

**TITLE 11. LAW**  
**Division 3. Gambling Control**  
**Chapter 1. Bureau of Gambling Control**  
**Article 8. Major League Sports Raffle Program**

Changes to the existing language are shown in single underline for new text and ~~strikethrough~~ for deleted text.

Amend sections 2084, 2086, 2088, 2089, 2090, 2092, 2095, and 2107

**SECTION 2084 Forms.**

The following forms are hereby incorporated by reference:

- (a) Major League Sports Raffle Eligible Organization Annual Registration Form (BGC 200; Rev. ~~10/2017~~ 10/2018)
- (b) Major League Sports Raffle Manufacturer and Distributor of Products or Services Annual Registration Form (BGC 201; Rev. ~~10/2017~~ 10/2018)
- (c) Major League Sports Raffle Manual Draw Supervisor Annual Registration Form (BGC 202; Rev. ~~10/2017~~ 10/2018)
- (d) Major League Sports Raffle Eligible Organization ~~Annual~~ Raffle Report (BGC 203; Rev. ~~10/2017~~ 10/2018)
- (e) Major League Sports Raffle Eligible Organization Registered Event Registration Form (BGC 204; Rev. ~~10/2017~~ 10/2018)
- (f) Major League Sports Raffle Eligible Organization – Equipment Registration Form (BGC 205; Rev. 10/2017)
- (g) Major League Sports Raffle Electronic Raffle System and Equipment Checklist and Test Draw (BGC 206; Rev. 10/2017).

Note: Authority Cited: Section 320.6, subdivisions (c) and (o), Penal Code. Reference: Section 320.6, Penal Code.

**SECTION 2086 Eligible Organization Registration.**

- (a) The Bureau may issue a Major League Sports Raffle registration to an eligible organization.
- (b) Every eligible organization shall, prior to conducting any raffle in California, annually register with the Bureau in the Major League Sports Raffle Program.
- (c) To apply for annual registration, an eligible organization must:
  - (1) Submit to the Bureau a completed application Major League Sports Raffle Eligible Organization Annual Registration Form (BGC 200; Rev. ~~10/2017~~ 10/2018); and
  - (2) Remit a non-refundable registration fee of ~~\$5,000~~ 14,400.

Note: Authority cited: Section 320.6, subdivision (o), Penal Code. Reference: Section 320.6, Penal Code.

**SECTION 2088 Fiduciary of Eligible Organization – Duties.**

Every fiduciary designated on the Major League Sports Raffle Eligible Annual Organization Registration Form (BGC 200; Rev. ~~10/2017~~ 10/2018) shall be responsible for all of the following:

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- (a) Ensuring that there is full accountability of all raffle assets including, but not limited to:
  - (1) All raffle-related products and supplies;
  - (2) All funds derived from the registered event; and
  - (3) The distribution of all funds derived from the registered event;
- (b) Ensuring that the registered event is conducted in accordance with raffle rules established for the conduct of the raffle, this article, Penal Code section 320.6, and any other applicable federal or state laws;
- (c) Ensuring that all records related to the registered event are current and accurate;
- (d) Reviewing all reports and correspondence from and to the Bureau;
- (e) Signing, and ensuring that, the financial statements from the registered event are maintained by the eligible organization and submitted to the Bureau, if requested;
- (f) Responding in writing to violation notices;
- (g) Ensuring that all affiliated persons are trained to fully carry out the duties assigned to them and can proficiently operate any equipment necessary for the conduct of their duties; and, are fully informed of all pertinent statutes and regulations associated with the Major League Sports Raffle Program;
- (h) Ensuring that the electronic raffle system and all other equipment used to conduct a registered event is properly maintained and functions properly during a registered event, and complies in all other respects with the requirements of this article;
- (i) Ensuring that the manual draw is conducted in compliance with the requirements of this article;
- (j) Designating himself or herself, or another affiliated person, as a manual draw supervisor;
- (k) Ensuring that prior to the manual draw, the gross receipts are tallied and the prize amount is announced; and
- (l) Ensuring that a registered event is conducted by the eligible organization in the best interests of the public's health, safety, and general welfare; and
- (m) Ensuring the information required in section Penal Code section (o)(12) is posted to either the Internet Web site of the eligible organization or the affiliated sports team.

Note: Authority cited: Section 320.6, subdivision (o), Penal Code. Reference: Section 320.6, Penal Code.

#### **SECTION 2089 Raffle Registration; Registered Event.**

- (a) In conjunction with its annual registration, an eligible organization must apply for registration of each and every registered event it plans to conduct.
- (b) The Bureau may issue a registration for a single registered event or for multiple registered events, so long as each of the registered events will take place on a definite schedule during the calendar year of the eligible organization's registration.
- (c) No more than one raffle drawing shall be conducted during a registered event.
- (d) To register the raffle as a registered event, an eligible organization must:
  - (1) Submit a completed Major League Sports Raffle Eligible Organization Registered Event Registration Form (BGC 204; Rev. ~~10/2017~~ 10/2018), to the Bureau; and
  - (2) Remit the required non-refundable fee of \$~~100~~ 200 per registered event.
- (e) Every eligible organization must also submit a map of the event location, identifying any family section; the locations where direct sellers will be conducting sales at the registered event; the locations of affiliated person-attended kiosks; the location where count and reconciliation functions will be performed; the location where raffle system management functions will be performed; and the location where the manual draw will be conducted.
- (f) The Bureau shall not register a raffle scheduled to encompass more than one calendar day.

- (g) An eligible organization shall submit any amendment(s) to form BGC 204 changing the name of the eligible recipient organization required to be designated as provided by Penal Code section 320.6, subdivision (l) no later than fourteen calendar days before the registered event.

Note: Authority cited: Section 320.6, subdivisions (l) and (o), Penal Code. Reference: Section 320.6, Penal Code.

#### **SECTION 2090 Raffle Registration; Registered Event; Post-Season Play.**

Every eligible organization must register every raffle it plans to conduct for post-season home games at least 24 hours prior to holding the raffle. To register a raffle to be conducted during post-season home games, an eligible organization must:

- (a) Submit a completed Major League Sports Raffle Eligible Organization Registered Event Registration Form (BGC 204; Rev. ~~10/2017~~ 10/2018) to the Bureau; and
- (b) Remit the required non-refundable fee of ~~\$100~~ 200 per registered event.

Note: Authority cited: Section 320.6, subdivision (o), Penal Code. Reference: Section 320.6, Penal Code.

#### **SECTION 2092 Manual Draw Supervisor Registration.**

- (a) Every manual draw supervisor must register annually with the Bureau. To apply for this registration an applicant must:
  - (1) Be at least 18 years of age;
  - (2) Be an affiliated person;
  - (3) Submit a completed Major League Sports Raffle Manual Draw Supervisor Annual Registration Form (BGC 202; Rev. ~~10/2017~~ 10/2018); and
  - (4) Remit the required non-refundable fee of ~~\$10~~ 20.
- (b) Nothing in this section precludes an eligible organization from having other eligibility requirements in place for a manual draw supervisor.

Note: Authority cited: Section 320.6, subdivision (o), Penal Code. Reference: Section 320.6, Penal Code.

#### **SECTION 2095 Manufacturers and Distributors of Raffle-Related Products or Services; Registration.**

- (a) No person may sell, rent, or distribute raffle-related products or services to an eligible organization for a registered event without having first been registered by the Bureau for the calendar year in which the registered event is conducted.
- (b) To apply for an annual registration, a manufacturer or distributor of raffle-related products must:
  - (1) Submit to the Bureau a completed Major League Sports Raffle Manufacturer and Distributor of Products or Services Annual Registration Form (BGC 201; Rev. ~~10/2017~~ 10/2018); and
  - (2) Remit a non-refundable registration fee of ~~\$5,000~~ 432,000.

Note: Authority cited: Section 320.6, subdivision (o), Penal Code. Reference: Section 320.6, Penal Code.

#### **SECTION 2097 Winner Determination.**

- (a) Once verified, a registered event shall have only one winning raffle ticket.

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- (b) Raffle winners need not be present to claim the prize.
- (c) Prior to conducting the manual draw, the gross receipts from the registered event must be tallied, and the prize amount of the raffle must be determined and publicly announced.
- (d) Every eligible organization shall use a manual draw procedure that ensures that every counterfoil generated after the sale of a raffle ticket has an equal chance of being selected during the manual draw.
- (e) An eligible organization must not conduct a manual draw unless the fiduciary or manual draw supervisor is present. Every manual draw must occur at an authorized public or private site and the entire draw process must be video recorded. All draw numbers in the container must be intermixed before drawing a winning number. A copy of the video recording described in this subdivision must be maintained as part of the records required for the registered event.
- (f) The counterfoil selected as the winner during the manual draw must be validated as sold during the registered event for which the manual draw is conducted.
- (g) Voided raffle tickets shall not qualify toward a prize.
- (h) The raffle player shall present the purported winning raffle ticket to the fiduciary or manual draw supervisor overseeing the registered event for validation as containing the prize winning draw number.
- (i) Every eligible organization is responsible for collecting appropriate identification information and for providing the winner of raffle prize at a registered event with the appropriate tax reporting documentation.
- (j) Every eligible organization must comply with any tax withholding requirements established by the Department of the Treasury, the Internal Revenue Service or the State of California, Franchise Tax Board, and any reporting requirements on monetary transactions imposed by state or federal laws.
- (k) Each eligible organization shall post the winning raffle draw number for each registered event on the affiliated sports team's website or on the eligible organization's website within 48 hours after the manual draw for the registered event is held.
- (l) The winner of a raffle prize must present the actual, purchased raffle ticket from the registered event, displaying the winning raffle draw number within 30 days of the event in order to be eligible to redeem the prize.
- (m) Any raffle prize unclaimed by a winner within the 30-day redemption period may be used as provided in Penal Code section 320.6, subdivision (d)(4)(A) by the eligible organization provided the time for redemption of the prize has expired.
- (n) Within 31 days of the conclusion of a registered event, an eligible organization shall post on either its Internet Web site or the affiliated sport team's Internet Web site all of the information required pursuant to subdivision (o)(12) of Penal Code section 320.6.

Note: Authority cited: Section 320.6, subdivisions (d), ~~and~~ (n) and (o), Penal Code. Reference: Section 320.6, Penal Code.

#### **SECTION 2107 Eligible Organization – ~~Annual Financial~~ Raffle Report.**

Once registered, every eligible organization shall file, each season or year, annually thereafter with the Bureau a completed Major League Sports Raffle Eligible Organization Annual Raffle Report (BGC 203; Rev. ~~10/2017~~ 10/2018) documenting the information required by Penal Code section 320.6, subdivision (o)~~(12)~~ (13)(A). The reports required by this section shall be available to the public on the Bureau's Internet Web site via the online search portal of the Attorney General's Registry of Charitable Trusts maintained pursuant to Government Code section 12584. Every eligible organization shall file with the

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Bureau and post on either its Internet web site or the affiliated sport team's Internet Web site a completed BGC 203 no later than 60 days after the end of the affiliated team's season or year.

Note: Authority cited: Section 320.6, subdivision (o), Penal Code. Reference: Section 320.6, Penal Code.