



Senate Bill No. 1071

Public Act No. 07-36

AN ACT CONCERNING GAMING PRODUCTS AND RAFFLE PRIZES.

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

Section 1. (NEW) (*Effective January 1, 2008*) (a) As used in this section (1) "bingo" has the same meaning as provided in section 7-169 of the general statutes, and (2) "bingo products" means bingo ball equipment, bingo cards or bingo paper.

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

(c) Each applicant for registration as a bingo product manufacturer or equipment dealer shall apply to the executive director of the Division of Special Revenue on such forms as the executive director prescribes. The application shall be accompanied by an annual fee of fifteen hundred dollars payable to the State Treasurer. Each applicant

Senate Bill No. 1071

for an initial registration shall submit to state and national criminal history records checks conducted in accordance with section 29-17a of the general statutes before such registration is issued.

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

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

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

Sec. 2. (NEW) (*Effective January 1, 2008*) (a) No permittee pursuant to section 7-169h of the general statutes, as amended by this act, may use a mechanical or electronic ticket dispensing machine to sell sealed tickets unless such machine is owned in full by the permittee or is rented or purchased from a manufacturer or dealer who is registered with the Division of Special Revenue.

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

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

(d) The executive director of the Division of Special Revenue may

Senate Bill No. 1071

adopt regulations, in accordance with chapter 54 of the general statutes, to implement the provisions of this section.

Sec. 3. Subsection (a) of section 7-169h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2008*):

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

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

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

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

Sec. 4. Subsection (e) of section 7-169h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective January 1, 2008*):

(e) Notwithstanding the provisions of subsection (b) of section 53-278b and subsection (d) of section 53-278c, sealed tickets may be sold, offered for sale, displayed or open to public view only (1) during the course of a bingo game conducted in accordance with the provisions of section 7-169 and only at the location at which such bingo game is conducted, (2) on the premises of any such organization or group specified in subdivision (2) of subsection (c) of this section, (3) during the conduct of a bazaar under the provisions of sections 7-170 to 7-186,

Senate Bill No. 1071

inclusive, or (4) in conjunction with any social function or event sponsored or conducted by any such organization specified in subdivision (4) of subsection (c) of this section. [Permittees] Subject to the provisions of section 2 of this act, permittees may utilize a mechanical or electronic ticket dispensing machine approved by the division to sell sealed tickets. Sealed tickets shall not be sold to any person less than eighteen years of age. All proceeds from the sale of tickets shall be used for a charitable purpose, as defined in section 21a-190a.

Sec. 5. (NEW) (*Effective October 1, 2007*) Any sponsoring organization with a "Class No. 1", "Class No. 2", or "Class No. 4" permit that is qualified to conduct a raffle under section 7-172 of the general statutes or section 7-185a of the general statutes, as amended by this act, may conduct a frog-race, duck-race or traditional raffle and may award cash prizes to participants in such a raffle in addition to those prizes authorized under section 7-177 of the general statutes, as amended by this act. Such raffle shall conform to the requirements of sections 7-170 to 7-186, inclusive, of the general statutes. Each organization conducting a raffle described in this section shall deposit all proceeds from such raffle in a special checking account established and maintained by the organization which shall be subject to audit by the Division of Special Revenue. Any expense incidental to the conduct of such raffle shall be paid from the gross receipts of raffle tickets and only by checks drawn from such checking account. All cash prizes awarded shall be paid from such checking account.

Sec. 6. Section 7-177 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

All prizes given at any bazaar or raffle shall be merchandise, tangible personal property or a ticket, coupon or gift certificate, [which shall not be refundable or transferable,] entitling the winner to merchandise, tangible personal property, services, transportation on a

Senate Bill No. 1071

common carrier by land, water or air and to any tour facilities provided in connection therewith, or to participation in a lottery conducted under chapter 226. [Cash] Such ticket, coupon or gift certificate shall not be refundable or transferable. No cash prizes or prizes consisting of alcoholic liquor shall [not] be given, [nor shall any prize] except as provided in section 5 of this act, and no prize shall be redeemed or redeemable for cash, except tickets for a lottery conducted under chapter 226. For the purposes of this section, coins whose trading value exceeds their face value and coins not commonly in circulation shall not be deemed a cash prize.

Sec. 7. Section 7-185 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

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

Sec. 8. Subsection (e) of section 7-185a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(e) Notwithstanding the provisions of sections 7-170 to 7-186, inclusive, and the regulations adopted thereunder, any organization conducting a bazaar may operate a "teacup raffle" and may award prizes consisting of merchandise each not exceeding one hundred dollars [each] in value through the sale of chances. No such organization may conduct more than one scheduled "teacup raffle" drawing for all prizes offered on any day on which a bazaar is permitted. A "teacup raffle" shall be operated from an authorized

Senate Bill No. 1071

bazaar booth, and shall be subject to regulation by the executive director of the Division of Special Revenue. Each "teacup raffle" ticket shall (1) be consecutively numbered and have a correspondingly numbered stub [which] that shall include the name, address and telephone number of the purchaser, or (2) be a sheet containing up to twenty-five coupons, each bearing the same number, and including a "hold" stub for the purchaser and a correspondingly numbered stub including the name, address and telephone number of the purchaser. The Division of Special Revenue shall be the sole issuer of sheet tickets which shall be made available for purchase by permittees as fund raising items at a price not to exceed ten per cent above the state purchase price. Each sponsoring organization conducting such raffle shall conspicuously post, at each bazaar booth at which such raffle is conducted, a notice or notices [which shall] that include the date and time of any "teacup raffle" drawing. The sponsoring organization shall preserve all sold and unsold tickets or stubs for a period of at least one year from the date of the verified statement required pursuant to section 7-182.

Sec. 9. (NEW) (*Effective October 1, 2007*) (a) As used in this section, "tuition raffle" means a raffle in which the prize is payment of the tuition or part of the tuition at an educational institution for a student recipient designated by the raffle winner.

(b) Notwithstanding the provisions of sections 7-170 to 7-186, inclusive, of the general statutes, any organization qualified to conduct a bazaar or raffle under section 7-172 of the general statutes may conduct a special tuition raffle once each calendar year. The executive director shall adopt such regulations, in accordance with chapter 54 of the general statutes, as are necessary to carry out the provisions of this section. Said regulations shall allow (1) any organization permitted to conduct a special tuition raffle to fund all or a portion of a student recipient's education each year for a period not to exceed four years,

Senate Bill No. 1071

(2) permit the student recipient to be the actual tuition raffle winner, a relative of the raffle winner or a student chosen by the raffle winner, (3) give authority to the sponsoring organization to permit the tuition prize to be divided among student recipients designated by the raffle winner, (4) provide that the tuition prize be paid each consecutive year, commencing with the first year of the student recipient's education at an accredited private or parochial school, or public or independent institution of higher education selected by the student recipient, (5) provide that the tuition prize be paid directly to the educational institution designated by the student recipient, and no tuition prize shall be redeemed or redeemable for cash, and (6) provide that the tuition raffle winner have a period not to exceed four years to designate a student recipient.

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

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

Senate Bill No. 1071

have been paid.

Approved May 22, 2007