



General Assembly

Substitute Bill No. 5486

February Session, 2006

* HB05486FIN 040506 *

AN ACT CONCERNING GAMING PRODUCTS AND RAFFLE PRIZES.

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

1 Section 1. (NEW) (*Effective January 1, 2007*) (a) As used in this section
2 (1) "bingo" has the same meaning as provided in section 7-169 of the
3 general statutes, and (2) "bingo products" means bingo ball equipment,
4 bingo cards or bingo paper.

5 (b) Each group or organization authorized to operate or conduct a
6 bingo game or series of bingo games pursuant to sections 7-169 and 7-
7 169a of the general statutes or section 7-169c of the 2006 supplement to
8 the general statutes, shall use bingo products that are (1) owned in full
9 by such group or organization, (2) used without compensation by such
10 group or organization, or (3) rented or purchased from a bingo
11 product manufacturer or equipment dealer who is registered with the
12 Division of Special Revenue in accordance with subsection (c) of this
13 section.

14 (c) Each applicant for registration as a bingo product manufacturer
15 or equipment dealer shall apply to the executive director of the
16 Division of Special Revenue on such forms as the executive director
17 prescribes. The application shall be accompanied by an annual fee of
18 fifteen hundred dollars payable to the State Treasurer. Each applicant
19 for an initial registration shall submit to state and national criminal
20 history records checks conducted in accordance with section 29-17a of

21 the 2006 supplement to the general statutes before such registration is
22 issued.

23 (d) No registered bingo product manufacturer or equipment dealer
24 shall rent or sell any type of bingo product that has not been approved
25 by the executive director of the Division of Special Revenue.

26 (e) The Division of Special Revenue may revoke for cause any
27 registration issued in accordance with subsection (c) of this section.

28 (f) The executive director of the Division of Special Revenue may
29 adopt regulations, in accordance with chapter 54 of the general
30 statutes, to implement the provisions of this section.

31 Sec. 2. (NEW) (*Effective January 1, 2007*) (a) No permittee pursuant to
32 section 7-169h of the general statutes, as amended by this act, may use
33 a mechanical or electronic ticket dispensing machine to sell sealed
34 tickets unless such machine is owned in full by the permittee or is
35 rented or purchased from a manufacturer or dealer who is registered
36 with the Division of Special Revenue.

37 (b) Each applicant for registration as a manufacturer or dealer in
38 sealed ticket dispensing machines shall apply to the executive director
39 on such forms as the executive director prescribes. The application
40 shall be accompanied by an annual fee of five hundred dollars payable
41 to the State Treasurer. Each applicant for initial registration shall
42 submit to state and national criminal history records checks conducted
43 in accordance with section 29-17a of the 2006 supplement to the
44 general statutes before such registration is issued.

45 (c) The Division of Special Revenue may revoke for cause any
46 registration issued in accordance with subsection (a) of this section.

47 (d) The executive director of the Division of Special Revenue may
48 adopt regulations, in accordance with chapter 54 of the general
49 statutes, to implement the provisions of this section.

50 Sec. 3. Subsection (a) of section 7-169h of the general statutes is
51 repealed and the following is substituted in lieu thereof (*Effective*
52 *January 1, 2007*):

53 (a) For the purposes of this section and section 2 of this act:

54 (1) "Executive director" means the executive director of the Division
55 of Special Revenue within the Department of Revenue Services who
56 shall be responsible for the regulation of the distribution and sale of
57 sealed tickets in the state;

58 (2) "Division" means the Division of Special Revenue within the
59 Department of Revenue Services;

60 (3) "Sealed ticket" means a card with tabs which, when pulled,
61 expose pictures of various objects, symbols or numbers and which
62 entitles the holder of the ticket to receive a prize if the combination of
63 objects, symbols or numbers pictured matches what is determined to
64 be a winning combination.

65 Sec. 4. Subsection (e) of section 7-169h of the general statutes is
66 repealed and the following is substituted in lieu thereof (*Effective*
67 *January 1, 2007*):

68 (e) Notwithstanding the provisions of subsection (b) of section 53-
69 278b and subsection (d) of section 53-278c, sealed tickets may be sold,
70 offered for sale, displayed or open to public view only (1) during the
71 course of a bingo game conducted in accordance with the provisions of
72 section 7-169 and only at the location at which such bingo game is
73 conducted, (2) on the premises of any such organization or group
74 specified in subdivision (2) of subsection (c) of this section, (3) during
75 the conduct of a bazaar under the provisions of sections 7-170 to 7-186,
76 inclusive, or (4) in conjunction with any social function or event
77 sponsored or conducted by any such organization specified in
78 subdivision (4) of subsection (c) of this section. [Permittees] Subject to
79 the provisions of section 2 of this act, permittees may utilize a
80 mechanical or electronic ticket dispensing machine. [approved by the

81 division to sell sealed tickets.] Sealed tickets shall not be sold to any
82 person less than eighteen years of age. All proceeds from the sale of
83 tickets shall be used for a charitable purpose, as defined in section 21a-
84 190a.

85 Sec. 5. (NEW) (*Effective October 1, 2006*) Any sponsoring
86 organization with a "Class No. 1", "Class No. 2", or "Class No. 4" permit
87 that is qualified to conduct a raffle under section 7-172 of the general
88 statutes or section 7-185a, as amended by this act, may conduct a frog-
89 race, duck-race or traditional raffle and may award cash prizes to
90 participants in such a raffle in addition to those prizes authorized
91 under section 7-177 of the general statutes, as amended by this act.
92 Such raffle shall conform to the requirements of sections 7-170 to 7-186,
93 inclusive, of the general statutes. Each organization conducting a raffle
94 described in this section shall deposit all proceeds from such raffle in a
95 special checking account established and maintained by the
96 organization which shall be subject to audit by the Division of Special
97 Revenue. Any expense incidental to the conduct of such raffle shall be
98 paid from the gross receipts of raffle tickets and only by checks drawn
99 from such checking account. All cash prizes awarded shall be paid
100 from such checking account.

101 Sec. 6. Section 7-177 of the general statutes is repealed and the
102 following is substituted in lieu thereof (*Effective October 1, 2006*):

103 All prizes given at any bazaar or raffle shall be merchandise,
104 tangible personal property or a ticket, coupon or gift certificate, [which
105 shall not be refundable or transferable,] entitling the winner to
106 merchandise, tangible personal property, services, transportation on a
107 common carrier by land, water or air and to any tour facilities
108 provided in connection therewith, or to participation in a lottery
109 conducted under chapter 226. [Cash] Such ticket, coupon or gift
110 certificate shall not be refundable or transferable. No cash prizes or
111 prizes consisting of alcoholic liquor shall [not] be given, [nor shall any
112 prize] except as provided in section 5 of this act, and no prize shall be
113 redeemed or redeemable for cash, except tickets for a lottery

114 conducted under chapter 226. For the purposes of this section, coins
115 whose trading value exceeds their face value and coins not commonly
116 in circulation shall not be deemed a cash prize.

117 Sec. 7. Section 7-185 of the general statutes is repealed and the
118 following is substituted in lieu thereof (*Effective October 1, 2006*):

119 The executive director of the Division of Special Revenue, with the
120 advice and consent of the Gaming Policy Board, shall adopt, in
121 accordance with the provisions of chapter 54, such regulations as are
122 necessary [effectively to carry out] to effectuate the provisions of
123 sections 7-170 to 7-186, inclusive, and section 5 of this act in order to
124 prevent fraud and protect the public, which regulations shall have the
125 effect of law.

126 Sec. 8. Subsection (e) of section 7-185a of the 2006 supplement to the
127 general statutes is repealed and the following is substituted in lieu
128 thereof (*Effective July 1, 2006*):

129 (e) Notwithstanding the provisions of sections 7-170 to 7-186,
130 inclusive, and the regulations adopted thereunder, any organization
131 conducting a bazaar may operate a "teacup raffle" and may award
132 prizes consisting of merchandise each not exceeding one hundred
133 dollars [each] in value through the sale of chances. No such
134 organization may conduct more than one scheduled "teacup raffle"
135 drawing for all prizes offered on any day on which a bazaar is
136 permitted. A "teacup raffle" shall be operated from an authorized
137 bazaar booth, and shall be subject to regulation by the executive
138 director of the Division of Special Revenue. Each "teacup raffle" ticket
139 shall (1) be consecutively numbered and have a correspondingly
140 numbered stub [which] that shall include the name, address and
141 telephone number of the purchaser, or (2) be a sheet containing up to
142 twenty-five coupons, each bearing the same number, and including a
143 "hold" stub for the purchaser and a correspondingly numbered stub
144 including the name, address and telephone number of the purchaser.
145 The Division of Special Revenue shall be the sole issuer of sheet tickets

146 which shall be made available for purchase by permittees as fund-
147 raising items at a price not to exceed ten per cent above the state
148 purchase price. Each sponsoring organization conducting such raffle
149 shall conspicuously post, at each bazaar booth at which such raffle is
150 conducted, a notice or notices [which shall] that include the date and
151 time of any "teacup raffle" drawing. The sponsoring organization shall
152 preserve all sold and unsold tickets or stubs for a period of at least one
153 year from the date of the verified statement required pursuant to
154 section 7-182.

155 Sec. 9. (NEW) (*Effective October 1, 2006*) (a) As used in this section
156 "tuition raffle" means a raffle in which the prize is payment of the
157 tuition or part of the tuition at an educational institution for a student
158 recipient designated by the raffle winner.

159 (b) Notwithstanding the provisions of sections 7-170 to 7-186,
160 inclusive, of the general statutes, any organization qualified to conduct
161 a bazaar or raffle under section 7-172 of the general statutes may
162 conduct a special tuition raffle once each calendar year. The executive
163 director shall adopt such regulations, in accordance with chapter 54 of
164 the general statutes, as are necessary to carry out the provisions of this
165 section. Said regulations shall (1) allow any organization permitted to
166 conduct a special tuition raffle to fund all or a portion of a student
167 recipient's education each year for a period not to exceed four years,
168 (2) permit the student recipient to be the actual tuition raffle winner, a
169 relative of the raffle winner, or a student chosen by the raffle winner,
170 (3) give authority to the sponsoring organization to permit the tuition
171 prize to be divided among student recipients designated by the raffle
172 winner, (4) provide that the tuition prize be paid each consecutive
173 year, commencing with the first year of the student recipient's
174 education at an accredited private or parochial school, or public or
175 independent institution of higher education selected by the student
176 recipient, (5) provide that the tuition prize be paid directly to the
177 educational institution designated by the student recipient, and no
178 tuition prize shall be redeemed or redeemable for cash, and (6) provide

179 that the tuition raffle winner have a period not to exceed four years to
 180 designate a student recipient.

181 (c) All proceeds of the special tuition raffle shall be deposited in a
 182 special dedicated bank account approved by the executive director of
 183 the Division of Special Revenue, and all special tuition raffle expenses
 184 shall be paid from such account. The executive director shall prescribe
 185 the maintenance of tuition raffle accounts by any sponsoring
 186 organization and such accounts shall be subject to audit by the
 187 executive director or his designee. The executive director may require
 188 any organization conducting a tuition raffle to post a performance
 189 bond in an amount sufficient to fully fund the special tuition raffle
 190 prize to be awarded.

191 (d) Any organization permitted to conduct a special tuition raffle
 192 shall, in addition to the verified financial statement required in
 193 accordance with section 7-182 of the general statutes, file a tuition
 194 raffle financial report in a manner prescribed by the executive director.
 195 Such report shall detail the status of the tuition prize money or the
 196 raffle and any other information that the executive director may
 197 require, on a quarterly basis, during the months of January, April, July
 198 and October, until all tuition payments for each special tuition raffle
 199 have been paid.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2007</i>	New section
Sec. 2	<i>January 1, 2007</i>	New section
Sec. 3	<i>January 1, 2007</i>	7-169h(a)
Sec. 4	<i>January 1, 2007</i>	7-169h(e)
Sec. 5	<i>October 1, 2006</i>	New section
Sec. 6	<i>October 1, 2006</i>	7-177
Sec. 7	<i>October 1, 2006</i>	7-185
Sec. 8	<i>July 1, 2006</i>	7-185a(e)
Sec. 9	<i>October 1, 2006</i>	New section

