

ASSEMBLY SENIOR ISSUES, TOURISM AND GAMING
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2638

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 15, 1997

The Assembly Senior Issues, Tourism and Gaming Committee reports favorably and with committee amendments Assembly, No. 2638.

The purpose of this bill is to assist charitable, civic and service organizations, including volunteer fire companies, first-aid squads, church organizations, school groups, veterans' organizations and senior citizen clubs in conducting raffles to raise funds for educational, charitable, patriotic, religious and public-spirited purposes.

The bill allows persons under the age of 18 to play an on-premises draw raffle, including a Penny auction, when any prize offered and awarded consists of merchandise only. A Penny auction is an event at which multiple items of merchandise are raffled by drawing a winning ticket from a container designated for each item. Players purchase tickets and place one or more tickets in the container designated for each item they wish to win. Current law allows persons under age 18 to play a game of chance not conducted by a drawing when any prize offered and awarded consists of merchandise only and does not include cash or money.

The bill directs the commission to promulgate regulations allowing qualified organizations to: (1) offer as a raffle prize certain personal or professional services (or a gift certificate therefor) and a gift certificate redeemable for live, edible seafood; (2) offer a discount to any person purchasing two or more tickets for a draw raffle; and (3) use a big six wheel, a big eight wheel or other wheel to determine the winner of a non-draw raffle.

In addition, the bill provides that the commission shall: (1) prepare, publish and make available to any qualified organization, upon request, a pamphlet which describes in plain and simple language the rights, duties and responsibilities of organizations conducting raffles and the exact manner in which games of chance are to be conducted; and (2) prior to initiating administrative action or bringing charges for a violation which relates to the conduct of games or the awarding of prizes, issue a verbal or written warning and offer the organization the

opportunity to cease the conduct which constitutes a violation.

COMMITTEE AMENDMENTS

The committee amended the bill to:

- (1) eliminate the provision allowing persons under the age of 18 to play a non-draw raffle when the prize offered and awarded consists of cash or money in an amount not in excess of \$20;
- (2) substitute the term "Penny auction" for "Chinese auction";
- (3) eliminate a provision allowing certain live animals to be offered as raffle prizes and allow a gift certificate redeemable for live, edible seafood instead;
- (4) provide that raffle prizes of any personal or professional service (or a gift certificate therefor) or a gift certificate for live, edible seafood shall be of a value within the limits set by the Legalized Games of Chance Commission; and
- (5) allow the use of a big six wheel or any other wheel, in addition to a big eight wheel, to determine the winner of a non-draw raffle.