

Emergency Rule
LSA Document #13-129(E)

DIGEST

Temporarily adds rules regarding the conduct of "qualified card games". Temporarily establishes time frame for adding or removing affiliates of a national organization or foundation holding an annual comprehensive charity gaming license. Temporarily adds the terms "calendar week", "dispensing device", "exempt event", and "worker" to [68 IAC 21](#). Temporarily amends [68 IAC 21](#) concerning the conduct of charity gaming activities by qualified organizations, manufacturers, and distributors licensed by the Indiana Gaming Commission. Temporarily repeals [68 IAC 21-1-5](#), [68 IAC 21-1-6](#), and [68 IAC 21-2-7](#). Effective March 22, 2013.

SECTION 1. (a) This SECTION supersedes [68 IAC 21-1-2](#).

(b) "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.

SECTION 2. (a) This SECTION supersedes [68 IAC 21-1-3](#).

(b) "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.

SECTION 3. (a) This SECTION supersedes [68 IAC 21-1-4](#).

(b) "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.

SECTION 4. "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.

SECTION 5. (a) This SECTION supersedes [68 IAC 21-1-8](#).

(b) "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.

SECTION 6. "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. This does not include any device that electronically generates a pull-tab.

SECTION 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.

SECTION 8. (a) This SECTION supersedes [68 IAC 21-1-9](#).

(b) "Festival" means an event where a qualified organization is authorized to:

(1) conduct:

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

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

SECTION 9. (a) This SECTION supersedes [68 IAC 21-1-10](#).

(b) "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.

SECTION 10. (a) This SECTION supersedes [68 IAC 21-1-14](#).

(b) 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) Bingo equipment.
- (3) Bingo supplies.
- (4) Seal cards.
- (5) Tip board tickets.
- (6) Tickets sold by a volunteer ticket agent 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](#).
- (7) Dispensing devices.
- (8) Any other gaming materials designed to be used in and necessary to conduct an allowable event and specified by the executive director or commission.

SECTION 11. (a) This SECTION supersedes [68 IAC 21-1-15](#).

(b) "Operator", as defined in [IC 4-32.2-2-21](#), means either:

(1) any 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 the winning draw for a raffle, a qualified drawing, a winner take all drawing, or 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);
- (I) performing any task of a worker; or

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

SECTION 12. (a) This SECTION supersedes [68 IAC 21-1-15.5](#).

(b) "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.

SECTION 13. (a) This SECTION supersedes [68 IAC 21-1-17](#).

(b) "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.

SECTION 14. (a) This SECTION supersedes [68 IAC 21-1-19](#).

(b) "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.

SECTION 15. "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, any of 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.

SECTION 16. (a) This SECTION supersedes [68 IAC 21-2-1](#).

(b) 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.

(c) 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:

- (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) 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.

(d) 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.

SECTION 17. (a) This SECTION supersedes [68 IAC 21-2-2](#).

(b) 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 religious organization, if applicable.
- (5) Proof that the organization is a bona fide educational organization, if applicable.
- (6) Proof that the organization is a bona fide senior citizens organization, if applicable.
- (7) Proof that the organization is a bona fide veterans organization, if applicable.
- (8) Proof that the organization is a bona fide civic organization, if applicable.
- (9) Proof that the organization is a bona fide fraternal organization, if applicable.
- (10) Proof that the organization is a bona fide political organization, if applicable.
- (11) Proof that the organization is a state educational institution, if applicable.
- (12) 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.
- (13) A copy of the organization's bylaws, constitution, charter, and articles of incorporation, if applicable, showing:
 - (A) the purpose or mission of the organization;
 - (B) the titles of the officeholders and their corresponding duties;
 - (C) the membership requirements of the organization, including classes of members or voting rights, if any; and
 - (D) a dissolution clause showing that upon dissolution all remaining assets of the organization shall be used for nonprofit purposes that will support or advance the purpose or mission of the organization.
- (14) Proof that the organization is a bona fide business organization, if applicable.
- (15) Proof that the organization is in good standing with the Indiana department of revenue.

(c) Upon receipt and verification of the information required in subsection (b), 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](#).

SECTION 18. (a) This SECTION supersedes [68 IAC 21-2-3](#).

(b) To receive approval to conduct an exempt event, a qualified organization must submit written notice on the form or forms prescribed by the commission to 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.

(c) An organization conducting an exempt event must post the approval at the location of the event.

SECTION 19. (a) This SECTION supersedes [68 IAC 21-2-4](#).

(b) In order to sell or lease any 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.

(c) 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 any person required to be named in the application is an owner, officer, director, or employee of any other 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.

(d) A distributor must purchase all 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 each state 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 every manufacturer from which purchases are made to be distributed in Indiana.

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

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

SECTION 20. (a) This SECTION supersedes [68 IAC 21-2-5](#).

(b) 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.

(c) For purposes of the grant, renewal, or denial of a license, the commission may consider all relevant activities of an organization prior to any reorganization conducted under [IC 4-32.2-24\(a\)\(1\)\(C\)\(iii\)](#).

SECTION 21. (a) This SECTION supersedes [68 IAC 21-2-6](#).

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

- (c) The initial license fee and renewal fee for a:
- (1) manufacturer is five thousand dollars (\$5,000); and
 - (2) distributor is five thousand dollars (\$5,000).

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

(e) 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.

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

(g) 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.

(h) 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.

(i) 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.

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

SECTION 22. (a) This SECTION supersedes [68 IAC 21-3-1](#).

(b) 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) Any other game of chance conducted as a fundraising activity of a qualified organization and approved by the commission.

SECTION 23. (a) This SECTION supersedes [68 IAC 21-3-2](#).

(b) 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](#).

(c) 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.

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

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

(f) 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.

(g) 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 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.

(h) 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.

(i) Pull-tabs cannot be sold in this state unless a flare accompanies the deal.

(j) 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.

(k) 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.

(l) 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.

(m) 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.

(n) An organization may dispose of any unused bingo supplies, punchboards, pull-tabs, tip boards, and any 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 were destroyed.
- (2) The manner of destruction.
- (3) A description of the items destroyed.
- (4) The quantity of items destroyed.
- (5) The serial numbers of the items destroyed.
- (6) The trade name of the items.
- (7) The reason for destruction.

Destruction of any unused licensed supplies must be certified by one (1) officer of the qualified organization.

(o) If an organization has lost any 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) Any police department or fire department reports created in connection to the loss.
- (7) Any other information required by the commission or the executive director.

(p) 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.

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

(r) 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.

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

(t) 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 prelicense review letter issued by the commission.

(u) A qualified organization holding a license issued under [IC 4-32.2-4-5](#) and [IC 4-32.2-4-7.5](#) shall publish notice as required by [IC 4-32.2-4-5\(c\)](#) and [IC 4-32.2-4-7.5\(c\)](#) if the location changes at which the organization conducts gaming pursuant to these licenses. 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](#).

(v) 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.

(w) All prizes awarded for a winner take all drawing or a qualified drawing must be U.S. currency.

(x) 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.

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

(z) A qualified organization is prohibited from conducting any 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.

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

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

(cc) All 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, 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 another 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>.

(dd) All 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>.

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

- (1) the date of the allowable event to which the tickets are sold;
- (2) the name, address, and telephone number of each volunteer ticket agent and the retail establishment where the volunteer ticket agent sold tickets; and
- (3) the sequential numbers of the tickets provided to the retail establishment.

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

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

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

(ii) 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) Its license number.
- (3) The expiration date of the license.

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

(kk) 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.

(ll) 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.

SECTION 24. (a) This SECTION supersedes [68 IAC 21-3-4.1](#).

(b) 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.

(c) 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.

(d) 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.

SECTION 25. The commission may issue a guessing game license that permits a qualified organization to conduct a guessing game.

SECTION 26. (a) This SECTION supersedes [68 IAC 21-4-1](#).

(b) 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 such information to the commission on forms prescribed by the commission. The organization must set up a separate and segregated checking account to account for all proceeds and expenditures of the allowable event. If a qualified organization donates gaming proceeds to a recognized subsidiary or auxiliary, then that subsidiary or auxiliary must account for the donation and all related expenditures in its own charity gaming separate and segregated 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 all related expenditures in its own charity gaming separate and segregated 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.

Included in the organization's financial records must be any rental costs associated with conducting the allowable event, including, but not limited to, a facility lease and the lease of tangible personal property.

(c) The appropriate financial forms prescribed by the commission must be provided as follows:

- (1) All 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) All 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) All 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.

(d) The commission shall be granted unrestricted access to all records, including, but not limited to, the following:

- (1) Membership information.
- (2) Financial records.
- (3) Receipts for the purchase or lease of all licensed supplies.

(e) 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.

SECTION 27. (a) This SECTION supersedes [68 IAC 21-4-2](#).

(b) 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 such 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 each licensed supply sold, including the serial numbers of the licensed supply sold;
- (iv) the quantity and sales price of each 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.

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

(d) Records are required to 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 such records are under audit.

(e) 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.

(f) 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.

(g) 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.

(h) 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.

(i) 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.

SECTION 28. (a) This SECTION supersedes [68 IAC 21-5-1](#).

(b) A qualified organization shall not enter into any 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.

(c) 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. An employee, officer, owner, or agent of a manufacturer or distributor shall not sell or lease licensed supply to a qualified organization of which the employee, officer, owner, or agent is a member.

SECTION 29. (a) This SECTION supersedes [68 IAC 21-6-1](#).

(b) 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.

(c) 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.

(d) 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.

(e) For purposes of the initiation of an investigation or a disciplinary action under this rule, the commission may consider all relevant activities of an organization prior to any reorganization conducted under [IC 4-32.2-2-24\(a\)\(1\)\(C\)\(iii\)](#).

(f) 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.

SECTION 30. (a) This SECTION supersedes [68 IAC 21-6-2](#).

(b) 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.

SECTION 31. (a) This SECTION applies to qualified card games other than euchre.

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

(c) 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.

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

SECTION 32. (a) This SECTION applies to qualified organizations holding an annual comprehensive charity gaming license issued by the commission.

(b) Affiliates of a bona fide national organization or foundation may only be added to or removed from the annual comprehensive charity gaming license at the time of the initial or renewal application.

SECTION 33. THE FOLLOWING ARE REPEALED: [68 IAC 21-1-5](#); [68 IAC 21-1-6](#); [68 IAC 21-2-7](#).

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