



House of Representatives

General Assembly

File No. 821

January Session, 2009

House Bill No. 6323

House of Representatives, April 29, 2009

The Committee on Finance, Revenue and Bonding reported through REP. STAPLES of the 96th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT PERMITTING "FIFTY-FIFTY" COUPON GAMES AT CERTAIN ORGANIZATION FUNCTIONS AND ATHLETIC EVENTS.

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

1 Section 1. (NEW) (*Effective from passage*) (a) Notwithstanding the
2 provisions of subsection (c) of section 7-185a of the general statutes,
3 any sponsoring organization qualified to conduct a bazaar or raffle
4 pursuant to section 7-172 of the general statutes may apply for a "fifty-
5 fifty" special event permit to operate "fifty-fifty" coupon games at
6 organization functions and athletic events and may award cash prizes
7 of fifty per cent of the "fifty-fifty" coupon game sales for each coupon
8 drawing conducted pursuant to such permit. Such permit may be
9 obtained from the Division of Special Revenue by applying on a form
10 prescribed by the executive director accompanied by a fee of fifty
11 dollars, of which twenty-five dollars shall be retained by the state and
12 twenty-five dollars shall be remitted to the municipality. Such permit
13 shall be valid for a period not to exceed one year.

14 (b) Not more than three scheduled drawings may be held on any

15 day on which an organization function or athletic event is held. Each
16 "fifty-fifty" coupon game shall be subject to regulation by the executive
17 director of the Division of Special Revenue and shall allow for the sale
18 of "fifty-fifty" coupons at a predetermined uniform price. Each "fifty-
19 fifty" coupon shall be consecutively numbered and shall have a
20 correspondingly numbered stub. Each sponsoring organization shall
21 (1) provide different colored coupons for each drawing and shall
22 award one prize for each drawing held, and (2) conspicuously post, at
23 each organization function or athletic event at which such games are
24 conducted, a notice or notices which shall include the dates, times and
25 places of any "fifty-fifty" coupon drawings, as well as the prices and
26 colors of coupons to be sold for each drawing. The executive director
27 shall prescribe the form of such notice which shall contain the
28 following statement: "Holders of coupons must be present to claim a
29 prize." Each such organization shall account for each coupon printed
30 and sold for each drawing and shall announce the amount of sales and
31 the prize to be awarded immediately prior to each drawing. The
32 sponsoring organization shall preserve all sold and unsold coupons or
33 stubs for a period of at least one year from the date of the verified
34 statement required pursuant to subsection (c) of this section.

35 (c) Any sponsoring organization that conducts a "fifty-fifty" coupon
36 game pursuant to this section, and any of such organization's members
37 who were in charge of such a game, shall furnish to the chief of police
38 of the municipality or to the first selectman, as the case may be, a
39 verified statement, prescribed by the executive director of the Division
40 of Special Revenue, in duplicate, showing (1) the total number of
41 coupons purchased and sold for each "fifty-fifty" coupon game
42 drawing, (2) the total number and amount of prizes awarded and the
43 names and addresses of the persons to whom the prizes were
44 awarded, and (3) any other information that the executive director
45 may reasonably require. Such report shall be certified, under penalty
46 of false statement, by the three persons designated in the permit
47 application pursuant to section 7-173 of the general statutes. Such
48 report shall be furnished during the next succeeding month following
49 each month that such a game was conducted. The chief of police or

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Spec. Revenue, Div. of	GF - Revenue Gain	Minimal	Minimal

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 10 \$	FY 11 \$
Various Municipalities	Revenue Gain	Minimal	Minimal

Explanation

The bill will result in a minimal revenue gain of less than \$3,000 per year to the General Fund and municipalities from fifty-fifty permit fees. The regulation of such games will be accommodated for within the current budget of the Division of Special Revenue.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**HB 6323*****AN ACT PERMITTING "FIFTY-FIFTY" COUPON GAMES AT CERTAIN ORGANIZATION FUNCTIONS AND ATHLETIC EVENTS.*****SUMMARY:**

This bill authorizes the Division of Special Revenue (DSR) to issue a \$50 special event, annual permit allowing qualified organizations to conduct "fifty-fifty" coupon games at organization functions and athletic events, subject to DSR regulation. The state keeps \$25 and the town gets \$25 of the permit fee. A "fifty-fifty" game is one that pays cash prizes of 50% of game sales. A "qualified organization" is one authorized to conduct bazaars and raffles under existing law (see BACKGROUND).

The bill subjects the special event permit and games to the same standards governing the conduct of fifty-fifty games at bazaars under CGS § 7-185a. But it is unclear if the permit is subject to the standards governing the promotion and operation of fifty-fifty games under an existing bazaar permit under CGS § 7-172. Under this statute, only the sponsoring organization's qualified members age 18 or older may promote, operate, conduct, or work at bazaars or raffles (although centennial committees may use officially appointed volunteers age 18 or older). And people under age 16 may not sell or promote raffle tickets (CGS § 7-172).

EFFECTIVE DATE: Upon passage

FIFTY-FIFTY GAMES***Permit***

Under existing law, which the bill does not change, qualified organizations may get up to two DSR permits per year to conduct fifty-fifty games at bazaars. The permit is valid for 10 days and allows up

to three scheduled drawings per day. It costs \$20 for each day of the bazaar, \$10 of which is retained by the state and \$10 remitted to the municipality.

The bill establishes a \$50 special event permit, which is valid for one year and allows up to three scheduled fifty-fifty drawings per day at organization functions or athletic events. The organization must apply for the permit on a DSR form.

Ticket Sales

The games must allow for the sale of fifty-fifty coupons at a predetermined uniform price. Each coupon must be consecutively numbered and have a correspondingly numbered stub. Coupons for each drawing must be a different color, and there must be only one prize for each drawing. The games are subject to DSR regulation.

Notice Requirement

The organization must post conspicuously, at each organization function or athletic event at which such games are conducted, a notice or notices which must include the dates, times, and places of any drawings, as well as the prices and colors of coupons for each drawing. The DSR executive director must prescribe the form of the notice, which must contain the following statement: "Holders of coupons must be present to claim a prize."

Accounting Procedures

The organization must (1) account for each coupon printed and sold for each drawing, (2) announce the amount of sales and the prize to be awarded immediately before each drawing, and (3) preserve all sold and unsold coupons or stubs for at least one year from the date of the required verified statement.

Reporting Requirement

The organization and any of its members who were in charge of such a game must furnish to the chief of police of the municipality or

to the first selectman, as the case may be, a verified statement, prescribed by the DSR executive director, in duplicate, showing (1) the total number of coupons purchased and sold for each drawing, (2) the total number and amount of prizes awarded, (3) the names and addresses of prize winners, and (4) any other information that the executive director may reasonably require. The report must be certified, under penalty of false statement, by the three people designated in the permit application. It must be furnished during the month following each month that a game was conducted.

The municipal official must forward the original copy of the report to the executive director, who must keep it on file and available for public inspection for one year.

BACKGROUND

Organizations Qualified to Get Bazaar Permits

The law allows the following to conduct, operate, or sponsor bazaars or raffles if the town where they are located has adopted the Bazaar and Raffles Act: veterans, religious, civic, fraternal, educational, and charitable organizations; volunteer fire companies; political parties; and town committees. Raffles may also be promoted and conducted if they are sponsored by the town acting through a designated centennial, bicentennial, or other centennial celebration committee. To conduct a bazaar or raffle, an organization must have a local permit (CGS § 7-172).

COMMITTEE ACTION

Public Safety and Security Committee

Joint Favorable Change of Reference
 Yea 20 Nay 0 (02/17/2009)

Finance, Revenue and Bonding Committee

Joint Favorable
 Yea 54 Nay 0 (04/16/2009)