

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 318

S. P. 142

In Senate, February 2, 1979

Referred to the Committee on Legal Affairs. Sent down for concurrence and ordered printed.

Presented by Mr. Pierce of Kennebec.

MAY M. ROSS, Secretary of the Senate.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Amend the Laws Relating to Games of Chance.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 17 MRSA § 330, as repealed and replaced by PL 1977, c. 350, § 1, is repealed.

Sec. 2. 17 MRSA § 330-A is enacted to read:

§ 330-A. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms shall have the following meanings.

1. **Authorized purpose.** "Authorized purpose" means a charitable, educational, religious or public-spirited purpose. These terms are defined to have the purpose of benefiting an indefinite number of persons, either by bringing their minds or hearts under the influence of education or religion, by relieving their bodies from disease, suffering or constraint, by assisting them to establish themselves in life, or by erecting or maintaining public buildings or works, or otherwise lessening the burden of government. These terms do not include the erection, acquisition, improvement, maintenance or repair of property, real, personal or mixed, unless that property is and will be used exclusively for one or more of the purposes stated in this subsection.

2. **Bona fide nonprofit organization.** “Bona fide nonprofit organization” means a charitable, educational, civil, fraternal, patriotic or religious organization or association, or officially recognized volunteer fire department, which, if incorporated:

A. Is incorporated in Maine as a corporation or as an association not for pecuniary profit, and is empowered by its articles of incorporation to further one or more of the authorized purposes; or, if unincorporated, is organized in Maine as an organization not for pecuniary profit, has a membership of not less than 25 persons and is authorized by its written constitution, charter or bylaws, or by the written constitution, charter or bylaws, of a parent organization of which it is a part, to further one or more of the authorized purposes;

B. Has actively engaged prior to its initial application for a license in serving one or more of the authorized purposes in this State; and

C. Has received and used and in good faith expects to continue to receive and use funds from sources other than the conducting of games of chance for the furtherance of an authorized purpose.

3. **Distributor.** “Distributor” means a person, firm, corporation, association or organization that sells, markets or otherwise distributes sealed tickets, gambling apparatus or any other implements of gambling that may be used in the conduct of a game of chance.

4. **Game of chance.** “Game of chance” means a game, contest, scheme or device in which a person stakes or risks something of value for an opportunity to win something of value and in which the outcome depends in a material degree upon an element of chance, notwithstanding that skill of the contestant or participant may also be a factor therein. For the purposes of this chapter, beano or bingo is not to be included in this definition.

5. **Licensee.** “Licensee” means a firm, corporation, association or organization licensed by the Chief of the State Police to operate a game of chance.

6. **Printer.** “Printer” means a person, firm, corporation, association or organization that reproduces in printed form, for sale or distribution, materials to be used in the conduct of a game of chance.

7. **Raffle.** “Raffle” means a game of chance in which:

A. A person or persons pay or agree to pay something of value for a chance, represented and differentiated by a number, to win a prize;

B. One or more of the chances is to be designated the winning chance;

C. The winning chance is to be determined as a result of a drawing from a container holding numbers representative of all chances sold; and

D. A holder of a winning chance does not receive something of value worth more than \$5,000.

8. **Roulette.** "Roulette" means a game of chance in which players bet on the compartment of a revolving wheel into which a small ball will come to rest.

9. **Slot machine.** "Slot machine" means any machine which operates by inserting a coin, token or similar object in order to set the internal mechanism of the machine in motion, and which, by the application of the element of chance, may deliver or entitle the person playing or operating the machine to receive cash, premiums, merchandise or tickets.

10. **Something of value.** "Something of value" means any money or property, any token, object or article exchangeable for money or property, or any form of credit or promise directly or indirectly contemplating transfer of money or property, or of any interest therein, or involving extension of a service, entertainment or a privilege of playing at a game or scheme without charge.

Sec. 3. 17 MRSA § 332, sub-§ 1, as enacted by PL 1977, c. 350, § 4, is repealed and the following enacted in its place:

1. **Organization eligible.** Notwithstanding other provisions of law, the Chief of the State Police may issue a license to operate a game of chance to an agricultural society eligible for the state stipend under Title 7, section 62, or to a bona fide nonprofit charitable, educational, civic, fraternal, patriotic or religious organization, or to a volunteer fire department.

Sec. 4. 17 MRSA § 332, sub-§ 3, as enacted by PL 1977, c. 350, § 4, is amended by adding at the end 2 new paragraphs to read:

No remote controlled slot machines intended for use on nonorganizational premises shall be licensed for more than 3 days out of every 6 months. All other remote controlled devices are prohibited without exception on these premises.

No license shall be issued to a purchaser of gambling apparatus or implements who has defaulted on that equipment if that equipment has been repossessed by the seller, except that those purchasers may be granted a license at any time following 2 years from the date of default.

Sec. 5. 17 MRSA § 332, sub-§ 4, as enacted by PL 1977, c. 350, § 4, is amended by adding at the end the following new sentences:

Where a game of chance is conducted on premises other than those of the licensee, payment to the owners thereof may not exceed the fair market value of the space allotted. In no case is payment to be based on a percentage of the game's gross. Such games may not be placed on premises owned by a distributor nor may they be placed on premises owned directly or indirectly by a member of the nonprofit organization.

Sec. 6. 17 MRSA § 332, sub-§ 5, as enacted by PL 1977, c. 350, § 4, is repealed and the following enacted in its place:

5. **Multiple licenses.** An organization eligible to obtain a license to operate a game of chance may be issued licenses to operate no more than 5 games of chance.

Sec. 7. 17 MRSA § 337, as repealed and replaced by PL 1977, c. 350, § 8, is amended by adding after the 3rd paragraph a new paragraph to read:

No distributor shall sell or otherwise distribute gambling apparatus or implements to nonprofit organizations of which he is a member.

STATEMENT OF FACT

The purpose of this bill is to correct abuses encountered in the operation and conduct of games of chance. Notably, the legislation particularizes what is meant by a nonprofit organization and the accepted purposes for which they are established. The intent is to prevent the formation of such organizations in name only for the sole purpose of deriving personal gain from gambling activity.