IC 4-30-3

Chapter 3. Creation, Powers, and Duties of the Commission

IC 4-30-3-1

State lottery commission; creation; composition; authority; duties

Sec. 1. There is created a state lottery commission as a body politic and corporate separate from the state. The commission is composed of five (5) members selected as provided in IC 4-30-4. The commission has the authority to sue and be sued in the name of the commission and to adopt a commission seal and symbol. The commission shall supervise and administer the operation of the Indiana state lottery in accordance with this article.

As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-2

Investigations; powers

Sec. 2. For purposes of conducting an investigation or proceeding, the commission may administer oaths, take depositions, issue subpoenas, and compel the attendance of witnesses and the production of books, papers, documents, and other evidence.

As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-3

Monthly and annual reports

Sec. 3. (a) The commission shall submit written monthly and annual reports to the governor disclosing the total lottery revenues, prize disbursements, and other expenses of the commission during the preceding month and year. In the annual report the commission shall:

(1) describe the organizational structure of the commission;

(2) identify the divisions created by the director; and

(3) summarize the functions performed by each division.

(b) The commission shall submit the annual report to the governor, president pro tempore of the senate, the speaker of the house of representatives, the director of the budget agency, and, in an electronic format under IC 5-14-6, the executive director of the legislative services agency no later than February 1 of each year.

As added by P.L.341-1989(ss), SEC.1. Amended by P.L.28-2004, SEC.50.

IC 4-30-3-4

Records of lottery transactions

Sec. 4. The commission shall maintain weekly or more frequent records of lottery transactions, including the distribution of tickets to retailers, revenue received, claims for prizes, prizes paid, and other financial transactions of the commission.

As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-5

Commission studies

Sec. 5. The commission shall make a continuing study of the following:

(1) The lottery, in order to ascertain any amendments necessary to this article or to rules adopted under this article that could prevent any abuses in the administration of the lottery.

(2) The operation and administration of similar lottery laws in other states and of federal laws that may affect the lottery.

(3) The reaction of the public to existing and potential features of the lottery.

As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-6

Market research

Sec. 6. The commission shall conduct market research as necessary or appropriate, which may include an analysis of the demographic characteristics of the players of each lottery game and an analysis of advertising, promotion, public relations, incentives, and other aspects of communications.

As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-7

Adoption of rules governing establishment, implementation, and operation of lottery

Sec. 7. The commission shall adopt rules under IC 4-22-2 governing the establishment, implementation, and operation of the lottery, including the following:

(1) The type of lottery games to be conducted, except that:

(A) the name of an elected official may not appear on a ticket or play slip of a lottery game, on a prize, or on an instrument used for the payment of prizes, unless the prize is in the form of a state warrant; and

(B) coins or currency may not be dispensed from an electronic computer terminal or device used in a lottery game.

(2) The sales price of tickets.

(3) The number and size of prizes.

(4) The method of selecting winning tickets. However, if a lottery game involves a drawing, the drawing must be public and witnessed by an independent certified public accountant. The equipment used in the drawing shall be inspected before and after the drawing.

(5) The manner of payment of prizes to holders of winning tickets.

(6) The frequency of drawings of winning tickets.

(7) The number and type of locations at which tickets may be purchased.

(8) The method to be used in selling tickets.

(9) The manner and amount of compensation of retailers.

(10) The feasibility of using for a lottery game a terminal or device that may be operated solely by the player without the assistance of a retailer.

(11) A system of internal audits.

(12) The establishment of a code of ethics for officers and employees of the commission.

(13) Any other matters necessary or desirable for the efficient or economical operation of the lottery or for the convenience of the public.

As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-8

Promotion and advertising

Sec. 8. (a) The commission may promote and advertise the lottery.

(b) A promotion may refer to the total lottery prize, even though the prize may be paid over a period of years.

(c) The commission may act as a retailer and conduct promotions involving the dispensing of free lottery tickets.

(d) The director may authorize a sales incentive program for employees of the commission for the purpose of increasing the sales volume and distribution of lottery tickets.

As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-9

Emergency rules; expiration date

Sec. 9. (a) The commission may adopt emergency rules under IC 4-22-2-37.1.

(b) An emergency rule adopted by the commission under this section expires on the earlier of the following dates:

(1) The expiration date stated in the emergency rule.

(2) The date the emergency rule is amended or repealed by a later rule adopted under IC 4-22-2-24 through IC 4-22-2-36 or under IC 4-22-2-37.1.

As added by P.L.341-1989(ss), SEC.1. Amended by P.L.1-1990, SEC.42; P.L.140-2013, SEC.2.

IC 4-30-3-10

Insurance

Sec. 10. The commission may purchase insurance.

As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-11

Ownership, sale, and leasing of real and personal property

Sec. 11. The commission is entitled to own, sell, and lease real and personal property as necessary to carry out its responsibilities under this article.

As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-12

Copyrights, trademarks, and service marks

Sec. 12. The commission is entitled to own copyrights, trademarks, and service marks and to enforce its rights with respect to ownership.

As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-13

Employment of division directors and staff; restrictions

Sec. 13. The commission may employ division directors and other staff necessary to carry out this article. However, the following restrictions apply to the commission and the director's authority to employ individuals and to the duties of the individuals employed by the commission:

(1) An individual may not be employed by the commission if the individual has been convicted of or entered a plea of guilty or nolo contendere to a felony committed in the preceding ten (10) years, regardless of adjudication, unless the commission determines that:

(A) the individual has been pardoned or the individual's civil rights have been restored; or

(B) subsequent to the individual's conviction or entry of a plea the individual engaged in the kind of law abiding behavior and good citizenship that would reflect well upon the integrity of the lottery.

(2) The director, a member, or an employee of the commission having decision making authority may not participate in a decision involving a vendor or retailer with whom the director, member, or employee has a financial interest. An employee may not participate in a decision involving a vendor or retailer with whom the employee has discussed employment opportunities without the approval of the director or, if the individual is the director or a member of the commission, without the approval of the governor. An employee of the commission shall notify the director of any employment opportunities discussed or, if the individual is the director or a member of the commission, the director or member shall notify the governor. A violation of this subdivision is a Class A infraction.

(3) The director, a member, or an employee of the commission who terminates employment with the commission may not represent a vendor or retailer before the commission regarding a specific matter that the director, member or employee was involved in while serving as a director or member of or while employed by the commission for one (1) year following the date the director or member left the commission or the date of cessation of employment with the commission. A violation of

this subdivision is a Class A infraction.
As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-14
Personnel program

Sec. 14. The commission shall establish and maintain a personnel program for its employees. Employees of the commission serve at the pleasure of the director and are subject to suspension, dismissal, reduction in pay, demotion, transfer, or other personnel action at the discretion of the director.
As added by P.L.341-1989(ss), SEC.1. Amended by P.L.100-2012, SEC.12.

IC 4-30-3-14.5
Membership in public employees' retirement fund

Sec. 14.5. (a) This section applies to an individual who:

(1) on July 1, 2013, is a member or a full-time employee of the commission; or

(2) after June 30, 2013, becomes employed or reemployed as a member or a full-time employee of the commission.

(b) After June 30, 2013, a member or an employee of the commission:

(1) is eligible for;

(2) must participate in; and

(3) receives the benefits of;

the public employees' retirement fund under IC 5-10.2 and IC 5-10.3.
As added by P.L.195-2013, SEC.1.

IC 4-30-3-15
Fees for applications for contract as vendor or retailer

Sec. 15. The commission may charge fees to persons applying for a contract as a vendor or retailer. The fees must be reasonably calculated to cover the costs of investigations and other activities related to the processing of the application.
As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-16
Contracts for purchase, lease, or lease-purchase of goods and services

Sec. 16. The commission may enter into contracts for the purchase, lease, or lease-purchase of goods and services necessary for the operation and promotion of the lottery, including assistance provided by a governmental agency. The commission may require separate bids or proposals for each of the following supplies or services, if the supplies or services are provided under contract with the commission under this section or under IC 4-30-8:

(1) Management consultation services.

(2) Instant lottery ticket services and supplies.

(3) On-line services and supplies.
As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-17
Contracts with retailers to provide tickets to public

Sec. 17. The commission may enter into contracts with retailers under this article to provide adequate and convenient availability of tickets to the public for each game.
As added by P.L.341-1989(ss), SEC.1.

IC 4-30-3-18
Multiple jurisdictional lotteries

Sec. 18. (a) The commission may enter into agreements with other jurisdictions for the operation and promotion of a multiple jurisdictional lottery if these agreements are in the best interest of the lottery.

(b) Before the commission enters into an agreement with a jurisdiction other than a state for a lottery game that originates and is operated under foreign law, the commission must adopt rules under IC 4-22-2 governing the establishment, implementation, and operation of the lottery game. The rules adopted under this subsection must include the information described in section 7 of this chapter. The commission may not adopt emergency rules to meet the requirements of this subsection.
As added by P.L.341-1989(ss), SEC.1. Amended by P.L.34-2002, SEC.1.

IC 4-30-3-19
Contracts for vendor and auditing services

Sec. 19. (a) The definitions set forth in IC 3-5-2 apply to this section.

(b) This subsection applies to contributions made after March 15, 1989, and before March 29, 1996. The commission or director may not enter into a contract with a person to serve as a vendor for a major procurement or to provide auditing services to the commission if the person has made a contribution to a candidate for a state office within the three (3) years preceding the award of the contract. A person that enters into a contract with the commission as a vendor for a major procurement or to provide auditing services may not make a contribution to such a candidate during the three (3) years following the last award or renewal of the contract. A person is considered to have made a contribution if a contribution is made by:

(1) the person;

(2) an officer of the person; or

(3) a political action committee (as defined in IC 3-5-2-37) of the person.

(c) A person who knowingly or intentionally violates this section commits a Level 6 felony.

As added by P.L.341-1989(ss), SEC.1. Amended by P.L.32-1990, SEC.2; P.L.3-1995, SEC.139; P.L.4-1996, SEC.89; P.L.158-2013, SEC.60.

IC 4-30-3-19.5

Contributions to candidates or committees; state offices

Sec. 19.5. (a) This section applies only to contributions made after March 28, 1996.

(b) The definitions set forth in IC 3-5-2 apply to this section.

(c) As used in this section, "candidate" refers only to a candidate for a state office.

(d) As used in this section, "committee" refers to any of the following:

(1) A candidate's committee.

(2) A regular party committee.

(3) A committee organized by a legislative caucus of the house of the general assembly.

(4) A committee organized by a legislative caucus of the senate of the general assembly.

(e) As used in this section, "contract" refers only to a contract with the commission or the director for any of the following:

(1) A major procurement.

(2) Auditing services to the commission.

(f) As used in this section, "contractor" means a person who has a contract with the commission or the director.

(g) As used in this section, "officer" refers only to either of the following:

(1) An individual listed as an officer of a corporation in the corporation's most recent annual report.

(2) An individual who is a successor to an individual described in subdivision (1).

(h) A person is considered to have made a contribution under this section if a contribution is made by any of the following:

(1) The person.

(2) An officer of the person.

(3) A political action committee of the person.

(i) A person may not enter into a contract if the person has made a contribution to a candidate or a committee within the three (3) years preceding the award of the contract.

(j) A contractor, an officer of a contractor, or a political action committee of a contractor may not make a contribution to a candidate or a committee while the contract is in effect and during the three (3) years following the final expiration or termination of the contract.

(k) A person who knowingly or intentionally violates this section commits a Level 6 felony.

As added by P.L.4-1996, SEC.90. Amended by P.L.158-2013, SEC.61.

IC 4-30-3-19.7

Contributions to candidates or committees; legislative or local offices

Sec. 19.7. (a) This section applies only to contributions made after March 28, 1996.

(b) The definitions set forth in IC 3-5-2 apply to this section.

(c) As used in this section, "candidate" refers only to the following:

(1) A candidate for a legislative office.

(2) A candidate for a local office.

(d) As used in this section, "committee" refers to any of the following:

(1) A candidate's committee.

(2) A regular party committee.

(3) A committee organized by a legislative caucus of the house of the general assembly.

(4) A committee organized by a legislative caucus of the senate of the general assembly.

(e) As used in this section, "contract" refers only to a contract with the commission or the director for any of the following:

(1) The printing of tickets to be used in a lottery game.

(2) Consultation services for operation of the lottery.

(3) Any goods and services involving any of the following:

(A) Equipment for the official recording for lottery game play purposes of a player's selection in lottery games involving player selections.

(B) The drawing, determination, or generation of winners in lottery games.

(C) The security services required under this article.

(f) As used in this section, "contractor" refers to a person who has a contract with the commission or the director.

(g) As used in this section, "officer" refers only to either of the following:

(1) An individual listed as an officer of a corporation in the corporation's most recent annual report.

(2) An individual who is a successor to an individual described in subdivision (1).

(h) A person is considered to have made a contribution under this section if a contribution is made by any of the following:

(1) The person.

(2) An officer of the person.

(3) A political action committee of the person.

(i) A person may not enter into a contract if the person has made a contribution to a candidate or a committee within the three (3) years preceding the award of the contract.

(j) A contractor, an officer of a contractor, or a political action committee of a contractor may not make a contribution to a candidate or a committee while the contract is in effect and during the three (3)

years following the final expiration or termination of the contract.

(k) A person who knowingly or intentionally violates this section commits a Level 6 felony.

As added by P.L.4-1996, SEC.91. Amended by P.L.158-2013, SEC.62.