



Reprinted
January 14, 2026

HOUSE BILL No. 1078

DIGEST OF HB 1078 (Updated January 13, 2026 2:15 pm - DI 144)

Citations Affected: IC 4-30.

Synopsis: Online lottery sales and voluntary exclusion. Authorizes the lottery commission (commission) to operate the sale of draw games and eInstant games over the Internet. Specifies rules the commission must adopt concerning the sale of digital lottery games. Requires the commission to establish a retailer incentive program for retailers that participate in the promotion of digital lottery games. Specifies annual public meeting requirements. Provides that unless granted authority by the general assembly, the commission shall not operate or authorize the use of certain digital lottery games. Requires the commission to adopt rules to implement and establish a voluntary exclusion program.

Effective: July 1, 2026.

Manning

January 5, 2026, read first time and referred to Committee on Public Policy.
January 8, 2026, reported — Do Pass.
January 13, 2026, read second time, amended, ordered engrossed.

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Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

HOUSE BILL No. 1078

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 4-30-2-2.8 IS ADDED TO THE INDIANA CODE
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2026]: **Sec. 2.8. (a) "Digital lottery" means a lottery technology**
4 **solution that allows lottery players to participate in lottery games**
5 **through digital distribution channels.**

6 **(b) The term does not include a lottery courier service.**

7 SECTION 2. IC 4-30-2-3.5 IS ADDED TO THE INDIANA CODE
8 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
9 1, 2026]: **Sec. 3.5. "Draw game" means a lottery game in which**
10 **winners are determined by a random selection authorized by the**
11 **commission at a designated selection event.**

12 SECTION 3. IC 4-30-2-3.8 IS ADDED TO THE INDIANA CODE
13 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
14 1, 2026]: **Sec. 3.8. "eInstant game" means a digital lottery game**
15 **that, upon the reveal of numbers, plays symbols, or other insignia,**
16 **immediately indicating whether the player has won a prize.**

17 SECTION 4. IC 4-30-2-9 IS ADDED TO THE INDIANA CODE

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1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
2 1, 2026]: Sec. 9. "Video lottery terminal" means an electronic or
3 electromechanical video game machine that, upon payment
4 through the machine or other means of cash, electronic cards,
5 credits, vouchers, or other consideration, or a combination of cash,
6 electronic cards, credits, vouchers, or other consideration, is
7 available to play or simulate the play of a video game, including
8 poker, line up, and blackjack, using a video display and
9 microprocessors from which the player may receive free games or
10 credits that may be redeemed for cash, merchandise, or other
11 things of value.

12 SECTION 5. IC 4-30-3-7, AS AMENDED BY P.L.152-2025,
13 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 JULY 1, 2026]: Sec. 7. (a) The commission shall adopt rules under
15 IC 4-22-2 governing the establishment, implementation, and operation
16 of the lottery, including the following:

17 (1) The type of lottery games to be conducted, except that:
18 (A) the name of an elected official may not appear on a ticket
19 or play slip of a lottery game, on a prize, or on an instrument
20 used for the payment of prizes, unless the prize is in the form
21 of a state warrant; and
22 (B) coins or currency may not be dispensed from an electronic
23 computer terminal or device used in a lottery game.
24 (2) The sales price of tickets.
25 (3) The number and size of prizes.
26 (4) The method of selecting winning tickets. However, if a lottery
27 game involves a drawing, the drawing must be public and
28 witnessed by an independent certified public accountant. The
29 equipment used in the drawing shall be inspected before and after
30 the drawing.
31 (5) The manner of payment of prizes to holders of winning tickets.
32 (6) The frequency of drawings of winning tickets.
33 (7) The number and type of locations at which tickets may be
34 purchased.
35 (8) The method to be used in selling tickets.
36 (9) The manner and amount of compensation of retailers.
37 (10) The feasibility of using for a lottery game a terminal or
38 device that may be operated solely by the player without the
39 assistance of a retailer.
40 (11) A system of internal audits.
41 (12) The establishment of a code of ethics for officers and
42 employees of the commission.



(13) The bulk purchase of lottery products.

(14) The sale of draw games and eInstant games over the Internet as authorized by section 20(c) of this chapter.

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

(b) The rules adopted under subsection (a)(14) must include the following:

(1) Rules requiring a contractor operating a digital distribution channel for the sale of digital lottery games to:

(A) employ a method to detect the physical location of an individual who purchases a digital lottery game; and

(B) not accept payment for a digital lottery game from an individual who is located outside of Indiana.

(2) Rules requiring a contractor operating a digital distribution channel for the sale of digital lottery games to verify that an individual who is less than eighteen (18) years of age does not purchase a digital lottery game.

(3) Rules ensuring that:

(A) the verification process under subdivision (2):

- (i) uses commercially reasonable standards; and
- (ii) makes a determination based on evidence more reliable than an individual's attestation; and

reliable than an individual's attestation; and
(B) information collected during the verification process
shall be subject to audit and revision. (2) In addition:

under subdivision (2) is kept in a secure manner.
SECTION 6. IC 4-30-3-17.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 17.5. (a) The commission shall, in cooperation with the commission's contractor operating a digital distribution channel for the sale of digital lottery games, establish a retailer incentive program for retailers that participate in the promotion of digital lottery games.**

(b) The commission shall annually do the following at a public meeting:

(1) Review the impact of the sale of online lottery games on retailers that sell lottery games.

(2) Assess whether the retailer incentive program established under subsection (a) has been effective in supporting retailer participation in the promotion of digital lottery games.

(3) Recommend changes to the retailer incentive program, if the commission finds that the program has not been effective under subdivision (2).



1 SECTION 7. IC 4-30-3-20, AS AMENDED BY P.L.152-2025,
2 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 20. (a) This section does not apply to:
4 (1) an activity specifically authorized by:
5 (A) IC 4-29 or IC 4-29.5 (tribal gaming and tribal-state
6 compact);
7 (B) IC 4-31 (pari-mutuel wagering on horse races);
8 (C) IC 4-33 (riverboat gambling);
9 (D) IC 4-35 (gambling games at racetracks); or
10 (E) IC 4-38 (sports wagering);
11 (2) the purchase of a tangible lottery ticket for a lottery game
12 from:
13 (A) a retailer authorized to sell lottery tickets under IC 4-30-9;
14 or
15 (B) the commission; or
16 (3) a free:
17 (A) interactive game; or
18 (B) promotional game;
19 offered by the commission.
20 (b) **Except as provided in subsection (c)**, unless specifically
21 granted authority by a statute passed by the general assembly, the
22 commission ~~and Indiana gaming commission~~ shall not, independently
23 or by public-private partnership, operate or authorize the use or
24 operation of the following:
25 (1) A lottery game operated through a video lottery terminal.
26 (2) ~~A video gaming terminal. A digital lottery game that~~ simulates the play of slot machines using visualizations of the
27 essential features of a gambling game played on a slot
28 machine, including spinning reels, a slot machine pull
29 mechanism, a spinning drum, and varied pay lines that reveal
30 winning outcomes.
31 (3) A lottery courier service.
32 (4) The sale of digital representations of
33 (A) casino-style games, including:
34 (i) (A) poker;
35 (ii) (B) roulette;
36 (iii) (C) slot machines; or
37 (iv) (D) blackjack;
38 over the Internet.
39 (B) scratch-off games; or
40 (C) draw games.
41 (c) The commission may operate or authorize the use or



1 **operation of the sale of the following digital lottery games over the**
2 **Internet:**

3 **(1) Draw games.**
4 **(2) eInstant games.**

5 SECTION 8. IC 4-30-3-21 IS ADDED TO THE INDIANA CODE
6 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
7 1, 2026]: **Sec. 21. (a) The commission shall adopt rules under**
8 **IC 4-22-2 to establish and implement a voluntary exclusion**
9 **program that provides the following:**

10 **(1) That a person who participates in the program agrees to**
11 **refrain from purchasing digital lottery games.**
12 **(2) That the name of a person participating in the program**
13 **will be included on a list of persons excluded from purchasing**
14 **digital lottery games under the jurisdiction of the commission.**
15 **(3) That a contractor operating a digital distribution channel**
16 **for the sale of digital lottery games under the jurisdiction of**
17 **the commission shall make all reasonable attempts, as**
18 **determined by the commission, to cease all direct marketing**
19 **efforts to a person participating in the program.**
20 **(4) That a contractor operating a digital distribution channel**
21 **for the sale of digital lottery games under the jurisdiction of**
22 **the commission may not accept payment or extend credit in**
23 **any manner to a person participating in the program.** However,
24 **the program does not preclude the commission or**
25 **a contractor from seeking the payment of a debt accrued by**
26 **a person before entering the program.**
27 **(5) The list of patrons entering the program and the personal**
28 **information of the participants are confidential. The**
29 **commission may only disseminate the list to:**
30 **(A) the owner or operator of a digital lottery distribution**
31 **channel, under the jurisdiction of the commission for**
32 **enforcement purposes; and**
33 **(B) an entity, upon the request of the entity and approval**
34 **by the commission.**
35 **(b) The commission may adopt rules under IC 4-22-2:**
36 **(1) to impose fines, fees, or civil penalties for a violation of this**
37 **section; and**
38 **(2) to promote the efficient or economical operation and**
39 **oversight of the voluntary exclusion program.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1078, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1078 as introduced.)

MANNING

Committee Vote: Yeas 9, Nays 3

HOUSE MOTION

Mr. Speaker: I move that House Bill 1078 be amended to read as follows:

Page 2, line 14, after "7." insert "(a)".

Page 3, between lines 6 and 7, begin a new paragraph and insert:

"(b) The rules adopted under subsection (a)(14) must include the following:

(1) Rules requiring a contractor operating a digital distribution channel for the sale of digital lottery games to:

(A) employ a method to detect the physical location of an individual who purchases a digital lottery game; and
(B) not accept payment for a digital lottery game from an individual who is located outside of Indiana.

(2) Rules requiring a contractor operating a digital distribution channel for the sale of digital lottery games to verify that an individual who is less than eighteen (18) years of age does not purchase a digital lottery game.

(3) Rules ensuring that:

(A) the verification process under subdivision (2):
(i) uses commercially reasonable standards; and
(ii) makes a determination based on evidence more reliable than an individual's attestation; and
(B) information collected during the verification process under subdivision (2) is kept in a secure manner.

SECTION 6. IC 4-30-3-17.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 17.5. (a) The commission shall, in cooperation with the commission's contractor operating a digital distribution channel for the sale of digital lottery games, establish a retailer incentive program for retailers that participate in the promotion

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of digital lottery games.

(b) The commission shall annually do the following at a public meeting:

- (1) Review the impact of the sale of online lottery games on retailers that sell lottery games.**
- (2) Assess whether the retailer incentive program established under subsection (a) has been effective in supporting retailer participation in the promotion of digital lottery games.**
- (3) Recommend changes to the retailer incentive program, if the commission finds that the program has not been effective under subdivision (2).".**

Renumber all SECTIONS consecutively.

(Reference is to HB 1078 as printed January 8, 2026.)

CLERE

