

**OPINION 26-01: OPINION REGARDING THE CURRENT STATE OF CALIFORNIA REGULATIONS
REGARDING 50/50 DRAWINGS, RAFFLES, OPPORTUNITY DRAWINGS AND BINGO**

The State of California current regulations that apply to 50/50 drawings, raffles, opportunity drawings, and Bingo are as follows

- Standard 50/50 drawings are generally illegal for ordinary charities and organizations in California because they violate the state's strict 90/10 rule.
 - a) The 90/10 Rule vs. 50/50 Structure: Under California Penal Code Section 320.5, at least 90% of the gross ticket-sale revenue from a charitable raffle must go directly toward beneficial or charitable purposes in California.
 - b) Total expenses and prizes cannot exceed 10%.
- Raffles may be conducted by eligible, registered tax-exempt Nonprofit California Corporations
 - a) Rules for Legal Raffles: The organization must register with the raffle with the California Department of Justice (DOJ) at <http://www.oag.ca.gov> and file a request for a Nonprofit Raffle Program (CT-NRP-1) before selling any tickets.
 - b) Reporting requirements and fund distribution rules are defined in the CT-NRP-1 application. Any applicable fees are listed on the application.
 - c) The 90/10 Rule: At least 90% of the gross receipts from ticket sales must go directly to charitable or beneficial purposes.
 - d) No Online Sales: Selling raffle tickets over the internet, phone, mail, or mobile apps is strictly banned. Tickets must be sold in person.
- Opportunity Drawing: Completely free. It does not require a CT-NRP-1 application. Anyone taking part in the drawing has an equal chance to get an entry without paying money or donating.
- Bingo games are ***only*** legal when conducted by eligible non-profit, charitable organizations for charitable purposes. Key Legal Requirements:
 - a) Eligible Organizations: Only tax-exempt charities, religious groups, mobile home park associations, senior citizen organizations, and school-associated booster groups can run bingo.
 - b) Governing Laws: Operations are regulated principally by California Penal Code Section 326.5 and overseen local municipal agencies or via the California Gambling Control Commission for special formats like remote caller bingo.
 - c) Bingo applications typically require annual applications through local city or county agencies. Accounting and fund distribution are defined during the application process.
 - d) Local Authorization: There is no state-level bingo license; organizations must be authorized and licensed by the specific city or county where the game is held.
 - e) No Salaries or Profit: It is a misdemeanor (punishable by fines up to \$10,000) for any person to receive a wage, salary, or profit from running a standard charitable bingo game, except for paid security personnel.
 - f) Use of Proceeds: All profits must go directly to charitable purposes, subject to strict caps on overhead and administrative costs.
 - g) Equipment and Rules: Games must use physical, tangible cards rather than purely video or electronic displays (except for the caller's display), and prizes are capped under state guidelines and local ordinances.

Respectfully Submitted,

Dated: September 20, 2026

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