MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

SECOND REGULAR SESSION-2000

Legislative Document

No. 2462

H.P. 1756

House of Representatives, January 10, 2000

An Act to Amend the Control of the Revenue Generated by Games of Chance at the Agricultural Fairs.

Submitted by the Department of Public Safety pursuant to Joint Rule 204. Reference to the Committee on Legal and Veterans Affairs suggested and ordered printed.

OSEPH W. MAYO, Clerk

Presented by Representative CHIZMAR of Lisbon. Cosponsored by Senators: CAREY of Kennebec, DAGGETT of Kennebec.

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

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- Sec. 1. 17 MRSA §332, sub-§4, ¶A, as amended by PL 1993, c.
 4 410, Pt. PP, §1, is further amended to read:
 - A. An agricultural society or a bona fide nonprofit organization may operate a game of chance on the grounds of the agricultural society and during the annual fair of the agricultural society.
- Sec. 2. 17 MRSA §335, sub-§1, as amended by PL 1993, c. 45, is further amended to read:
 - Prohibition. Proceeds of any games of chance may not be used to provide salaries, wages or other remuneration to members, officers or employees of any organization authorized to conduct games of chance under this chapter, except that an organization licensed to operate beano or bingo and Lucky 7 games in conjunction with beano or bingo and agricultural societies licensed to operate games of chance on the grounds of the agricultural society and during the annual fair of the agricultural society may use the proceeds or part of the proceeds to pay salaries, wages or remuneration to any person directly involved in operating the beano, bingo er, Lucky 7 games or games of chance operated by an agricultural society on the grounds of the agricultural society and during the annual fair of the agricultural society. Payments to persons directly involved in operating beano, bingo or Lucky 7 games may not exceed 20% of the revenue generated by the games. Payments to persons directly involved in the operation of games of chance operated by agricultural societies during the annual fair of the agricultural society may not exceed 300% of the minimum wage as established pursuant to Title 26, section 664, subsection 1.

Sec. 3. 17 MRSA §336-A, sub-§2-A is enacted to read:

2-A. Agricultural societies: lease agreements. When a gambling apparatus or implement is leased to an agricultural society, the distributor shall forward to the Chief of the State Police a copy of the lease agreement prior to delivery of the gambling apparatus or implement. The terms of the lease must include, but are not limited to, the name of the lessor; address of the lessor; name of the lesse; address of the lesse; description of the gambling apparatus or implement; serial number, model name or number of the gambling apparatus or implement; and all prices and payments for the lease. Each lease must be for a specific period of time no longer than the duration of the annual fair of that lessee, and multiple leases for the same gambling apparatus or implements to the same agricultural society are not permitted. Gambling apparatus or implements leased under this section:

- A. May only be operated for the exclusive benefit of the agricultural society, except that reasonable amounts for the gambling apparatus or implements may be paid to the distributor for the lease; and
 - B. Must bear the name and address of the distributor.
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 Sec. 4. 17 MRSA §337, first ¶, as amended by PL 1989, c. 254,
 10 §4, is further amended to read:
- No A distributor may not sell, <u>lease</u>, market or otherwise distribute gambling apparatus or implements unless licensed by the Chief of the State Police, except that no a license is not required for the sale, marketing or distribution of raffle tickets when the holder of the winning chance receives something of value worth less than \$10,000.
- Sec. 5. 17 MRSA §337, 3rd ¶, as amended by PL 1989, c. 254, 20 §4, is further amended to read:
- 22 A distributor may not sell, market or otherwise distribute gambling apparatus or implements to any a person or organization, except to persons or organizations licensed to 24 operate or conduct games of chance under section 332, licensed to 26 conduct a special exempt raffle under section 331, subsection 7 or 8, or eligible to conduct a raffle pursuant to section 331, 28 subsection 6. No A distributor may not lease or loan or otherwise distribute free of charge any gambling apparatus or implements to 30 any an organization eligible to operate a game of chance. distributor may lease gambling apparatus or implements to an 32 agricultural society licensed to operate games of chance on the grounds of the agricultural society and during the annual fair of 34 the agricultural society as long as the distributor does not charge the agricultural society an amount in excess of 50% of the gross revenue from any licensed game of chance. 36

Sec. 6. 17 MRSA §341, sub-§3 is enacted to read:

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3. Agricultural societies. Games of chance conducted at agricultural fairs may only be conducted with tickets or tokens issued by the agricultural society. Notwithstanding any other provision of this section, the tickets or tokens must be unique to the agricultural society and in denominations of 25¢ to 50¢. The tickets or tokens may only be sold or redeemed by a person who has been a member of the agricultural society for at least 2 years.

2 SUMMARY

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- This bill impacts games of chance conducted by agricultural societies on the grounds of the society and during the society's annual fair as follows.
- 8 1. The agricultural society and a bona fide nonprofit organization may operate licensed games of chance on the grounds of the society and during its annual fair.
- 12 2. The bill allows members to be compensated at reasonable rates for conducting the games.
- 3. The agricultural society may lease gaming equipment from licensed distributors.
- 4. Games of chance may only be conducted using tickets or tokens issued by the agricultural society.