

2018 -- H 7738

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LC004809
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO CRIMINAL OFFENSES -- GAMES OF CHANCE

Introduced By: Representatives Kennedy, O`Grady, Edwards, Marshall, and Azzinaro

Date Introduced: February 28, 2018

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 11-50-1, 11-50-2, 11-50-3, 11-50-4, 11-50-5, 11-50-6 and 11-50-7
2 of the General Laws in Chapter 11-50 entitled "Games of Chance" are hereby amended to read as
3 follows:

4 **11-50-1. Filing requirement.**

5 Any person, firm, or corporation proposing to engage in any game, contest, or other
6 promotion or advertising scheme or plan in which a retail establishment offers the opportunity to
7 receive gifts, prizes, or gratuities, as determined by chance, in order to promote its retail business,
8 where the total announced value of the prizes offered to the general public is in excess of five
9 hundred dollars (\$500), shall file with the secretary of state upon a form that he or she shall
10 provide a statement setting forth: (1) the minimum number of participating objects to be made
11 available; (2) the minimum number of prize winning objects that will be included in the
12 promotion or advertising scheme or plan; (3) the proportionate opportunity of winning prizes; (4)
13 the minimum value of prizes to be made available; and (5) the rules and regulations pertaining to
14 the promotion or advertising scheme or plan which shall include the period of time and the
15 geographic area to be covered by the contest. There shall be a filing fee of one hundred and fifty
16 dollars (\$150) when the statement is filed. Failure to file a statement shall be ~~a misdemeanor~~
17 punished by a civil fine of up to one thousand dollars (\$1,000).

18 **11-50-2. Posting of available prizes -- Rules and winners.**

19 Every person, firm, or corporation engaging in any promotion or advertising game or

1 contest of the type set forth in § 11-50-1 shall cause to be posted in a conspicuous and prominent
2 location in every retail establishment offering the opportunity to participate in the game or contest
3 the minimum number and value of prizes available to be won over a stated period of time and
4 slated geographic area, and the rules and regulations pertaining to the promotion or advertising
5 scheme or plan and the names and addresses of prize winners. Failure to cause this posting shall
6 be ~~a misdemeanor~~ [punished by a civil fine of up to one thousand dollars \(\\$1,000\).](#)

7 **11-50-3. Records.**

8 Every person, firm, or corporation engaging in any promotion or advertising scheme or
9 plan of the type set forth in § 11-50-1 shall maintain for six (6) months following the completion
10 of the promotion or advertising scheme or plan adequate records to enable the person, firm, or
11 corporation to report to the secretary of state, upon his or her request, the name and address of
12 each winner of every prize having a value of more than twenty-five dollars (\$25.00), the
13 description of the prize won by each person, and the date when the prize was delivered to each
14 person. Failure to file that information with the secretary of state upon his or her request within
15 six (6) months shall be ~~a misdemeanor~~ [punished by a civil fine of up to one thousand dollars](#)
16 [\(\\$1,000\).](#)

17 **11-50-4. Manipulation of games.**

18 Every person, firm, or corporation who manipulates or rigs any promotion or advertising
19 scheme or plan of the type set forth in § 11-50-1 so that gifts, prizes, or gratuities are dispersed to
20 predetermined individuals or retail establishments shall be ~~guilty of a misdemeanor~~ [punished by a](#)
21 [civil fine of up to one thousand dollars \(\\$1,000\)](#), provided, that this section shall not prevent
22 distribution of gifts, prizes, or gratuities of equal value to retail establishments in a uniform ratio
23 to the number of participating objects distributed to those establishments.

24 **11-50-5. Failure to distribute prizes.**

25 Every person, firm, or corporation who engages in any promotion or advertising scheme
26 or plan of the type set forth in § 11-50-1 and who fails to distribute the offered gifts, prizes, or
27 gratuities to designated winners shall be ~~guilty of a misdemeanor~~ [punished by a civil fine of up to](#)
28 [one thousand dollars \(\\$1,000\).](#)

29 **11-50-6. Deceptive advertising practices.**

30 Every person, firm, or corporation who prints, publishes, or circulates literature or
31 advertising material, used in connection with any promotion or advertising scheme or plan of the
32 type set forth in § 11-50-1, which is false, deceptive, or misleading, shall be ~~guilty of a~~
33 ~~misdemeanor~~ [punished by a civil fine of up to one thousand dollars \(\\$1,000\).](#)

34 **11-50-7. Dealer coercion.**

1 Every person, firm, or corporation who coerces a retail dealer to participate in any
2 promotion or advertising scheme or plan of the type set forth in § 11-50-1 shall be ~~guilty of a~~
3 ~~misdemeanor~~ punished by a civil fine of up to one thousand dollars (\$1,000). Coercion includes,
4 but is not limited to, circumstances in which a course of business conduct extending over a period
5 of one year or longer between a supplier and a dealer is materially changed for no legitimate
6 business reason, coincident with a failure or refusal of the dealer to participate in an above-
7 mentioned promotion or advertising scheme or plan.

8 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO CRIMINAL OFFENSES -- GAMES OF CHANCE

1 This act would decriminalize violations, such as failure to file informational statements
2 with the secretary of state, posting prizes in prominent locations, failure to keep records,
3 manipulation of games, failure to deliver prizes, deceptive advertising or coercing a retail dealer
4 to participate, regarding games of chance and would make violations punishable by a civil fine of
5 up to one thousand dollars (\$1000).

6 This act would take effect upon passage.

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