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COMMONWEALTH OF KENTUCKY

PUBLIC PROTECTION CABINET

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On May 22, 2020, the Department of Charitable Gaming filed an emergency regulation that amends 820 KAR 1:050 to permit licensees to conduct raffle draws utilizing random number generators ("RNG") instead of printing paper tickets and drawing them from a physical receptacle. Organizations that choose to conduct raffle draws via this method will have to take these steps:

Before the Drawing

- 1. Ensure that the raffle is listed on the organization's license;
- 2. Provide all ticket purchasers with a paper or electronic duplicate ticket that contains all information required by 820 KAR 1:050 (NOTE: Federal law prohibits the sending of raffle tickets by mail); and
- 3. Identify the third-party, publicly-accessible, web-based RNG they intend to use for the raffle drawing and get approval from the Department to use this RNG.

At the Drawing

- 1. Broadcast the raffle drawing via a verifiable online live-streaming service
- 2. Ensure that all numbers of purchased tickets are included in the range of numbers from which the RNG will select a winning ticket;
- 3. Only select one number per raffle prize to be awarded, unless the number generated by the RNG is associated with a refunded, unsold, or voided ticket, in which case the organization may use the RNG to select another winning ticket; and
- 4. Take a screenshot of the RNG used for the drawing showing the range of numbers in the RNG and the winning number selected by the RNG

After the Drawing

- 1. Follow the existing rules concerning the claiming of raffle prizes found in 820 KAR 1:050, Section 4;
- 2. Retain with the organization's session records a screenshot of the RNG; and
- 3. Submit a signed, notarized affidavit to the Department within 30 days of the drawing certifying that the organization complied with all relevant statutes and regulations.

If your organization is interested in conducting a raffle drawing pursuant to this emergency regulation, please review the provisions of 820 KAR 1:050E and contact your licensing specialist if you have additional questions.

Please note that this emergency regulation is a temporary measure that will remain in effect for up to 270 days or until the ordinary regulation that the Department intends to use to replace it is enacted. The ordinary regulation that will replace this emergency regulation includes technical standards for electronic raffle systems and online raffle systems that closely mirror the regulations established by Gaming Labs International ("GLI") for such systems. Once the ordinary regulation is enacted, these systems will be required to be tested and approved by an independent testing lab in a process similar to that used to test and certify electronic bingo devices and systems and electronic pulltab devices and systems. The Department will accept written comments from the public related to this proposed regulation through July 31, 2020. You may submit those by email to

doug.hardin@ky.gov or by postal mail to Kentucky Department of Charitable Gaming, 500 Mero Street 2NW24, Frankfort, KY 40601. A public comment hearing on this regulation is scheduled for August 26, 2020, at 11:00 AM in Room 133 CE of the Mayo-Underwood Building. Please contact the Department if you are interested in attending this meeting.