

MAINE STATE LEGISLATURE

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L.D. 1837

Date: 3/7/2018

(Filing No. S-378)

VETERANS AND LEGAL AFFAIRS

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STATE OF MAINE

SENATE

128TH LEGISLATURE

SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 689, L.D. 1837, Bill, "An Act To Allow Cash Prizes for Certain Raffles Conducted by Charitable Organizations"

Amend the bill by inserting after the title and before the enacting clause the following:

'Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, recent changes to the laws governing raffles have hampered the ability of charitable nonprofits and civic organizations to conduct the types of raffles that generate a significant percentage of revenues raised by those organizations in a calendar year; and

Whereas, the law must be amended before the expiration of the 90-day period because charitable nonprofits and civic organizations use raffles to raise funds for their charitable purposes and it is a hardship for those groups to be limited in their fund raising; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,'

Amend the bill by striking out all of section 1 and inserting the following:

'Sec. 1. 17 MRSA §1837-A, sub-§§2 to 4, as enacted by PL 2017, c. 284, Pt. KKKKK, §25, are amended to read:

2. Raffle with a prize of \$2,500 or less. A person or organization is not required to register with the Gambling Control Unit to conduct a raffle in which the total value of the prize offered to the holder of the winning chance does not exceed ~~\$1,000~~ \$2,500. If the raffle is conducted in a manner in which there are multiple winning chances, the total value of all prizes offered may not exceed a value of ~~\$1,000~~ \$2,500.

3. Raffle with a noncash prize of \$2,501 to \$10,000. A person or organization may conduct a raffle in which the total value of the prize offered to the holder of the winning

COMMITTEE AMENDMENT

A. of S.

1 chance is greater than ~~\$1,001~~ \$2,501 and does not exceed \$10,000 upon the acceptance of
2 a registration by the Gambling Control Unit. The Gambling Control Unit may not accept
3 a registration for a raffle under this subsection unless the registration states a verifiable
4 charitable purpose for which the proceeds of the raffle are dedicated to benefit. If the
5 raffle is conducted in a manner in which there are multiple winning chances, the total
6 value of all prizes offered may not exceed a value of \$10,000. A prize offered for a raffle
7 conducted under this subsection may not be in the form of cash and may not be
8 exchanged for cash.

9 **4. Raffle with a noncash prize up to \$75,000 conducted by eligible organization;**
10 **cash prizes up to \$20,000.** An eligible organization as described in section 1832,
11 subsection 2 may conduct a raffle in which the total value of the prize offered to the
12 holder of the winning chance does not exceed \$75,000 upon the acceptance of a
13 registration by the Gambling Control Unit. The registration must state a verifiable
14 charitable purpose for which the proceeds of the raffle are dedicated to benefit. If the
15 raffle is conducted in a manner in which there are multiple winning chances, the total
16 value of all prizes offered may not exceed a value of \$75,000. A noncash prize for a
17 raffle conducted under this subsection ~~may not be in the form of cash and~~ may not be
18 exchanged for cash. The total amount of cash prizes that may be awarded for a raffle
19 conducted under this subsection may not exceed \$20,000 with no more than one \$10,000
20 prize for the holder of a winning chance. An eligible organization may not conduct more
21 than one raffle under this subsection in a 12-month period.

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

24 **SUMMARY**

25 Current law states that a person or an organization is not required to register with the
26 Gambling Control Unit when conducting a raffle with a prize of \$1,000 or less. This
27 amendment adds provisions to the bill amending the law to increase that prize amount to
28 \$2,500. The amendment also adds an emergency preamble and an emergency clause to
29 the bill.

30 **FISCAL NOTE REQUIRED**

31 **(See attached)**



128th MAINE LEGISLATURE

LD 1837

LR 2888(02)

An Act To Allow Cash Prizes for Certain Raffles Conducted by Charitable Organizations

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-378)
Committee: Veterans and Legal Affairs
Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Any additional costs to the Gambling Control Board as a result of changes to the rules allowing certain cash prizes in certain raffles conducted by charitable organizations and registration waivers if prizes are within certain amounts are anticipated to be minor and can be absorbed within existing budgeted resources.