

MAINE STATE LEGISLATURE

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Date: 4/27/23

(Filing No. S-53)

VETERANS AND LEGAL AFFAIRS

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**STATE OF MAINE
SENATE
131ST LEGISLATURE
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to S.P. 76, L.D. 147, "An Act to Increase the Amount of Money Allowed to Be Raised for a Charitable Purpose by Certain Raffles"

Amend the bill by striking out the title and substituting the following:

'An Act to Amend the Laws Regarding Certain Raffles Conducted by Eligible Organizations'

Amend the bill by striking out all of section 2 and inserting the following:

'Sec. 2. 17 MRSA §1837-A, sub-§3, as amended by PL 2019, c. 129, §3, is further amended to read:

3. Raffle with a noncash prize greater than \$2,500 but not greater than \$10,000. Except for raffles conducted by an eligible organization under subsection 4, a person or organization may conduct a raffle in which the total value of the prize offered to the holder of the winning chance is greater than \$2,500 and does not exceed \$10,000 upon the acceptance of a registration by the Gambling Control Unit. The Gambling Control Unit may not accept a registration for a raffle under this subsection unless the registration states a verifiable charitable purpose for which the proceeds of the raffle are dedicated to benefit. 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 \$10,000. A prize offered for a raffle conducted under this subsection may not be in the form of cash and, notwithstanding subsection 8, may not be exchanged for cash.

Sec. 3. 17 MRSA §1837-A, sub-§4, as amended by PL 2019, c. 129, §3, is further amended to read:

4. Raffle with a noncash prize of up to ~~\$75,000~~ \$150,000 or a cash prize of up to ~~\$20,000~~ \$10,000 per holder of a winning chance conducted by eligible organization. An eligible organization as described in section 1832, subsection 2 may register with the Gambling Control Unit to conduct a raffle in which the total value of the prize or prizes awarded to the holder of a winning chance or to the holders of the winning chances does not exceed:

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1 A. ~~Seventy-five thousand dollars~~ Exceed \$150,000 that is not in the form of cash and,
2 notwithstanding subsection 8, may not be exchanged for cash; or

3 B. ~~Twenty thousand dollars in cash, with no~~ Include more than one \$10,000 cash prize
4 for ~~the~~ each holder of a winning chance.

5 At the time of registration, the eligible organization shall state a verifiable charitable
6 purpose that the proceeds of the raffle are dedicated to benefit.

7 Beginning December 1, 2024, the Gambling Control Unit shall adjust every 2 years the
8 noncash prize dollar value based on the Consumer Price Index as reported by the United
9 States Department of Labor, Bureau of Labor Statistics and rounded to the nearest amount
10 divisible by \$100.

11 **Sec. 4. 17 MRSA §1837-A, sub-§6**, as enacted by PL 2019, c. 129, §3, is amended
12 to read:

13 **6. Multiple raffles.** An eligible organization as described in section 1832, subsection
14 2 may conduct more than one raffle at a time that meet the requirements of subsections
15 2-A, 3 and 4, ~~except that an eligible organization may not conduct more than one registered~~
16 ~~raffle at the same time under subsection 4, paragraph A and may not conduct more than~~
17 ~~one registered raffle at the same time under subsection 4, paragraph B. This subsection~~
18 ~~does not prevent an eligible organization from conducting one registered raffle under~~
19 ~~subsection 4, paragraph A at the same time that the eligible organization conducts one~~
20 ~~registered raffle under subsection 4, paragraph B.~~ When an eligible organization conducts
21 multiple raffles as permitted by this subsection, the eligible organization is not required to
22 begin and end those raffles on the same dates.

23 **Sec. 5. 17 MRSA §1837-A, sub-§8** is enacted to read:

24 **8. Lottery ticket as noncash prize; total value.** A lottery ticket offered as a prize in
25 a raffle held in accordance with this section is considered a noncash prize and the total
26 value of the lottery ticket is determined by the purchase price of the lottery ticket and not
27 by the potential or actual value of the lottery ticket winnings.

28 **Sec. 6. 17 MRSA §1839, sub-§1**, as amended by PL 2017, c. 284, Pt. KKKKK,
29 §27, is further amended to read:

30 **1. Records required.** Each licensee or registrant shall keep a record of all financial
31 transactions involving games operated under this chapter. ~~The~~ Except for records kept by
32 eligible organizations operating raffles under section 1837-A, the records must include an
33 exact account of all gross revenue from the games, an itemization of all allowable expenses,
34 including, but not limited to, the cost of prizes, printing, licenses and administration, and
35 the disposition of all proceeds, including, but not limited to, all gifts, grants and payments
36 to any person, firm, corporation, association or organization for any purpose whatsoever.
37 All financial records involving games operated under this chapter must be separate and
38 distinguishable from other records of the organization. Revenue from more than one game
39 operated under this chapter may be entered into one account.'

40 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
41 number to read consecutively.

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SUMMARY

This amendment makes the following changes to the bill.

1. It further increases the amount of a noncash prize that can be offered by an eligible organization in a raffle from \$75,000 to \$150,000 and requires the Department of Public Safety, Gambling Control Unit to adjust every 2 years the noncash prize dollar value based on the Consumer Price Index as reported by the United States Department of Labor, Bureau of Labor Statistics and rounded to the nearest amount divisible by \$100.

2. Current law caps a cash prize offered by an eligible organization in a raffle at \$20,000 with no more than one \$10,000 cash prize per holder of a winning chance. The amendment keeps the cap per holder of a winning chance at \$10,000 but allows for an unlimited number of cash prizes to be awarded.

3. It allows an eligible organization to conduct more than one raffle at a time.

4. It designates lottery tickets as noncash prizes and determines that the total value of the lottery ticket as a noncash prize is based on the purchase price of the lottery ticket and not the potential or actual value of the lottery ticket winnings.

5. It removes the requirement that the records kept by eligible organizations conducting raffles include an exact account of all gross revenue from the games, an itemization of all allowable expenses, including, but not limited to, the cost of prizes, printing, licenses and administration, and the disposition of all proceeds, including, but not limited to, all gifts, grants and payments to any person, firm, corporation, association or organization for any purpose whatsoever.

FISCAL NOTE REQUIRED

(See attached)



131st MAINE LEGISLATURE

LD 147

LR 398(02)

An Act to Increase the Amount of Money Allowed to Be Raised for a Charitable Purpose by Certain Raffles

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-53)
Committee: Veterans and Legal Affairs
Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - General Fund

Fiscal Detail and Notes

Any additional costs to the Gambling Control Unit within the Department of Public Safety to implement the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources.