

House Bill 1342

By: Representatives Geisinger of the 48<sup>th</sup>, Oliver of the 83<sup>rd</sup>, Lindsey of the 54<sup>th</sup>, Barnard of the 166<sup>th</sup>, and Epps of the 128<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 2 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated,  
2 relating to gambling and related offenses, so as to provide that certain nonprofit organizations  
3 may give away certain noncash prizes to advance the purposes of such nonprofit  
4 organization; to provide conditions for the giving of such prizes; to provide for related  
5 matters; to provide for an effective date and applicability; to repeal conflicting laws; and for  
6 other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 2 of Chapter 12 of Title 16 of the Official Code of Georgia Annotated, relating to  
10 gambling and related offenses, is amended by striking paragraph (4) of Code Section  
11 16-12-20, relating to definitions, and inserting in lieu thereof a new paragraph (4) to read as  
12 follows:

13 "(4) 'Lottery' means any scheme or procedure whereby one or more prizes are distributed  
14 by chance among persons who have paid or promised consideration for a chance to win  
15 such prize, whether such scheme or procedure is called a pool, lottery, raffle, gift, gift  
16 enterprise, sale, policy game, or by some other name. A lottery shall also include the  
17 organization of chain letter or pyramid clubs as provided in Code Section 16-12-38. A  
18 lottery shall not mean a:

19 (A) Promotional giveaway or contest which conforms with the qualifications of a  
20 lawful promotion specified in paragraph (16) of subsection (b) of Code Section  
21 10-1-393;

22 (B) Scheme whereby a business or a nonprofit organization qualified under Section  
23 501(c) of the federal Internal Revenue Code, as amended, gives away noncash prizes  
24 that cannot be exchanged or redeemed for cash to persons selected by lot if such prizes  
25 are made on the following conditions:

1 (i) Such prizes are conducted as advertising and promotional undertakings in good  
 2 faith solely for the purpose of advertising the goods, wares, and merchandise of such  
 3 business or solely to advance the purposes of such nonprofit organization; and

4 (ii) ~~No~~ A person to be eligible to receive such prize may, but shall not be required to:

5 (I) Pay any tangible consideration to the operator of such business or to such  
 6 nonprofit organization in the form of money or other property or thing of value;

7 (II) Purchase any goods, wares, merchandise, or anything of value from such  
 8 business or such nonprofit organization; or

9 (III) Be present or be asked to participate in a seminar, sales presentation, or any  
 10 other presentation, by whatever name denominated, in order to win such prizes; ~~or~~

11 (iii) The rules or procedures for eligibility for such prizes must clearly and  
 12 conspicuously allow a person to become eligible without paying any tangible  
 13 consideration to the operator of such business or to such nonprofit organization in the  
 14 form of money or other property or thing of value; purchasing any goods, wares,  
 15 merchandise, or anything of value from such business or nonprofit organization; or  
 16 being present or participating in a seminar, sales presentation, or any other  
 17 presentation by whatever name denominated; and

18 (iv) The method actually used to select winners of such prizes shall not discriminate  
 19 against persons who have followed eligibility procedures described in division (iii)  
 20 of this subparagraph; or

21 (C) Raffle authorized under Code Section 16-12-22.1."

## 22 SECTION 2.

23 This Act shall become effective on July 1, 2006, and shall apply to the award of prizes and  
 24 related conduct that occurs on or after such date. Any offense committed before July 1,  
 25 2006, shall be punishable as provided by the statute in effect at the time the offense was  
 26 committed.

## 27 SECTION 3.

28 All laws and parts of laws in conflict with this Act are repealed.