

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND AND EIGHTEEN

—
S.P. 689 - L.D. 1837

An Act To Allow Cash Prizes for Certain Raffles Conducted by Charitable Organizations

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, recent changes to the laws governing raffles have hampered the ability of charitable nonprofits and civic organizations to conduct the types of raffles that generate a significant percentage of revenues raised by those organizations in a calendar year; and

Whereas, the law must be amended before the expiration of the 90-day period because charitable nonprofits and civic organizations use raffles to raise funds for their charitable purposes and it is a hardship for those groups to be limited in their fund raising; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 17 MRSA §1837-A, sub-§§2 to 4, as enacted by PL 2017, c. 284, Pt. KKKKK, §25, are amended to read:

2. Raffle with a prize of \$2,500 or less. A person or organization is not required to register with the Gambling Control Unit to conduct a raffle in which the total value of the prize offered to the holder of the winning chance does not exceed ~~\$1,000~~ \$2,500. If the raffle is conducted in a manner in which there are multiple winning chances, the total value of all prizes offered may not exceed a value of ~~\$1,000~~ \$2,500.

3. Raffle with a noncash prize of \$2,501 to \$10,000. A person or organization may conduct a raffle in which the total value of the prize offered to the holder of the winning chance is greater than ~~\$1,001~~ \$2,501 and does not exceed \$10,000 upon the acceptance of

a registration by the Gambling Control Unit. The Gambling Control Unit may not accept a registration for a raffle under this subsection unless the registration states a verifiable charitable purpose for which the proceeds of the raffle are dedicated to benefit. If the raffle is conducted in a manner in which there are multiple winning chances, the total value of all prizes offered may not exceed a value of \$10,000. A prize offered for a raffle conducted under this subsection may not be in the form of cash and may not be exchanged for cash.

4. Raffle with a noncash prize up to \$75,000 conducted by eligible organization; cash prizes up to \$20,000. An eligible organization as described in section 1832, subsection 2 may conduct a raffle in which the total value of the prize offered to the holder of the winning chance does not exceed \$75,000 upon the acceptance of a registration by the Gambling Control Unit. The registration must state a verifiable charitable purpose for which the proceeds of the raffle are dedicated to benefit. If the raffle is conducted in a manner in which there are multiple winning chances, the total value of all prizes offered may not exceed a value of \$75,000. A noncash prize for a raffle conducted under this subsection ~~may not be in the form of cash and~~ may not be exchanged for cash. The total amount of cash prizes that may be awarded for a raffle conducted under this subsection may not exceed \$20,000 with no more than one \$10,000 prize for the holder of a winning chance. An eligible organization may not conduct more than one raffle under this subsection in a 12-month period.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.