable purpose; and

7 (2) the bona fide civic organization's experience with and
 8 compliance in casino game night activities.

9 If more than one (1) otherwise qualified bona fide civic organization
 10 applies for a license under this section, the commission may award the
 11 license based on a random drawing.

12 (c) A license issued under this section to a bona fide civic
 13 organization described in subsection (a) is valid for a period of two (2)
 14 years, subject to ongoing compliance with this article and commission
 15 rules.

16 SECTION 5. IC 4-32.3-4-11, AS ADDED BY P.L.58-2019,
 17 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2021]: Sec. 11. (a) This section applies to a gambling activity
 19 other than a bingo event, casino game night, festival, pull tabs,
 20 punchboards, tip boards, or raffle.

21 (b) The commission may issue a single activity license **or an**
 22 **annual activity license** to conduct a gambling activity approved by the
 23 commission to a qualified organization upon the organization's
 24 submission of an application and payment of applicable fees under
 25 IC 4-32.3-6.

26 (c) A single activity license may:

27 (1) authorize the qualified organization to conduct the gambling
 28 event at only one (1) time and location; and

29 (2) state the date, beginning and ending times, and location of the
 30 gambling event.

31 (d) An annual activity license:

32 (1) may authorize the qualified organization to conduct the
 33 activity on more than one (1) occasion during a period of one (1)
 34 year;

35 (2) must state the locations of the permitted activities;

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

37 (4) may be reissued annually upon the submission of an
 38 application for reissuance on the form prescribed by the
 39 commission and upon the qualified organization's payment of the
 40 applicable fees under IC 4-32.3-6.

41 (e) The commission may impose any condition upon a qualified
 42 organization that is issued a license to conduct a gambling activity



1 under this section.

2 SECTION 6. IC 4-32.3-5-3, AS ADDED BY P.L.58-2019,
3 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
4 JULY 1, 2021]: Sec. 3. (a) All net proceeds from an allowable activity
5 and related activities may be used only for the lawful purposes of the
6 qualified organization, **including the:**

7 **(1) repair;**
8 **(2) maintenance; or**
9 **(3) improvement;**
10 **of owned real property used for the lawful purposes of the**
11 **qualified organization.**

12 (b) To determine the net proceeds from an allowable activity, a
13 qualified organization shall subtract the following from the gross
14 receipts received from the allowable activity:

15 (1) An amount equal to the total value of the prizes awarded at the
16 allowable activity.
17 (2) The sum of the purchase prices paid for licensed supplies
18 dispensed at the allowable activity.
19 (3) An amount equal to the qualified organization's license fees
20 attributable to the allowable activity.
21 (4) An amount equal to the advertising expenses incurred by the
22 qualified organization to promote the allowable activity.
23 (5) An amount not to exceed two hundred dollars (\$200) per day
24 for rent paid for facilities leased for an allowable activity.

25 SECTION 7. IC 4-32.3-5-6, AS ADDED BY P.L.58-2019,
26 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2021]: Sec. 6. ~~(a) This section does not apply to a festival~~
28 ~~license.~~

29 ~~(b) (a)~~ If a facility, location, or personal property is leased for an
30 allowable activity, the rent may not be based in whole or in part on the
31 revenue generated from the event.

32 ~~(c) (b) Subject to the additional restrictions on the use of a facility~~
33 ~~or location for an annual casino game night,~~ A facility or location may
34 not be rented for more than three (3) days during a calendar week for
35 an allowable activity. **This subsection does not apply to a festival**
36 **license.**

37 SECTION 8. IC 4-32.3-5-11, AS ADDED BY P.L.188-2019,
38 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
39 JULY 1, 2021]: Sec. 11. (a) Except as provided in subsections (c)
40 through (e), an operator or a worker may not directly or indirectly
41 participate, other than in a capacity as an operator or a worker, in an
42 allowable activity that the operator or worker is conducting.



1 (b) A patron at a casino game night may deal the cards in a card
2 game if:

- 3 (1) the card game in which the patron deals the cards is a
4 qualified card game;
5 (2) the patron deals the cards in the manner required in the
6 ordinary course of the qualified card game; and
7 (3) the qualified card game is played under the supervision of the
8 qualified organization conducting the casino game night in
9 accordance with section 12 of this chapter (in the case of a game
10 of Texas hold'em poker or Omaha poker) and any rules adopted
11 by the commission.

12 A patron who deals the cards in a qualified card game conducted under
13 this subsection is not considered a worker or an operator for purposes
14 of this article.

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

- 17 (1) A worker may not participate in any game during the time in
18 which the worker is conducting or helping to conduct the game.
19 (2) A worker who conducts or helps to conduct a pull tab,
20 punchboard, or tip board event during a festival event may not
21 participate as a player in a pull tab, punchboard, or tip board
22 event conducted on the same calendar day.

23 (d) A worker at a bingo event:

- 24 (1) whose duties are limited to:
25 (A) selling bingo supplies;
26 (B) selling tickets for a raffle conducted at the bingo event; or
27 (C) the duties described in both clauses (A) and (B);
28 (2) who has completed all of the worker's duties before the start
29 of the first bingo game of the bingo event; and
30 (3) who is not engaged as a worker at any other time during the
31 bingo event;

32 may participate as a player in any gaming activity offered at the bingo
33 event following the completion of the worker's duties at the bingo
34 event.

35 (e) A worker at a raffle conducted by a qualified organization may
36 purchase a raffle ticket for a particular drawing at the raffle, ~~unless:~~
37 **subject to the following restrictions:**

- 38 (1) ~~the worker personally sold tickets for;~~ or **The worker may**
39 **not purchase a raffle ticket from himself or herself.**
40 (2) The worker ~~otherwise personally participated in the conduct~~
41 ~~of;~~ **may not participate in the drawing of a winner.**

42 ~~that particular drawing.~~



1 SECTION 9. IC 4-32.3-5-14, AS ADDED BY P.L.188-2019,
 2 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2021]: Sec. 14. (a) Except as provided in:

- 4 (1) section 8(c) of this chapter; **and**
 5 ~~(2) section 13 of this chapter; and~~
 6 ~~(3) (2) subsection (c);~~

7 a worker at an allowable event must be a member in good standing of
 8 the qualified organization that is conducting the allowable activity for
 9 at least thirty (30) days before the allowable activity.

10 (b) For purposes of this section, an individual is considered to be a
 11 member in good standing of the qualified organization if:

- 12 (1) the individual has been a member in good standing of the
 13 qualified organization for at least thirty (30) days; and
 14 (2) the individual's authority to serve as a worker for the qualified
 15 organization has been acknowledged by the qualified organization
 16 on a form prescribed by the commission.

17 (c) A qualified organization may allow an individual who is not a
 18 member of the qualified organization to participate in an allowable
 19 activity as a worker if the individual is a full-time employee of the
 20 qualified organization that is conducting the allowable activity; or if:

- 21 (1) the individual is a member of another qualified organization;
 22 and
 23 (2) the individual's participation is approved by the commission.

24 A qualified organization may apply to the commission on a form
 25 prescribed by the commission for approval of the participation of a
 26 nonmember under this subsection. A qualified organization may share
 27 the proceeds of an allowable activity with the qualified organization in
 28 which a worker participating in the allowable activity under this
 29 subsection is a member. The tasks that will be performed by an
 30 individual participating in an allowable activity under this subsection
 31 and the amounts shared with the individual's qualified organization
 32 must be described in the application and approved by the commission.

33 (d) For purposes of:

- 34 (1) the licensing requirements of this article; and
 35 (2) ~~section 9 of this chapter; IC 4-32.3-4-14(b);~~

36 a qualified organization that receives a share of the proceeds of an
 37 allowable activity described in ~~IC 4-32.3-4-14(a)~~ **subsection (c)** is not
 38 considered to be conducting an allowable activity.

39 SECTION 10. IC 4-32.3-5-15, AS ADDED BY P.L.58-2019,
 40 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2021]: Sec. 15. (a) The prize for:

- 42 (1) one (1) bingo game may not have a value of more than one



- 1 thousand dollars (\$1,000); and
 2 (2) a progressive bingo game may not have a value of more than
 3 two thousand dollars (\$2,000).
 4 (b) Except as provided in subsection (c), the total prizes permitted
 5 at one (1) bingo event may not have a value of more than six thousand
 6 dollars (\$6,000).
 7 ~~(c) The commission may, by express authorization, allow any~~
 8 ~~qualified organization to conduct two (2) bingo events each year at~~
 9 ~~which the total prizes for each event may not exceed ten thousand~~
 10 ~~dollars (\$10,000). Bingo events authorized under this subsection may~~
 11 ~~be conducted at a festival.~~
 12 ~~(d) (c) The commission may, by express authorization, allow a~~
 13 ~~qualified organization to conduct a bingo event in which the total prizes~~
 14 ~~for the event may exceed ten six thousand dollars (\$10,000). (\$6,000).~~
 15 **Bingo events authorized under this subsection may be conducted**
 16 **at a festival.**
 17 ~~(e) (d) The proceeds of the sale of pull tabs, punchboards, and tip~~
 18 ~~boards are not included in the total prize limit at a bingo event.~~
 19 SECTION 11. IC 4-32.3-5-16, AS ADDED BY P.L.58-2019,
 20 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 21 JULY 1, 2021]: Sec. 16. (a) The total prizes awarded for one (1) pull
 22 tab, punchboard, or tip board game may not exceed ~~ten~~ **fifteen**
 23 ~~thousand dollars (\$10,000).~~ **(\$15,000).**
 24 (b) A single prize awarded:
 25 (1) for one (1) winning ticket in a pull tab, punchboard, or tip
 26 board game may not exceed five hundred ninety-nine dollars
 27 (\$599);
 28 (2) in a game using a seal card may not exceed one thousand
 29 dollars (\$1,000); and
 30 (3) in a progressive or carryover pull tab game may not exceed
 31 ~~five~~ **fifteen** thousand dollars ~~(\$5,000).~~ **(\$15,000).**
 32 (c) The selling price for one (1) ticket for a pull tab, punchboard, or
 33 tip board game may not exceed one dollar (\$1).
 34 SECTION 12. IC 4-32.3-5-17, AS ADDED BY P.L.58-2019,
 35 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2021]: Sec. 17. (a) Except as provided in subsections ~~(b) and~~
 37 **(b), (c), and (e)**, the following persons may not play or participate in
 38 any manner in an allowable activity:
 39 (1) A member or an employee of the commission.
 40 (2) A person less than eighteen (18) years of age.
 41 (b) A member or employee of the commission may participate in an
 42 allowable activity if that person:



1 (1) has received written authorization from the executive director
2 to participate in an allowable activity; and

3 (2) is participating only to the extent approved by the executive
4 director.

5 (c) Except as provided in subsection (b), an employee of the
6 commission or a relative of an employee of the commission living in
7 the same household with the employee may not be an operator, worker,
8 or a volunteer ticket taker.

9 (d) An employee, officer, or owner of a manufacturer or distributor
10 is prohibited from participating in or affiliating in any way with the
11 charity gaming operations of a qualified organization that an employee,
12 officer, or owner is a member.

13 **(e) A person less than eighteen (18) years of age may sell tickets**
14 **or chances for a raffle.**

15 SECTION 13. IC 4-32.3-5-19, AS ADDED BY P.L.58-2019,
16 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2021]: Sec. 19. (a) If a qualified organization is required to
18 report a patron's gambling winnings to the Internal Revenue Service for
19 federal income tax purposes, the winning patron shall provide the
20 qualified organization with the information necessary to comply with
21 all applicable state and federal tax laws.

22 **(b) A qualified organization must abide by the rules and**
23 **regulations of the Internal Revenue Service regarding reporting**
24 **and withholding rules for charitable prizes paid.**

25 SECTION 14. IC 4-32.3-6-3, AS ADDED BY P.L.58-2019,
26 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2021]: Sec. 3. (a) A qualified organization holding a license
28 under IC 4-32.2-4 (repealed) on June 30, 2019, is exempt from fees
29 required under this section.

30 (b) Except as provided under subsections (c), (d), and (e), the
31 license fee that is charged to a qualified organization in the first year
32 that the qualified organization applies for a license is:

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

34 (2) the amount determined under subsection (c) for a qualified
35 organization issued an annual affiliate license for the first time.

36 (c) When a qualified organization is issued an annual affiliate
37 license under IC 4-32.3-4-8 for the first time, the initial license fee is
38 determined as follows:

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

41 (A) has not previously conducted an allowable activity; and

42 (B) consists of Indiana affiliates that have not previously



- 1 conducted any allowable activities.
- 2 (2) In the case of a qualified organization that includes at least
- 3 one (1) Indiana affiliate that conducted an allowable activity
- 4 before the date the qualified organization applies for an annual
- 5 affiliate license, the fee is equal to the greatest of the following:
- 6 (A) An amount equal to the sum of the license renewal fees
- 7 determined under this chapter for the organization's Indiana
- 8 affiliates in 2011.
- 9 (B) An amount equal to the sum of the license renewal fees
- 10 determined under this chapter for the organization's Indiana
- 11 affiliates during the twelve (12) month period ending on the
- 12 date the qualified organization's license application is filed.
- 13 (C) Fifty dollars (\$50) per Indiana affiliate.
- 14 (d) The license fee that is charged to a qualified organization that is
- 15 a bona fide veterans organization for a three (3) year charity gaming
- 16 license under IC 4-32.3-4-16 for the first time the qualified
- 17 organization has applied for that particular license type issued under
- 18 IC 4-32.3-4 is fifty dollars (\$50).
- 19 (e) The license fee for a three (3) year charity gaming license that
- 20 is charged **for the first time** to a qualified organization that is a bona
- 21 fide veterans organization that currently holds a license issued under
- 22 ~~IC 4-32.3-4-5, IC 4-32.3-4-6, IC 4-32.3-4-8, IC 4-32.3-4-5~~ or
- 23 IC 4-32.3-4-11 **for the first time** is equal to the amount the bona fide
- 24 veterans organization paid for the license it held under ~~IC 4-32.3-4-5,~~
- 25 ~~IC 4-32.3-4-6, IC 4-32.3-4-8, IC 4-32.3-4-5~~ or IC 4-32.3-4-11.
- 26 SECTION 15. IC 4-32.3-10-3, AS ADDED BY P.L.58-2019,
- 27 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 28 JULY 1, 2021]: Sec. 3. (a) The department shall establish procedures
- 29 by which each licensed entity must account for the following:
- 30 (1) The tax collected under this chapter by the licensed entity.
- 31 (2) The pull tabs, punchboards, and tip boards sold by the
- 32 licensed entity.
- 33 (3) The funds received for sales of pull tabs, punchboards, and tip
- 34 boards by the licensed entity.
- 35 (b) **At least ninety (90) days before a licensed entity's license**
- 36 **expires, the licensed entity may elect to have the entity's annual**
- 37 **accounting period end sixty (60) days before the date the entity's**
- 38 **license expires.**
- 39 SECTION 16. IC 4-36-2-9.5 IS ADDED TO THE INDIANA CODE
- 40 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
- 41 UPON PASSAGE]: Sec. 9.5. "Jumbo boat" has the meaning set
- 42 forth in IC 7.1-1-3-19.6.



1 SECTION 17. IC 4-36-2-17, AS ADDED BY P.L.95-2008,
 2 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 17. "Retailer" means a person that:

4 (1) is licensed to sell alcoholic beverages under IC 7.1-3 to
 5 customers for consumption:

6 (A) on the licensed premises of the person's tavern; or

7 (B) on a jumbo boat; and

8 (2) holds an endorsement to conduct type II gambling games that
 9 was issued by the commission under IC 4-36-4.

10 SECTION 18. IC 4-36-2-17.5 IS ADDED TO THE INDIANA
 11 CODE AS A NEW SECTION TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 2021]: **Sec. 17.5. "Seal card" means a board**
 13 **or placard used with pull tabs that contains one (1) or more seals**
 14 **that, when removed or opened, reveals a predesignated winning**
 15 **number, letter, symbol, or monetary denomination.**

16 SECTION 19. IC 4-36-2-20, AS AMENDED BY P.L.58-2019,
 17 SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2021]: Sec. 20. "Type II gambling game" means a pull tab,
 19 punchboard, or tip board game approved by the Indiana gaming
 20 commission for play under IC 4-32.3, **including:**

21 (1) raffles;

22 (2) progressive or carryover pull tab games; and

23 (3) sports-themed tip board and pull tab games approved by
 24 the commission in the commission's September 16, 2019,
 25 memorandum and waiver.

26 SECTION 20. IC 4-36-2-21, AS ADDED BY P.L.95-2008,
 27 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 21. "Type II gambling operation" means the
 29 conduct of gambling games authorized under this article in a tavern **or**
 30 **on a jumbo boat.**

31 SECTION 21. IC 4-36-4-1, AS ADDED BY P.L.95-2008,
 32 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 33 UPON PASSAGE]: Sec. 1. (a) Subject to section 13 of this chapter, the
 34 commission shall issue a retailer's endorsement to an applicant that
 35 satisfies the requirements of this article. A retailer's endorsement
 36 allows the retailer to conduct type II gaming at only the tavern **or**
 37 **jumbo boat** specified in the retailer's application under section 3(b)(2)
 38 of this chapter. An applicant must obtain a separate retailer's
 39 endorsement for each tavern **or jumbo boat** at which the applicant
 40 wishes to conduct type II gaming.

41 (b) The commission shall affix an endorsement issued under this
 42 chapter to the retailer's alcoholic beverage permit that authorizes the



1 retailer to sell alcoholic beverages at the tavern **or jumbo boat**
 2 specified in the retailer's application under section 3(b)(2) of this
 3 chapter. An endorsement issued under this chapter is valid for one (1)
 4 year.

5 SECTION 22. IC 4-36-4-2, AS AMENDED BY P.L.58-2019,
 6 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 UPON PASSAGE]: Sec. 2. (a) To qualify for a retailer's endorsement,
 8 a person must operate a:

9 (1) tavern licensed under IC 7.1-3 to sell alcoholic beverages to
 10 customers for consumption on the premises of the tavern; **or**

11 (2) **jumbo boat and hold a:**

12 (A) **boat beer permit under IC 7.1-3-6-12 through**
 13 **IC 7.1-3-6-14;**

14 (B) **boat liquor permit under IC 7.1-3-11-9 through**
 15 **IC 7.1-3-11-10; or**

16 (C) **boat wine permit under IC 7.1-3-16-3 through**
 17 **IC 7.1-3-16-4.**

18 (b) The following may not apply for a retailer's endorsement under
 19 this article:

20 (1) A person holding a horse track permit under IC 7.1-3-17.7.

21 (2) A licensed owner of a riverboat licensed under IC 4-33.

22 (3) An operating agent who operates a riverboat in a historic hotel
 23 district under IC 4-33.

24 (4) A qualified organization (as defined in IC 4-32.3-2-31).

25 (5) An organization that is eligible to apply for a charity gaming
 26 license under IC 4-32.3.

27 (6) A person holding a gambling game license issued under
 28 IC 4-35-5.

29 (7) **Except for a person holding a boat permit that operates a**
 30 **jumbo boat**, a person holding a permit issued under IC 7.1-3 for
 31 a licensed premises that is not a tavern, including holders of the
 32 following:

33 (A) A boat permit.

34 (B) A hotel permit.

35 (C) A fraternal club permit.

36 (D) A resort hotel permit.

37 (E) An airport permit.

38 (F) A satellite facility permit.

39 (G) A microbrewery permit.

40 (H) A social club permit.

41 (I) A civic center permit.

42 (J) A catering hall permit.



- 1 (K) A dining car permit.
- 2 (L) A temporary event permit.
- 3 (M) A permit for any of the following facilities:
- 4 (i) A stadium.
- 5 (ii) An automobile race track.
- 6 (iii) A concert hall.
- 7 SECTION 23. IC 4-36-4-3, AS ADDED BY P.L.95-2008,
- 8 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 9 UPON PASSAGE]: Sec. 3. (a) To obtain a retailer's endorsement, a
- 10 person must submit an application form to the commission.
- 11 (b) An application submitted under this section must include at least
- 12 the following:
- 13 (1) The name and address of the applicant and of any person
- 14 holding at least a ten percent (10%) interest in the applicant.
- 15 (2) The name and address of the tavern **or jumbo boat** for which
- 16 the applicant seeks a retailer's endorsement.
- 17 (3) The applicant's consent to credit investigations and criminal
- 18 record searches.
- 19 (4) Waivers and releases signed by the applicant that the
- 20 commission believes are necessary to ensure a full and complete
- 21 review of the application.
- 22 (c) An applicant must furnish all information requested by the
- 23 commission, including financial data and documents, certifications,
- 24 consents, waivers, and individual histories.
- 25 (d) The commission shall review the applications for a retailer's
- 26 endorsement under this chapter and shall inform each applicant of the
- 27 commission's decision concerning the issuance of a retailer's
- 28 endorsement.
- 29 SECTION 24. IC 4-36-4-5, AS AMENDED BY P.L.108-2009,
- 30 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 31 UPON PASSAGE]: Sec. 5. (a) The commission shall charge the
- 32 following fees for the issuance of a person's initial annual endorsement
- 33 or license under this chapter:
- 34 (1) Two hundred fifty dollars (\$250) for a retailer's endorsement
- 35 to conduct a type II gambling operation in the retailer's tavern **or**
- 36 **on the retailer's jumbo boat.**
- 37 (2) One thousand dollars (\$1,000) for a distributor's license.
- 38 (3) One thousand five hundred dollars (\$1,500) for a
- 39 manufacturer's license.
- 40 (b) The commission shall charge the following fees for the renewal
- 41 of a person's annual endorsement or license under this chapter:
- 42 (1) The following amounts for a retailer's endorsement:



- 1 (A) One hundred dollars (\$100) in the case of a retailer that
 2 had adjusted gross revenues of less than twenty-five thousand
 3 dollars (\$25,000) in the previous year.
 4 (B) Two hundred fifty dollars (\$250) in the case of a retailer
 5 that had adjusted gross revenues of at least twenty-five
 6 thousand dollars (\$25,000) but less than fifty thousand dollars
 7 (\$50,000) in the previous year.
 8 (C) Five hundred dollars (\$500) in the case of a retailer that
 9 had adjusted gross revenues of at least fifty thousand dollars
 10 (\$50,000) but less than one hundred thousand dollars
 11 (\$100,000) in the previous year.
 12 (D) One thousand dollars (\$1,000) in the case of a retailer that
 13 had adjusted gross revenues of at least one hundred thousand
 14 dollars (\$100,000) in the previous year.
 15 (2) One thousand dollars (\$1,000) for a distributor's license.
 16 (3) One thousand five hundred dollars (\$1,500) for a
 17 manufacturer's license.
 18 (c) A retailer shall report the amount of the retailer's adjusted gross
 19 receipts on the form required to renew the retailer's endorsement. The
 20 renewal fee required under subsection (b)(1) must be submitted with
 21 the renewal form.
 22 (d) The commission shall deposit all fees collected under this
 23 chapter into the enforcement and administration fund established under
 24 IC 7.1-4-10.
 25 SECTION 25. IC 4-36-5-1, AS AMENDED BY P.L.19-2011,
 26 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2021]: Sec. 1. (a) A retailer may offer the sale of type II
 28 gambling games in accordance with this article.
 29 (b) A retailer's endorsement also authorizes a retailer to conduct
 30 qualified drawings:
 31 (1) on the premises of the retailer's tavern; **or**
 32 (2) **on the retailer's jumbo boat.**
 33 A qualified drawing must be conducted in the manner required by this
 34 section.
 35 (c) A qualified drawing is subject to the following rules and
 36 limitations:
 37 (1) The purchase price for a chance to win a prize in a qualified
 38 drawing may not exceed five dollars (\$5).
 39 (2) This subdivision does not apply to a qualified drawing
 40 conducted under subdivision ~~(12)~~: **(11)**. The total value of all
 41 prizes that may be won in a particular qualified drawing may not
 42 exceed three hundred dollars (\$300) for any of the following:



- 1 (A) A daily drawing.
- 2 (B) A weekly drawing.
- 3 (C) A monthly drawing.
- 4 (3) A qualified drawing must be conducted in accordance with the
- 5 following limitations:
- 6 (A) Not more than one (1) daily drawing may be conducted
- 7 each day.
- 8 (B) Not more than one (1) weekly drawing may be conducted
- 9 each week.
- 10 (C) Not more than one (1) monthly drawing may be conducted
- 11 each month.
- 12 (D) Weekly drawings must be held on regular seven (7) day
- 13 intervals posted in the information required by subdivision
- 14 (10).
- 15 (E) Monthly drawings must be held on regular monthly
- 16 intervals posted in the information required by subdivision
- 17 (10).
- 18 A weekly or monthly drawing may be conducted on the same day
- 19 that a daily drawing is conducted.
- 20 (4) Except as otherwise provided in this section, a patron must be
- 21 present to claim a prize awarded in a qualified drawing.
- 22 (5) A retailer may profit from conducting a qualified drawing.
- 23 ~~(6) A retailer may not conduct a qualified drawing or any other~~
- 24 ~~event in which the winner of the prize is determined, in whole or~~
- 25 ~~in part, by a sporting event.~~
- 26 ~~(7)~~ (6) If no winning ticket is drawn in a qualified drawing, a
- 27 retailer may:
- 28 (A) carry the prize over to a later drawing in accordance with
- 29 this section; or
- 30 (B) continue drawing tickets until a winner is drawn.
- 31 ~~(8)~~ (7) If a patron who purchased a winning ticket is not present
- 32 to claim a prize at the time of the qualified drawing, a retailer
- 33 shall hold the prize for the winning patron in accordance with the
- 34 rules of the retailer.
- 35 ~~(9)~~ (8) In order to comply with subdivision ~~(8)~~; (7), a retailer shall
- 36 obtain the name, address, and telephone number of each patron
- 37 who purchases a ticket for a qualified drawing.
- 38 ~~(10)~~ (9) A retailer must conspicuously display the following
- 39 information concerning each qualified drawing conducted by the
- 40 retailer:
- 41 (A) The price of a ticket.
- 42 (B) The time of the drawing.



- 1 (C) The description and value of the prizes awarded in the
 2 drawing.
 3 (D) The manner in which a prize may be claimed.
 4 (E) The rules of the retailer concerning the following:
 5 (i) Qualified drawings in which no winning ticket is drawn.
 6 (ii) The period that the retailer will hold a prize for a
 7 winning patron who was not present to claim the prize at the
 8 time of the qualified drawing.
 9 (F) Whether:
 10 (i) the retailer will retain the profits realized from
 11 conducting the qualified drawing; or
 12 (ii) the amount wagered on the qualified drawing will be
 13 returned to the retailer's patrons in the form of prizes.
 14 ~~(H)~~ **(10)** Notwithstanding any other provision of this chapter, a
 15 retailer must continue drawing tickets in a monthly drawing until
 16 the retailer draws a ticket purchased by a patron who is present to
 17 claim the prize.
 18 ~~(I)~~ **(11)** The following rules apply only to a qualified drawing
 19 from which the retailer retains the profits:
 20 (A) Cash may not be awarded to the winner of the qualified
 21 drawing.
 22 (B) All prizes must be in the form of merchandise other than
 23 alcohol or tobacco.
 24 (C) The maximum amount of wagers that a retailer may accept
 25 in the course of conducting the qualified drawing is five
 26 hundred dollars (\$500).
 27 (d) When the winning patron is not present at the time of the
 28 qualified drawing to claim a prize, the retailer shall award the prize in
 29 the following manner:
 30 (1) The retailer shall immediately notify the winning patron by
 31 telephone that the patron's name was drawn in a qualified drawing
 32 and that the patron has the time permitted by the rules of the
 33 retailer, which must be at least seventy-two (72) hours, to claim
 34 the prize.
 35 (2) The winning patron must appear at the retailer's premises
 36 within the time permitted by the rules of the retailer to claim the
 37 prize in person.
 38 (3) The retailer shall verify the identity of the winning patron and
 39 award the prize.
 40 (e) This subsection applies when the rules of a retailer require the
 41 retailer to carry over a prize when no winning ticket is drawn and when
 42 a winning patron fails to claim a prize in the manner required by



1 subsection (d). The retailer shall carry the prize over to a later qualified
2 drawing as follows:

3 (1) An unclaimed prize from a daily drawing must be carried over
4 to the next daily drawing.

5 (2) Subject to the prize limits set forth in subsection (c)(2), a
6 retailer may carry over a prize under subdivision (1) not more
7 than fourteen (14) times. On the fourteenth calendar day to which
8 a prize has been carried over, the retailer must continue drawing
9 tickets until the retailer draws a ticket purchased by a patron who
10 is present to claim the prize.

11 (3) An unclaimed prize from a weekly drawing must be carried
12 over to the next weekly drawing.

13 (4) Subject to the prize limits set forth in subsection (c)(2), a
14 retailer may carry over a prize under subdivision (3) not more
15 than one (1) time. On the day that the retailer conducts a weekly
16 drawing for the carried over prize, the retailer must continue
17 drawing tickets until the retailer draws a ticket purchased by a
18 patron who is present to claim the prize.

19 (f) The following apply to a retailer that carries over a prize under
20 subsection (e):

21 (1) A retailer may conduct the daily drawing regularly scheduled
22 for a calendar day occurring during the time that the retailer holds
23 a prize for a winning patron who was not present at the time of a
24 qualified drawing.

25 (2) If an unclaimed prize from a daily drawing is carried over to
26 a particular date, the retailer may not conduct the regular daily
27 drawing that would otherwise be permitted under this section on
28 that date.

29 (3) If an unclaimed prize from a weekly drawing is carried over
30 to a particular date, the retailer may not conduct the regular
31 weekly drawing that would otherwise be permitted under this
32 section on that date.

33 (4) Subject to the prize limits set forth in subsection (c)(2), a
34 retailer may accept additional entries to a drawing for a carried
35 over prize.

36 **(g) The following apply to a raffle drawing:**

37 **(1) A retailer may not retain more than twenty percent (20%)**
38 **of the proceeds.**

39 **(2) A retailer must establish and publish house rules.**

40 **(3) The maximum amount of prizes in a raffle game is limited**
41 **to thirty thousand dollars (\$30,000).**

42 SECTION 26. IC 4-36-5-2, AS AMENDED BY P.L.19-2011,



1 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]: Sec. 2. (a) A type II gambling game may be sold
3 under this article only on the premises of the retailer's tavern **or jumbo**
4 **boat.**

5 (b) Type II gambling games and qualified drawings conducted under
6 section 1(c) of this chapter may not be offered in any part of the
7 retailer's licensed premises in which a minor may be present under
8 IC 7.1-5-7-11(a)(16).

9 SECTION 27. IC 4-36-5-4, AS AMENDED BY P.L.19-2011,
10 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]: Sec. 4. (a) A retailer shall maintain accurate
12 records of all financial aspects of the retailer's type II gambling
13 operation. A retailer shall make accurate reports of all financial aspects
14 of the type II gambling operation to the commission within the time
15 established by the commission. The commission shall prescribe forms
16 for this purpose. The forms prescribed under this subsection must
17 enable a retailer to report the amount of qualified drawing profits
18 retained by the retailer during the reporting period.

19 (b) As long as a retailer's receipts from the retailer's type II gambling
20 operation remain on the premises of the retailer's tavern **or jumbo**
21 **boat**, the receipts may not be commingled with the receipts of the
22 retailer's alcoholic beverage sales, food sales, and other related
23 nongambling activities.

24 SECTION 28. IC 4-36-5-5, AS ADDED BY P.L.95-2008,
25 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
26 JULY 1, 2021]: Sec. 5. (a) **Except for a raffle game**, the total prizes
27 awarded for one (1) type II gambling game may not exceed ~~five ten~~
28 ~~thousand dollars (\$5,000):~~ **(\$10,000).**

29 (b) A single prize awarded for one (1) winning ticket in a type II
30 **pull tab, punchboard, or tip board** gambling game may not exceed
31 five hundred ninety-nine dollars (\$599).

32 (c) **A single prize awarded for one (1) winning ticket on a seal**
33 **card in a type II pull tab gambling game may not exceed one**
34 **thousand dollars (\$1,000).**

35 (d) **A single prize awarded for one (1) winning ticket on a**
36 **progressive or carryover pull tab game in a type II gambling game**
37 **may not exceed five thousand dollars (\$5,000).**

38 (e) (e) The selling price for one (1) ticket for a type II gambling
39 game may not exceed one dollar (\$1). Tickets sold for less than one
40 dollar (\$1) must be sold for a price specified in section 6(b) of this
41 chapter.

42 SECTION 29. IC 4-36-7-2, AS ADDED BY P.L.95-2008,



1 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 2 UPON PASSAGE]: Sec. 2. The commission may do any of the
 3 following:
 4 (1) Investigate an alleged violation of this article.
 5 (2) Enter the following premises for the performance of the
 6 commission's lawful duties:
 7 (A) A retailer's tavern.
 8 **(B) A jumbo boat.**
 9 ~~(B)~~ **(C)** A place in which type II gambling games are being
 10 purchased, sold, manufactured, printed, or stored.
 11 (3) Take necessary equipment from the premises referred to in
 12 subdivision (2) for further investigation.
 13 (4) Obtain full access to all financial records of the alleged
 14 violator on request.
 15 (5) If there is a reason to believe that a violation has occurred,
 16 search and inspect the premises where the violation is alleged to
 17 have occurred or is occurring. A search under this subdivision
 18 may not be conducted unless a warrant has first been obtained by
 19 the commission. A contract entered into by the commission may
 20 not include a provision allowing for warrantless searches. A
 21 warrant may be obtained in the county in which the search will be
 22 conducted or in Marion County.
 23 (6) Seize or take possession of:
 24 (A) papers;
 25 (B) records;
 26 (C) tickets;
 27 (D) currency; or
 28 (E) other items;
 29 related to an alleged violation.
 30 SECTION 30. IC 7.1-1-3-19.6, AS ADDED BY P.L.285-2019,
 31 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 32 UPON PASSAGE]: Sec. 19.6. The term "jumbo boat" means a ~~United~~
 33 ~~States Coast Guard approved~~ vessel having a length of at least one
 34 hundred thirty-five (135) feet and a width of at least thirty-five (35)
 35 feet. The term does not include a riverboat (as defined in
 36 IC 4-33-2-17).
 37 SECTION 31. IC 7.1-3-6-14, AS AMENDED BY P.L.285-2019,
 38 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (b),
 40 the holder of a boat beer permit may purchase beer, possess it, and sell
 41 it at retail for consumption only in the dining room of the boat
 42 described in the application. The permit holder may sell beer only in



1 the course of a run and only one (1) hour before the boat embarks on
2 the run.
3 (b) This subsection applies only to the holder of a boat beer permit
4 who operates a jumbo boat. Subject to the approval of the local board
5 of each county where the jumbo boat docks, the holder of a boat beer
6 permit may purchase beer, possess it, ~~and~~ sell it at retail for
7 consumption ~~only~~ on the jumbo boat described in the application, **and**
8 **sell it for carryout.** The permit holder may sell beer during the time
9 periods specified under IC 7.1-3-1-14.
10 SECTION 32. **An emergency is declared for this act.**



COMMITTEE REPORT

Madam President: The Senate Committee on Public Policy, to which was referred Senate Bill No. 245, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 245 as introduced.)

ALTING, Chairperson

Committee Vote: Yeas 10, Nays 0

 SENATE MOTION

Madam President: I move that Senate Bill 245 be amended to read as follows:

Page 2, line 6, delete "twenty-five" and insert "**fifteen**".

Page 2, line 7, delete "(\$25,000)." and insert "**(\$15,000)**".

Page 2, line 15, delete "twenty-five" and insert "**fifteen**".

Page 2, line 15, delete "(\$25,000)." and insert "**(\$15,000)**".

Page 6, line 15, delete "fifty" and insert "**thirty**".

Page 6, line 15, delete "(\$50,000)." and insert "**(\$30,000)**".

Page 6, line 22, delete "punch board," and insert "**punchboard,**".

(Reference is to SB 245 as printed February 19, 2021.)

ALTING

 COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred Senate Bill 245, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-30-3-20 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2021]: **Sec. 20. Unless specifically granted authority by a statute passed by the general assembly, the commission and Indiana**

ES 245—LS 7278/DI 107



gaming commission shall not, independently or by public private partnership, operate or authorize the use or operation of the following:

- (1) A lottery game operated through a video lottery terminal.**
- (2) A video lottery game.**
- (3) A gambling game played on an electronic device.**
- (4) The sale of lottery tickets over the internet.**

SECTION 2. IC 4-32.3-2-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 1.5. "Accounting period" means the period of time for which a licensed entity reports to the gaming commission the entity's income, expenses, and charitable contributions.**

SECTION 3. IC 4-32.3-4-5, AS ADDED BY P.L.188-2019, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5. (a) The commission may issue an annual activity license to a qualified organization if the qualified organization:

- (1) meets the requirements of this section;
- (2) submits an application; and
- (3) pays a fee set by the commission under IC 4-32.3-6.

(b) The following information must be included in an annual activity license:

- (1) Whether the qualified organization is authorized to conduct bingo, pull tabs, punchboards, tip boards, or raffle activities on more than one (1) occasion during a one (1) year period.
- (2) The location of the allowable activities.
- (3) The expiration date of the license.

(c) A qualified organization may conduct casino game night activities under an annual activity license if the requirements of subsections (a) and (b) are met, and:

- (1) the organization is a qualified veteran organization or fraternal organization; and
- (2) the annual ~~casino night~~ **casino night activity** license requires that a facility or location may not be used for purposes of conducting an annual casino game night activity on more than three (3) calendar days per calendar week regardless of the number of qualified organizations conducting annual casino night activities at the facility or location.

(d) An annual activity license may be reissued annually upon the submission of an application for reissuance on a form prescribed by the commission after the qualified organization has paid the fee under IC 4-32.3-6.



SECTION 4. IC 4-32.3-4-5.5, AS ADDED BY P.L.188-2019, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 5.5. (a) The commission may issue an annual ~~casino night activity~~ license to a bona fide civic organization for casino game night activities if:

- (1) the requirements of section 5(a) and 5(b) of this chapter are met;
- (2) not more than three (3) qualified organizations in the county where the bona fide civic organization operates currently possess an annual ~~casino night activity~~ license **for casino game night activities**; and
- (3) the bona fide civic organization owns or leases a standalone building where the casino game night activities will be conducted.

(b) The number of bona fide civic organizations holding a license issued under this section in a particular county may not exceed one (1). In determining whether to grant a license under this section to a bona fide civic organization, the commission shall consider:

- (1) the character and reputation of the bona fide civic organization in furthering its charitable purpose; and
- (2) the bona fide civic organization's experience with and compliance in casino game night activities.

If more than one (1) otherwise qualified bona fide civic organization applies for a license under this section, the commission may award the license based on a random drawing.

(c) A license issued under this section to a bona fide civic organization described in subsection (a) is valid for a period of two (2) years, subject to ongoing compliance with this article and commission rules.

SECTION 5. IC 4-32.3-4-11, AS ADDED BY P.L.58-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. (a) This section applies to a gambling activity other than a bingo event, casino game night, festival, pull tabs, punchboards, tip boards, or raffle.

(b) The commission may issue a single activity license **or an annual activity license** to conduct a gambling activity approved by the commission to a qualified organization upon the organization's submission of an application and payment of applicable fees under IC 4-32.3-6.

(c) A single activity license may:

- (1) authorize the qualified organization to conduct the gambling event at only one (1) time and location; and
- (2) state the date, beginning and ending times, and location of the



gambling event.

(d) An annual activity license:

- (1) may authorize the qualified organization to conduct the activity on more than one (1) occasion during a period of one (1) year;
- (2) must state the locations of the permitted activities;
- (3) must state the expiration date of the license; and
- (4) may be reissued annually upon the submission of an application for reissuance on the form prescribed by the commission and upon the qualified organization's payment of the applicable fees under IC 4-32.3-6.

(e) The commission may impose any condition upon a qualified organization that is issued a license to conduct a gambling activity under this section."

Page 1, line 5, delete "including infrastructure improvements of" and insert "**including the:**

- (1) repair;**
- (2) maintenance; or**
- (3) improvement;**

of owned real property used for the lawful purposes of the qualified organization."

Page 1, delete line 6.

Page 2, between lines 2 and 3, begin a new paragraph and insert:

"SECTION 7. IC 4-32.3-5-6, AS ADDED BY P.L.58-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 6. ~~(a) This section does not apply to a festival license.~~

~~(b) (a)~~ If a facility, location, or personal property is leased for an allowable activity, the rent may not be based in whole or in part on the revenue generated from the event.

~~(c) (b)~~ ~~Subject to the additional restrictions on the use of a facility or location for an annual casino game night,~~ A facility or location may not be rented for more than three (3) days during a calendar week for an allowable activity. **This subsection does not apply to a festival license.**

SECTION 8. IC 4-32.3-5-11, AS ADDED BY P.L.188-2019, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 11. (a) Except as provided in subsections (c) through (e), an operator or a worker may not directly or indirectly participate, other than in a capacity as an operator or a worker, in an allowable activity that the operator or worker is conducting.

(b) A patron at a casino game night may deal the cards in a card



game if:

- (1) the card game in which the patron deals the cards is a qualified card game;
- (2) the patron deals the cards in the manner required in the ordinary course of the qualified card game; and
- (3) the qualified card game is played under the supervision of the qualified organization conducting the casino game night in accordance with section 12 of this chapter (in the case of a game of Texas hold'em poker or Omaha poker) and any rules adopted by the commission.

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

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

- (1) A worker may not participate in any game during the time in which the worker is conducting or helping to conduct the game.
- (2) A worker who conducts or helps to conduct a pull tab, punchboard, or tip board event during a festival event may not participate as a player in a pull tab, punchboard, or tip board event conducted on the same calendar day.

(d) A worker at a bingo event:

- (1) whose duties are limited to:
 - (A) selling bingo supplies;
 - (B) selling tickets for a raffle conducted at the bingo event; or
 - (C) the duties described in both clauses (A) and (B);
- (2) who has completed all of the worker's duties before the start of the first bingo game of the bingo event; and
- (3) who is not engaged as a worker at any other time during the bingo event;

may participate as a player in any gaming activity offered at the bingo event following the completion of the worker's duties at the bingo event.

(e) A worker at a raffle conducted by a qualified organization may purchase a raffle ticket for a particular drawing at the raffle, ~~unless~~ **subject to the following restrictions:**

- (1) ~~the worker personally sold tickets for;~~ **The worker may not purchase a raffle ticket from himself or herself.**
- (2) ~~The worker otherwise personally participated in the conduct of;~~ **may not participate in the drawing of a winner.**

~~that particular drawing.~~

SECTION 9. IC 4-32.3-5-14, AS ADDED BY P.L.188-2019,

ES 245—LS 7278/DI 107



SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 14. (a) Except as provided in:

- (1) section 8(c) of this chapter; **and**
- ~~(2) section 13 of this chapter; and~~
- ~~(3)~~ **(2)** subsection (c);

a worker at an allowable event must be a member in good standing of the qualified organization that is conducting the allowable activity for at least thirty (30) days before the allowable activity.

(b) For purposes of this section, an individual is considered to be a member in good standing of the qualified organization if:

- (1) the individual has been a member in good standing of the qualified organization for at least thirty (30) days; and
- (2) the individual's authority to serve as a worker for the qualified organization has been acknowledged by the qualified organization on a form prescribed by the commission.

(c) A qualified organization may allow an individual who is not a member of the qualified organization to participate in an allowable activity as a worker if the individual is a full-time employee of the qualified organization that is conducting the allowable activity; or if:

- (1) the individual is a member of another qualified organization; and
- (2) the individual's participation is approved by the commission.

A qualified organization may apply to the commission on a form prescribed by the commission for approval of the participation of a nonmember under this subsection. A qualified organization may share the proceeds of an allowable activity with the qualified organization in which a worker participating in the allowable activity under this subsection is a member. The tasks that will be performed by an individual participating in an allowable activity under this subsection and the amounts shared with the individual's qualified organization must be described in the application and approved by the commission.

(d) For purposes of:

- (1) the licensing requirements of this article; and
- (2) ~~section 9 of this chapter; IC 4-32.3-4-14(b);~~

a qualified organization that receives a share of the proceeds of an allowable activity described in ~~IC 4-32.3-4-14(a)~~ **subsection (c)** is not considered to be conducting an allowable activity.

SECTION 10. IC 4-32.3-5-15, AS ADDED BY P.L.58-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 15. (a) The prize for:

- (1) one (1) bingo game may not have a value of more than one thousand dollars (\$1,000); and

ES 245—LS 7278/DI 107



(2) a progressive bingo game may not have a value of more than two thousand dollars (\$2,000).

(b) Except as provided in subsection (c), the total prizes permitted at one (1) bingo event may not have a value of more than six thousand dollars (\$6,000).

~~(c) The commission may, by express authorization, allow any qualified organization to conduct two (2) bingo events each year at which the total prizes for each event may not exceed ten thousand dollars (\$10,000). Bingo events authorized under this subsection may be conducted at a festival.~~

~~(d) (c) The commission may, by express authorization, allow a qualified organization to conduct a bingo event in which the total prizes for the event may exceed ten six thousand dollars (\$10,000). (\$6,000). Bingo events authorized under this subsection may be conducted at a festival.~~

~~(e) (d) The proceeds of the sale of pull tabs, punchboards, and tip boards are not included in the total prize limit at a bingo event."~~

Page 2, between lines 17 and 18, begin a new paragraph and insert:
"SECTION 12. IC 4-32.3-5-17, AS ADDED BY P.L.58-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 17. (a) Except as provided in subsections ~~(b)~~ **(b)**, (c), **and (e)**, the following persons may not play or participate in any manner in an allowable activity:

- (1) A member or an employee of the commission.
- (2) A person less than eighteen (18) years of age.

(b) A member or employee of the commission may participate in an allowable activity if that person:

- (1) has received written authorization from the executive director to participate in an allowable activity; and
- (2) is participating only to the extent approved by the executive director.

(c) Except as provided in subsection (b), an employee of the commission or a relative of an employee of the commission living in the same household with the employee may not be an operator, worker, or a volunteer ticket taker.

(d) An employee, officer, or owner of a manufacturer or distributor is prohibited from participating in or affiliating in any way with the charity gaming operations of a qualified organization that an employee, officer, or owner is a member.

(e) A person less than eighteen (18) years of age may sell tickets or chances for a raffle."

Page 2, between lines 27 and 28, begin a new paragraph and insert:



"SECTION 14. IC 4-32.3-6-3, AS ADDED BY P.L.58-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) A qualified organization holding a license under IC 4-32.2-4 (repealed) on June 30, 2019, is exempt from fees required under this section.

(b) Except as provided under subsections (c), (d), and (e), the license fee that is charged to a qualified organization in the first year that the qualified organization applies for a license is:

- (1) fifty dollars (\$50); or
- (2) the amount determined under subsection (c) for a qualified organization issued an annual affiliate license for the first time.

(c) When a qualified organization is issued an annual affiliate license under IC 4-32.3-4-8 for the first time, the initial license fee is determined as follows:

- (1) The fee is an amount equal to fifty dollars (\$50) per Indiana affiliate in the case of a qualified organization that:
 - (A) has not previously conducted an allowable activity; and
 - (B) consists of Indiana affiliates that have not previously conducted any allowable activities.
- (2) In the case of a qualified organization that includes at least one (1) Indiana affiliate that conducted an allowable activity before the date the qualified organization applies for an annual affiliate license, the fee is equal to the greatest of the following:
 - (A) An amount equal to the sum of the license renewal fees determined under this chapter for the organization's Indiana affiliates in 2011.
 - (B) An amount equal to the sum of the license renewal fees determined under this chapter for the organization's Indiana affiliates during the twelve (12) month period ending on the date the qualified organization's license application is filed.
 - (C) Fifty dollars (\$50) per Indiana affiliate.

(d) The license fee that is charged to a qualified organization that is a bona fide veterans organization for a three (3) year charity gaming license under IC 4-32.3-4-16 for the first time the qualified organization has applied for that particular license type issued under IC 4-32.3-4 is fifty dollars (\$50).

(e) The license fee for a three (3) year charity gaming license that is charged **for the first time** to a qualified organization that is a bona fide veterans organization that currently holds a license issued under ~~IC 4-32.3-4-5~~, ~~IC 4-32.3-4-6~~, ~~IC 4-32.3-4-8~~, **IC 4-32.3-4-5** or IC 4-32.3-4-11 **for the first time** is equal to the amount the bona fide veterans organization paid for the license it held under ~~IC 4-32.3-4-5~~;



~~IC 4-32.3-4-6, IC 4-32.3-4-8, IC 4-32.3-4-5~~ or IC 4-32.3-4-11.

SECTION 15. IC 4-32.3-10-3, AS ADDED BY P.L.58-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 3. (a) The department shall establish procedures by which each licensed entity must account for the following:

- (1) The tax collected under this chapter by the licensed entity.
- (2) The pull tabs, punchboards, and tip boards sold by the licensed entity.
- (3) The funds received for sales of pull tabs, punchboards, and tip boards by the licensed entity.

(b) **At least ninety (90) days before a licensed entity's license expires, the licensed entity may elect to have the entity's annual accounting period end sixty (60) days before the date the entity's license expires.**

SECTION 16. IC 4-36-2-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9.5. **"Jumbo boat" has the meaning set forth in IC 7.1-1-3-19.6.**

SECTION 17. IC 4-36-2-17, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. "Retailer" means a person that:

- (1) is licensed to sell alcoholic beverages under IC 7.1-3 to customers for consumption:

- (A) on the licensed premises of the person's tavern; or
- (B) on a jumbo boat; and

- (2) holds an endorsement to conduct type II gambling games that was issued by the commission under IC 4-36-4."

Page 2, line 33, delete "donation." and insert "**denomination.**".

Page 2, line 38, delete "IC 4-32.3" and insert "IC 4-32.3,".

Page 3, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 19. IC 4-36-2-21, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 21. "Type II gambling operation" means the conduct of gambling games authorized under this article in a tavern **or on a jumbo boat.**

SECTION 20. IC 4-36-4-1, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Subject to section 13 of this chapter, the commission shall issue a retailer's endorsement to an applicant that satisfies the requirements of this article. A retailer's endorsement allows the retailer to conduct type II gaming at only the tavern **or jumbo boat** specified in the retailer's application under section 3(b)(2)



of this chapter. An applicant must obtain a separate retailer's endorsement for each tavern **or jumbo boat** at which the applicant wishes to conduct type II gaming.

(b) The commission shall affix an endorsement issued under this chapter to the retailer's alcoholic beverage permit that authorizes the retailer to sell alcoholic beverages at the tavern **or jumbo boat** specified in the retailer's application under section 3(b)(2) of this chapter. An endorsement issued under this chapter is valid for one (1) year.

SECTION 21. IC 4-36-4-2, AS AMENDED BY P.L.58-2019, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) To qualify for a retailer's endorsement, a person must operate a:

- (1) tavern licensed under IC 7.1-3 to sell alcoholic beverages to customers for consumption on the premises of the tavern; **or**
- (2) **jumbo boat and hold a:**
 - (A) **boat beer permit under IC 7.1-3-6-12 through IC 7.1-3-6-14;**
 - (B) **boat liquor permit under IC 7.1-3-11-9 through IC 7.1-3-11-10; or**
 - (C) **boat wine permit under IC 7.1-3-16-3 through IC 7.1-3-16-4.**

(b) The following may not apply for a retailer's endorsement under this article:

- (1) A person holding a horse track permit under IC 7.1-3-17.7.
- (2) A licensed owner of a riverboat licensed under IC 4-33.
- (3) An operating agent who operates a riverboat in a historic hotel district under IC 4-33.
- (4) A qualified organization (as defined in IC 4-32.3-2-31).
- (5) An organization that is eligible to apply for a charity gaming license under IC 4-32.3.
- (6) A person holding a gambling game license issued under IC 4-35-5.
- (7) **Except for a person holding a boat permit that operates a jumbo boat**, a person holding a permit issued under IC 7.1-3 for a licensed premises that is not a tavern, including holders of the following:
 - (A) A boat permit.
 - (B) A hotel permit.
 - (C) A fraternal club permit.
 - (D) A resort hotel permit.
 - (E) An airport permit.



- (F) A satellite facility permit.
- (G) A microbrewery permit.
- (H) A social club permit.
- (I) A civic center permit.
- (J) A catering hall permit.
- (K) A dining car permit.
- (L) A temporary event permit.
- (M) A permit for any of the following facilities:
 - (i) A stadium.
 - (ii) An automobile race track.
 - (iii) A concert hall.

SECTION 22. IC 4-36-4-3, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) To obtain a retailer's endorsement, a person must submit an application form to the commission.

(b) An application submitted under this section must include at least the following:

- (1) The name and address of the applicant and of any person holding at least a ten percent (10%) interest in the applicant.
- (2) The name and address of the tavern **or jumbo boat** for which the applicant seeks a retailer's endorsement.
- (3) The applicant's consent to credit investigations and criminal record searches.
- (4) Waivers and releases signed by the applicant that the commission believes are necessary to ensure a full and complete review of the application.

(c) An applicant must furnish all information requested by the commission, including financial data and documents, certifications, consents, waivers, and individual histories.

(d) The commission shall review the applications for a retailer's endorsement under this chapter and shall inform each applicant of the commission's decision concerning the issuance of a retailer's endorsement.

SECTION 23. IC 4-36-4-5, AS AMENDED BY P.L.108-2009, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The commission shall charge the following fees for the issuance of a person's initial annual endorsement or license under this chapter:

- (1) Two hundred fifty dollars (\$250) for a retailer's endorsement to conduct a type II gambling operation in the retailer's tavern **or on the retailer's jumbo boat**.
- (2) One thousand dollars (\$1,000) for a distributor's license.



(3) One thousand five hundred dollars (\$1,500) for a manufacturer's license.

(b) The commission shall charge the following fees for the renewal of a person's annual endorsement or license under this chapter:

(1) The following amounts for a retailer's endorsement:

(A) One hundred dollars (\$100) in the case of a retailer that had adjusted gross revenues of less than twenty-five thousand dollars (\$25,000) in the previous year.

(B) Two hundred fifty dollars (\$250) in the case of a retailer that had adjusted gross revenues of at least twenty-five thousand dollars (\$25,000) but less than fifty thousand dollars (\$50,000) in the previous year.

(C) Five hundred dollars (\$500) in the case of a retailer that had adjusted gross revenues of at least fifty thousand dollars (\$50,000) but less than one hundred thousand dollars (\$100,000) in the previous year.

(D) One thousand dollars (\$1,000) in the case of a retailer that had adjusted gross revenues of at least one hundred thousand dollars (\$100,000) in the previous year.

(2) One thousand dollars (\$1,000) for a distributor's license.

(3) One thousand five hundred dollars (\$1,500) for a manufacturer's license.

(c) A retailer shall report the amount of the retailer's adjusted gross receipts on the form required to renew the retailer's endorsement. The renewal fee required under subsection (b)(1) must be submitted with the renewal form.

(d) The commission shall deposit all fees collected under this chapter into the enforcement and administration fund established under IC 7.1-4-10."

Page 3, line 7, delete "drawings on the premises of the retailer's tavern. A qualified" and insert "drawings:

(1) on the premises of the retailer's tavern; or

(2) on the retailer's jumbo boat.

A qualified drawing must be conducted in the manner required by this section."

Page 3, delete line 8.

Page 6, line 11, after "(1)" delete "a" and insert "A".

Page 6, between lines 15 and 16, begin a new paragraph and insert:

"SECTION 25. IC 4-36-5-2, AS AMENDED BY P.L.19-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) A type II gambling game may be sold under this article only on the premises of the retailer's tavern **or jumbo**



boat.

(b) Type II gambling games and qualified drawings conducted under section 1(c) of this chapter may not be offered in any part of the retailer's licensed premises in which a minor may be present under IC 7.1-5-7-11(a)(16).

SECTION 26. IC 4-36-5-4, AS AMENDED BY P.L.19-2011, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A retailer shall maintain accurate records of all financial aspects of the retailer's type II gambling operation. A retailer shall make accurate reports of all financial aspects of the type II gambling operation to the commission within the time established by the commission. The commission shall prescribe forms for this purpose. The forms prescribed under this subsection must enable a retailer to report the amount of qualified drawing profits retained by the retailer during the reporting period.

(b) As long as a retailer's receipts from the retailer's type II gambling operation remain on the premises of the retailer's tavern **or jumbo boat**, the receipts may not be commingled with the receipts of the retailer's alcoholic beverage sales, food sales, and other related nongambling activities."

Page 6, line 28, after "carryover" insert "**pull tab**".

Page 6, after line 33, begin a new paragraph and insert:

"SECTION 28. IC 4-36-7-2, AS ADDED BY P.L.95-2008, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The commission may do any of the following:

- (1) Investigate an alleged violation of this article.
- (2) Enter the following premises for the performance of the commission's lawful duties:
 - (A) A retailer's tavern.
 - (B) A jumbo boat.**
 - ~~(B)~~ **(C)** A place in which type II gambling games are being purchased, sold, manufactured, printed, or stored.
- (3) Take necessary equipment from the premises referred to in subdivision (2) for further investigation.
- (4) Obtain full access to all financial records of the alleged violator on request.
- (5) If there is a reason to believe that a violation has occurred, search and inspect the premises where the violation is alleged to have occurred or is occurring. A search under this subdivision may not be conducted unless a warrant has first been obtained by the commission. A contract entered into by the commission may



not include a provision allowing for warrantless searches. A warrant may be obtained in the county in which the search will be conducted or in Marion County.

(6) Seize or take possession of:

- (A) papers;
- (B) records;
- (C) tickets;
- (D) currency; or
- (E) other items;

related to an alleged violation.

SECTION 29. IC 7.1-1-3-19.6, AS ADDED BY P.L.285-2019, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19.6. The term "jumbo boat" means a ~~United States Coast Guard approved~~ vessel having a length of at least one hundred thirty-five (135) feet and a width of at least thirty-five (35) feet. The term does not include a riverboat (as defined in IC 4-33-2-17).

SECTION 30. IC 7.1-3-6-14, AS AMENDED BY P.L.285-2019, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (b), the holder of a boat beer permit may purchase beer, possess it, and sell it at retail for consumption only in the dining room of the boat described in the application. The permit holder may sell beer only in the course of a run and only one (1) hour before the boat embarks on the run.

(b) This subsection applies only to the holder of a boat beer permit who operates a jumbo boat. Subject to the approval of the local board of each county where the jumbo boat docks, the holder of a boat beer permit may purchase beer, possess it, ~~and~~ sell it at retail for consumption ~~only~~ on the jumbo boat described in the application, **and sell it for carryout**. The permit holder may sell beer during the time periods specified under IC 7.1-3-1-14.

SECTION 31. An emergency is declared for this act."

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 245 as reprinted February 23, 2021.)

SMALTZ

Committee Vote: yeas 9, nays 0.

ES 245—LS 7278/DI 107

