



**To:** General public

**From:** Bermuda Gaming Commission

**Date:**

**Re: Consultation Paper on Amendments to the Lotteries Act 1944**

**Introduction**

The Lotteries Act 1944 (the Act) is the statutory framework by which lotteries and raffles may be conducted in Bermuda. The Act permits six categories of lotteries: small lotteries incidental to certain entertainments, lotteries promoted by societies or clubs, lotteries for charitable and benevolent purposes, hotel lotteries, private lotteries, and business lotteries. Under the current regime, only lotteries for charitable and benevolent purposes and business lotteries require permits. As per the Gaming (Transfer of Functions) Act 2021, the regulatory body for lotteries permitted under the Act is the Bermuda Gaming Commission. The Commission has received feedback from the third sector that the current statutory framework may be too restrictive. The below outlines potential amendments to the Act.

**Potential Changes to the Lotteries Act 1944**

**Third Sector Lotteries (Charitable and Benevolent Purpose Lotteries and Society and Club Lotteries)**

Current Position	Section	Defect	Proposal
1. A ticket refers to any document evidencing the claim of a person to participate in the chances of the lottery	1(1)	Does not explicitly allow for the online sale of tickets  The online sale of tickets has been requested by industry	Amends the Act by revising the definition of the term "ticket" to allow online sales of lottery tickets for charitable and business lotteries. All relevant sections needed to enact this would need to be amended accordingly.  Additionally explicitly allow online advertising for all forms of lotteries.
2. The permit for charitable lotteries must state where tickets will be sold	4B(4)	Not in keeping with modern technology and requires all	Remove or reword the section to allow digital

and does not specifically allow for online sales		physical locations to be thought of before issuance of a permit	sales and loosen restrictions on where tickets may be sold and advertised.
3. For business lotteries, the sale of tickets is limited to persons who purchase items in person	7(2)(d)	Prevent sales who purchase items digitally	Reword section to allow digital sales online advertisements.
4. No fee for processing any application	New	The Commission currently processes all lottery applications at zero income, despite some applications taking considerable time, in large part due to administering insufficient applications  Charitable lotteries require processing the initial application and statutory returns after the end of the lottery	A non-refundable fee would encourage applicants to submit sufficient applications and offset costs of time spent on processing applications
5. Offences against the Act are a summary offence punishable by imprisonment for 6 months or a fine of \$3,360.	10	No civil penalty is available for the Commission to exercise for non-compliance and treating each offence against the Act as a criminal matter may not be proportionate, especially for persons attempting to run a charitable lottery in good faith  Industry has asked for clarification on how penalties will be levied in practice	Reword the section to empower the Commission to impose a broader range of penalties/sanctions  For example, letters of censure and/or civil fines

The Bermuda Gaming Commission is seeking the feedback of those involved in non-profit societies and clubs that use or are considering using lotteries and raffles in their fundraising efforts. If you wish to provide a submission on any of these proposed amendments, please do so by Thursday the 31<sup>st</sup> of August 2023. Submissions and any questions can be emailed to the Bermuda Gaming Commission at [legal@bgc.bm](mailto:legal@bgc.bm).