~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

February 13, 2018

**S. 812**

Introduced by Senator Hembree

S. Printed 2/13/18--S.

Read the first time January 9, 2018.

**THE COMMITTEE ON**

**LABOR, COMMERCE AND INDUSTRY**

To whom was referred a Bill (S. 812) to amend Section 33‑57‑120, Code of Laws of South Carolina, 1976, relating to raffles conducted by nonprofit organizations for charitable purposes, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

THOMAS C. ALEXANDER for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Introduced on January 9, 2018**

**State Expenditure**

This bill increases the total value of raffle prize or prizes offered by nonprofit organizations for charitable purposes to a maximum of $950. Additionally, the purchase of a raffle ticket may be a maximum of $300. Currently, the value of the prize or prizes associated with raffles operated by nonprofit organizations may not exceed $500, and the price for a raffle ticket may not exceed $100.

**Secretary of State.** Nonprofit organizations operating raffles for charitable purposes with prizes above $500 are required to register with the Secretary of State. This bill amends this threshold amount to $950. The office indicates that an increase in prize value will not impact the number of raffle registrations submitted to the office. Thus, this bill does not have an expenditure impact on the general fund, federal funds, or other funds.

**Department of Revenue (DOR).** This bill increases the total value of prizes offered for nonprofit raffles. DOR indicates that prizes above $600 are subject to withholding currently, therefore increasing the prize value will not impact agency procedures. As such, this bill will not have an expenditure impact on the general fund, other funds, or federal funds.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 33‑57‑120, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO RAFFLES CONDUCTED BY NONPROFIT ORGANIZATIONS FOR CHARITABLE PURPOSES, SO AS TO INCREASE THE VALUE OF NONCASH PRIZES ALLOWED FOR THESE RAFFLES; AND TO AMEND SECTION 33‑57‑140, RELATING TO STANDARDS FOR THESE RAFFLES, SO AS TO INCREASE THE ALLOWANCE FOR THE PRICE OF A RAFFLE TICKET PRODUCED BY NONPROFIT ORGANIZATIONS FOR CHARITABLE PURPOSES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 33‑57‑120(B) of the 1976 Code, as added by Act 11 of 2013, is amended to read:

“(B)(1) The requirement to register with the Secretary for the purpose of operating raffles for charitable purposes shall apply to any and all nonprofit organizations that intend to operate a raffle in this State, including those organizations that are exempt from or not required to follow the requirements for solicitation of charitable funds pursuant to Chapter 56, Title 33.

(2) An exemption from registration for the purpose of operating raffles is authorized for:

(a) raffles operated by a nonprofit organization for charitable purposes, where a noncash prize is donated for the nonprofit raffle and the total value of the prize or prizes offered for a raffle event is not more than ~~five~~ nine hundred fifty dollars; and

(b) fifty‑fifty raffles where the tickets are sold to members or guests of a nonprofit organization, and not to the general public, and the total value of proceeds collected is not more than nine hundred fifty dollars.

(3) An organization operating a raffle that is within an exemption authorized by the provisions of item (2) shall not operate more than one raffle every seven calendar days.”

SECTION 2. Section 33‑57‑140(M) of the 1976 Code, as added by Act 11 of 2013, is amended to read:

“(M) The purchase price for a raffle ticket may not exceed ~~one~~ three hundred dollars.”

SECTION 3. This act takes effect upon approval by the Governor.

‑‑‑‑XX‑‑‑‑