



Fact Sheet: Progressive Raffles in Colorado

What are progressive raffles and how do they differ from regular raffles?

Progressive raffles are a type of charitable game allowed in Colorado as of January 1, 2014. They are different from regular raffles in one important way: there is no guarantee that any one drawing will produce a winner. As a result, the raffle jackpot may carry over from one drawing to the next, building as it goes. Currently, Colorado regulations allow for two types of progressive raffles: Playing-Card Progressive Raffles and Members-Only Progressive Raffles. In addition to the rules governing all raffles, here are some pointers and regulations to be aware of when running a progressive raffle.

Playing-Card Progressive Raffles

Method of Play: Select a “Jackpot Prize Card” from a standard 52- or 54-card deck of playing cards—often the Queen of Hearts or Queen of Spades. Place each of the cards in a separate sealed envelope or other container through which the cards are not visible, shuffle the envelopes, and put them on public display. Sell raffle tickets and hold a drawing. The holder of the drawn ticket selects an envelope. If the envelope contains the Jackpot Prize Card, they receive the jackpot. If not, there is no winner and the jackpot carries over to the next drawing.

Additional Rules:

- 1) Once the envelopes are on display, they must be kept in a locked container; only the games manager and licensee officers are allowed access to the locked container.
- 2) Non-winning cards must be displayed until you award the jackpot prize.
- 3) If the winning ticket purchaser is not present at the drawing, you must continue drawing tickets until selecting a purchaser who is present.

Prizes and “Must-Gos”

- 1) Prize amounts for all progressive raffles are calculated as a percentage of sales, not to exceed 70%.
- 2) If your prize reaches \$15,000, you must run a “must-go” in which the prize is given away.
- 3) If your prize reaches \$15,000 in a playing-card progressive raffle, you may either award the prize to the holder of the first ticket drawn or continue pulling tickets and allowing holders to select cards until a person selects the Jackpot Prize Card.
- 4) In a members-only drawing, you must continue to draw member names until a member who purchased the ticket is drawn.
- 5) You may offer a consolation prize for each drawing as either a specified amount or as a percentage of sales.

Members-Only Progressive Raffles

Method of Play: Give your organization’s members the opportunity to buy raffle tickets. At the drawing, place the names of all members (or a subset) into the pool and select one name. If the member whose name is drawn purchased a ticket, he or she wins the jackpot prize. If the member whose name is drawn did not purchase a ticket, there is no winner and the prize amount is added to the jackpot for the next drawing.

Additional Rules:

- 1) The names of all members who purchased a ticket for a specific drawing must be included in the pool for that drawing.
- 2) Because you can only sell tickets to members, you do not need to comply with special raffle ticket provisions in Rule 8.1.4.

Ticket Sales and Postings

- 1) If your prize amount exceeds \$1,000, you must print special tickets in accordance with Rule 8.1.4, unless you are selling only to organization members.
- 2) Tickets sold for a specific drawing are ineligible for future drawings.
- 3) You must determine ticket prices before beginning a progressive raffle, and you must not change those prices for any drawing in the progressive sequence.
- 4) A ticket holder must be present at the drawing in order to win the jackpot or consolation prize.
- 5) In addition to other required postings, see Rule 8.4.7 for required progressive raffle postings.