

LEGISLATIVE HISTORY CHECKLIST

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LAWS of 1999

CHAPTER: 17

NJSA: 5:8-34 et al
(Bingo -- compensation for workers)

BILL NO:S1119 (Substituted for A2160)

SPONSOR(S):Kavanaugh

DATE INTRODUCED: May 21, 1998

COMMITTEE:

*ASSEMBLY:*Commerce, Tourism

*SENATE:*State Government

AMENDED DURING PASSAGE: No

DATE OF PASSAGE:

*ASSEMBLY:*December 17, 1998

SENATE: September 28, 1998

DATE OF APPROVAL:February 8, 1999

THE FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL: OriginalYes

S1119

SPONSORS STATEMENT: Yes (Begins on page 6 of original bill.)

COMMITTEE STATEMENT:

ASSEMBLY:Yes

SENATE:Yes

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

A2160

SPONSORS STATEMENT: *Yes* (Begins on page 6 of original bill.)
(Bill and Sponsor's Statement identical to S1119)

COMMITTEE STATEMENT:

ASSEMBLY: *Yes*
(Identical to Assembly Statement for S1119)

SENATE: *No*

FLOOR AMENDMENT STATEMENTS: *No*

LEGISLATIVE FISCAL ESTIMATE: *No*

GOVERNOR'S ACTIONS

VETO MESSAGE: *No*

GOVERNOR'S PRESS RELEASE ON SIGNING: *Yes*

THE FOLLOWING WERE PRINTED:

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REPORTS: *No*

HEARINGS: *No*

NEWSPAPER ARTICLES: *No*

P.L. 1999, CHAPTER 17, *approved February 8, 1999*

Senate, No. 1119

1 AN ACT concerning bingo and raffles and amending P.L.1954, c.6 and
2 P.L.1954, c.5.

3

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

6

7 1. Section 11 of P.L.1954, c.6 (C.5:8-34) is amended to read as
8 follows:

9 11. a. No person shall hold, operate or conduct any game or
10 games of chance under any license issued under this act except an
11 active member of, or a person approved by the control commission
12 who is compensated by, the organization, association, church,
13 congregation, society, club, fire company, first aid or rescue squad, or
14 senior citizen association or club to which the license is issued, and no
15 person shall assist in the holding, operating or conducting of any game
16 or games of chance under such license except such an active member,
17 or such a person approved by the control commission, or a member of
18 an organization or association which is an auxiliary to the licensee or
19 a member of an organization or association of which such licensee is
20 an auxiliary or a member of an organization or association which is
21 affiliated with the licensee by being, with it, auxiliary to another
22 organization or association and except bookkeepers or accountants as
23 hereinafter provided, and no such game of chance shall be conducted
24 with any equipment that is not purchased or leased from or provided
25 by a person approved by the control commission, and no item of
26 expense shall be incurred or paid in connection with the holding,
27 operating or conducting of any game of chance held, operated or
28 conducted pursuant to any license issued under this act, except such
29 as are bona fide items of reasonable amount for goods, wares and
30 merchandise furnished or services rendered, which are reasonably
31 necessary to be purchased or furnished for the holding, operating or
32 conducting thereof, under any circumstances whatever; no rental shall
33 be paid for the use of any premises for holding, operating or
34 conducting any such game of chance thereon or for any other purpose
35 in connection with the holding, operating or conducting thereof unless
36 the amount of such rental is stated in a statement annexed to the
37 application for the license as provided in section 3 of this act or which
38 is in excess of the sum stated as the rental to be charged therefor in
39 such a statement; and no commission, salary, compensation, reward or
40 recompense whatever shall be paid or given, directly or indirectly, to
41 any person holding, operating or conducting, or assisting in the

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 holding, operation or conduct of, any game of chance so held,
2 operated or conducted, except that reasonable compensation may be
3 paid by a licensee to a person approved by the control commission for
4 services related to holding, operating or conducting games and to
5 bookkeepers or accountants for bookkeeping or accounting services
6 rendered, according to a schedule of compensation prescribed by rule
7 of the Legalized Games of Chance Control Commission.

8 b. A licensee may pay reasonable compensation to a person
9 approved by the control commission for services rendered in
10 connection with holding, operating or conducting games, pursuant to
11 regulations adopted by the control commission. The regulations shall
12 include, but not be limited to, provisions which: establish the
13 qualifications required of such a person, the duties which may be
14 performed and the compensation which may be paid; require that a
15 person receive approval of the control commission prior to rendering
16 services for which compensation will be received; provide that an
17 active member of an organization shall oversee the rendering of
18 services by a person receiving compensation; and prohibit the payment
19 of compensation to any person who is an active member of an
20 organization or of an auxiliary or affiliated organization.

21 (cf: P.L.1994, c.63, s.8)

22

23 2. Section 2 of P.L.1954, c.5 (C.5:8-51) is amended to read as
24 follows:

25 2. a. It shall be lawful for the governing body of any municipality,
26 at any time after this act shall become operative within such
27 municipality and except when prohibited by this act, to license bona
28 fide organizations or associations of veterans of any war in which the
29 United States has been engaged, churches or religious congregations
30 and religious organizations, charitable, educational and fraternal
31 organizations, civic and service clubs, senior citizen associations and
32 clubs, officially recognized volunteer fire companies, and officially
33 recognized volunteer first aid or rescue squads, to hold and operate
34 the specific kind of game or games of chance commonly known as a
35 raffle or raffles played by drawing for prizes or the allotment of prizes
36 by chance, by the selling of shares or tickets or rights to participate in
37 such game or games and by conducting the game or games
38 accordingly, when the entire net proceeds of such games of chance are
39 to be devoted to educational, charitable, patriotic, religious or
40 public-spirited uses, and in the case of senior citizen associations and
41 clubs to the support of these organizations, and for any such
42 organization or association, church, congregation, society, club,
43 company or squad, when so licensed or without any license when and
44 as hereinafter prescribed, to hold, operate and conduct such game of
45 chance **[by its active members]** pursuant to this act and such license,
46 in such municipality and to sell shares or tickets or rights to participate

1 in such game or games of chance therein and in any other municipality
2 which shall have adopted this act and under such conditions and
3 regulations for the supervision and conduct thereof as shall be
4 prescribed by rules and regulations duly adopted from time to time by
5 the Legalized Games of Chance Control Commission, hereinafter
6 designated as the control commission, not inconsistent with the
7 provisions of this act, but only when the entire net proceeds thereof
8 are devoted to the uses aforesaid and for any person or persons to
9 participate in and play such games of chance conducted under any such
10 license.

11 b. The control commission may adopt regulations authorizing
12 licensees to hold events known as:

13 "armchair races" at which wagers are placed on the outcome of
14 previously-filmed horse races and wagers do not know the results in
15 advance, when the prize awarded consists of merchandise or raffle
16 tickets only, and not cash; and

17 "casino nights" at which players use chips or script purchased from
18 the licensee to wager in games of chance known as blackjack,
19 under/over, beat-the-dealer, chuck-a-luck, craps, roulette, bingo or
20 similar games approved by the commission, when the chips or script
21 are redeemable for merchandise or raffle tickets only, and not for cash.

22 The regulations shall establish the frequency with which these
23 events may be held, the rules of the games, the specific type and value
24 of prizes which may be offered, the qualifications of the individuals
25 conducting the games and other requirements which the commission
26 may deem pertinent.

27 c. No license shall be required for the holding, operating or
28 conducting of a raffle for a door prize of donated merchandise of the
29 value of less than \$50.00 for which no extra charge is made at an
30 assemblage at which no other game of chance is held, operated or
31 conducted, if the proceeds of such assemblage are devoted to the uses
32 described in this section.

33 (cf: P.L.1985, c.299, s.1)

34

35 3. Section 12 of P.L.1954, c.5 (C.5:8-61) is amended to read as
36 follows:

37 12. a. No person shall hold, operate or conduct any game or games
38 of chance under any license issued under this act except an active
39 member of, or a person approved by the control commission who is
40 compensated by, the organization, association, church, congregation,
41 society, club, fire company, first-aid or rescue squad or senior citizen
42 association or club to which the license is issued, and no person shall
43 assist in the holding, operating or conducting of any game or games of
44 chance under such license except such an active member, or such a
45 person approved by the control commission, or a member of an
46 organization or association which is an auxiliary to the licensee or a

1 member of an organization or association of which such licensee is an
2 auxiliary or a member of any organization or association which is
3 affiliated with the licensee by being, with it, auxiliary to another
4 organization or association and except bookkeepers or accountants as
5 hereinafter provided, and no such game of chance shall be conducted
6 with any equipment except such as shall be owned absolutely or used
7 without payment of any compensation therefor by the licensee or shall
8 be leased for a rental, the amount of which is stated in a statement
9 annexed to the application for the license as provided in section 3 of
10 this act and conforms to the schedule of authorized rentals prescribed
11 by rules of the Legalized Games of Chance Control Commission and
12 the lessor or lessors of which have been approved as to good moral
13 character and freedom from conviction of crime by said commission
14 and no other item of expense shall be incurred or paid in connection
15 with the holding, operating or conducting of any game of chance, held,
16 operated or conducted pursuant to any license issued under this act,
17 except such as are bona fide items of reasonable amount for goods,
18 wares and merchandise furnished or services rendered, which are
19 reasonably necessary to be purchased or furnished for the holding,
20 operating or conducting thereof, under any circumstances whatever,
21 and no commission, salary, compensation, reward or recompense
22 whatever shall be paid or given, directly or indirectly, to any person
23 holding, operating or conducting, or assisting in the holding, operation
24 or conduct of, any game of chance so held, operated or conducted,
25 except that reasonable compensation may be paid by a licensee to a
26 person approved by the control commission for services related to
27 holding, operating or conducting games and to bookkeepers or
28 accountants for bookkeeping or accounting services rendered,
29 according to a schedule of compensation prescribed by rule of the
30 Legalized Games of Chance Control Commission, and no prize shall
31 be given in cash in any such game of chance except as authorized by
32 regulation promulgated by the control commission.

33 b. A licensee may pay reasonable compensation to a person
34 approved by the control commission for services rendered in
35 connection with holding, operating or conducting games, pursuant to
36 regulations adopted by the control commission. The regulations shall
37 include, but not be limited to, provisions which: establish the
38 qualifications required of such a person, the duties which may be
39 performed and a schedule of compensation which may be paid; require
40 that a person receive approval of the control commission prior to
41 rendering services for which compensation will be received; provide
42 that an active member of an organization shall oversee the rendering
43 of services by a person receiving compensation; and prohibit the
44 payment of compensation to any person who is an active member of
45 an organization or of an auxiliary or affiliated organization.

46 (cf: P.L.1994, c.63, s.18)

1 4. This act shall take effect immediately.

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STATEMENT

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5 This bill would amend existing law to allow charitable and civic
6 organizations which are licensed to conduct bingo or raffles to pay
7 reasonable compensation to a person approved by the Legalized
8 Games of Chance Control Commission for services rendered in
9 connection with holding, operating or conducting bingo or raffles. At
10 present, only members of the organization or of an auxiliary or
11 affiliated organization may be involved in these activities. This change
12 would enable charitable and civic organizations to hire qualified
13 persons in order to ensure that games are conducted in a fair and
14 professional manner. The commission would be required to adopt
15 regulations which: establish the qualifications required of such
16 persons, the duties which may be performed and schedule of
17 compensation which may be paid; require that a person receive
18 approval of the commission prior to rendering any services for which
19 compensation will be received; provide that an active member shall
20 oversee the rendering of services by a person receiving compensation;
21 and prohibit the payment of compensation to any person who is an
22 active member of an organization or of an auxiliary or affiliated
23 organization.

24 The bill would also permit the control commission to adopt
25 regulations allowing charitable and civic organizations which are
26 licensed to conduct raffles to hold events known as "armchair races"
27 and "casino nights." An armchair race would allow players to wager
28 on the results of a previously-filmed horse race. Merchandise or raffle
29 tickets, but not cash, could be offered as a prize. At a casino night,
30 players would use chips or script purchased from the licensee to wager
31 in games of chance including blackjack, under/over, beat-the-dealer,
32 chuck-a-luck, craps, roulette, bingo or similar games approved by the
33 commission. The chips or script could be redeemed for merchandise
34 or raffle tickets. Cash could not be offered as a prize. The
35 commission, by regulation, would establish the frequency with which
36 these events may be held; the rules of the games; the specific type and
37 value of prizes which may be offered; the qualifications of the
38 individuals conducting the games; and other requirements the
39 commission deems appropriate.

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44 Allows charitable and civic organizations to compensate certain
45 persons for services related to bingo and raffles and to conduct certain
46 games.

SENATE, No. 1119

STATE OF NEW JERSEY
208th LEGISLATURE

INTRODUCED MAY 21, 1998

Sponsored by:

Senator WALTER J. KAVANAUGH

District 16 (Morris and Somerset)

Co-Sponsored by:

Assemblymen Weingarten, Azzolina and Malone

SYNOPSIS

Allows charitable and civic organizations to compensate certain persons for services related to bingo and raffles and to conduct certain games.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/18/1998)

S1119 KAVANAUGH

2

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7 1. Section 11 of P.L.1954, c.6 (C.5:8-34) is amended to read as
8 follows:

9 11. a. No person shall hold, operate or conduct any game or
10 games of chance under any license issued under this act except an
11 active member of, or a person approved by the control commission
12 who is compensated by, the organization, association, church,
13 congregation, society, club, fire company, first aid or rescue squad, or
14 senior citizen association or club to which the license is issued, and no
15 person shall assist in the holding, operating or conducting of any game
16 or games of chance under such license except such an active member,
17 or such a person approved by the control commission, or a member of
18 an organization or association which is an auxiliary to the licensee or
19 a member of an organization or association of which such licensee is
20 an auxiliary or a member of an organization or association which is
21 affiliated with the licensee by being, with it, auxiliary to another
22 organization or association and except bookkeepers or accountants as
23 hereinafter provided, and no such game of chance shall be conducted
24 with any equipment that is not purchased or leased from or provided
25 by a person approved by the control commission, and no item of
26 expense shall be incurred or paid in connection with the holding,
27 operating or conducting of any game of chance held, operated or
28 conducted pursuant to any license issued under this act, except such
29 as are bona fide items of reasonable amount for goods, wares and
30 merchandise furnished or services rendered, which are reasonably
31 necessary to be purchased or furnished for the holding, operating or
32 conducting thereof, under any circumstances whatever; no rental shall
33 be paid for the use of any premises for holding, operating or
34 conducting any such game of chance thereon or for any other purpose
35 in connection with the holding, operating or conducting thereof unless
36 the amount of such rental is stated in a statement annexed to the
37 application for the license as provided in section 3 of this act or which
38 is in excess of the sum stated as the rental to be charged therefor in
39 such a statement; and no commission, salary, compensation, reward or
40 recompense whatever shall be paid or given, directly or indirectly, to
41 any person holding, operating or conducting, or assisting in the
42 holding, operation or conduct of, any game of chance so held,
43 operated or conducted, except that reasonable compensation may be

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 paid by a licensee to a person approved by the control commission for
2 services related to holding, operating or conducting games and to
3 bookkeepers or accountants for bookkeeping or accounting services
4 rendered, according to a schedule of compensation prescribed by rule
5 of the Legalized Games of Chance Control Commission.

6 b. A licensee may pay reasonable compensation to a person
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14 services for which compensation will be received; provide that an
15 active member of an organization shall oversee the rendering of
16 services by a person receiving compensation; and prohibit the payment
17 of compensation to any person who is an active member of an
18 organization or of an auxiliary or affiliated organization.

19 (cf: P.L.1994, c.63, s.8)

20

21 2. Section 2 of P.L.1954, c.5 (C.5:8-51) is amended to read as
22 follows:

23 2. a. It shall be lawful for the governing body of any municipality,
24 at any time after this act shall become operative within such
25 municipality and except when prohibited by this act, to license bona
26 fide organizations or associations of veterans of any war in which the
27 United States has been engaged, churches or religious congregations
28 and religious organizations, charitable, educational and fraternal
29 organizations, civic and service clubs, senior citizen associations and
30 clubs, officially recognized volunteer fire companies, and officially
31 recognized volunteer first aid or rescue squads, to hold and operate
32 the specific kind of game or games of chance commonly known as a
33 raffle or raffles played by drawing for prizes or the allotment of prizes
34 by chance, by the selling of shares or tickets or rights to participate in
35 such game or games and by conducting the game or games
36 accordingly, when the entire net proceeds of such games of chance are
37 to be devoted to educational, charitable, patriotic, religious or
38 public-spirited uses, and in the case of senior citizen associations and
39 clubs to the support of these organizations, and for any such
40 organization or association, church, congregation, society, club,
41 company or squad, when so licensed or without any license when and
42 as hereinafter prescribed, to hold, operate and conduct such game of
43 chance [by its active members] pursuant to this act and such license,
44 in such municipality and to sell shares or tickets or rights to participate
45 in such game or games of chance therein and in any other municipality
46 which shall have adopted this act and under such conditions and

1 regulations for the supervision and conduct thereof as shall be
2 prescribed by rules and regulations duly adopted from time to time by
3 the Legalized Games of Chance Control Commission, hereinafter
4 designated as the control commission, not inconsistent with the
5 provisions of this act, but only when the entire net proceeds thereof
6 are devoted to the uses aforesaid and for any person or persons to
7 participate in and play such games of chance conducted under any such
8 license.

9 b. The control commission may adopt regulations authorizing
10 licensees to hold events known as:

11 "armchair races" at which wagers are placed on the outcome of
12 previously-filmed horse races and wagerers do not know the results in
13 advance, when the prize awarded consists of merchandise or raffle
14 tickets only, and not cash; and

15 "casino nights" at which players use chips or script purchased from
16 the licensee to wager in games of chance known as blackjack,
17 under/over, beat-the-dealer, chuck-a-luck, craps, roulette, bingo or
18 similar games approved by the commission, when the chips or script
19 are redeemable for merchandise or raffle tickets only, and not for cash.

20 The regulations shall establish the frequency with which these
21 events may be held, the rules of the games, the specific type and value
22 of prizes which may be offered, the qualifications of the individuals
23 conducting the games and other requirements which the commission
24 may deem pertinent.

25 c. No license shall be required for the holding, operating or
26 conducting of a raffle for a door prize of donated merchandise of the
27 value of less than \$50.00 for which no extra charge is made at an
28 assemblage at which no other game of chance is held, operated or
29 conducted, if the proceeds of such assemblage are devoted to the uses
30 described in this section.

31 (cf: P.L.1985, c.299, s.1)

32

33 3. Section 12 of P.L.1954, c.5 (C.5:8-61) is amended to read as
34 follows:

35 12. a. No person shall hold, operate or conduct any game or games
36 of chance under any license issued under this act except an active
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38 compensated by, the organization, association, church, congregation,
39 society, club, fire company, first-aid or rescue squad or senior citizen
40 association or club to which the license is issued, and no person shall
41 assist in the holding, operating or conducting of any game or games of
42 chance under such license except such an active member, or such a
43 person approved by the control commission, or a member of an
44 organization or association which is an auxiliary to the licensee or a
45 member of an organization or association of which such licensee is an
46 auxiliary or a member of any organization or association which is

1 affiliated with the licensee by being, with it, auxiliary to another
2 organization or association and except bookkeepers or accountants as
3 hereinafter provided, and no such game of chance shall be conducted
4 with any equipment except such as shall be owned absolutely or used
5 without payment of any compensation therefor by the licensee or shall
6 be leased for a rental, the amount of which is stated in a statement
7 annexed to the application for the license as provided in section 3 of
8 this act and conforms to the schedule of authorized rentals prescribed
9 by rules of the Legalized Games of Chance Control Commission and
10 the lessor or lessors of which have been approved as to good moral
11 character and freedom from conviction of crime by said commission
12 and no other item of expense shall be incurred or paid in connection
13 with the holding, operating or conducting of any game of chance, held,
14 operated or conducted pursuant to any license issued under this act,
15 except such as are bona fide items of reasonable amount for goods,
16 wares and merchandise furnished or services rendered, which are
17 reasonably necessary to be purchased or furnished for the holding,
18 operating or conducting thereof, under any circumstances whatever,
19 and no commission, salary, compensation, reward or recompense
20 whatever shall be paid or given, directly or indirectly, to any person
21 holding, operating or conducting, or assisting in the holding, operation
22 or conduct of, any game of chance so held, operated or conducted,
23 except that reasonable compensation may be paid by a licensee to a
24 person approved by the control commission for services related to
25 holding, operating or conducting games and to bookkeepers or
26 accountants for bookkeeping or accounting services rendered,
27 according to a schedule of compensation prescribed by rule of the
28 Legalized Games of Chance Control Commission, and no prize shall
29 be given in cash in any such game of chance except as authorized by
30 regulation promulgated by the control commission.

31 b. A licensee may pay reasonable compensation to a person
32 approved by the control commission for services rendered in
33 connection with holding, operating or conducting games, pursuant to
34 regulations adopted by the control commission. The regulations shall
35 include, but not be limited to, provisions which: establish the
36 qualifications required of such a person, the duties which may be
37 performed and a schedule of compensation which may be paid; require
38 that a person receive approval of the control commission prior to
39 rendering services for which compensation will be received; provide
40 that an active member of an organization shall oversee the rendering
41 of services by a person receiving compensation; and prohibit the
42 payment of compensation to any person who is an active member of
43 an organization or of an auxiliary or affiliated organization.

44 (cf: P.L.1994, c.63, s.18)

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46 4. This act shall take effect immediately.

STATEMENT

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This bill would amend existing law to allow charitable and civic organizations which are licensed to conduct bingo or raffles to pay reasonable compensation to a person approved by the Legalized Games of Chance Control Commission for services rendered in connection with holding, operating or conducting bingo or raffles. At present, only members of the organization or of an auxiliary or affiliated organization may be involved in these activities. This change would enable charitable and civic organizations to hire qualified persons in order to ensure that games are conducted in a fair and professional manner. The commission would be required to adopt regulations which: establish the qualifications required of such persons, the duties which may be performed and schedule of compensation which may be paid; require that a person receive approval of the commission prior to rendering any services for which compensation will be received; provide that an active member shall oversee the rendering of services by a person receiving compensation; and prohibit the payment of compensation to any person who is an active member of an organization or of an auxiliary or affiliated organization.

The bill would also permit the control commission to adopt regulations allowing charitable and civic organizations which are licensed to conduct raffles to hold events known as "armchair races" and "casino nights." An armchair race would allow players to wager on the results of a previously-filmed horse race. Merchandise or raffle tickets, but not cash, could be offered as a prize. At a casino night, players would use chips or script purchased from the licensee to wager in games of chance including blackjack, under/over, beat-the-dealer, chuck-a-luck, craps, roulette, bingo or similar games approved by the commission. The chips or script could be redeemed for merchandise or raffle tickets. Cash could not be offered as a prize. The commission, by regulation, would establish the frequency with which these events may be held; the rules of the games; the specific type and value of prizes which may be offered; the qualifications of the individuals conducting the games; and other requirements the commission deems appropriate.

ASSEMBLY COMMERCE, TOURISM, GAMING AND MILITARY
AND VETERANS' AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 1119

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 1998

The Assembly Commerce, Tourism, Gaming and Military and Veterans' Affairs Committee reports favorably Senate, No. 1119.

This bill would amend existing law to allow charitable and civic organizations which are licensed to conduct bingo or raffles to pay reasonable compensation to a person approved by the Legalized Games of Chance Control Commission for services rendered in connection with holding, operating or conducting bingo or raffles. At present, only members of the organization or of an auxiliary or affiliated organization may be involved in these activities. This change would enable charitable and civic organizations to hire qualified persons in order to ensure that games are conducted in a fair and professional manner. The commission would be required to adopt regulations which: establish the qualifications required of such persons, the duties which may be performed and schedule of compensation which may be paid; require that a person receive approval of the commission prior to rendering any services for which compensation will be received; provide that an active member shall oversee the rendering of services by a person receiving compensation; and prohibit the payment of compensation to any person who is an active member of an organization or of an auxiliary or affiliated organization.

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This bill is the same as Assembly, No. 2160.

SENATE STATE GOVERNMENT, BANKING AND FINANCIAL
INSTITUTIONS COMMITTEE

STATEMENT TO

SENATE, No. 1119

STATE OF NEW JERSEY

DATED: SEPTEMBER 17, 1998

The Senate State Government, Banking and Financial Institutions Committee reports favorably Senate, No. 1119.

This bill amends existing law to allow charitable and civic organizations which are licensed to conduct bingo games or raffles to reasonably compensate a person approved by the Legalized Games of Chance Control Commission for services rendered in connection with holding, operating or conducting bingo games or raffles. At present, only members of the organization or of an auxiliary or affiliated organization may be involved in these activities. This change would enable charitable and civic organizations to hire qualified persons in order to ensure that games are conducted in a fair and professional manner. The commission is required to adopt regulations which:

- establish the qualifications required of such persons, the duties which may be performed and schedule of compensation which may be paid;
- require that a person receive approval of the commission prior to rendering any services for which compensation will be received;
- provide that an active member will oversee the rendering of services by a person receiving compensation; and
- prohibit the payment of compensation to any person who is an active member of an organization or of an auxiliary or affiliated organization.

The bill would also permit the control commission to adopt regulations allowing charitable and civic organizations which are licensed to conduct raffles to hold events known as "armchair races" and "casino nights." An armchair race would allow players to wager on the results of a previously-filmed horse race. Merchandise or raffle tickets, but not cash, could be offered as a prize. At a casino night, players would use chips or script purchased from the licensee to wager in games of chance including blackjack, under/over, beat-the-dealer, chuck-a-luck, craps, roulette, bingo or similar games approved by the commission. The chips or script could be redeemed for merchandise or raffle tickets. Cash could not be offered as a prize. The commission, by regulation, would establish the frequency with which these events may be held, the rules of the games, the specific type and

value of prizes which may be offered, the qualifications of the individuals conducting the games, and other requirements which the commission deems appropriate.

This bill is the same as A-2160.

ASSEMBLY, No. 2160

STATE OF NEW JERSEY

208th LEGISLATURE

INTRODUCED JUNE 4, 1998

Sponsored by:

Assemblyman JOEL WEINGARTEN
District 21 (Essex and Union)

Co-Sponsored by:

Assemblymen Azzolina and Malone

SYNOPSIS

Allows charitable and civic organizations to compensate certain persons for services related to bingo and raffles and to conduct certain games.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/10/1998)

A2160 WEINGARTEN

2

1 AN ACT concerning bingo and raffles and amending P.L.1954, c.6 and
2 P.L.1954, c.5.

3

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

6

7 1. Section 11 of P.L.1954, c.6 (C.5:8-34) is amended to read as
8 follows:

9 11. a. No person shall hold, operate or conduct any game or
10 games of chance under any license issued under this act except an
11 active member of, or a person approved by the control commission
12 who is compensated by, the organization, association, church,
13 congregation, society, club, fire company, first aid or rescue squad, or
14 senior citizen association or club to which the license is issued, and no
15 person shall assist in the holding, operating or conducting of any game
16 or games of chance under such license except such an active member,
17 or such a person approved by the control commission, or a member of
18 an organization or association which is an auxiliary to the licensee or
19 a member of an organization or association of which such licensee is
20 an auxiliary or a member of an organization or association which is
21 affiliated with the licensee by being, with it, auxiliary to another
22 organization or association and except bookkeepers or accountants as
23 hereinafter provided, and no such game of chance shall be conducted
24 with any equipment that is not purchased or leased from or provided
25 by a person approved by the control commission, and no item of
26 expense shall be incurred or paid in connection with the holding,
27 operating or conducting of any game of chance held, operated or
28 conducted pursuant to any license issued under this act, except such
29 as are bona fide items of reasonable amount for goods, wares and
30 merchandise furnished or services rendered, which are reasonably
31 necessary to be purchased or furnished for the holding, operating or
32 conducting thereof, under any circumstances whatever; no rental shall
33 be paid for the use of any premises for holding, operating or
34 conducting any such game of chance thereon or for any other purpose
35 in connection with the holding, operating or conducting thereof unless
36 the amount of such rental is stated in a statement annexed to the
37 application for the license as provided in section 3 of this act or which
38 is in excess of the sum stated as the rental to be charged therefor in
39 such a statement; and no commission, salary, compensation, reward or
40 recompense whatever shall be paid or given, directly or indirectly, to
41 any person holding, operating or conducting, or assisting in the
42 holding, operation or conduct of, any game of chance so held,
43 operated or conducted, except that reasonable compensation may be

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 paid by a licensee to a person approved by the control commission for
2 services related to holding, operating or conducting games and to
3 bookkeepers or accountants for bookkeeping or accounting services
4 rendered, according to a schedule of compensation prescribed by rule
5 of the Legalized Games of Chance Control Commission.

6 b. A licensee may pay reasonable compensation to a person
7 approved by the control commission for services rendered in
8 connection with holding, operating or conducting games, pursuant to
9 regulations adopted by the control commission. The regulations shall
10 include, but not be limited to, provisions which: establish the
11 qualifications required of such a person, the duties which may be
12 performed and the compensation which may be paid; require that a
13 person receive approval of the control commission prior to rendering
14 services for which compensation will be received; provide that an
15 active member of an organization shall oversee the rendering of
16 services by a person receiving compensation; and prohibit the payment
17 of compensation to any person who is an active member of an
18 organization or of an auxiliary or affiliated organization.

19 (cf: P.L.1994, c.63, s.8)

20

21 2. Section 2 of P.L.1954, c.5 (C.5:8-51) is amended to read as
22 follows:

23 2. a. It shall be lawful for the governing body of any municipality,
24 at any time after this act shall become operative within such
25 municipality and except when prohibited by this act, to license bona
26 fide organizations or associations of veterans of any war in which the
27 United States has been engaged, churches or religious congregations
28 and religious organizations, charitable, educational and fraternal
29 organizations, civic and service clubs, senior citizen associations and
30 clubs, officially recognized volunteer fire companies, and officially
31 recognized volunteer first aid or rescue squads, to hold and operate
32 the specific kind of game or games of chance commonly known as a
33 raffle or raffles played by drawing for prizes or the allotment of prizes
34 by chance, by the selling of shares or tickets or rights to participate in
35 such game or games and by conducting the game or games
36 accordingly, when the entire net proceeds of such games of chance are
37 to be devoted to educational, charitable, patriotic, religious or
38 public-spirited uses, and in the case of senior citizen associations and
39 clubs to the support of these organizations, and for any such
40 organization or association, church, congregation, society, club,
41 company or squad, when so licensed or without any license when and
42 as hereinafter prescribed, to hold, operate and conduct such game of
43 chance [by its active members] pursuant to this act and such license,
44 in such municipality and to sell shares or tickets or rights to participate
45 in such game or games of chance therein and in any other municipality
46 which shall have adopted this act and under such conditions and

A2160 WEINGARTEN

1 regulations for the supervision and conduct thereof as shall be
2 prescribed by rules and regulations duly adopted from time to time by
3 the Legalized Games of Chance Control Commission, hereinafter
4 designated as the control commission, not inconsistent with the
5 provisions of this act, but only when the entire net proceeds thereof
6 are devoted to the uses aforesaid and for any person or persons to
7 participate in and play such games of chance conducted under any such
8 license.

9 b. The control commission may adopt regulations authorizing
10 licensees to hold events known as:

11 "armchair races" at which wagers are placed on the outcome of
12 previously-filmed horse races and wagerers do not know the results in
13 advance, when the prize awarded consists of merchandise or raffle
14 tickets only, and not cash; and

15 "casino nights" at which players use chips or script purchased from
16 the licensee to wager in games of chance known as blackjack,
17 under/over, beat-the-dealer, chuck-a-luck, craps, roulette, bingo or
18 similar games approved by the commission, when the chips or script
19 are redeemable for merchandise or raffle tickets only, and not for cash.

20 The regulations shall establish the frequency with which these
21 events may be held, the rules of the games, the specific type and value
22 of prizes which may be offered, the qualifications of the individuals
23 conducting the games and other requirements which the commission
24 may deem pertinent.

25 c. No license shall be required for the holding, operating or
26 conducting of a raffle for a door prize of donated merchandise of the
27 value of less than \$50.00 for which no extra charge is made at an
28 assemblage at which no other game of chance is held, operated or
29 conducted, if the proceeds of such assemblage are devoted to the uses
30 described in this section.

31 (cf: P.L.1985, c.299, s.1)

32

33 3. Section 12 of P.L.1954, c.5 (C.5:8-61) is amended to read as
34 follows:

35 12. a. No person shall hold, operate or conduct any game or games
36 of chance under any license issued under this act except an active
37 member of, or a person approved by the control commission who is
38 compensated by, the organization, association, church, congregation,
39 society, club, fire company, first-aid or rescue squad or senior citizen
40 association or club to which the license is issued, and no person shall
41 assist in the holding, operating or conducting of any game or games of
42 chance under such license except such an active member, or such a
43 person approved by the control commission, or a member of an
44 organization or association which is an auxiliary to the licensee or a
45 member of an organization or association of which such licensee is an
46 auxiliary or a member of any organization or association which is

1 affiliated with the licensee by being, with it, auxiliary to another
2 organization or association and except bookkeepers or accountants as
3 hereinafter provided, and no such game of chance shall be conducted
4 with any equipment except such as shall be owned absolutely or used
5 without payment of any compensation therefor by the licensee or shall
6 be leased for a rental, the amount of which is stated in a statement
7 annexed to the application for the license as provided in section 3 of
8 this act and conforms to the schedule of authorized rentals prescribed
9 by rules of the Legalized Games of Chance Control Commission and
10 the lessor or lessors of which have been approved as to good moral
11 character and freedom from conviction of crime by said commission
12 and no other item of expense shall be incurred or paid in connection
13 with the holding, operating or conducting of any game of chance, held,
14 operated or conducted pursuant to any license issued under this act,
15 except such as are bona fide items of reasonable amount for goods,
16 wares and merchandise furnished or services rendered, which are
17 reasonably necessary to be purchased or furnished for the holding,
18 operating or conducting thereof, under any circumstances whatever,
19 and no commission, salary, compensation, reward or recompense
20 whatever shall be paid or given, directly or indirectly, to any person
21 holding, operating or conducting, or assisting in the holding, operation
22 or conduct of, any game of chance so held, operated or conducted,
23 except that reasonable compensation may be paid by a licensee to a
24 person approved by the control commission for services related to
25 holding, operating or conducting games and to bookkeepers or
26 accountants for bookkeeping or accounting services rendered,
27 according to a schedule of compensation prescribed by rule of the
28 Legalized Games of Chance Control Commission, and no prize shall
29 be given in cash in any such game of chance except as authorized by
30 regulation promulgated by the control commission.

31 b. A licensee may pay reasonable compensation to a person
32 approved by the control commission for services rendered in
33 connection with holding, operating or conducting games, pursuant to
34 regulations adopted by the control commission. The regulations shall
35 include, but not be limited to, provisions which: establish the
36 qualifications required of such a person, the duties which may be
37 performed and a schedule of compensation which may be paid; require
38 that a person receive approval of the control commission prior to
39 rendering services for which compensation will be received; provide
40 that an active member of an organization shall oversee the rendering
41 of services by a person receiving compensation; and prohibit the
42 payment of compensation to any person who is an active member of
43 an organization or of an auxiliary or affiliated organization.

44 (cf: P.L.1994, c.63, s.18)

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46 4. This act shall take effect immediately.

STATEMENT

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This bill would amend existing law to allow charitable and civic organizations which are licensed to conduct bingo or raffles to pay reasonable compensation to a person approved by the Legalized Games of Chance Control Commission for services rendered in connection with holding, operating or conducting bingo or raffles. At present, only members of the organization or of an auxiliary or affiliated organization may be involved in these activities. This change would enable charitable and civic organizations to hire qualified persons in order to ensure that games are conducted in a fair and professional manner. The commission would be required to adopt regulations which: establish the qualifications required of such persons, the duties which may be performed and schedule of compensation which may be paid; require that a person receive approval of the commission prior to rendering any services for which compensation will be received; provide that an active member shall oversee the rendering of services by a person receiving compensation; and prohibit the payment of compensation to any person who is an active member of an organization or of an auxiliary or affiliated organization.

The bill would also permit the control commission to adopt regulations allowing charitable and civic organizations which are licensed to conduct raffles to hold events known as "armchair races" and "casino nights." An armchair race would allow players to wager on the results of a previously-filmed horse race. Merchandise or raffle tickets, but not cash, could be offered as a prize. At a casino night, players would use chips or script purchased from the licensee to wager in games of chance including blackjack, under/over, beat-the-dealer, chuck-a-luck, craps, roulette, bingo or similar games approved by the commission. The chips or script could be redeemed for merchandise or raffle tickets. Cash could not be offered as a prize. The commission, by regulation, would establish the frequency with which these events may be held; the rules of the games; the specific type and value of prizes which may be offered; the qualifications of the individuals conducting the games; and other requirements the commission deems appropriate.

ASSEMBLY COMMERCE, TOURISM, GAMING AND MILITARY
AND VETERANS' AFFAIRS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2160

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 1998

The Assembly Commerce, Tourism, Gaming and Military and Veterans' Affairs Committee reports favorably Assembly, No. 2160.

This bill would amend existing law to allow charitable and civic organizations which are licensed to conduct bingo or raffles to pay reasonable compensation to a person approved by the Legalized Games of Chance Control Commission for services rendered in connection with holding, operating or conducting bingo or raffles. At present, only members of the organization or of an auxiliary or affiliated organization may be involved in these activities. This change would enable charitable and civic organizations to hire qualified persons in order to ensure that games are conducted in a fair and professional manner. The commission would be required to adopt regulations which: establish the qualifications required of such persons, the duties which may be performed and schedule of compensation which may be paid; require that a person receive approval of the commission prior to rendering any services for which compensation will be received; provide that an active member shall oversee the rendering of services by a person receiving compensation; and prohibit the payment of compensation to any person who is an active member of an organization or of an auxiliary or affiliated organization.

The bill would also permit the control commission to adopt regulations allowing charitable and civic organizations which are licensed to conduct raffles to hold events known as "armchair races" and "casino nights." An armchair race would allow players to wager on the results of a previously filmed horse race. Merchandise or raffle tickets, but not cash, could be offered as a prize. At a casino night, players would use chips or script purchased from the licensee to wager in games of chance including blackjack, under/over, beat-the-dealer, chuck-a-luck, craps, roulette, bingo or similar games approved by the commission. The chips or script could be redeemed for merchandise or raffle tickets. Cash could not be offered as a prize. The commission, by regulation, would establish the frequency with which these events may be held; the rules of the games; the specific type and value of prizes which may be offered; the qualifications of the individuals conducting the games; and other requirements the commission deems appropriate.

This bill is the same as Senate, No. 1119.