APPLYING FOR A RAFFLE LICENSE

Raffles are regulated and governed by the New Jersey Legalized Games of Chance Control Commission. For complete details and requirements refer to the State's website at: **www.njconsumeraffairs.gov/lgccc.**

To apply for a Raffle License, the following documents must be submitted to the Borough Clerk's office at least four (4) weeks prior to the next scheduled Council meeting to allow enough time to process the request.

Submit the following:

- Organization registration (must be the original certificate issued by the State of New Jersey for the current year)
- Four (4) Sets of a Complete Application (with **original signatures and original notary stamp/seal on all 4 copies**). Note that an officer of the organization **as well as** the member in charge of the game must sign all applications **before a notary**
- Submit two (2) copies of sample raffle ticket for off-premise raffles
- Two (2) checks in the amount applicable (based on raffle type and/or value of prizes)
  - 1 check payable to the "Legalized Games of Chance Control Commission"
  - 1 check payable to the "Borough of Watchung"
- You must submit separate applications for each on-premise draw, off-premise draw, on-premise 50/50, and off-premise 50/50

DO NOT USE STAPLES ON ANY OF THE APPLICATION FORMS

Once the application has been processed and approval by the Governing Body is granted and mailed to the State, there is a mandatory 15 calendar holding period before a license can be issued. This is imposed by the New Jersey Legalized Games of Chance Control Commission.

Once the event has occurred, the State requires that you complete a Raffle Report of Operation which must be notarized and sent to Legalized Games of Change Control Commission no later than the 15th day of the calendar month immediately following the month of the event. Send a copy to the Borough of Watchung.

Note: There are additional requirements for some raffle types. For more details refer to the State's Website at: www.njconsumeraffairs.gov/lgccc

QUICK CHECK LIST FOR APPLICANTS

DO

1. Make sure that the current I.D. certificate from the State is brought in when submitting the application for a raffle license and is valid through the Raffle Date and the I.D. number appears on the application.

2. Submit four (4) original applications (you may complete one form, make copies and then sign, date, and seal all 4 copies). **All signatures and seals MUST BE ORIGINALS as indicated**

3. Must submit separate applications for each On-Premise draw, Off-Premise draw, On-Premise 50/50, and Off-Premise 50/50.

4. You may advertise or publicize raffle games of chance in any form, e.g. newspapers, radio, T.V., posters, handbills, etc. pursuant to N.J.A.C. 13:45-6.14.

DO NOT

1. Offer as a prize: real estate or any interest therein, bonds, shares of stock, securities or evidences of indebtedness, weapons, live animals (except gift certificate redeemable for live, edible seafood), foreign or domestic coins (except collector pieces or sets that are marketed as such and are clearly not intended for use as legal tender), tobacco products, motor vehicle leases, cash (including American Express Gift Certificates) or any merchandise refundable in any of the foregoing or as money or cash (cash prize only allowed when a 50/50 raffle is being held).

2. Print tickets before license has been approved by Council and Legalized Games of Chance Control Commission.

Sample Ticket
Off Premises Raffle Awarding Cash
N.J.A.C. 13:47-8.8

Stub

Name

Address

City State ZIP code

Telephone Number

Municipal RL #

NJ LGCCC Identification#

Ticket #

Ticket

NJ LGCCC Identification #

Municipal RL #

Name of Organization

50/50

This is a 50/50 cash raffle and the winner will receive 50% of the amount received for all tickets or rights to participate.

Location of Drawing

Date of Drawing

Time of Drawing

Purpose to which entire proceeds will be devoted
"No substitution of the offered prize may be made."

Price of Ticket

Ticket #

SAMPLE

This illustration is provided for your convenience. While the form of the ticket may vary, the information listed above must be contained on your printed ticket. If you require assistance with your ticket, please contact the office of Legalized Games of Chance Control Commission at (973) 273-8000. This sample ticket must be attached to the Application for Municipal Raffle License and submitted to the municipality.

RAFFLE LICENSING FEES

OFF-PREMISE DRAW RAFFLES FOR MERCHANDISE

(tickets printed and sold in advance of the occasion)

Amount of retail value of prizes	Fee to Legalized Games of Change	Fee To Watchung
0 – 1,000	$20.00	$20.00
$1,000.01 – 2,000	40.00	40.00
2,000.01 - 3,000	60.00	60.00
3,000.01 - 4,000	80.00	80.00
4,000.01 - 5,000	100.00	100.00
5,000.01 – 6,000	120.00	120.00
6,000.01 – 7,000	140.00	140.00
7,000.01 - 8,000	160.00	160.00
8,000.01 - 9,000	180.00	180.00
9.000.01 – 10.000	200.00	200.00

(add $20 fee to Legalized Games of Chance Control Commission & Borough for each Additional $1,000 or part thereof)

OFF-PREMISE 50/50 CASH RAFFLES

Submit two checks - $20.00 each – One to Legalized Games of Change Control Commission and One to the Borough.

If the cash award exceeds $1,000, the balance of the fees according to the schedule above are to be sent to Legalized Games with your Report of Raffles that must be filed and a check to the Borough.

ON PREMISE DRAW OR 50/50 VALUED UNDER $400

NO FEE

ON PREMISE DRAW OR 50/50 VALUED OVER $400

$20 To Legalized Games of Chance Control Commission and $20 to the Borough for each day raffle is held

ON PREMISE DRAW – CASINO NIGHT

$100.00 to Legalized Games of Chance Control Commission and $100.00 to the Borough

REMEMBER: One (1) check payable to the "Legalized Games of Chance Control Commission" AND one (1) check payable to the "Borough of Watchung"

New Jersey Office of the Attorney General
Division of Consumer Affairs
Legalized Games of Chance Control Commission
124 Halsey Street, P.O. Box 46000
Newark, N.J. 07101
(973) 273-8000

The Legalized Games of Chance Control Commission Bingo and Raffle License Process Instructions

New Jersey allows certain types of gaming by specific types of non-profit organizations. There are detailed licensing procedures that must be followed, as well as special restrictions on how the proceeds derived from permitted games of chance may be used. Many non-profit groups that would qualify to conduct games of chance are unaware of the licensing requirements imposed by law and the civil penalties that may be assessed for conducting such gaming without a license.

A majority of gaming by non-profits is conducted in the form of bingo and raffles. Accordingly, this posting focuses specifically on gaming under the Bingo Licensing Law[1] and the Raffles Licensing Law[2] (together referred to as bingo and raffles licensing laws), and the corresponding regulations established under them.[3]

The Licensing Process

The bingo and raffles licensing laws provide a dual licensing mechanism, in which the municipality where the gaming will be conducted ultimately issues the license to a qualified fund-raising organization. Thus, the location where the gaming activity is going to be conducted is extremely important, because the particular municipality determines whether the gaming will be permitted. The bingo and raffles licensing laws operate only in those municipalities where they have been adopted by public referendum.

Organizations desiring to be licensed to conduct bingo or raffles must begin with the Legalized Games of Chance Control Commission, established under the Department of Law and Public Safety to administer the bingo and raffles licensing laws.[4]

In order for an organization to apply for a municipal license, it first must register with and obtain an "**Identification Number**" from the Commission.

In order to register, the organization must submit a completed application, including a nonrefundable, biennial registration fee of $100.00 dollars[5]; a copy of its constitution and bylaws; a list of the names, addresses and ages of each member of its organization; and if incorporated, a copy of its articles of incorporation filed with the Secretary of State.[6]

The Commission will then analyze whether the organization is a "qualified" non-profit organization, as discussed on the following page.

Qualified Organizations

Not all non-profit organizations are qualified to conduct games of chance pursuant to the bingo and raffles licensing laws. Qualified organizations include bona fide organizations or associations of veterans of any war in which the United States has been engaged, churches and or religious congregations and religious organizations, charitable, educational and fraternal organizations, civic and service clubs, senior citizen associations and clubs, officially recognized volunteer fire companies and officially recognized volunteer first aid or rescue squads.[7] If the Commission determines that an organization falls within one of the above categories, it will review the following:

1. Documentation indicating whether the organization is incorporated, whether it is incorporated in New Jersey as a religious corporation or as an association not-for-pecuniary profit, and is empowered by its articles of incorporation to further one or more of the authorized purposes defined by the regulations. If incorporated out of the state of New Jersey, a form 12A must be completed;

2. Documentation showing that if it is not incorporated, whether it is organized in New Jersey as a religious or other organization not-for-pecuniary profit, and is authorized by its written constitution, bylaws or charter to further one or more of the authorized purposes;

3. Documentation indicating whether the organization is comprised of a membership of not less than five (5) persons;

4. Documentation indicating whether the organization relies primarily on funds from sources other than the conduct of games of chance for furthering its authorized purpose[8]; and

5. A letter from the affiliated national organization indicating that the organization is in good standing, and a copy of the dissolution statement.

* If the application meets these criteria, the Commission will issue the organization an identification number, which is valid for two years, allowing it to apply to a municipality for a license to conduct gaming. There is no requirement in the bingo and raffles licensing laws or the regulations that the organization be a corporation which is exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986 as amended, in order to be issued an identification number. Additionally, the term "membership" is not defined by the regulations, nor is there any mechanism to obtain a waiver of the of the five-member requirement. For these reasons, the Commission has been reluctant to issue identification numbers to applicants which are not comprised of at least five (5) persons who possess voting power in the corporation or association.

The Municipal License

Neither registration nor assignment of an identification number entitles a qualified organization to hold or conduct a game of chance. Organizations must first obtain the approval of the municipality in which the game of chance is to be held, operated or conducted.

The application filed with the municipality in which the game will be held generally requires the same information required by the Commission, together with a description of the gaming to be conducted, including a sample ticket, if it is a raffle.

The application also must designate an active member or members of the organization under whose control the game of chance will be conducted, including a statement by the member or members that they will be responsible for the conduct of the game in accordance with the bingo and raffles licensing laws and the regulations if a license is granted.

After a completed application has been filed, the municipal governing body must investigate the merits of each application and make specific findings, including whether the applicant is in fact a qualified organization and whether the designated member or members are bona fide members of the organization, of good moral character and have never been convicted of a crime.[9]

If the municipal governing board makes the requisite findings with respect to an application for a gaming license, the board must adopt a resolution authorizing issuance of the license.[10] The license shall be valid for a period of no more than one year from the date of issuance.

Conducting Bingo and Raffles

The regulation governing the conduct of bingo and raffles under the bingo and raffles licensing laws is quite comprehensive. Detailed below are some fundamental requirements for conducting bingo or raffles which licensees should be aware of.

The licensee must designate a specific representative who will be responsible for insuring that all gaming is conducted in accordance with applicable statutes and regulations. Only bona fide members of the organization may operate the game, and no person can be paid for conducting or assisting in conducting the game. The exception to this rule applies to Casino Night events that require trained licensed operators known as dealers. Proceeds derived from gaming operations may be used only to further the organization's authorized purpose. Furthermore, supplies necessary to the gaming operation may be purchased or leased **only** from vendors approved by the Commission.

The bingo and raffles licensing laws also limit the prizes that may be awarded in the aggregate and in any one particular game. Specifically, no licensee may offer a prize having a retail value greater than $100,000 in any one raffle conducted by drawing, or $500 in any raffle not conducted by drawing. Furthermore, no licensee shall offer prizes that, in aggregate, amount to a value greater than $500,000 in any 12-month period. Finally, all tickets or rights to participate in a raffle must be sold at a uniform unit price, and discounts for purchases of more than one ticket are prohibited.[11] As for bingo games, no prize may be offered exceeding $1,000 in one particular game, nor may prizes exceeding $3,000 in the aggregate for one occasion be offered.[12] As for the premises and equipment used for bingo, unless the licensee is the sole owner, or it is donated, the person leasing the premises and equipment, and the price for the same, must be approved by the Commission.

Report of Operations

No later than the 15th day of the calendar month following the month in which a game of chance is conducted, the organization conducting the game and the member or members responsible for the conduct of the game must file a report of operation with the Commission.[13] The report must include the gross receipts derived from each game; the expenses incurred and to whom such amounts were paid; the net profit from each game; the uses to which the net profit has been or will be applied; and a list of the prizes offered or given and the respective value of each.

Fines and Penalties

A violation of the bingo and raffles licensing laws or regulations carries a fine of up to $7,500 for a first offense and up to $15,000 for the second and each subsequent offense. In addition, the Commission is authorized to order restitution to an aggrieved party.[14] All penalties may be collected in a summary manner pursuant to the Penalty Enforcement Act.[15]

Conclusion

New Jersey non-profit organizations can successfully raise funds through bingo or raffles. However, if the organization does not adhere to the bingo and raffles licensing laws or the regulations, the penalty may wipe out any profits realized. Care should be taken, therefore, to understand and comply with all of the applicable laws and regulations.

Endnotes

1. N.J.S.A. 5:8-24 et seq.
2. N.J.S.A. 5:8-50 et seq.
3. N.J.A.C. 13:47-1.1
4. N.J.S.A. 5:8-1. et seq.
5. A senior citizen association or club requesting registration is exempt from the biennial registration fee. N.J.A.C. 13:47-2.3(b).
6. N.J.A.C. 13:47-2.3(a).
7. N.J.S.A. 5:8-25 and 51.
8. An "authorized purpose" is an educational, charitable, patriotic, religious or public-spirited purpose, defined to be a purpose that benefits an indefinite number of persons, either by bringing their minds or hearts under the influence of education or religion, by relieving their bodies from disease, suffering or constraint, by helping them establish themselves in life, or by erecting or maintaining public buildings or works, or otherwise lessening the burden of government, or in the case of a senior citizen association or club, the support of such organization. An authorized purpose does not include the erection, acquisition, repair, improvement or maintenance of property, real personal or mixed, unless such property is and shall be used exclusively for one or more of the purposes stated above. N.J.A.C. 13:47-1-1.
9. N.J.S.A. 5:8-27 and 53.
10. Id.
11. N.J.A.C. 13:47-8.3 Note that these limits do not apply to on-premise raffles where all of the prizes are wholly donated.
12. N.J.A.C. 13:47-7.2 Progressive Jackpot Bingo and 50/50 bingo games are not subject to this limitation.
13. N.J.S.A. 5:8-37 and 64.
14. N.J.S.A. These penalty provisions do not apply to violations that are committed by organizations that hold a valid license at the time the offense is allegedly committed.
15. N.J.S.A. 2A:58-1 et seq.

New Jersey Office of the Attorney General
Division of Consumer Affairs
Legalized Games of Chance Control Commission
124 Halsey Street, 6th Floor, P.O. Box 46000
Newark, New Jersey 07101
(973) 273-8000

Application for a Raffle License

Application No. ***RA***_____
Identification No. _____

Submit four (4) copies of this application to the Municipal Clerk's office in the municipality where the games will be conducted.

Please print clearly.

Name of municipality: _____

Part A - General

1. Name of applying organization: _____

2a. Street address of headquarters: _____

b. Mailing address (if different):

3. A license is requested to conduct raffles of the kind stated on the date, or on each of the dates, and during the hours listed (use a separate application for each type of raffle).

Date	Hours	Date	Hours

4a. Address of place where raffles will be played:

b. Does the applicant own the premises or regularly occupy them for its general purposes? ☐ Yes ☐ No

5. If raffles equipment is to be rented, attach a statement by the raffles equipment lessor to this application on Form 13.

Part B - Schedule of Expenses

The items of expense intended to be incurred or paid in connection with the games listed in this application, the names and addresses of the persons to whom each item is to be paid, and the purpose for which each item is to be paid, are:

Item of Expense	Name and address of supplier	Purpose

Part C - Schedule of Purposes

1. The specific purpose(s) to which the entire net proceeds of the games listed in this application are to be devoted, and the manner in which they are to be so devoted, are:

2. If any part of the net proceeds are to be devoted to a purpose allowed by the Raffles Licensing Law by turning the same over to another organization which is exclusively devoted to such purposes, secure the signature of its president or other executive officer to the following certificate:

   "It is hereby certified that _____
   Name of organization

   will accept from the licensee any part of the net proceeds of the games listed in this application to be turned over to it."

   Date: _____ Signature: _____

Part D - Schedule of Prizes

A description of all prizes to be offered and given in all of the games listed in this application is as follows. For merchandise, describe the article and state the retail value; if prizes are to be donated, indicate that fact and estimate as accurately as possible the information requested below.

Description of Prize	Donated (Yes or No)	Retail value
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	
	☐ Yes ☐ No	

Part E - Officers of Applicant

(1) Office _____ Name of officer _____ Age ____

Residence address _____ Telephone No. *(include area code)* Day _____ Evening _____

(2) Office _____ Name of officer _____ Age ____

Residence address _____ Telephone No. *(include area code)* Day _____ Evening _____

(3) Office _____ Name of officer _____ Age ____

Residence address _____ Telephone No. *(include area code)* Day _____ Evening _____

(4) Office _____ Name of officer _____ Age ____

Residence address _____ Telephone No. *(include area code)* Day _____ Evening _____

Part F - Members of Applicant who will be in charge of the games

Name of member in charge	Residence address	Telephone No. *(include area code)* Day / Evening	Age
		/	
		/	
		/	
		/	
		/	

Part G - Members of Applicant who will assist in conducting the games

Name of member	Residence address	Age

Part H - Names of other organizations whose members will assist in conducting the games

Name and address of organization	How related	Identification No.

If more space is needed in any section of this application, insert extra sheets of paper.

Part I - Statement of Applicant and member(s) in charge

State of New Jersey

County of _____ } ***ss.***

We do hereby each make the following statement, under oath, with respect to the foregoing application:

1. The applicant (is) (is not) limited in its activities to the furtherance of one or more authorized purposes as defined in the Raffles Licensing Law.
2. Prior to the issuance of any license to it to conduct games of chance, the applicant was actively engaged in serving one or more "authorized purposes."
3. The applicant has received and used, and in good faith expects to continue to receive and use, to further one or more authorized purposes, funds from sources other than games of chance.
4. The conduct of the games on the occasion or occasions for which this application is made will be to raise and devote the entire net proceeds to the authorized purpose described in the application.
5. For each occasion for which a license is sought, one or more of the members listed who are familiar with the Raffles Licensing Law and the Rules and Regulations, will be in full charge of, and primarily responsible for, the conduct of the games.
6. No commission, salary, compensation, reward or recompense will be paid to any person for holding, operating or conducting or assisting in the holding, operation or conducting, of the games, except to bookkeepers or accountants for professional services not exceeding the amounts fixed by the Schedule of Fees, as well as the compensation for the Licensed Compensated Workers pursuant to N.J.A.C. 13:47-6A. No prize may be offered and given in cash, except as otherwise provided by the Raffles Licensing Law (N.J.S.A. 5:8-50 et seq.). If a cash prize under certain circumstances **is** permitted by the law, the amount of the cash prize may not exceed the limits prescribed by the Raffles Licensing Law.
7. All statements in the foregoing application are true.

Sworn and subscribed to before me this

_____day of _____ , 20 ___.

_____
Notary Public (Print name)

_____
Signature of Notary Public

AFFIX SEAL HERE

_____
Signature of Officer and Title

_____
Signature of Member-in-Charge

_____
Signature of Member-in-Charge

_____
Signature of Member-in-Charge

_____
Signature of Member-in-Charge

If more space is needed in any section of this application, insert extra sheets of paper.

Applicant's registration slip from the *Legalized Games of Chance Control Commission* must be presented to the Municipal Clerk with this application.