

ASSEMBLY, No. 4625

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED SEPTEMBER 14, 2020

Sponsored by:

Assemblyman JOSEPH V. EGAN

District 17 (Middlesex and Somerset)

SYNOPSIS

Permits raffles to be conducted remotely at large sporting venues.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT permitting raffles to be conducted remotely at large
2 sporting venues and amending P.L.2018, c.79.

3

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

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7 1. Section 1 of P.L.2018, c.79 (C.5:8-51.6) is amended to read
8 as follows:

9 1. a. It shall be lawful for an organization eligible to conduct
10 raffles in accordance with section 2 of P.L.1954, c.5 (C.5:8-51) and
11 registered and licensed with the Legalized Games of Chance
12 Control Commission to conduct, whether in person or remotely,
13 raffles in a large sporting venue located in a municipality where the
14 provisions of the "Raffles Licensing Law," P.L.1954, c.5 (C.5:8-50
15 et seq.), are operative, provided that all other requirements to
16 conduct raffles are met. To the extent any conflict exists between
17 this act, P.L.2018, c.79 (C.5:8-51.6), and the "Raffles Licensing
18 Law," P.L.1954, c.5 (C.5:8-50 et seq.), then the provisions set forth
19 in this act shall govern.

20 For the purposes of this section, the conduct of the raffle
21 remotely using the Internet or other electronic means shall be
22 deemed to be the conduct of the raffle at the large sporting venue,
23 and shall be deemed to take place only thereat, regardless of any
24 participant's physical location within this State, provided the
25 personnel of the organization conducting the raffle, whether or not
26 through a third-party vendor, is located in the venue at the time of
27 the sale and drawing of any ticket.

28 An organization conducting a raffle at a large sporting venue is
29 subject to the following requirements:

30 (1) The organization conducting the raffle, in conjunction with
31 the large sporting venue, shall announce the winner or winners of a
32 raffle **[during]** on the date on which the **[ticketed]** event **[in]** with
33 which the raffle is **[occurring]** associated occurs. The organization
34 **[and the large sporting venue]** shall post each winning raffle ticket
35 number on **[their respective websites]** its website, if such **[websites**
36 **have]** website has been established, on the same date as the
37 announcement, which number shall be posted for one year or until
38 each winner claims the prize and submits any required
39 documentation. Any prize from a raffle shall be delivered to a
40 claimant verified to have the winning ticket within 30 days of the
41 **[event in which the raffle took place]** announcement; however, if
42 no claimant verified to have the winning ticket claims the prize and
43 signs all reasonably necessary documentation within 30 days of the
44 event at which the raffle took place, the organization conducting the
45 raffle **[at a large sporting venue]** shall hold the proceeds for a

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 period of one year from the date of the raffle. If no claimant with
2 the winning raffle ticket claims the prize and has signed all
3 reasonably necessary documentation within one year from the date
4 of the drawing, then the prize shall be forfeited and shall revert
5 back to the organization for its own authorized use.

6 (2) Any daily and annual limits on the value of prizes contained
7 in existing law or regulation shall not apply to raffles conducted [at
8 large sporting venues] in accordance with this act, P.L.2018, c.79
9 (C.5:8-51.6).

10 (3) On a quarterly basis in accordance with a schedule
11 established by the commission, an organization conducting raffles
12 [in a large sporting venue] in accordance with this act,
13 P.L.2018, c.79 (C.5:8-51.6), shall furnish to the control commission
14 a duly verified statement showing the amount of the gross receipts
15 derived from each raffle held, operated, or conducted in the
16 preceding quarter, which shall include receipts from the sale of
17 shares, tickets, or rights in any manner connected with participation
18 in the raffle or the right to participate therein, each item of expense
19 incurred or paid, and each item of expenditure made or to be made,
20 name and address of each person to whom each such item has been
21 or is to be paid, with a detailed description of the merchandise
22 purchased or the services rendered therefor, the net proceeds
23 derived from each such raffle, and the uses to which such net
24 proceeds have been or are to be applied and a list of prizes offered
25 or given, with the respective values thereof and it shall be the duty
26 of each organization to maintain and keep such books and records
27 as may be necessary to substantiate the particulars of each such
28 report.

29 (4) An organization shall not conduct a raffle remotely unless
30 the organization has received written approval from and is operating
31 the raffle in conjunction with the large sporting venue.

32 b. Notwithstanding section 9 of P.L.1954, c.5 (C.5:8-58), an
33 organization conducting raffles at a large sporting venue may
34 conduct raffles on Sunday. Alcohol may be served at the sporting
35 venue during the conduct of raffles provided that the sporting venue
36 is the holder of a sporting facility license in accordance with
37 R.S.33:1-12, or other appropriate license, to serve alcohol at retail
38 for consumption on the premises by the glass or other open
39 receptacle or in original containers. An organization conducting
40 raffles at a large sporting venue is not required to conduct the
41 drawings openly and in plain view of all players present.

42 c. Tickets for raffles conducted at a large sporting venue may
43 be sold [only by in-person transactions within the geographic area
44 of the large sporting venue] electronically or by the issuance of
45 paper tickets, and, when in person, through devices operated or
46 kiosks staffed by individuals who are employed by or represent the
47 organization conducting the raffle. Tickets for raffles may not be

1 purchased electronically by the public other than through [in-
2 person] transactions with the personnel of the organization
3 conducting the raffle, whether or not such transaction is completed
4 through a third-party vendor. [In-person transactions] Transactions
5 between the purchaser and individuals who are employed by or
6 otherwise represent the organization conducting the raffle may be
7 made by cash, credit card, or other electronic payment methods,
8 including, but not limited to, the utilization of Internet or intranet
9 access (Wi-Fi or cellular connectivity) [in the large sporting
10 venue]. The sale and purchase of tickets remotely using the Internet
11 or other electronic means shall be deemed to take place only at the
12 large sporting venue regardless of a purchaser's physical location
13 within this State, provided the personnel of the organization
14 conducting the raffle, whether or not through a third-party vendor,
15 is located in the venue at the time of sale. An organization
16 conducting a raffle remotely using the Internet or other electronic
17 means shall sell tickets only to persons physically located in this
18 State. Tickets for raffles conducted in accordance with this act,
19 P.L.2018, c.79 (C.5:8-51.6), shall not be subject to any ticket price
20 limits set for the general conduct of raffles. Pre-set bundles of
21 tickets may be sold at a discount to participants.

22 d. Pursuant to P.L.2018, c.79 (C.5:8-51.6) and notwithstanding
23 the provisions of subsection b. of section 2 of P.L.1954, c.5 (C.5:8-
24 51), a 50-50 raffle shall have the raffle's net proceeds divided
25 between the raffle winner and the organization conducting the raffle
26 as a prize, and the prize may be awarded to a single participant or
27 may be divided between a pre-determined number of participants.
28 If the prize is to be divided between more than one participant,
29 potential participants shall be made aware of such a division. No
30 more than one 50-50 raffle as described in this subsection shall be
31 conducted during a ticketed event.

32 e. An organization conducting a raffle at a large sporting venue
33 may sell only traditional paper tickets, may use only electronic
34 raffle systems, may use only the Internet or other electronic means,
35 including software applications, or may use a combination of paper
36 and electronic raffle systems. Drawings for all raffles may be
37 conducted either by a traditional drawing of duplicate paper tickets
38 or electronically, with the winner or winners selected by electronic
39 means. For raffles conducted in paper form where winners are
40 chosen electronically or in combination of paper and electronic
41 raffle systems, the paper tickets shall be entered into the electronic
42 raffle system for record-keeping and for drawing purposes so that
43 the purchases of paper tickets have an equal chance of winning as
44 the purchases of electronic rights.

45 f. Notwithstanding the provisions of P.L.1954, c.5 (C.5:8-50 et
46 seq.), or any other law, rule, or regulation to the contrary, an
47 organization conducting a raffle at a large sporting venue shall be

1 permitted to deduct from gross revenues its reasonable costs and
2 expenses of conducting the raffle.

3 g. The commission shall promulgate, pursuant to the
4 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
5 seq.), rules and regulations governing the conduct of raffles
6 remotely using the Internet or other electronic means in accordance
7 with the provisions of this section.

8 h. As used in this section[.]:

9 [“electronic”] “Electronic raffle systems” means hardware,
10 software, including software applications, internet, cellular, or Wi-
11 Fi connected devices and associated devices that enable raffles to be
12 conducted entirely by electronic means, with rights to participate
13 sold electronically by individuals who are employed by or
14 otherwise represent the organization conducting the raffle, that
15 generate a unique electronic entry to the raffle that is the equivalent
16 of a paper ticket, each an electronic ticket which may be delivered
17 to the purchaser electronically, at the point of sale on the premises
18 of the large sporting venue recorded in the electronic raffle system
19 as eligible entries or rights to participate, and winners determined
20 by random drawing from all electronic entries or rights to
21 participate[;

22 “large”]. “Internet or other electronic means” shall not include
23 electronic raffle systems.

24 “Large sporting venue” means a stadium, arena, or similar venue
25 with minimum seating for 8,000 spectators wherein professional,
26 semi-professional, or collegiate athletes compete in sports or other
27 athletic games and including the parking lots adjacent to and
28 serving the patrons of that venue [; and

29 “net”] . “Net proceeds” means the gross income from the sale of
30 tickets or rights to participate in a raffle, less only such actual
31 expenses incurred as are authorized in the “Raffles Licensing Law,”
32 P.L.1954, c.5 (C.5:8-50 et seq.), and by the commission.
33 (cf: P.L.2018, c.79, s.1)

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35 2. An organization eligible to conduct raffles in accordance
36 with section 2 of P.L.1954, c.5 (C.5:8-51) and registered and
37 licensed with the Legalized Games of Chance Control Commission
38 may conduct raffles remotely using the Internet or other electronic
39 means, including mobile, tablet, or other software applications, on
40 or after the date of enactment of this act, P.L. , c. (pending
41 before the Legislature as this bill), but prior to the adoption of the
42 rules and regulations promulgated pursuant to subsection g. thereof,
43 provided the organization is able to ensure, to the greatest extent
44 possible, the fairness, integrity, and security of the conduct of the
45 raffle and the security of the method of receipt of payment for any
46 raffle ticket sale.

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48 3. This act shall take effect immediately.

STATEMENT

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This bill permits raffles to be conducted remotely at large sporting venues. Under current law, an organization otherwise eligible to conduct raffles may conduct a raffle at a large sporting venue, but the tickets may be sold only through in-person transactions.

This bill would permit tickets to be sold and raffles to be conducted remotely, using the Internet or other electronic means, including mobile or tablet applications. The conduct of the raffle and the sale and purchase of tickets remotely using the Internet or other electronic means will be deemed to take place at, and only at, the large sporting venue regardless of a participant's physical location within this State, as long as personnel from the organization are located in the venue at the time of the drawing and the time of sale. An organization conducting a raffle remotely using the Internet or other electronic means may sell tickets only to persons physically located in this State.