

CALIFORNIA DEPARTMENT OF JUSTICE

TITLE 11. LAW

DIVISION 1. ATTORNEY GENERAL

**CHAPTER 4.6. NONPROFIT RAFFLE PROGRAM REGULATIONS CHAPTER 9 OF
PART 1, TITLE 9, PENAL CODE (SECTION 320.5, PENAL CODE)**

FINAL TEXT OF PROPOSED REGULATIONS

The original text published in the California Code of Regulations has no underline. Changes are illustrated by blue underline for proposed insertions and ~~red strikethrough~~ for proposed deletions.

Article 1. Title, Scope, and Definitions

§ 410. Title and Scope.

This chapter shall be known as the Department of Justice Regulations for the Nonprofit Raffle Program. These regulations implement, interpret and make specific the establishment of a registration and reporting program for specified nonprofit organizations, as required by Penal Code section 320.5, enacted by statute in 2000 and effective July 1, 2001. These regulations apply to any eligible organization, as defined in Penal Code section 320.5(c), which conducts a raffle as defined in Penal Code section 320.5(b) on or after July 1, 2001.

Note: Authority cited: Section 320.5(h), Penal Code. Reference: Section 320.5, Penal Code.

§ 411. Definitions.

The following definitions shall be applicable when used in these regulations:

(a) ~~“Administrative information” means any information maintained by the Department of Justice (“DOJ”) that is reasonably necessary for DOJ to perform the duties required by Penal Code section 320.5. Such information includes, but is not limited to, the date a registration application or report is received, the date the registration takes effect, and the expiration date of the registration.~~

(ba) “Attorney General” means the California Attorney General or any employee of the Attorney General acting under the authority of the Attorney General.

(eb) “Department of Justice” means the California Department of Justice (“DOJ”) or any employee of DOJ acting under the authority of DOJ.

(ec) “Eligible organization” means a private nonprofit organization as defined in Penal Code

section 320.5(c) and excludes those entities specified in Penal Code section 320.5(h).

(ed) "Fee" means the fee established by DOJ as authorized by Penal Code section 320.5(h).

~~(f) "Nonprofit Raffle Program" means all information, documents and other material filed with or maintained by DOJ, including registration applications and electronic databases, reports and any processes, procedures or other means of effectuating the requirements of Penal Code section 320.5.~~

(ge) "Raffle" is defined in Penal Code section 320.5(b).

(hf) "Registrant" means an eligible organization ~~which~~that has filed an application to be registered in the Nonprofit Raffle Program.

(ig) "Registration application" or "registration form" means Application for Registration/Nonprofit Raffle Program ("Form CT-NRP-1" Rev. ~~02/2021~~08/2022), hereby incorporated by reference.

(jh) "Report" means the completed Nonprofit Raffle Report ("Form CT-NRP-2" Rev. ~~09/2017~~08/2022) (hereby incorporated by reference) that has been signed by a responsible fiduciary of the registrant declaring that the information therein is true and complete.

(ki) "Responsible Fiduciary" and "Fiduciary" mean an authorized Officer or Director of the eligible organization.

Note: Authority cited: Section 320.5(h), Penal Code. Reference: Section 320.5, Penal Code.

Article 2. Manner of Registration, Who Must Register, Fee for Registration

§ 415. Registration.

Every eligible organization shall, ~~prior to~~before conducting any raffle in California, be registered with DOJ in the Nonprofit Raffle Program. The organization shall submit a registration application on Application for Registration/Nonprofit Raffle Program ("Form CT-NRP-1" Rev. ~~02/2021~~08/2022), the form prescribed by DOJ, which shall contain all of the information required, including a statement signed by a responsible fiduciary of the eligible organization (such as an officer or director of the organization), attesting that the information provided is true and correct. If the organization plans to conduct more than one raffle during the annual registration period (~~September~~January 1 through ~~August~~December 31), it must indicate on the application form each date on which it plans to conduct a raffle; however, if any date changes,

the organization is not required to amend its application. Only one application is required during the annual registration period even if the organization conducts more than one raffle during the annual registration period. The application shall be submitted in the manner required by these regulations. The registration application and the required fee shall be submitted to the address set forth in section 416.

An eligible organization is not registered with the DOJ Nonprofit Raffle Program until it has received written confirmation from DOJ as provided in section 422.

Note: Authority cited: Section 320.5(h), Penal Code. Reference: Section 320.5, Penal Code.

§ 416. Place of Filing.

The address to be used for delivery and receipt of mail, information, registration applications, amendments, fees, reports and other material required by Penal Code section 320.5 is:

DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL
ATTN: NONPROFIT RAFFLE PROGRAM
1300 I STREET
P.O. BOX 903447
SACRAMENTO, CA 94203-4470

Note: Authority cited: Section 320.5(h), Penal Code. Reference: Section 320.5, Penal Code.

§ 417. Time of Registration.

A completed registration form and registration fee must be submitted by ~~September~~January 1 of each calendar year (i.e., ~~September~~January 1 through ~~August~~December 31) ~~during~~in which a raffle is expected to be conducted. If an eligible organization ~~which is not registered~~that did not register by January 1 later determines after ~~September 1~~of any year that it will conduct a raffle during the calendar year (~~September 1 through August 31~~), the organization shall submit its registration application at least 60 days before the date the raffle is to be held.

Note: Authority cited: Section 320.5(h), Penal Code. Reference: Section 320.5, Penal Code.

§ 418. Fee for Registration.

The registration fee shall be determined by the DOJ. The fee is \$30 for the initial one-year registration period. As provided in section 320.5 of the Penal Code, the fee may be increased as necessary to cover the actual costs of the ~~Department of Justice~~DOJ to administer and enforce Penal Code section 320.5.

Note: Authority cited: Section 320.5(~~h~~), Penal Code. Reference: Section 320.5, Penal Code.

§ 419.2. Denial, Revocation or Suspension of Registration.

(a) The DOJ may deny any registration application and may revoke or suspend any registration it has issued if the applicant:

- (1) Submits false or misleading information in the application.
- (2) Fails to meet or comply with any requirements set forth in Penal Code section 320.5 or these regulations.
- (3) Engages in any conduct that is not in the best interests of the public's health, safety or general welfare.

(b) If the DOJ denies an application or revokes or suspends a registration it has ~~issued~~accepted, the DOJ shall inform the applicant in writing of the reasons for the denial, revocation or suspension.

(c) The eligible organization may reapply when it has remedied the matters ~~which~~that caused the denial, revocation or suspension of registration.

Note: Authority cited: Section 320.5(~~h~~), Penal Code. Reference: Section 320.5, Penal Code.

§ 419.3. Appeal of Denial, Revocation or Suspension.

Each denial, revocation, or suspension of a registration, or any other administrative action taken against an applicant or registrant, shall be subject to Penal Code section 320.5(j).

Note: Authority cited: Section 320.5(~~h~~), Penal Code. Reference: Section 320.5, Penal Code.

§ 420. Reporting Requirements.

Every eligible organization that is registered shall file, on or before ~~October~~ February 1 of each year, a single report for the raffle or raffles conducted in the prior year which shall contain all of the required information, including a statement signed by a responsible fiduciary of the eligible organization attesting that the information provided is true and correct. The report shall be filed with DOJ at the address set forth in section 416 ~~on~~ using Nonprofit Raffle Report ("Form CT-NRP-2" Rev. ~~09/2017~~ 08/2022) and in the manner required by these regulations.

A single aggregate report shall be filed even if an organization ~~conducts~~ conducted more than one raffle during the reporting year.

Note: Authority cited: Section 320.5(h), Penal Code. Reference: Section 320.5, Penal Code.

Article 3. Contents of and Access to the Non-Profit Nonprofit Raffle Program

§ 421. Nonprofit Raffle Program.

DOJ shall maintain electronic copies of all registration applications accepted for filing and copies of all reports ~~provided~~ submitted pursuant to section 320.5 of the Penal Code, which together shall constitute the Nonprofit Raffle Program required by section 320.5 of the Penal Code. ~~DOJ may retain the foregoing information in electronic form so long as actual copies are archived and retrievable for the period prescribed by law.~~

Note: Authority cited: Section 320.5(h), Penal Code. Reference: Section 320.5, Penal Code.

§ 422. Proof of Registration.

After the DOJ has approved a registration application, the DOJ shall provide written or electronic confirmation to the eligible organization that it is registered.

Note: Authority cited: Section 320.5(h), Penal Code. Reference: Section 320.5, Penal Code.

§ 423. Conduct of Raffles.

~~After July 1, 2001, a~~ A raffle may be conducted by an eligible organization, provided the organization meets the following two requirements:

(a) It is registered with the DOJ in the Nonprofit Raffle Program and, if it conducted a raffle or raffles in a prior year, has filed all required annual reports as provided in section 320.5 of the Penal Code and these regulations; and

(b) It is in full compliance with the registration and reporting requirements for the Franchise Tax Board, Secretary of State, Internal Revenue Service, and the Attorney General's Registry of Charitable Trusts.

Note: Authority cited: Section 320.5(~~h~~), Penal Code. Reference: Sections 320.5, Penal Code; Sections 12581, 12585, 12586, and 12586.1, 12591.1 and 12598, Government Code.

Article 4. Penalties for False ~~Registration or Misrepresentation~~ Misleading Registration or Reporting

§ 424. Penalties for False ~~Registration or Misrepresentation~~ Misleading Registration or Reporting.

An eligible organization that submits false or misleading information in the registration application, or fails to provide required information, in either the registration form or the raffle report form shall be subject to denial, revocation or suspension of its raffle registration. Penalties for violations of this chapter may be assessed under Government Code section 12591.1 against persons and entities subject to the Supervision of Trustees and Fundraisers for Charitable Purposes Act (Gov. Code, § 12580 et seq.). Each instance of a misrepresentation, submission of false information, or failure to submit required information in the registration or reporting process shall constitute a separate violation.

Note: Authority cited: Section 320.5(~~h~~), Penal Code; Section 12599.6, Government Code. Reference: Section 320.5, Penal Code; Sections 12591.1 and 12599.6, Government Code.

Article 5. Miscellaneous Provisions

§ 425. Requests by Attorney General.

Eligible organizations shall furnish all information, documents and other records requested by DOJ including, but not limited to, information pursuant to Penal Code section 320.5(h) in order to enable the Attorney General and other law enforcement agencies to ascertain compliance with

Penal Code section 320.5 and establish and maintain the Nonprofit Raffle Program.

Note: Authority cited: Section 320.5(h), Penal Code. Reference: Section 320.5, Penal Code.

§ 426. Inquiries and Investigations.

Eligible organizations shall cooperate fully with any inquiry or investigation that may be undertaken by the Attorney General to enforce the provisions of Penal Code section 320.5.

Note: Authority cited: Section 320.5(h), Penal Code. Reference: Section 320.5, Penal Code.