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No. 771

S.P. 298

In Senate, February 26, 2009

An Act To Allow Certain Organizations To Hold Raffles

(EMERGENCY)

Reference to the Committee on Legal and Veterans Affairs suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator SULLIVAN of York.

Cosponsored by Representative TUTTLE of Sanford and Senator: GOODALL of Sagadahoc, Representatives: CAREY of Lewiston, CORNELL du HOUX of Brunswick, CROCKETT of Augusta, HAMPER of Oxford, RUSSELL of Portland, TRINWARD of Waterville, VALENTINO of Saco.

Emergency preamble. Whereas, acts and resolves of the Legislature do not 1 become effective until 90 days after adjournment unless enacted as emergencies; and 2 3 Whereas, nonprofit organizations established for the purpose of educating citizens 4 about matters crucial to public health and funding research to treat and possibly cure 5 illnesses need continuous funding to meet their objectives; and 6 Whereas, funding sources for these nonprofit organizations are limited in times of 7 economic crisis; and 8 Whereas, under current law a nonprofit organization is not eligible to conduct 9 certain types of fund-raising raffles; and 10 Whereas, in the judgment of the Legislature, these facts create an emergency within 11 the meaning of the Constitution of Maine and require the following legislation as 12 immediately necessary for the preservation of the public peace, health and safety; now, 13 therefore, 14 Be it enacted by the People of the State of Maine as follows: 15 Sec. 1. 17 MRSA §331, sub-§8-A, ¶A, as amended by PL 2007, c. 378, §1, is further amended to read: 16 17 A. The Except as provided in paragraph E, the Chief of the State Police may issue one special exempt raffle license per year to any organization, department or class 18 19 eligible to hold a raffle under subsection 6 without obtaining a license. The special 20 exempt raffle license entitles the licensee to hold one raffle in which the holder of a 21 winning chance receives something of value worth more than \$10,000 but not more 22 than \$75,000. A raffle licensed under this paragraph may be structured as a 23 progressive raffle that is divided into a maximum of 12 multiple drawings with 24 previous entries rolled into subsequent drawing pots and with the final drawing to be 25 held within 12 months of the first. Drawings must be used to randomly select a 26 smaller group to be eligible for the final prize to be awarded after the final drawing. 27 Section 341 does not apply to raffles licensed under this section. Sec. 2. 17 MRSA §331, sub-§8-A, ¶D, as enacted by PL 1991, c. 796, §3, is 28 29 amended to read: 30 D. The Except as provided in paragraph E, the Chief of the State Police may issue 31 only one special exempt raffle license per year, either under this subsection or 32 subsection 7, to the same organization, department or class listed in subsection 6. 33 Sec. 3. 17 MRSA §331, sub-§8-A, ¶E is enacted to read: 34 E. The Chief of the State Police may issue up to 4 special exempt raffle licenses per 35 year to a nonprofit organization that has been a bona fide nonprofit organization with 36 a presence in this State for at least 5 years and has as its primary purpose educating 37 the public and funding research to prevent and treat illnesses.

Sec. 4. 17 MRSA §332, sub-§2, as amended by PL 1981, c. 593, §1, is further amended to read:

2. Games conducted by members and bartenders of licensees only. A game of chance licensed pursuant to this section shall <u>must</u> be operated and conducted for the exclusive benefit of the licensee and shall <u>may</u> be operated and conducted only by duly authorized members of the licensee or by persons employed by the licensee as bartenders, except that nonmembers employed by the licensee as bartenders may not operate or conduct any game of chance permitted under section 332, subsection 4, paragraph B. The requirements of this subsection shall <u>do</u> not aply apply to any agricultural fair association licensed to operate a game of chance <u>or a health-based nonprofit organization eligible to conduct a raffle in accordance with section 331, subsection 8-A</u>.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

SUMMARY

This bill amends the provisions of law governing organizations eligible to conduct a raffle with a prize value between \$10,000 and \$75,000 to include nonprofit organizations that have had a presence in this State for at least 5 years and that have as a primary purpose educating the public and funding research to prevent and treat illnesses.