

Date:

(Filing No. H-)

VETERANS AND LEGAL AFFAIRS

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STATE OF MAINE HOUSE OF REPRESENTATIVES 132ND LEGISLATURE FIRST SPECIAL SESSION

COMMITTEE AMENDMENT “ ” to H.P. 549, L.D. 863, “An Act to Exempt Internet Raffles Conducted by Certain Organizations with Prizes of \$2,500 or Less from Registration and Licensing Requirements”

Amend the bill by striking out the title and substituting the following:

'An Act to Allow a Person or Organization Conducting a Raffle to Use an Approved Payment Management System'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 17 MRSA §1837-C, as enacted by PL 2021, c. 636, §3, is amended to read:

§1837-C. Raffle entry by payment management system

1. Definitions. As used in this section, unless the context indicates otherwise, the following terms have the following meanings.

A. "Geolocation technology" means a computer program or data collection system that can be used to identify the geographic location of ~~a person~~ an individual interacting with that computer program or data collection system through the Internet.

B. "Payment management system" means a mobile application or other digital platform and the accompanying computer software used to accept payment for a raffle chance or ticket through the Internet.

2. Use of payment management system. When conducting a raffle under section 1837-A that is not an Internet raffle, ~~an eligible~~ a person or organization may accept payment for a raffle chance or ticket from a payment management system if:

A. The payment management system is approved by the director under subsection 3;

B. The raffle chance or ticket is purchased by ~~a person~~ an individual who is at least 18 years of age; and

1 C. The raffle chance or ticket is purchased by ~~a person~~ an individual who is physically
2 located in the State or another state where the purchase of that raffle chance or ticket
3 would be legal under the laws of that state.

4 If the eligible person or organization determines that the purchase of a raffle chance or
5 ticket is made in violation of paragraph B or C, the person or organization shall immediately
6 refund the payment and void the raffle chance or ticket associated with the purchase.

7 If the eligible person or organization conducts a raffle in which a winner receives a firearm,
8 the transfer of that firearm to the winner must be processed through a holder of a federal
9 license for a dealer in firearms who is not a dealer in destructive devices under 18 United
10 States Code, Section 923(a)(3)(B).

11 ~~An eligible~~ A person or organization that fails to comply with this subsection commits a
12 civil violation punishable by a fine of not less than \$500 and not more than \$5,000.

13 **3. Approval of payment management system.** Upon request from ~~an eligible a~~
14 person or organization, the director may approve a payment management system for use
15 by the person or organization in conducting a raffle that is not an Internet raffle only if the
16 director determines that the payment management system:

17 A. Does not permit the extension of credit from the eligible person or organization to
18 ~~a person~~ an individual who purchases a raffle chance or ticket;

19 B. Does not permit ~~a person~~ an individual to initiate a transaction to purchase a raffle
20 chance or ticket and finalize the transaction by providing payment by mail;

21 C. Includes adequate measures to ensure that ~~a person~~ an individual who purchases a
22 raffle chance or ticket is at least 18 years of age;

23 D. Includes geolocation technology to determine with a reasonable degree of certainty
24 the state in which ~~a person~~ an individual who purchases a raffle chance or ticket is
25 physically located at the time the purchase is made and allows ~~an eligible a person or~~
26 organization to prevent ~~a person~~ an individual from purchasing a raffle chance or ticket
27 while the ~~person~~ individual is physically located in a state where the purchase of that
28 raffle chance or ticket would not be legal under the laws of that state;

29 E. Provides for the immediate refund of any payment to purchase a raffle chance or
30 ticket made by ~~a person~~ an individual who the person or organization discovers is under
31 18 years of age at the time of purchase or was physically located in a state where the
32 raffle being conducted is not legally permitted at the time of purchase;

33 F. Includes adequate measures to protect the privacy and security of payment
34 information submitted by ~~persons~~ individuals who purchase raffle chances or tickets
35 during the purchase process; and

36 G. Enables the eligible person or organization to satisfy the record-keeping and
37 reporting requirements in subsection 6 as well as any other requirements established
38 by the Gambling Control Unit by rule.

39 **4. Payment; eligible organization.** A payment management system approved by the
40 director under this section may permit the use of a debit card or other payment method that
41 ~~the an~~ eligible organization as described in section 1832, subsection 2 uses to accept
42 membership dues from out-of-state members and may allow a member of the eligible

organization to request that payment for a raffle chance or ticket be made using the member's funds already within the possession of the eligible organization.

5. Guidance for raffle operators. Upon receipt of a request to approve a payment management system under subsection 3, the director shall provide the eligible person or organization with a guidance document including any information the director determines necessary to assist the eligible person or organization in complying with the requirements of this section.

6. Record-keeping and reporting requirements. In addition to the record-keeping requirements under section 1839, ~~an eligible a person or organization~~ that uses a payment management system to conduct a raffle under section 1837-A for which a registration is required shall:

A. Retain for a period of 3 years an electronic copy of each receipt for the sale of a raffle chance or ticket sold using the payment management system;

B. Retain for a period of one year a physical copy of each raffle ticket stub generated by the sale of a chance or ticket for a raffle sold using the payment management system;

C. Maintain raffle ticket stubs retained under paragraph A or B separately for each individual raffle;

D. Provide receipts for raffle chances or tickets and raffle ticket stubs retained under this subsection to the Gambling Control Unit on request; and

E. Submit an annual report to the Gambling Control Unit that includes the number of raffles conducted using a payment management system during the year covered by the report and the amount of gross receipts for each of those raffles.

~~An eligible~~ A person or organization that fails to comply with this subsection commits a civil violation punishable by a fine of not less than \$500 and not more than \$5,000.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

PUBLIC SAFETY, DEPARTMENT OF

Gambling Control Board Z002

Initiative: Provides funding for one Office Specialist II position and associated costs.

OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	1,000	1,000
Personal Services	\$97,159	\$100,613
All Other	\$4,865	\$4,865
OTHER SPECIAL REVENUE FUNDS TOTAL	\$102,024	\$105,478

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

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SUMMARY

This amendment replaces the bill and changes the title. The amendment authorizes a person or organization conducting a raffle that is not an Internet raffle to use a payment management system approved by the Executive Director of the Gambling Control Unit within the Department of Public Safety for accepting payment for a raffle chance or ticket.

FISCAL NOTE REQUIRED

(See attached)