
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 826 Session of
2019

INTRODUCED BY MARSHALL, DUNBAR, KAIL, PYLE, DeLUCA, BERNSTINE,
BURGOS, TOOHIL AND MASSER, MARCH 14, 2019

REFERRED TO COMMITTEE ON GAMING OVERSIGHT, MARCH 14, 2019

AN ACT

1 Providing for sports raffles for charity; and making related
2 repeals.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Sports Raffle
7 Charities Act.

8 Section 2. Legislative intent.

9 The General Assembly declares that the playing of games of
10 chance for the purpose of raising funds, by certain nonprofit
11 associations, for the promotion of charitable or civic purposes,
12 is in the public interest. In some cases, the proceeds from
13 games of chance may be utilized to support certain operating
14 expenses of certain charitable organizations.

15 Section 3. Definitions.

16 The following words and phrases when used in this act shall
17 have the meanings given to them in this section unless the
18 context clearly indicates otherwise:

1 "Affiliated nonprofit organization." An organization
2 established by or affiliated with an athletic team for the
3 purpose of raising funds for charity, which is qualified for an
4 exemption under section 501(c)(3) of the Internal Revenue Code
5 of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)).

6 "Athletic event drawing." A 50/50 drawing that is conducted
7 by an affiliated nonprofit organization in accordance with this
8 act.

9 "Athletic team." A sports team or racing facility that is
10 any of the following:

11 (1) A member of Major League Baseball, the National
12 Hockey League, the National Basketball Association, the
13 National Football League or Major League Soccer.

14 (2) A professional sports team affiliated with a team
15 under paragraph (1).

16 (3) Any other professional sports team that has a sports
17 facility or an agreement with a sports facility to conduct
18 home games at the facility.

19 (4) A stadium, grandstand, bleacher or contiguous
20 parking lot at a closed-course motor facility where
21 spectators directly observe motor races with NASCAR, Indy,
22 stock or drag racing cars.

23 (5) A collegiate team that competes on behalf of an
24 institution of higher education.

25 "Department." The Department of Revenue of the Commonwealth.

26 "Institution of higher education." Any of the following:

27 (1) A community college operating under Article XIX-A of
28 the act of March 10, 1949 (P.L.30, No.14), known as the
29 Public School Code of 1949.

30 (2) A university within the State System of Higher

1 Education.

2 (3) The Pennsylvania State University.

3 (4) The University of Pittsburgh.

4 (5) Temple University.

5 (6) Lincoln University.

6 (7) Any other institution that is designated as "State-
7 related" by the Commonwealth.

8 (8) An accredited private or independent college or
9 university.

10 Section 4. Athletic event drawing.

11 (a) General rule.--A person may purchase one or more
12 athletic event drawing tickets at a home game, and each ticket
13 purchased shall represent one entry in the drawing for a winner.
14 A single ticket shall be randomly chosen as the winner after a
15 certain number of tickets are sold or a specified time period
16 expires as designated by the affiliated nonprofit organization.
17 Purchase of athletic event drawing tickets may be made by cash,
18 credit card or debit card.

19 (b) Frequency.--An affiliated nonprofit organization may
20 conduct no more than one athletic event drawing per home game.

21 (c) Sales restricted.--Tickets for an athletic event drawing
22 may not be sold in any seating area designated as a family
23 section.

24 (d) Charitable event.--An athletic event drawing may be
25 conducted by the affiliated nonprofit organization during a
26 charitable event held within the same arena, stadium,
27 grandstand, bleachers or other facility during a home game, team
28 event or car race of the athletic team. Drawings may only be
29 held within spectator areas within the arena, stadium,
30 grandstand or bleachers where the home game or car race is being

1 conducted and not at ancillary areas or facilities, including
2 parking areas, restaurants and bars or areas outside the arena,
3 stadium, grandstand or bleachers or areas where the sport is
4 shown on remote electronic equipment.

5 (e) Distribution.--The prize amount of an athletic event
6 drawing shall be 50% of the total amount collected from the sale
7 of athletic event drawing tickets. Except as provided under
8 subsection (f), the other 50% of the total amount collected from
9 the sale of athletic event drawing tickets shall be donated
10 within seven days from the date of the drawing by the affiliated
11 nonprofit organization conducting the athletic event drawing to
12 one or more designated charitable organizations for which the
13 drawing was conducted.

14 (f) Use of funds.--

15 (1) The affiliated nonprofit organization may utilize
16 nonprize money collected for the following:

17 (i) To employ or provide payment to individuals 18
18 years of age or older to sell athletic event drawing
19 tickets.

20 (ii) For administrative expenses directly related to
21 the conduct of the athletic event drawing under this
22 section.

23 (2) Authorized expenses under paragraph (1)(ii) may not
24 exceed 2% of the total amount collected from the sale of
25 athletic event drawing tickets.

26 (g) Designated charitable organization.--The affiliated
27 nonprofit organization conducting the athletic event drawing
28 shall disclose to each ticket purchaser the designated
29 charitable organization for which the athletic event drawing is
30 being conducted.

1 (h) Eligibility.--In order to receive proceeds from an
2 athletic event drawing, a charitable organization must be in
3 existence and fulfilling its purposes for at least two years
4 prior to the drawing and shall be eligible for exemption under
5 section 501(c)(3) of the Internal Revenue Code of 1986 (Public
6 Law 99-514, 26 U.S.C. § 501(c)(3)). A political subdivision
7 shall not qualify as a charitable organization under this
8 section.

9 (i) Unclaimed prizes.--An athletic event drawing prize
10 remaining unclaimed by a winner at the end of the athletic
11 team's season shall be donated within 30 days from the end of
12 the season by the affiliated nonprofit organization to the
13 designated charitable organization for which the athletic event
14 drawing was conducted.

15 (j) Additional recordkeeping.--The department may require
16 additional recordkeeping or accountability measures for athletic
17 event drawings.

18 (k) Mechanical or electrical devices.--An athletic event
19 drawing may be played with the assistance of a mechanical or
20 electrical device. Nothing under this subsection shall be
21 construed to authorize any other form of gambling authorized
22 under 4 Pa.C.S. (relating to amusements).

23 Section 5. Repeals.

24 (a) Declaration.--The General Assembly declares that the
25 repeal under subsection (b) is necessary to effectuate this act.

26 (b) Repeal.--The following provisions of the act of December
27 19, 1988 (P.L.1262, No.156), known as the Local Option Small
28 Games of Chance Act, are repealed:

29 (1) The definitions of "major league sports drawing" and
30 "major league sports team" in section 103.

- 1 (2) Section 304.1.
- 2 Section 6. Effective date.
- 3 This act shall take effect immediately.