

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1456

H.P. 1068

House of Representatives, April 2, 2019

An Act To Amend the Laws Governing Raffles

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

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative COREY of Windham. (BY REQUEST)

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

2 **Sec. 1. 7 MRSA §3972, sub-§4**, as amended by PL 2017, c. 284, Pt. KKKKK,
3 §1, is further amended to read:

4 **4. Exception.** Notwithstanding subsection 1, paragraph C, livestock may be raffled
5 by charitable organizations in accordance with Title 17, section ~~1837-A~~ 1837-B for fund-
6 raising purposes. For the purposes of this section, "charitable organization" has the same
7 meaning as defined in Title 9, section 5003, subsection 1. Proceeds from a raffle under
8 this subsection must be used for charitable purposes.

9 The animal must be awarded in freezer-ready form.

10 **Sec. 2. 17 MRSA §314-A, sub-§1, ¶B**, as amended by PL 2017, c. 284, Pt.
11 KKKKK, §2, is further amended to read:

12 B. In conjunction with the operation of high-stakes beano, federally recognized
13 Indian tribes holding a license under this section may advertise and offer prizes for
14 attendance with a value of up to \$25,000 under the terms prescribed for raffles in
15 section ~~1837-A~~ 1837-B. Any prize awarded under this paragraph may be awarded
16 only on the basis of a ticket of admission to the high-stakes beano game and may
17 only be awarded to a person who holds an admission ticket.

18 **Sec. 3. 17 MRSA §314-A, sub-§2-A**, as amended by PL 2017, c. 284, Pt.
19 KKKKK, §3, is further amended to read:

20 **2-A. Attendance prizes.** In conjunction with the operation of high-stakes beano, a
21 federally recognized Indian tribe holding a license under this section may advertise and
22 offer prizes for attendance with a value of up to \$25,000 under the terms prescribed for
23 raffles in section ~~1837-A~~ 1837-B. A prize awarded under this subsection may be
24 awarded only on the basis of a ticket of admission to the high-stakes beano game and may
25 be awarded only to a person who holds an admission ticket.

26 **Sec. 4. 17 MRSA §1832, sub-§2-A**, as enacted by PL 2017, c. 284, Pt. KKKKK,
27 §15, is amended to read:

28 **2-A. Registration.** The Gambling Control Unit may accept a registration from an
29 eligible organization described in subsection 2 and other persons as specifically provided
30 under section 1835-A; and section 1836, subsection 4-B ~~and section 1837-A~~ to conduct
31 games of chance, ~~raffles~~ and charitable cribbage tournaments. An eligible organization or
32 person seeking to register to conduct a game of chance, ~~raffle~~ or charitable cribbage
33 tournament shall register in the manner prescribed by the Gambling Control Unit and
34 shall maintain records and reports in the same manner as described under section 1839,
35 except that disposition of funds reports are not required to be submitted to the Gambling
36 Control Unit but must be maintained in the same manner as other records.

37 **Sec. 5. 17 MRSA §1835-A, sub-§§4 and 5**, as enacted by PL 2017, c. 284, Pt.
38 KKKKK, §18, are amended to read:

1 **4. Persons under 18 years of age; exception.** ~~Except as provided in section~~
2 ~~1837-A, a~~ A registrant, game owner or operator may not permit a person under 18 years
3 of age to take part in a game of chance. Notwithstanding any rule to the contrary, upon
4 receiving an application on a form provided by the Gambling Control Unit and a
5 determination by the director that a game of chance licensed to be conducted at a festival-
6 style event is designed to attract players under 18 years of age and awards a nonmonetary
7 prize valued at less than \$10 for every chance played, the Gambling Control Unit may
8 permit:

9 A. Persons under 18 years of age to conduct or operate the game of chance; and

10 B. Persons under 18 years of age to play the game of chance without being
11 accompanied by an adult.

12 Nothing in this subsection permits games of chance to be operated without being
13 registered with the Gambling Control Unit.

14 **5. Location.** A registration for a game of chance must specify the location where the
15 organization may operate the game. A registrant may not operate games of chance in
16 more than one location at the same time.

17 A. An agricultural society or a bona fide nonprofit organization may operate a game
18 of chance on the grounds of an agricultural society and during the annual fair of the
19 agricultural society.

20 B. No more than one registrant may operate a game of chance at a time on the same
21 premises. In any room where a registered game of chance is being conducted, there
22 must be at least one member of the organization registered to conduct games of
23 chance present in that room for every 2 nonmembers who are present. That member
24 must have been a member of the registered organization for at least one year. A
25 member of the organization registered to conduct games of chance, either directly or
26 through another member or guest, may not stake or risk something of value in the
27 registrant's game of chance unless the member has been a member of the organization
28 registered to conduct games of chance for at least 14 days not including the day of
29 admission into membership.

30 A bona fide nonprofit organization may operate a registered game of chance to which the
31 general public has access once every 3 months for a period not to exceed 3 consecutive
32 days. The game of chance may be operated at any location described in the organization's
33 registration and may be conducted only by members of the registrant. This subsection
34 does not apply to raffles conducted in accordance with section ~~1837-A~~ 1837-B.

35 **Sec. 6. 17 MRSA §1837-A**, as amended by PL 2017, c. 365, §1, is repealed.

36 **Sec. 7. 17 MRSA §1837-B** is enacted to read:

37 **§1837-B. Raffles**

38 **1. Raffles with prizes of \$10,000 or less.** Notwithstanding section 1832, subsection
39 1, a license to conduct or operate a raffle in which the holder of the winning chance does
40 not receive something of value worth more than \$10,000 is not required of the following:

1 A. Any agricultural society or any bona fide nonprofit organization that is charitable,
2 educational, political, civic, recreational, fraternal, patriotic or religious or any
3 auxiliary of such an organization;

4 B. Any volunteer police force, fire department or ambulance corps;

5 C. Any class or organization of an elementary, secondary or postsecondary
6 educational institution operated or accredited by the State; or

7 D. Any state agency that conducts or operates a raffle for a donated item to benefit
8 fish and wildlife conservation projects.

9 Any exempt organization, department or class or combination of these listed in paragraph
10 A, B, C or D may sponsor, operate and conduct a raffle without a license only for the
11 exclusive benefit of that organization, department or class or combination of these, and
12 that raffle may be conducted only by duly authorized members of the sponsoring
13 organization, department or class or combination of these.

14 A state agency may not conduct or operate more than 2 raffles per year pursuant to
15 paragraph D.

16 **2. Special raffles; prizes more than \$10,000 but not more than \$75,000.** The
17 following provisions apply to special raffles licensed under this subsection.

18 A. The Gambling Control Unit may issue one special raffle license per year to any
19 organization, department or class eligible to hold a raffle under subsection 1. The
20 special 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 B. The Gambling Control Unit may not issue a license under this subsection to hold
28 a raffle in which the holder of a winning chance receives a cash prize worth more
29 than \$10,000.

30 C. All tickets sold pursuant to a special raffle license must be purchased from a
31 licensed distributor or licensed printer. Tickets must be sequentially numbered and
32 have printed on their faces the following information: the name of the special raffle
33 licensee; a description of the prize or prizes; the price of the ticket; and the date, time
34 and place of the drawing. Any organization, department or class listed in subsection
35 1 that conducts a raffle under this section shall retain all unsold raffle tickets for 6
36 months after the raffle drawing and make those tickets available for inspection at the
37 request of the Gambling Control Unit.

38 **3. Charitable organizations; livestock raffling.** A license is required before a
39 charitable organization may raffle livestock for fund-raising purposes under Title 7,
40 section 3972, subsection 4. The Commissioner of Agriculture, Conservation and Forestry
41 or the commissioner's designee shall make forms available for charitable organizations to
42 apply for licenses for one-year or 3-year periods. If the commissioner or the

1 commissioner's designee is satisfied that the charitable organization has not violated or
2 will not violate the restrictions of Title 7, section 3972, a license must be issued.

3 **4. Raffle tickets sold by volunteers.** Tickets for raffles licensed in accordance with
4 this section may be sold by persons other than members of the licensed organization as
5 long as the persons selling the tickets are uncompensated volunteers for the organization
6 and the names of the volunteers who sell the tickets are provided to the Gambling Control
7 Unit within 10 days of issuance of the raffle license.

8 **Sec. 8. 17 MRSA §1840, sub-§2,** as amended by PL 2017, c. 284, Pt. KKKKK, §28, is further amended to read:
9

10 **2. Distributors licensed.** A distributor may not sell, lease, market or otherwise
11 distribute gambling apparatus or implements unless licensed by the Gambling Control
12 Unit, except that a license is not required for the sale, marketing or distribution of raffle
13 tickets when the holder of the winning chance receives something of value worth less
14 than \$10,000.

15 A nonresident manufacturer or distributor of gambling apparatus or implements doing
16 business in the State must have an agent in this State who is licensed as a distributor. A
17 distributor may not sell, market or otherwise distribute gambling apparatus or implements
18 to a person or organization, except to persons or eligible organizations described under
19 section 1832, subsection 2 licensed or registered to operate or conduct games under this
20 chapter or ~~registered~~ licensed to conduct a special raffle under section ~~1837-A~~ 1837-B,
21 subsection 2 or eligible to conduct a raffle pursuant to section 1837-B, subsection 1. A
22 distributor may not lease or loan or otherwise distribute free of charge any gambling
23 apparatus or implements to an organization eligible to operate a game under this chapter,
24 except that a distributor may lease gambling apparatus or implements to an agricultural
25 society registered to operate games of chance on the grounds of the agricultural society
26 and during the annual fair of the agricultural society as long as the distributor does not
27 charge the agricultural society an amount in excess of 50% of the gross revenue from any
28 game conducted under this chapter.

29 A licensee or registrant shall acquire gambling apparatus and implements from a
30 distributor licensed under this section, unless the gambling apparatus or implements are
31 printed, manufactured or constructed by the licensed organization. At no time may any
32 licensee print, manufacture or construct any gambling apparatus or implements for
33 distribution to any other licensee. The applicant for a distributor's license or, if the
34 applicant is a firm, corporation, association or other organization, its resident manager,
35 superintendent or official representative shall file an application with the Gambling
36 Control Unit on a form provided by the Gambling Control Unit. The Gambling Control
37 Unit shall furnish to each applicant a current copy of this chapter and the rules adopted
38 under section 1843 and to each licensee a copy of any changes or additions to this chapter
39 and the rules adopted under section 1843.

40 **Sec. 9. 17 MRSA §2306,** as amended by PL 2017, c. 284, Pt. KKKKK, §31, is
41 further amended to read:

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