

# PROPOSED AMENDMENT

## HB 1052 # 29

### DIGEST

Online sweepstakes games. Specifies requirements that apply to the operator of an online sweepstakes platform. Prohibits a person from: (1) before July 1, 2027, operating an online sweepstakes game in Indiana without a registration issued by the attorney general; and (2) after June 30, 2027, operating an online sweepstakes game in Indiana. Requires an operator of an online sweepstakes platform to complete a registration application and submit a \$100,000 registration fee. Specifies requirements that apply to the attorney general's approval and denial of applications. Allows an operator doing business in Indiana before July 1, 2026, to continue operating conditionally while a timely registration application is pending. Makes gross retail and use tax provisions applicable to the sale of certain bona fide products offered for sale or use by an operator. Requires annual audits. Specifies the attorney general's enforcement powers and duties concerning online sweepstakes games.

- 
- 1           Page 11, delete lines 6 through 30.
- 2           Page 35, between lines 2 and 3, begin a new paragraph and insert:
- 3           "SECTION 46. IC 24-8-2-1 IS AMENDED TO READ AS
- 4           FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. **Except as otherwise**
- 5           **provided**, the definitions in this chapter apply throughout this article.
- 6           SECTION 47. IC 24-8-2-1.1 IS ADDED TO THE INDIANA CODE
- 7           AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY
- 8           1, 2026]: **Sec. 1.1. "Authorized player" means a person who:**
- 9                 **(1) is at least twenty-one (21) years of age;**
- 10                **(2) is physically located in Indiana; and**
- 11                **(3) opens and maintains an access account with an online**
- 12                **sweepstakes operator.**
- 13           SECTION 48. IC 24-8-2-1.2 IS ADDED TO THE INDIANA CODE
- 14           AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY
- 15           1, 2026]: **Sec. 1.2. "Bona fide product" means a digital or tangible**
- 16           **good, service, or product that has independent value and is**
- 17           **genuinely offered for sale or use by an online sweepstakes**
- 18           **operator. The term includes online entertainment and social casino**
- 19           **games using standard play tokens.**
- 20           SECTION 49. IC 24-8-2-1.6 IS ADDED TO THE INDIANA CODE
- 21           AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY

1, 2026]: **Sec. 1.6. (a) "Online sweepstakes game" means a game, contest, or promotion that is available on the Internet and is accessible on a mobile phone, computer terminal, or similar access device that:**

- (1) utilizes a dual-currency system or multi-currency system of payment allowing a player a chance to win a prize; and**
- (2) simulates lottery games or casino-style gaming, including slot machines, video poker, table games, lottery games, bingo, and sports wagering.**

**(b) The term does not include a game that:**

- (1) uses a terminal or other access device in a retail or public setting explicitly for use in online sweepstakes game play;**
- (2) is based on an outcome or occurrence within a sporting event;**
- (3) does not award prizes with real world value based on the outcome of game play; or**
- (4) allows a participant to partake in a sweepstakes game ancillary to the purchase of food, nonalcoholic beverages, merchandise, or services other than virtual tokens.**

SECTION 50. IC 24-8-2-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 1.7. "Online sweepstakes operator" or "operator" means a person that owns, operates, manages, controls, or otherwise conducts an online sweepstakes platform available to a person located in Indiana.**

SECTION 51. IC 24-8-2-1.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 1.8. "Online sweepstakes platform" or "platform" means a uniquely branded website or application operated by an online sweepstakes operator for the participation in online sweepstakes games.**

SECTION 52. IC 24-8-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 3. (a) Except as provided in subsection (b), "prize" means a gift, award, or other item distributed in a promotion.**

**(b) For purposes of IC 24-8-5.5, "prize" means property, service, credit, cash, cash equivalent, or another thing of real world value awarded to a participant in connection with an online sweepstakes game.**

SECTION 53. IC 24-8-2-3.5 IS ADDED TO THE INDIANA CODE

1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
2 1, 2026]: **Sec. 3.5. "Prohibited player" means any of the following:**

3 (1) **An employee, officer, or agent of an operator, except for**  
4 **product testing purposes consistent with the individual's scope**  
5 **of work.**

6 (2) **An immediate family member residing in the same**  
7 **household as an employee, officer, or agent of an operator.**

8 (3) **An individual with access to nonpublic information about**  
9 **the online sweepstakes games of an operator that could**  
10 **influence the likelihood of obtaining a prize, award, cash, or**  
11 **cash equivalents.**

12 (4) **An individual accessing an online sweepstakes game as an**  
13 **agent or proxy for another person.**

14 (5) **A person under twenty-one (21) years of age.**

15 SECTION 54. IC 24-8-2-5.5 IS ADDED TO THE INDIANA CODE  
16 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
17 1, 2026]: **Sec. 5.5. "Promotional play tokens" means free**  
18 **promotional sweepstakes entry tokens that:**

19 (1) **cannot be purchased;**

20 (2) **allow users to participate in online sweepstakes games;**

21 (3) **are made available by free alternative methods of entry;**  
22 **and**

23 (4) **may be offered as bonuses, including the sale of standard**  
24 **play tokens.**

25 SECTION 55. IC 24-8-2-7.5 IS ADDED TO THE INDIANA CODE  
26 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
27 1, 2026]: **Sec. 7.5. "Standard play token" means a virtual token**  
28 **used for online social games that cannot be:**

29 (1) **redeemed for anything of real-world value;**

30 (2) **exchanged for any other type of token, credit, or**  
31 **consideration, including promotional play tokens; and**

32 (3) **transferred by an authorized player to another person.**

33 SECTION 56. IC 24-8-3-0.5 IS ADDED TO THE INDIANA CODE  
34 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
35 1, 2026]: **Sec. 0.5. This chapter does not apply to online sweepstakes**  
36 **games.**

37 SECTION 57. IC 24-8-4-0.5 IS ADDED TO THE INDIANA CODE  
38 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
39 1, 2026]: **Sec. 0.5. This chapter does not apply to online sweepstakes**  
40 **games.**

1 SECTION 58. IC 24-8-5-0.5 IS ADDED TO THE INDIANA CODE  
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2026]: **Sec. 0.5. This chapter does not apply to online sweepstakes  
4 games.**

5 SECTION 59. IC 24-8-5.5 ADDED TO THE INDIANA CODE AS  
6 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
7 1, 2026]:

8 **Chapter 5.5. Online Sweepstakes Games**

9 **Sec. 1. The operator of an online sweepstakes game shall use  
10 commercially reasonable methods to do the following:**

11 (1) **Prevent prohibited persons from participating in an online  
12 sweepstakes game.**

13 (2) **Verify the identity and age of a person participating in an  
14 online sweepstakes game.**

15 (3) **Limit an authorized player to one (1) account per  
16 platform.**

17 (4) **Use geolocation to identify the location of a person  
18 participating in an online sweepstakes game.**

19 (5) **Protect the privacy, financial information, and personal  
20 identifying information of participants.**

21 (6) **Initiate all prize redemptions within forty-eight (48) hours  
22 of receiving a valid redemption request from an authorized  
23 player.**

24 **Sec. 2. An operator of an online sweepstakes game shall provide  
25 responsible social gameplay tools to participants, including the  
26 following:**

27 (1) **Self-exclusion with determinate and irrevocable exclusion  
28 time frames. During the course of the exclusion an operator  
29 shall take reasonable steps to prevent the person from  
30 participating in online sweepstakes games offered by the  
31 operator and cease direct marketing to the person.**

32 (2) **The ability to set limits on play time and purchases.**

33 (3) **Prominently displayed messages and links to responsible  
34 social gameplay tools and resources.**

35 (4) **Training to customer-facing employees to identify signs of  
36 gaming disorders or unhealthy behavior and address those  
37 instances with defined responsible social gameplay protocols  
38 and interventions.**

39 **Sec. 3. An operator of an online sweepstakes game shall ensure  
40 that advertisements, marketing materials, and platforms:**

- 1           **(1) fairly and accurately depict the actual product and**  
 2           **gameplay;**  
 3           **(2) clearly and conspicuously display key terms and**  
 4           **conditions, including that:**  
 5                 **(A) sweepstakes participation is limited to individuals who**  
 6                 **are at least twenty-one (21) years of age; and**  
 7                 **(B) that no purchase is necessary;**  
 8           **(3) provide information and links to responsible social**  
 9           **gameplay resources;**  
 10           **(4) are not deceptive or misleading, including by presenting**  
 11           **exaggerated claims of financial gain or unrealistic odds of**  
 12           **winning a prize; and**  
 13           **(5) do not knowingly market to an individual less than**  
 14           **twenty-one (21) years of age.**

15           **Sec. 4. Except as otherwise provided in this chapter:**

- 16                 **(1) before July 1, 2027, a person may not operate an online**  
 17                 **sweepstakes game in Indiana without a registration issued by**  
 18                 **the attorney general; and**  
 19                 **(2) after June 30, 2027, a person may not operate an online**  
 20                 **sweepstakes game in Indiana.**

21           **Sec. 5. (a) An online sweepstakes operator shall register each**  
 22           **online sweepstakes platform with the attorney general in the**  
 23           **manner required by this section before operating in Indiana.**

24                 **(b) An operator shall complete a registration application in the**  
 25                 **form and manner required by the attorney general. The**  
 26                 **registration application must include the following:**

- 27                         **(1) The names and website locations of all platforms operated**  
 28                         **by the applicant.**  
 29                         **(2) The name and principal address of the applicant.**  
 30                         **(3) The address of any offices of the applicant in Indiana, if**  
 31                         **applicable, and its designated registered agent for process in**  
 32                         **Indiana.**  
 33                         **(4) A certificate of good standing issued by the secretary of**  
 34                         **state.**  
 35                         **(5) Other information the attorney general deems necessary**  
 36                         **to ensure compliance with the provisions of this chapter.**  
 37                 **(c) An operator shall submit to the attorney general a**  
 38                 **registration fee of one hundred thousands dollars (\$100,000) for**  
 39                 **each platform registered with the attorney general.**

40                 **Sec. 6. (a) The attorney general shall act promptly on**

1 registration applications that the attorney general receives under  
2 section 5 of this chapter. The attorney general shall issue or deny  
3 registration within one hundred twenty (120) days of receiving a  
4 completed application and registration fee. Whether an application  
5 is complete is determined by the attorney general.

6 (b) If the attorney general denies a registration application, the  
7 attorney general shall state with specificity the reasons for the  
8 denial and provide the applicant a reasonable opportunity to  
9 submit within thirty (30) days additional evidence the attorney  
10 general requires to demonstrate compliance with this chapter.

11 Sec. 7. An operator doing business in Indiana before July 1,  
12 2026, may continue operating conditionally while a registration  
13 application is pending, if the operator submits the registration  
14 application within ninety (90) days of the attorney general making  
15 the application available.

16 Sec. 8. (a) Within ninety (90) days of the expiration of a  
17 registration, an operator may submit to the attorney general an  
18 application under section 5 of this chapter to renew the  
19 registration.

20 (b) An operator may continue operating while a renewal  
21 application is pending until the registration renewal is issued or  
22 denied.

23 (c) The attorney general may provide a simplified process for  
24 the renewal of previously approved registrations.

25 Sec. 9. IC 6-2.5 applies to the sale of bona fide products.

26 Sec. 10. A registered operator shall contract with a certified  
27 public accountant to conduct an annual independent audit  
28 consistent with the standards accepted by the Indiana board of  
29 accountancy. A registered operator or their certified public  
30 accountant shall submit to the attorney general a copy of the audit  
31 report each year not later than one hundred twenty (120) days  
32 after the end of the operator's fiscal year.

33 Sec. 11. (a) The attorney general has all powers and duties  
34 necessary to carry out this chapter and may adopt rules necessary  
35 to enforce this chapter.

36 (b) If the attorney general has good cause to believe that an  
37 operator has violated this chapter, the attorney general may  
38 investigate, hold hearings, and take any other action to determine  
39 whether an operator has violated this chapter.

40 (c) If the attorney general finds that an operator has violated a

1        **material provision of this chapter, the attorney general may impose**  
2        **a civil penalty of not more than one thousand dollars (\$1,000) for**  
3        **each violation of this chapter, not to exceed ten thousand dollars**  
4        **(\$10,000) for multiple violations that arise out of the same**  
5        **transaction or occurrence.**

6        **(d) Upon a third or subsequent occurrence giving rise to a**  
7        **violation, the attorney general may:**

8                **(1) impose a civil penalty under subsection (c); or**  
9                **(2) suspend or revoke the registration of an operator's**  
10               **platform.**

11        **(e) An operator subject to a civil penalty, suspension of**  
12        **registration, or revocation of registration may request review**  
13        **before the attorney general and appeal under IC 4-21.5".**

14        **Renumber all SECTIONS consecutively.**

**(Reference is to HB 1052 as reprinted January 30, 2026.)**