

ASSEMBLY SENIOR ISSUES, TOURISM AND GAMING  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 1207**

with committee amendments

**STATE OF NEW JERSEY**

DATED: FEBRUARY 15, 1996

The Assembly Senior Issues, Tourism and Gaming Committee reports favorably and with committee amendments Assembly, No. 1207.

This bill amends the "Raffles Licensing Law", P.L.1954, c.5, to place limits on the prizes awarded in certain games of chance and to establish restrictions on advertising games of chance in certain municipalities.

Specifically, the bill provides that:

1) the maximum prize that may be offered and awarded in a golf hole-in-one contest shall not exceed \$1,000,000 and any prizes above \$25,000 shall be offered and awarded only when the entire amount is insured by a company licensed to conduct business in this State and approved by the Legalized Games of Chance Control Commission;

2) the prize in such a contest shall be paid as an annuity with a payout over a maximum of 20 years;

3) no game of chance shall be advertised in any municipality in which the majority of voters voting therein have not voted in favor of the adoption of the provisions of the "Raffles Licensing Law" or in any municipality in which the majority of voters voting therein have voted in favor of rescinding the adoption of the provisions of that law; and

4) the control commission shall promulgate regulations to govern the advertising of any game of chance occurring in a municipality in which the game of chance is held, operated or conducted under any license issued thereby.

The regulations would prohibit: 1) any advertisement from containing any false, deceptive, misleading or fraudulent statement regarding the holding, operation or conduct of a game of chance; 2) any advertisement from causing undue or unfair competition between organizations registered with the control commission that are holding competing games of chance; and 3) the use, to an extent deemed excessive, of the proceeds derived from the conduct of any individual game of chance for advertising subsequent games of chance.

This bill was prefiled for introduction in the 1996 session pending

technical review. As reported, the bill includes the changes required by technical review, which has been performed.

#### COMMITTEE AMENDMENTS

The committee amended the bill to expand the range of prizes required to be insured from prizes greater than \$500,000 but not exceeding \$1,000,000 to include prizes greater than \$25,000. The amendments provide that a prize shall be paid as an annuity with a maximum payout period of 20 years. The bill had provided that a prize may be paid as an annuity with a payout over a maximum period of 40 years. The committee also amended the bill to provide that any ancillary prizes, in addition to having an aggregate retail value no greater than \$500,000 in any calendar year, shall also be subject to regulations promulgated by the control commission concerning the limit on the value of prizes that shall be awarded in a raffle conducted by a drawing or for each spin of the wheel or other allotment by chance.