

## CHAPTER 11

AN ACT concerning lottery courier services and supplementing P.L.1970, c.13 (C.5:9-1 et seq.).

**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

C.5:9-14.3 Lottery courier services.

1. a. For the purposes of this act, “courier service” means a person or business entity that is registered with the State Lottery Commission to purchase State Lottery tickets on behalf of individuals within the State and deliver those tickets to those individuals in the State as a for-profit service.

b. (1) Upon receipt of an application from a courier service, the commission shall register and authorize the courier service to purchase and deliver State lottery tickets within the State of New Jersey. The registration of any courier service shall include, but shall not be limited to, a check of credit reporting sources, other State departments and agencies, and criminal justice agencies. The commission shall substantiate the moral character and integrity of the owners, operators, directors, key personnel, and couriers of a courier service that submits a registration application.

(2) The commission shall supervise registered courier services in a manner necessary to ensure that the integrity and reputation of the New Jersey lottery is maintained. The commission shall accept complaints concerning such services and investigate those complaints. The commission shall investigate suspected violations of the statutes and regulations by such services and impose sanctions for violations. The commission may suspend or revoke the registration of a courier service for violations or for such other reasons as shall be set forth in the rules and regulations promulgated by the commission.

(3) In accordance with the rules and regulation promulgated by the commission, a registered courier service shall maintain an Internet site and shall display prominently on that site:

a warning of the risk of being defrauded if purchasing lottery tickets through a courier service that is not registered by the commission;

the identical gambling addiction warning required of licensed New Jersey casinos; and

information on how to seek help for a gambling problem through education, by telephone, from the Internet, or by other electronic means.

(4) In accordance with the rules and regulations promulgated by the commission, a registered courier service shall safeguard the personal information, including credit card numbers, and properly verify the age and physical location of customers utilizing the service.

(5) In accordance with the rules and regulations promulgated by the commission, the courier service shall be permitted to redeem a lottery ticket on behalf of a customer utilizing the service in a manner that is secure for that customer and transparent to the public.

c. In lieu of delivery of a purchased lottery ticket to a customer utilizing the courier service, a courier service may store such ticket on behalf of that customer, with the customer’s consent, if the courier service provides an electronic receipt of the ticket purchased with the numbers of the ticket shown on the receipt. A customer utilizing the courier service shall have the option at all times to obtain the ticket for the purpose of redemption. A courier service storing a ticket on behalf of a customer shall maintain a secure database of all stored lottery tickets, linked to the respective customers. The courier service shall notify the customer of a winning ticket value and maximum prize within 24 hours of a drawing. The commission shall conduct, and a courier service shall submit as a condition of registration, to random audits of the database.

d. No portion or percentage of lottery winnings shall be charged, accepted, given, or payable to the courier service as a fee for the purchase or delivery or for the redemption of a ticket.

The operation of a registered courier service shall not constitute a violation of N.J.S.2C:37-2 or N.J.S.2C:37-3, or the sale of lottery tickets. The charging of a fee by a courier service for the purchase and delivery of a ticket shall not constitute a violation of section 14 of P.L.1970, c.13 (C.5:9-14).

A courier service shall not be licensed as a lottery sales agent under section 11 of P.L.1970, c.13 (C.5:9-11).

e. A person or business entity operating a lottery courier service without being registered and authorized by the commission pursuant to this section shall be guilty of a crime of the third degree.

f. The commission shall promulgate rules and regulations, pursuant to the "Administrative Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et seq.), as may be needed to effectuate the provisions of this section.

2. This act shall take effect on the first day of the ninth month following enactment, except that the commission may take any anticipatory administrative action in advance as shall be necessary for the implementation of this act.

Approved February 6, 2017.