

SCOTT WALKER GOVERNOR MIKE HUEBSCH SECRETARY STEVE KNUDSON ADMINISTRATOR

DIVISION OF GAMING

3319 W. Beltline Hwy., 1st Floor Post Office Box 8979 Madison, WI 53708-8979 Voice (608) 270-2555 - Fax (608) 270-2564

COMMON QUESTIONS REGARDING RAFFLES

What exactly constitutes "Gambling"?

Any activity that involves the elements of **prize**, **chance** and **consideration** is gambling and illegal unless authorized by Wisconsin Law. (For example, raffles and bingos are permitted for certain qualifying non-profit organizations, if they obtain the required licensing, so they are not considered "gambling.") If all three elements are present then the activity is considered an unlawful lottery. **Consideration**, with some limited exceptions, is defined as anything that is a commercial or financial advantage to the promoter, or a disadvantage to a participant; money, canned goods, clothing, anything of value. **Prize** is generally defined as something of value and may be a variety of things like money, property, parking stall for a week, vacation day, etc. The most common question is whether the activity involves **chance**. This element is present if chance, rather than skill, predominates.

Conversely, if an activity predominately involves skill, then it would not meet the statutory definition. Skill based games would include paying to guess the number of marbles in a jar, pool, darts, bean bag toss, etc. and would be legal for individuals, businesses, non-profit organization's to conduct without any license requirements.

Considered predominately games of chance are the following and more; most card games (particular poker, Texas Hold-Em), cow pie bingo, dice games, paddle wheels, quarter auctions, etc.

An activity is unlawful only if all three elements are present. If one of the elements is not present, then the activity is not an unlawful lottery. For example, an activity that does not involve the awarding of a prize or does not involve any consideration to participate would not be unlawful.

Also note that it is not legal to conduct progressive raffles or Queen of Heart raffles. When a ticket is drawn the winner wins the prize, they do not get a chance to win a bigger prize or for the bigger prize to continue to roll over each week/month until someone finally wins.

I want to conduct a benefit to raise funds for an individual, family, or non-profit with 50/50 and basket/bucket raffles?

Wisconsin law provides that only charitable organizations can obtain a raffle license in Wisconsin. Individuals and businesses do not qualify for a raffle license. In these instances, we suggest conducting a silent auction or utilizing a game of skill. Any game of chance is illegal in Wisconsin except for licensed bingos, licensed raffles and tribal gaming and only charitable organizations are eligible to receive a raffle license. Unlicensed raffles constitute illegal gambling, and can subject the participants to criminal penalties.

I have been unable to sell my home, am unable to afford my car, or have been unable to sell my business and now would like to attempt to raffle it off. How do I go about getting a license to do so?

As it is not legal for an individual or business to conduct a raffle in Wisconsin, it would not be possible for an individual to raffle off their house or car, or for a business owner to raffle off their business. A non-profit/not-for-profit/charitable organization would not be able to raffle an individual's items for them as the organization would need to be in possession of the item prior to raffling it off.

What about casino nights and poker tournaments - are they legal?

Any activity that involves the elements of prize, chance and consideration is illegal except for bingos and raffles conducted by charitable organizations that possess a Wisconsin charitable gaming license.

Traditional Casino or Las Vegas nights are illegal because they include the elements of prize, chance, and consideration. If the participants must make a payment or donation in order to gamble with play money, and then win cash or prizes, use the play money at the end of the evening to bid on prizes, or to purchase raffle tickets to place in drawings, the activities constitute illegal lotteries under Wisconsin law.

Can I use a roulette wheel, a deck of cards, Pick 3, or other means to draw for or determine the winner?

The only drawing method that the raffle laws allow is the traditional placing of the ticket stubs into a drawing container where the ticket(s) are drawn for the winner. Any other method such as ripping cards in half from a deck of cards, spinning a wheel, boards, using dice, Pick 3 numbers, etc. is not allowed.

Can I sell tickets on the internet?

Generally, it is not permissible to sell tickets on the internet. In order to sell tickets on the internet, any web hosting services or software necessary to accommodate the sales initiated on a website would have to be donated, as Wisconsin law proscribes that no salaries, fees or profits can be paid to any other organization or individual in connection with the operation of a raffle. Wisconsin law requires an organization to print actual tickets, with a stub that a purchaser must fill out their personal information on and that stub then goes into the drawing container. Additionally, Federal Postal Code makes it illegal to mail raffle tickets, order forms, and payment for raffle tickets using the US Mail or common carriers such as UPS, FedEx, etc. Lastly, raffle ticket sales are disallowed beyond the boundaries of Wisconsin. The problem this poses for internet ticket sales is that the licensee would have to closely monitor the location of purchasers and decline sale to those beyond the permissible geographical area, and would not be able to provide the tickets to a purchaser once the ticket has been paid for without potentially violating Federal Postal Code. https://www.usps.com/search.htm?q=raffle

I want to advertise our raffle in the local paper. Is this okay to do?

It is acceptable to advertise the event information for a raffle and where a purchaser may go to purchase their own raffle tickets.

If I put a suggested donation on my raffle ticket, can I then mail the ticket?

You may print suggested donation on your tickets but then you cannot require any payment to be entered into the drawing and the activity is no longer a raffle as Wisconsin law requires the actual cost of the raffle ticket to be printed on the ticket. The ticket **must** contain the following language:

Suggested Donation \$XX each

No Purchase Necessary to Enter

This must all be the same size font and clearly visible on the ticket.

Note that this is now a FREE drawing/sweepstakes and <u>not</u> a raffle, and the raffle laws/requirements do not apply. Please review the laws regarding Sweepstakes in Wisconsin at the following link: http://datcp.wi.gov/uploads/Consumer/pdf/ContestsAndPromotions119.pdf as they follow a different set of guidelines. You can also click on the following link to review the statutory language that relates to Sweepstakes: http://docs.legis.wisconsin.gov/statutes/statutes/945/01/5/b/2

I sent in my raffle license for renewal and am waiting for it to come in the mail. Can I print tickets for an upcoming raffle our organization is planning to have?

As long as your license is valid/has not expired at the time of printing, you may print your Class A raffle tickets with that current number, even if your drawing is after the expiration date. Be sure to file your renewal prior to the expiration date so there is not a gap in your license periods. If your license is expired you MUST wait for the renewed license number to be issued before printing tickets.

I was playing a machine in a tavern and was expecting to be paid out but nothing happened?

Video gambling machines are NOT legal anywhere in Wisconsin except in a lawful casino. A bar or tavern may have 5 or fewer machines for amusement only, which means that they must either be free to play or not provide anything of value as a prize. Any other machines are illegal at ANY location in Wisconsin. The mere playing of a video gambling machine is an illegal act, so there is no way for law enforcement to compel the owner of a video gambling machine to pay what are illegal gambling winnings under the law. The Office of Charitable Gaming does not have oversight of any video gambling machines in a bar or tavern or other establishment. For complaints or concerns regarding video gambling machines in a bar/tavern, please contact the Department of Revenue at 608-266-2772 or your local law enforcement agency. For complaints regarding video gambling machines in any other location, contact your local law enforcement agency.

Can bars do Meat Raffles and play Bingo?

No. Any activity that involves the elements of prize, chance and consideration is illegal except for bingos and raffles conducted by charitable organizations that possess a Wisconsin charitable gaming license. Conducting unlicensed bingo or meat raffles can subject the event holder to criminal penalties, and any proceeds and "prizes" can be seized by law enforcement as contraband.