

1 SENATE BILL NO. 197

2 INTRODUCED BY M. TROPILA

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4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING A NONPROFIT ORGANIZATION, A COLLEGE, A
5 UNIVERSITY, A PUBLIC SCHOOL DISTRICT, OR A NONPUBLIC SCHOOL TO SELL RAFFLE TICKETS
6 OUTSIDE THE GEOGRAPHIC CONFINES OF THE STATE; AND AMENDING SECTION 23-5-413, MCA."

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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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10 **Section 1.** Section 23-5-413, MCA, is amended to read:11 **"23-5-413. Raffle prizes -- investigations -- rulemaking.** (1) (a) The department shall investigate all
12 violations of this part.13 (b) The department may adopt rules to require recordkeeping for receipts and payouts under this part
14 and to establish procedures to ensure the fair selection of winners.15 (2) (a) A person or organization conducting a raffle shall own all prizes to be awarded as part of the raffle
16 before the sale of any tickets.17 (b) The value of a prize awarded for an individual ticket for a raffle conducted by a person or an
18 organization may not exceed \$5,000. Prizes may not be combined in any manner to increase the ultimate value
19 of the prize awarded for each ticket.20 (c) The provisions of subsections (2)(a) and (2)(b) do not apply to a nonprofit organization, a college,
21 a university, a public school district as provided in 20-6-101 and 20-6-701, or a nonpublic school as described
22 in 20-5-102(2)(e). The proceeds from the sale of tickets for a raffle conducted by a nonprofit organization, college,
23 university, or school district may be used only for charitable purposes or to pay for prizes and may not be used
24 for the administrative costs of conducting the raffle.25 (3) (a) The Except for the sale of raffle tickets by a nonprofit organization, college, university, public
26 school district, or nonpublic school under subsection (2)(c), the sale of raffle tickets authorized by this part is
27 restricted to events and participants within the geographic confines of the state.28 (b) The sale of raffle tickets may not be conducted over the internet. All raffle announcements or
29 advertisements conducted over the internet must include this sale restriction, the name of the organization
30 offering the raffle, and all raffle terms."

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