

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6383
BILL NUMBER: HB 1407

NOTE PREPARED: Nov 30, 2025
BILL AMENDED:

SUBJECT: Contest Based Raffles.

FIRST AUTHOR: Rep. Genda
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: The bill allows qualified organizations to conduct contest based raffles for charity gaming. It specifies the manner in which contest based raffles must be conducted. It provides that a sport horse competition may be used to determine the winners of a contest based raffle.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *Indiana Gaming Commission (IGC):* The provisions in this bill would increase the administrative workload for the IGC. Any additional cost to the IGC due to this bill would be paid with revenue from the Charity Gaming Excise Tax and the Charity Gaming License Fee deposited in the Charity Gaming Enforcement Fund.

Explanation of State Revenues: The bill allows charitable organizations to conduct a new type of raffle game. This could potentially increase the number and the size of the raffle ticket transactions. To the extent that the bill leads to an increase in charity gaming activity, it would increase revenue from charity gaming license fees transferred to the Lottery Surplus Fund. Since the provision is effective July 1, 2026, any impact on the charity gaming license fee, which is based on prior year adjusted gross income, would begin in FY 2028.

Additional Information - Charity Gaming License Fee: Allowing additional types of gaming options could result in additional charity gaming license fee revenue. The initial license fee is \$50. However, annual renewal fees range from \$50 to \$41,000 depending on the adjusted gross revenue earned by an organization from charity gaming during the prior year. Adjusted gross revenue is the total gross revenue minus deductions for the cost of prizes, licensed supplies, license fees, advertising expenses, and up to \$200 per day for facility rent.

In FY 2025, the charity gaming license fee generated about \$4.8 M. The fee revenue is distributed to the Charity Gaming Enforcement Fund. After (1) the costs of charity gaming administration are subtracted and (2) distributions are made to the License Control Division and the Gaming Control Division, revenue remaining in the fund is distributed quarterly to the Lottery Surplus Fund. Since the Lottery Surplus Fund

is a reverting fund, it could lead to the state General Fund receiving additional reversions to the extent that the General Assembly's annual appropriations from the Lottery Surplus Fund are lower than the revenue annually deposited in the fund.

Contest Based Raffle: The bill defines a "Contest based raffle" as the selling of tickets or chances to win a raffle prize in which the winners of the raffle prize are determined by result of a specific event or contest, including a sport horse competition. It defines a "sport horse competition" as a gaming event with no more than 12 horses participating in horse racing related sporting activity that occurs at a local event, a county fair, or the state fair. It provides guidelines for organizing the contest based raffle.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Gaming Commission.

Local Agencies Affected: Legislative Services Agency, *Indiana Handbook of Taxes, Revenues, and Appropriations*, FY 2025.

Information Sources:

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