

**PROPOSED AMENDMENTS TO TITLE 11, DIVISION 1, CHAPTER 4.6.**  
**[Notice published December 2, 2011]**

**NOTICE OF PROPOSED ACTION**

The Department of Justice (“DOJ”) proposes to adopt the amendments described below after considering all comments, objections, and recommendations regarding the proposed action.

**I. PUBLIC HEARING**

DOJ has not scheduled a public hearing on this proposed action. However, DOJ will schedule a hearing if it receives, no later than 15 days before the close of the written comment period, a written request for a public hearing from any interested person, or his or her authorized representative.

**II. WRITTEN COMMENT PERIOD**

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to DOJ at the following address:

Department of Justice  
Office of the Attorney General  
Registry of Charitable Trusts  
Attn.: Kevis Foley, Registrar  
1300 I Street  
P.O. Box 903447  
SACRAMENTO, CA 94203-4470

Comments may also be submitted by e-mail to [raffles@doj.ca.gov](mailto:raffles@doj.ca.gov). The written comment period closes at 5:00 p.m. on January 16, 2012. DOJ will consider only comments postmarked on or before that date.

**III. AUTHORITY AND REFERENCE**

Penal Code section 320.5, subdivision (h)(4) authorizes DOJ to adopt regulations necessary to effectuate the section. The proposed amendments are necessary to clarify the existing regulations. The regulations implements, interprets and makes specific Penal Code Section 320.5.

**INFORMATIVE DIGEST/ POLICY STATEMENT OVERVIEW**

The proposed amendments update the regulations in light of technological developments in the online information submitted via the Internet, refine the regulations after ten years of practical experience of administering the statute, simplify reporting requirements, and delete regulations no longer authorized by statute.

Penal Code section 320.5 (“section 320.5”) permits an eligible nonprofit organization, as defined in subdivision (c), to legally conduct raffles for the purpose of directly supporting beneficial or

charitable purposes of the eligible organization or that of another nonprofit organization. Eligible nonprofit organizations must register with DOJ prior to conducting a raffle and, by regulation, must file a report for every raffle draw. DOJ has authority to adopt regulations necessary to effectuate the section.

The forms incorporated by reference herein are:

CT-NRP-1 (Rev. 05/2011), Application for Registration (“Registration application” or “registration form”)

CT-NRP-2 (Rev. 05/2011), Nonprofit Raffle Report (“Report”)

#### **IV. DISCLOSURES REGARDING THE PROPOSED ACTION**

*DOJ has made the following initial determinations:*

Mandate on local agencies and school districts: None.

Cost or savings to any state agency: None.

Cost to any local agency or school district which must be reimbursed in accordance with Government Code sections 17500 through 17630: None.

Other nondiscretionary cost or savings imposed on local agencies: None.

Cost or savings in federal funding to the state: None.

Significant, statewide adverse economic impact directly affecting business including the ability of California businesses to compete with businesses in other states: None, but the proposed regulatory amendments will lessen the burden on eligible nonprofit organizations that conduct raffles by allowing them to file one aggregate raffle report annually instead of separate reports for each raffle draw.

Cost impacts on a representative private person or businesses: The DOJ is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Adoption of these regulations will not:

- (1) create or eliminate jobs within California;
- (2) create new businesses or eliminate existing businesses within California; or
- (3) affect the expansion of businesses currently doing business within California.

Significant effect on housing costs: None.

*Business Reporting Requirement*

Penal Code section 320.5 requires eligible nonprofit organizations registered to conduct raffles to report gross receipts and expenses from the conduct of those raffles as well as other information. The existing regulations require and effectuate this reporting. The proposed regulatory amendment continues this requirement but amends the existing regulations to more efficiently satisfy the mandate of the statute.

#### *Small Business Determination*

DOJ has determined that the proposed regulations do not affect small business. The proposed regulations will, however, lessen the reporting burden on nonprofit organizations eligible to conduct raffles.

### **V. CONSIDERATION OF ALTERNATIVES**

In accordance with Government Code section 11346.5, subdivision (a)(13), DOJ has determined that no reasonable alternative it considered or that has otherwise been identified and brought to the attention of the agency would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

DOJ invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the public comment period.

### **VI. CONTACT PERSONS**

Inquiries concerning the proposed administrative action may be directed to:

Department of Justice  
Office of the Attorney General  
Registry of Charitable Trusts  
Attn.: Kevis Foley, Registrar  
1300 I Street  
P.O. Box 903447  
SACRAMENTO, CA 94203-4470  
(916) 324-5498  
Email: [Kevis.Foley@doj.ca.gov](mailto:Kevis.Foley@doj.ca.gov)

Back-up Contact:

Department of Justice  
Office of the Attorney General  
Attn.: Sandy Blazak, Charitable Trusts Section  
1300 I Street  
SACRAMENTO, CA 94203-4470  
(916) 327-7882  
Email: [Sandy.Blazak@doj.ca.gov](mailto:Sandy.Blazak@doj.ca.gov)

Please direct requests for copies of the text of the proposed amendments, the initial statement of reasons, or other information upon which the rulemaking is based to Ms. Foley at the above address.

#### **VII. AVAILABILITY OF STATEMENT OF REASONS, TEXT OF PROPOSED REGULATIONS, AND RULEMAKING FILE**

The Department of Justice will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at its office at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the initial statement of reasons for the proposed action and the express terms of the proposed action. Copies may be obtained by contacting the contact persons at the address or phone numbers listed above.

The entire rulemaking file will be posted on the DOJ website at [www.ag.ca.gov/charities](http://www.ag.ca.gov/charities) throughout the rulemaking process and available for inspection and copying at its office at the above address.

#### **VIII. AVAILABILITY OF CHANGED OR MODIFIED TEXT**

After considering all timely and relevant comments received, DOJ may adopt the proposed regulatory amendments substantially as described in this notice. If DOJ makes modifications which are sufficiently related to the originally proposed text, that modified text (with the changes clearly indicated) will be made available to the public for at least 15 days before DOJ adopts the regulations as revised. Please send requests for copies of any modified regulations as set forth above. DOJ will accept written comments regarding the modified regulations for 15 days after the date on which they are made available.

#### **IX. AVAILABILITY OF THE FINAL STATEMENT OF REASONS**

Upon its completion, copies of the Final Statement of Reasons may be obtained by contacting Ms. Foley at the above address.

#### **X. AVAILABILITY OF DOCUMENTS ON THE INTERNET**

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulations in underline and strikeout can be accessed through our website at [www.ag.ca.gov/charities](http://www.ag.ca.gov/charities).