



# Senate

General Assembly

**File No. 573**

February Session, 2010

Senate Bill No. 147

*Senate, April 15, 2010*

The Committee on Finance, Revenue and Bonding reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, 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. Subsection (c) of section 7-185a of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2010*):

4 (c) [Notwithstanding the provisions of section 7-177, any] (1) Any  
5 organization conducting a bazaar may operate "fifty-fifty" coupon  
6 games each day of a permitted bazaar event and, notwithstanding  
7 section 7-177, may award cash prizes of fifty per cent of "fifty-fifty"  
8 coupon game sales for each coupon drawing conducted. A "fifty-fifty"  
9 coupon game at a bazaar shall be operated from an authorized bazaar  
10 booth.

11 (2) Any sponsoring organization qualified to conduct a bazaar or  
12 raffle pursuant to section 7-172 may apply for a "fifty-fifty" special  
13 event permit to operate "fifty-fifty" coupon games at organization

14 functions and athletic events and, notwithstanding section 7-177, may  
15 award cash prizes of fifty per cent of the "fifty-fifty" coupon game sales  
16 for each coupon drawing conducted pursuant to such permit. Such  
17 permit may be obtained from the Division of Special Revenue by  
18 applying on a form prescribed by the executive director accompanied  
19 by a fee of fifty dollars, of which twenty-five dollars shall be retained  
20 by the state and twenty-five dollars shall be remitted to the  
21 municipality. Such permit shall be valid for a period not to exceed one  
22 year.

23 (3) Not more than three scheduled drawings may be held on any  
24 day on which a bazaar, organization function or athletic event, as  
25 applicable, is [permitted] held. [A "fifty-fifty" coupon game shall be  
26 operated from an authorized bazaar booth,] Each "fifty-fifty" coupon  
27 game shall be subject to the regulation of the executive director of the  
28 Division of Special Revenue and shall allow for the sale of "fifty-fifty"  
29 coupons at a predetermined uniform price. Each "fifty-fifty" coupon  
30 shall be consecutively numbered and shall have a correspondingly  
31 numbered stub. Each sponsoring organization shall provide different  
32 colored coupons for each drawing and shall award one prize for each  
33 drawing held. Each organization conducting such games shall  
34 conspicuously post, at each bazaar booth, or at each organization  
35 function or athletic event at which such games are conducted, a notice  
36 or notices which shall include the dates, times and places of any "fifty-  
37 fifty" coupon drawings, as well as the prices and colors of coupons to  
38 be sold for each drawing. The executive director shall prescribe the  
39 form of such notice which shall contain the following statement:  
40 "Holders of coupons must be present to claim a prize." Each such  
41 organization shall account for each coupon printed and sold for each  
42 drawing and shall announce the amount of sales and the prize to be  
43 awarded immediately prior to each drawing. The sponsoring  
44 organization shall preserve all sold and unsold coupons or stubs for a  
45 period of at least one year from the date of the verified statement  
46 required pursuant to section 7-182 or subdivision (4) of this section, as  
47 applicable.



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:**

| <b>Agency Affected</b>         | <b>Fund-Effect</b> | <b>FY 11 \$</b> | <b>FY 12 \$</b> |
|--------------------------------|--------------------|-----------------|-----------------|
| Department of Revenue Services | GF - Revenue Gain  | less than 3,000 | less than 3,000 |

Note: GF=General Fund

**Municipal Impact:**

| <b>Municipalities</b> | <b>Effect</b> | <b>FY 11 \$</b> | <b>FY 12 \$</b> |
|-----------------------|---------------|-----------------|-----------------|
| All Municipalities    | Revenue Gain  | less than 3,000 | less than 3,000 |

**Explanation**

The bill will result in a revenue gain of less than \$3,000 per year to the General Fund and municipalities as a result of establishing a new "fifty-fifty" permit fee of \$50. Under existing law, qualified organizations may get up to two permits per year to conduct bazaars, at which they may conduct "fifty-fifty" games (CGS § 7-175). The Division of Special Revenue issued 253 Bazaar permits in FY 09.

**The Out Years**

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

Sources: *Division of Special Revenue*

**OLR Bill Analysis****SB 147*****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 and award cash prizes of 50% of game sales, notwithstanding the existing prohibition on cash prizes for bazaar and raffle games. The state keeps \$25 of the fee and must remit \$25 to the town. A qualified organization is one authorized to conduct bazaars and raffles under existing law.

The bill subjects the special event permit and games to DSR regulation and to generally 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. 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).

The bill makes technical changes and two minor changes in the provisions governing bazaars. It (1) requires that an organization send the chief executive officer, instead of the first selectman, where applicable, the verified statement on games conducted at a bazaar and (2) conforms the law to practice by allowing the DSR executive director to ask for other information to be included in the statement than that specified in law.

---

EFFECTIVE DATE: October 1, 2010

## **FIFTY-FIFTY GAMES**

### ***Permit***

Under existing law, which the bill does not change, qualified organizations may get up to two permits per year to conduct bazaars, at which they may conduct “fifty-fifty” games (CGS § 7-175). The permit, which is issued by the town, (1) is valid for 10 days, (2) allows up to three scheduled drawings per day, and (3) costs \$20 for each day of the bazaar. The town retains \$10 of the fee and remits \$10 to the state.

The bill establishes a separate “fifty-fifty” special event permit, which is valid for up to one year and allows up to three scheduled drawings per day at organization functions or athletic events. The organization must apply to DSR for the permit on a DSR-prescribed form. The special event permit fee is \$50, \$25 of which is retained by the state and \$25 remitted to the municipality. The organization must conspicuously post at each function or athletic event where “fifty-fifty” games are conducted a notice showing the dates, times, and places for drawings as well as the price and colors of coupons to be sold for each drawing.

## **BACKGROUND**

### ***Standards Governing “Fifty-Fifty” Games***

***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.

***Notice Requirement.*** The organization must post conspicuously, at each bazaar booth at which such games are conducted, a notice or notices that 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

state the following: "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 the games must furnish to the appropriate municipal official 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.

### **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 (CGS § 7-172).

## **COMMITTEE ACTION**

Public Safety and Security Committee

Joint Favorable Change of Reference

Yea 22 Nay 0 (02/25/2010)

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 55 Nay 0 (04/05/2010)