

BAO 2006-0119-0008	Date Issued: 03/31/2006	View Request RQ 2006-0119-0008
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Summary:	Whether an organization can have a drawing as described in your question depends on whether the drawing would qualify as a raffle conducted in compliance with Tex. Occ. Code, Chapter 2002 or as a door prize in accordance with Tex. Occ. Code, § 2001.420(c). If the drawing would qualify as neither, it would not be permissible.
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CERTIFIED MAIL NO. 7001 2510 0001 4202 4548

BAO # 2006-0119-0008

March 31, 2006

Linda Mercer
601 Meadow Arbor
Universal City, Texas 78148

Re: Your Request Regarding "Player of the Week" Drawing

Dear Ms. Mercer:

This advisory opinion responds to your request which was received by the Texas Lottery Commission (Commission) on January 26, 2006 and clarified on January 30, 2006. Below is your question followed by the Commission's answer.

Can an organization have a Player of the Week drawing which entitles the player to purchase a \$27.00 package for \$1.00 for the nights in which the organization holds bingo sessions?

ANSWER:

Whether an organization can have a drawing as described in your question depends on whether the drawing would qualify as a raffle conducted in compliance with Tex. Occ. Code, Chapter 2002, or as a door prize in accordance with Tex. Occ. Code, Section 2001.420(c). If the drawing would qualify as neither, it would not be permissible. Texas Occupations Code, § 2001.416(a) provides that "[a] game of chance other than bingo or a raffle conducted under Chapter 2002 may not be conducted or allowed during a bingo occasion." The Charitable Raffle Enabling Act defines a raffle as the award of one or more prizes by chance at a single occasion among a single pool or group of persons who have paid or promised a thing of value for a ticket that represents a chance to win a prize. Tex. Occ. Code, § 2002.002(6). If the Player of the Week drawing is a raffle, it

must be conducted in accordance with the Charitable Raffle Enabling Act (CREA) (Tex. Occ. Code, Chapter 2002).

The Bingo Enabling Act (BEA), at Texas Occupations Code, § 2001.420(c), provides that “[a] a licensed authorized organization or other person may not award or offer to award a door prize with a value of more than \$250.” Therefore a licensed authorized organization or other person may award a door prize as long as the prize does not exceed the prescribed limit. As set out in your question, the proposed Player of the Week drawing does not appear to violate the \$250 limit.

Neither the BEA nor the Charitable Bingo Administrative Rules (Rules) includes a definition for “door prize. Texas case law has not defined the term. The Code Construction Act, Tex. Gov’t Code § 311, provides:

§ 311.011. COMMON AND TECHNICAL USAGE OF WORDS.

- (a) Words and phrases shall be read in context and construed according to the rules of grammar and common usage.
- (b) Words and phrases that have acquired a technical or particular meaning, whether by legislative definition or otherwise, shall be construed accordingly.

Webster’s Ninth New Collegiate Dictionary defines “door prize” as “a prize awarded to the holder of a winning ticket passed out at the entrance to an entertainment or function.” Therefore, a prize can be considered a “door prize” only if attendance is the sole requirement for a chance to win the prize. In regard to your specific question, a prize in a Player of the Week drawing would be a “door prize” only if any person in attendance was eligible to win, regardless of whether the person had paid to play bingo.

SUMMARY

Whether an organization can have a drawing as described in your question depends on whether the drawing would qualify as a raffle conducted in compliance with Tex. Occ. Code, Chapter 2002 or as a door prize in accordance with Tex. Occ. Code, § 2001.420(c).

If the drawing would qualify as neither, it would not be permissible.

This advisory opinion cannot be construed as a tax ruling or otherwise interpretive of the Internal Revenue Code. The information provided is completely limited to the context of the Bingo Enabling Act and the Charitable Bingo Administrative Rules.

This advisory opinion is based on the laws, rules and regulations in effect at the time of its issuance. All of the information provided herein is subject to change in law.

This opinion is purely advisory in nature and is limited to the particular questions at issue and to the facts presented in the request. Therefore, this opinion must not be relied upon

as a previous determination regarding any conduct which is not substantially consistent with the opinions and facts stated in the request.

Yours truly,

William L. Atkins, Director
Charitable Bingo Operations Division

cc: C. Tom Clowe, Jr., Chairman
James A. Cox, Jr., Commissioner
Kimberly L. Kiplin, General Counsel