



HOUSE BILL 374: Raffles/Increase Real Estate Prize Limit.

2023-2024 General Assembly

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| Committee: | House Rules, Calendar, and Operations of the House | Date: | April 18, 2023 |
| Introduced by: | Reps. Potts, Strickland, Winslow, Zenger | Prepared by: | Anna Parsons Susan Sitze Staff Attorneys |
| Analysis of: | Second Edition | | |

OVERVIEW: *House Bill 374 would increase the limit on real estate prizes that may be offered by a nonprofit organization as part of a raffle.*

CURRENT LAW: G.S. 14-309.15 grants nonprofit organizations the authority to conduct up to four raffles per year as long as 90% or more of the net proceeds are used for charitable, religious, educational, civic, or other nonprofit purposes. Raffle prizes may include cash, merchandise, or real property, though there are statutorily imposed limitations on the amounts that can be offered. G.S. 14-309.15(g) limits the maximum appraised value of real property that can be offered as part of any one raffle to \$500,000 and limits the total appraised value of all real estate prizes that can be offered in a calendar year to \$500,000.

BILL ANALYSIS: House Bill 374 would do the following:

- Eliminate the per raffle restriction on the value of real estate offered as a prize.
- Increase the maximum total appraised value of all real estate prizes that may be offered by a nonprofit organization as part of a raffle in any given year from \$500,000 to \$2,000,000.
- Require any nonprofit organization offering real property as a prize in a raffle to provide property free from all liens; an owner affidavit and indemnity agreement; and a title commitment for the property that shall be available for inspection upon request.

EFFECTIVE DATE: Effective when it becomes law and applies to raffles conducted on or after that date.

Jeffrey Hudson
Director



Legislative Analysis
Division