



House of Representatives

General Assembly

File No. 184

February Session, 2002

House Bill No. 5587

House of Representatives, March 27, 2002

The Committee on Planning and Development reported through REP. DAVIS of the 50th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING GAMES OF CHANCE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsections (c) to (e), inclusive, of section 7-169h of the
2 general statutes are repealed and the following is substituted in lieu
3 thereof (*Effective from passage*):

4 (c) (1) On and after October 1, 1987, the division may issue a permit
5 to sell sealed tickets to any organization or group specified in
6 subsection (d) of section 7-169 which holds a bingo permit issued in
7 accordance with the provisions of section 7-169. Such permit shall be
8 renewed annually.

9 (2) The division may issue a permit to sell sealed tickets to any
10 organization or group specified in subsection (d) of section 7-169
11 which holds a club permit or nonprofit club permit under the
12 provisions of chapter 545. Such permit shall be renewed annually.

13 (3) The division may issue a permit to sell sealed tickets to any

14 organization or group specified in section 7-172 which holds a permit
15 to operate a bazaar, issued in accordance with the provisions of
16 sections 7-170 to 7-186, inclusive.

17 [(4) The division may issue a permit to sell sealed tickets to any
18 charitable, civic, educational, fraternal, veterans' or religious
19 organization, volunteer fire department, grange or political party or
20 town committee thereof which holds a permit to operate games of
21 chance, issued in accordance with the provisions of sections 7-186a to
22 7-186p, inclusive.]

23 (d) Permittees shall purchase sealed tickets from the division at a
24 cost which is equal to ten per cent of their resale value.

25 (e) Notwithstanding the provisions of subsection (b) of section 53-
26 278b and subsection (d) of section 53-278c, sealed tickets may be sold,
27 offered for sale, displayed or open to public view only (1) during the
28 course of a bingo game conducted in accordance with the provisions of
29 section 7-169 and only at the location at which such bingo game is
30 conducted, (2) on the premises of any such organization or group
31 specified in subdivision (2) of subsection (c) of this section, or (3)
32 during the conduct of a bazaar under the provisions of sections 7-170
33 to 7-186, inclusive, [, or (4) during the operation of games of chance
34 under the provisions of sections 7-186a to 7-186p, inclusive.] Permittees
35 may utilize a mechanical or electronic ticket dispensing machine
36 approved by the division to sell sealed tickets. Sealed tickets shall not
37 be sold to any person less than eighteen years of age. All proceeds
38 from the sale of tickets shall be used for a charitable purpose, as
39 defined in section 21a-190a.

40 Sec. 2. Section 53-278a of the general statutes is repealed and the
41 following is substituted in lieu thereof (*Effective from passage*):

42 As used in sections 53-278a to 53-278g, inclusive:

43 (1) "Gain" means the direct realization of winnings; "profit" means
44 any other realized or unrealized benefit, direct or indirect, including

45 without limitation benefits from proprietorship, management or
46 unequal advantage in a series of transactions;

47 (2) "Gambling" means risking any money, credit, deposit or other
48 thing of value for gain contingent in whole or in part upon lot, chance
49 or the operation of a gambling device, but does not include: Legal
50 contests of skill, speed, strength or endurance in which awards are
51 made only to entrants or the owners of entries; legal business
52 transactions which are valid under the law of contracts; activity legal
53 under the provisions of sections 7-169 to [7-186] 7-186, inclusive; any
54 lottery or contest conducted by or under the authority of any state of
55 the United States, Commonwealth of Puerto Rico or any possession or
56 territory of the United States; and other acts or transactions expressly
57 authorized by law on or after October 1, 1973;

58 (3) "Professional gambling" means accepting or offering to accept,
59 for profit, money, credits, deposits or other things of value risked in
60 gambling, or any claim thereon or interest therein. Without limiting
61 the generality of this definition, the following shall be included: Pool-
62 selling and bookmaking; maintaining slot machines, one-ball machines
63 or variants thereof, pinball machines, which award anything other
64 than an immediate and unrecorded right of replay, roulette wheels,
65 dice tables, or money or merchandise pushcards, punchboards, jars or
66 spindles, in any place accessible to the public; and except as provided
67 in sections 7-169 to [7-186] 7-186, inclusive, conducting lotteries, gift
68 enterprises, disposal or sale of property by lottery or hazard or policy
69 or numbers games, or selling chances therein; and the following shall
70 be presumed to be included: Conducting any banking game played
71 with cards, dice or counters, or accepting any fixed share of the stakes
72 therein;

73 (4) "Gambling device" means any device or mechanism by the
74 operation of which a right to money, credits, deposits or other things
75 of value may be created, as the result of the operation of an element of
76 chance; any device or mechanism which, when operated for a
77 consideration, does not return the same value or thing of value for the

78 same consideration upon each operation thereof; any device,
79 mechanism, furniture or fixture designed primarily for use in
80 connection with professional gambling; and any subassembly or
81 essential part designed or intended for use in connection with any
82 such device, mechanism, furniture, fixture, construction or installation,
83 provided an immediate and unrecorded right of replay mechanically
84 conferred on players of pinball machines and similar amusement
85 devices shall be presumed to be without value. "Gambling device"
86 does not include a crane game machine or device or a redemption
87 machine;

88 (5) "Gambling record" means any record, receipt, ticket, certificate,
89 token, slip or notation given, made, used or intended to be used in
90 connection with professional gambling;

91 (6) "Gambling information" means a communication with respect to
92 any wager made in the course of, and any information intended to be
93 used for, professional gambling. Information as to wagers, betting
94 odds or changes in betting odds shall be presumed to be intended for
95 use in professional gambling;

96 (7) "Gambling premise" means any building, room, enclosure,
97 vehicle, vessel or other place, whether open or enclosed, used or
98 intended to be used for professional gambling. Any place where a
99 gambling device is found shall be presumed to be intended to be used
100 for professional gambling, except a place wherein a bazaar or raffle for
101 which a permit has been issued under sections 7-170 to 7-186,
102 inclusive, or bingo for which a permit has been issued under section 7-
103 169 [or games of chance for which a permit has been issued under
104 sections 7-186a to 7-186l, inclusive,] is to be conducted;

105 (8) "Person" includes natural persons, partnerships, limited liability
106 companies and associations of persons, and corporations; and any
107 corporate officer, director or stockholder who authorizes, participates
108 in or knowingly accepts benefits from any violation of sections 53-278a
109 to 53-278g, inclusive, committed by his corporation;

110 (9) "Peace officer" means a municipal or state police officer or chief
111 inspector or inspector in the Division of Criminal Justice or state
112 marshal while exercising authority granted under any provision of the
113 general statutes or judicial marshal in the performance of the duties of
114 a judicial marshal;

115 (10) "Court" means the Superior Court;

116 (11) "Crane game machine or device" means a machine or device (A)
117 that is designed and manufactured only for bona fide amusement
118 purposes and involves at least some skill in its operation, (B) that
119 rewards a winning player exclusively with merchandise contained
120 within the machine or device and such merchandise is limited to
121 noncash prizes, toys or novelties each of which has a wholesale value
122 not exceeding ten dollars or ten times the cost of playing the machine
123 or device, whichever is less, (C) the player of which is able to control
124 the timing of the use of the claw or grasping device to attempt to pick
125 up or grasp a prize, toy or novelty, (D) the player of which is made
126 aware of any time restrictions that the machine or device imposes on
127 the player to maneuver the claw or grasping device into a position to
128 attempt to pick up or grasp a prize, toy or novelty, and (E) the claw or
129 grasping device of which is not of a size, design or shape that prohibits
130 the picking up or grasping of a prize, toy or novelty contained within
131 the machine or device;

132 (12) "Redemption machine" means an amusement device operated
133 by one or more players that involves a game the object of which is
134 throwing, rolling, bowling, shooting, placing or propelling a ball or
135 other object into, upon or against a hole or other target and that
136 rewards the player or players with tickets, tokens or other noncash
137 representations of value redeemable for merchandise prizes, provided
138 (A) the outcome of the game is predominantly determined by the skill
139 of the player, (B) the award of tickets, tokens or other noncash
140 representations of value is based solely on the player's achieving the
141 object of the game or on the player's score, (C) only merchandise prizes
142 are awarded, (D) the average wholesale value of the prizes awarded in

143 lieu of tickets or tokens for a single play of the machine does not
 144 exceed ten dollars or ten times the cost of a single play of the machine,
 145 whichever is less, and (E) the redemption value of each ticket, token or
 146 other noncash representation of value that may be accumulated by a
 147 player or players to redeem prizes of greater value does not exceed the
 148 cost of a single play of the machine.

149 Sec. 3. Subsection (d) of section 53-278c of the general statutes is
 150 repealed and the following is substituted in lieu thereof (*Effective from*
 151 *passage*):

152 (d) Except as provided in subsection (e) of this section, any person
 153 who knowingly owns, manufactures, possesses, buys, sells, rents,
 154 leases, stores, repairs or transports any gambling device, or offers or
 155 solicits any interest therein, except in connection with a permit under
 156 sections 7-169 to [7-186] 7-186, inclusive, whether through an agent or
 157 employee or otherwise shall be guilty of a class A misdemeanor.
 158 Subsection (b) of this section shall have no application in the
 159 enforcement of this subsection.

160 Sec. 4. (*Effective from passage*) Sections 7-186a to 7-186q, inclusive, of
 161 the general statutes are repealed.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>

PD *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Fund-Type	Agency Affected	FY 03 \$	FY 04 \$
GF - Revenue Loss	Spec. Revenue, Div. of	Minimal	Minimal

Note: GF=General Fund

Municipal Impact:

Effect	Municipalities	FY 03 \$	FY 04 \$
Revenue Loss	Various Municipalities	Minimal	Minimal

Explanation

The bill is anticipated to result in a minimal revenue loss (less than \$2,500 per year) to the state and municipalities from the loss of games of chance (Las Vegas nights) permit fees. The Division of Special Revenue and local police chiefs (first selectman in towns without police departments) issue approximately 100 games of chance permits per year at a fee of \$20.

The impact of this bill on future negotiations between the state and any federally recognized tribe seeking to negotiate a Class III gaming compact (including but not limited to casino gaming) under the Federal Indian Gaming Regulatory Act cannot be determined given numerous and complex legal questions.

OLR Bill Analysis

HB 5587

AN ACT CONCERNING GAMES OF CHANCE**SUMMARY:**

This bill makes games of chance (Las Vegas nights) illegal by repealing the law allowing charitable, civic, and other organizations to operate such games as fund-raising events. It makes several conforming changes in related statutes.

The bill also repeals the Division of Special Revenue's (DSR) authority to issue a permit to sell sealed tickets to anyone with a games of chance permit and removes games of chance from the list of events where sealed tickets can be sold. (Sealed tickets are cards with tabs that, when pulled, reveal images, symbols or numbers that entitle the holder to a prize if they match a designated winning combination.) The bill does not otherwise change the law regarding selling sealed tickets (nor does it affect other allowed forms of gambling such as raffles, bingo, various forms of pari-mutuel betting, and the state-sponsored lottery).

EFFECTIVE DATE: Upon passage

GAMES OF CHANCE PERMITS AND PROCEDURES

Under current law, any charitable, civic, educational, fraternal, veterans' or religious organization, volunteer fire department, grange, political party or town committee may promote and operate games of chance after obtaining a permit. The sponsoring organization must be formed in good faith and actively functioning as a nonprofit organization in Connecticut for at least two years.

To hold such events, organizations must apply for a permit to the police chief or the first selectman (if the town has no police department) of the town where the event will be held. The permit application must include all required information about the sponsoring organization and the event, including how the entire net proceeds will be used, which must be related to the organization's purpose.

The DSR executive director can, following an investigation, revoke or suspend any permit, hold a hearing on the permit violation, and order penalties.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Report

Yea 16 Nay 1