

FIRST REGULAR SESSION

SENATE BILL NO. 525

90TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR ROHRBACH.

Read 1st time March 1, 1999, and 1,000 copies ordered printed.

S2187.021

TERRY L. SPIELER, Secretary.

AN ACT

To amend chapter 313, RSMo, by adding thereto one new section relating to raffles and sweepstakes, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 313, RSMo, is amended by adding thereto one new section, to be known as section 313.900, to read as follows:

313.900. 1. As used in this section, the following terms shall mean:

(1) **"Bona fide member", a member of a bona fide not-for-profit charitable organization who had paid all required dues of the organization, who is 18 years of age or older, who has equal voting rights with all other members, who has an equal opportunity to be an elected officer, who has equal rights and responsibilities of attendance at the regularly scheduled meetings of the organization, whose name and membership origination date appear with the member's knowledge and consent on a list of members of the organization, and who has been a member of the organization for at least six months;**

(2) **"Charitable organization", a not-for-profit organization which is organized primarily for charitable purposes and which holds a valid certificate of exemption pursuant to section 501(c) of the Internal Revenue Code;**

(3) **"Commission", the Missouri gaming commission;**

(4) **"Gross receipts", all receipts from the sale of raffles or miscellaneous items associated with a raffle, excluding concessions;**

(5) **"Person", any individual, corporation, partnership, firm, association, limited liability company, organization, or other entity;**

(6) **"Raffle", a game in which tickets bearing a unique individual number are sold**

for good and valuable consideration and in which a prize or prizes are awarded on the basis of a random drawing from the tickets by the person or persons conducting the game, when the game is conducted by a bona fide charitable organization, and when no person other than a bona fide member of the organization takes part in the conduct, management or operation of the game. A raffle does not include any gambling scheme which uses any mechanical, computer, electronic, or video gaming device which has the capability of awarding something of value, free games redeemable for something of value, or tickets or stubs redeemable for something of value;

(7) "Sweepstakes", a legal contest or game in which a prize is distributed by lot or by chance and does not require participants to give good and valuable consideration in order to participate and win.

2. Charitable organizations, organized primarily for purposes other than the conduct of raffles, are hereby authorized to conduct raffles without obtaining a license from the commission when such raffles are held in accordance with this section, other applicable laws, and the rules of the commission when gross receipts from all such raffles held by the organization during the calendar year do not exceed five thousand dollars and the organization conducts no more than four raffles per calendar year. The charitable organization may conduct multiple raffles once per calendar year in conjunction with a fair, festival, carnival or other event provided that the gross receipts for all raffles conducted by the organization for the calendar year do not exceed five thousand dollars. Charitable organizations conducting raffles without a license pursuant to this subsection are subject to the following restrictions:

(1) The books, paperwork, documents, rules and other materials used to conduct the raffle or raffles or related to raffles shall be open to inspection by the commission at any time;

(2) The premises on which the raffle is conducted shall be open to inspection by the commission at any time;

(3) Only bona fide members of the charitable organization who are not paid for such services may participate in the conduct, management or operation of the raffle;

(4) All revenue from the raffle, after deducting the cost of prizes, shall be devoted solely to the charitable purposes for which the organization qualifies as a charitable organization;

(5) The organization conducting the raffle shall maintain records for a period of one year from the date each raffle is conducted which accurately show the gross receipts from each raffle, the uses to which those receipts have been put, the amount of prizes awarded, and the names of persons to whom prizes have been awarded; and

(6) A statement from the person responsible for managing the conduct of each raffle shall provide to the commission a statement attesting that he or she has not pled

guilty to or been convicted of a felony and has not pled guilty to or been convicted of any offense related to gambling.

3. A charitable organization shall apply for a license to conduct a raffle or multiple raffle when the annual gross receipts for all such raffles conducted by the organization are in excess of five thousand dollars. The commission shall issue the license upon clear and convincing evidence that the organization is qualified and suitable for licensure and upon receipt of a nonrefundable application fee of fifty dollars. The application form for licensure shall be as prescribed by the commission. An amount equal to at least fifty percent of all gross receipts from all raffles conducted by a charitable organization in a calendar year shall be awarded as prizes.

4. Charitable organizations are hereby authorized to conduct sweepstakes without obtaining a license from the commission when such sweepstakes are held in accordance with this subsection, other applicable laws, and rules of the commission. Charitable organizations conducting sweepstakes pursuant to this subsection are subject to the following restrictions:

(1) The books, paperwork, documents, rules and other materials used to conduct the sweepstakes or related to the sweepstakes shall be open to inspection by the commission at any time;

(2) The premises on which the sweepstakes are conducted shall be open to inspection by the commission at any time;

(3) Only bona fide members of the charitable organization who are not paid for such services may participate in the conduct, management or operation of the sweepstakes;

(4) Sweepstakes participants may not be required to give any thing of value in order to participate and win. Charitable organizations conducting sweepstakes shall inform participants that nothing of value is required to participate and win; and

(5) A statement from the person responsible for managing the conduct of each sweepstakes shall provide to the commission a statement attesting that he or she has not pled guilty to or been convicted of a felony and has not pled guilty to or been convicted of any offense related to gambling.

5. Any person who, with intent to defraud another person, makes, alters, forges, or counterfeits any raffle ticket, sweepstakes claim or other device used in conjunction with a raffle or sweepstakes that could affect the outcome of the raffle or sweepstakes, or who has in possession any forged, spurious, or altered raffle ticket or sweepstakes claim with the intent of, or with the result of, depriving another person of valuable consideration, is guilty of a class D felony.

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