

LOCAL OPTION SMALL GAMES OF CHANCE ACT- FREQUENTLY ASKED QUESTIONS-

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Frequently asked questions about the BINGO LAW-

Preface:

This list of frequently asked questions is meant to address only the most common questions asked about small games of chance. The list is in no way intended to address all the rules and regulations that govern the conduct of small games of chance, nor does it constitute legal advice. Organizations that are interested in applying for a Local Option Small Games of Chance License should become familiar with the **Pennsylvania Local Option Small Games of Chance Act (the Act), 10 P.S. §328.101, et seq.** and the **Small Games of Chance Overview** prepared by the Pennsylvania Department of Revenue.

Q: What law governs the conduct of small games of chance?

A: The Pennsylvania Local Option Small Games of Chance Act (the Act), 10 P.S. §328.101, et seq. The Act allows certain nonprofit organizations, known as "eligible organizations", to conduct specific small games of chance for the purpose of raising funds for the promotion of "public interest purposes".

Q: Does a Local Option Small Games of Chance License permit all forms of gambling?

A: No, most definitely not! Gambling is illegal unless the activity is specifically authorized by the Pennsylvania Legislature. Only those specific types of small games of chance as defined by the Act are permitted by virtue of being licensed under the Act. Currently permitted by the Act are:

Punchboards

Pull-Tabs

Raffles (includes lotteries)

Daily Drawings

Weekly Drawings

Raffles

Raffle auctions

50/50 drawings (including major league sports drawings)

Race Night Games

Pools (Excluding Sports Pools)

Q: Who can apply for and be granted a Local Option Small Games of Chance License?

A: A license cannot be granted to an individual. Only an **“eligible organization”** as defined in §328.103 of the Act can apply. Members of interested organizations should refer to §328.103 of the Act or to the Pennsylvania Department of Revenue Small Games of Chance Overview prepared by the Pennsylvania Department of Revenue.

Q: Are there different types of license?

A: Yes. There are two types of licenses, a **“Regular License”** which permits year-long gaming and a **“Monthly License”** which permits gaming for 30 consecutive days. Finally, a **“Special Permit”** is required for each raffle with a prize in excess of \$3,000.00.

Q: What is the fee for the various licenses?

A: The fee for a **regular license** is \$125.00.
The fee for a **monthly license** is \$25.00.
The fee for a **special license** is \$25.00.

Q: How long is a license valid?

A: A regular license is valid for one year from date of issue. A monthly license is valid for the month it is issued for. A special permit is valid only for the specific raffle it applies to.

Q: Can an eligible organization permit its license to be used by another organization to play small games of chance?

A: No. Only the organization in whose name the license is issued may conduct small games of chance.

Q: Can an auxiliary to an eligible organization use the license of the eligible organization to conduct small games of chance?

A: Yes. Auxiliary groups within eligible organizations shall be eligible to conduct small games of chance using the license issued to the eligible organization provided that the auxiliary group or groups are listed on the application for license and the license of the eligible organization. Auxiliary groups shall not include branches of lodges or chapters of a Statewide organization.

Q: Can an auxiliary to an eligible organization apply for and obtain its own license to conduct small games of chance?

A: No.

Q: How does an organization establish that it is an eligible organization?

A: The organization must meet the definition of an eligible organization found in §328.103 of the Act. The organization must be in existence for one year prior to the application for a license. Upon making application for a Local Option Small Games of Chance License, the organization's Articles of Incorporation and/or bylaws must accompany the application. If the organization is not incorporated, it must provide its bylaws and any other documentation that sets forth the organization's executive structure and purpose, most importantly providing for a **President** and **Secretary**. The documentation that must accompany the license application can be found at the bottom of page 2 of the application.

Q: Is a criminal history check (background check) required for officers of the eligible organization?

A: No, a background check is no longer required.

Q: Are school districts eligible for licensing under the Act?

A: No, public school districts, nor any political subdivision are not eligible for licensing. Parochial schools are eligible for licensing if they otherwise met the requirements for an eligible organization.

Q: Are political parties eligible for licensing under this Act?

A: No. However, an organization, whose purpose is non-partisan such as devoted to non-partisan voter registration efforts, would be eligible if they otherwise met the requirements for an eligible organization.

Q: What does the eligible organization do once it has completed its application for a license and prepared the necessary accompanying documentation?

A: The application and required documentation must be brought to the **Perry County Treasurer's Office**, located in the Veterans Memorial Building at 25 West Main Street, New Bloomfield, PA 17068, for review. If the application and documentation comply with the requirements of the Act, the license will be issued immediately upon payment of the applicable fee by check.

Q: Is it possible the Perry County Treasurer's Office might decline the license?

A: Yes, if the applicant does not meet the definition of an "eligible organization" under the Act, or the application is incomplete, the required documentation is deficient, or there is another question about compliance, the Perry County Treasurer's Office will decline to issue the license.

Q: Can anyone from the organization bring the application and documentation to the Perry County Treasurer's Officer?

A: Yes, as long as they are a "bona fide member" of the organization as defined by the Act and the application has been completed in its entirety, is signed by the President or Secretary of the eligible organization and the application is notarized.

Q: Will documentation that must accompany a license application be returned?

A: No, it will be filed by the Treasurer with the application and becomes public information.

Q: Must the association provide the documentation listed on Page 2 of the application each time the application is made for a license.

A: Under the current procedure followed by Perry County Treasurer's Office, unless specifically asked for, the documentation listed on Page 2 does not have to be provided again where no changes to the documentation have been made and no lapse in licensing has occurred. If the documents can not be located in the Treasurer's office from a prior year application, they will be requested for delivery.

Q: Once issued can a Local Option Small Games of Chance License be revoked?

A: Yes, the Perry County Treasurer can revoke a license upon recommendation of the District Attorney, if it is found that the grounds for revocation listed in §701 of the Act exist.

Q: Who investigates violations of the Local Options Small Games of Chance Act?

A: The District Attorney is charged with investigating violations of the Act; however, any state, county or local law enforcement official is empowered to investigate violations of the Act.

Q: Do some municipalities prohibit small games of chance?

A: Yes. Small games of chance may only be played in those municipalities that have approved the licensing and conduct of small games of chance by voter referendum.

Q: Where must small games of chance be played?

A: A licensed eligible organization normally conducts their games of chance at a premise which is the operating site of the eligible organization, but a licensed eligible organization may select another premise or other location not prohibited by local ordinance, which they have identified on their application as a licensed premise.

Q: Are there age restrictions on who can play games of chance?

A: Yes. No one under 18 years of age may play small games of chance.

Q: Can anyone conduct small games of chance for an eligible organization?

A: No, only a “Bona fide member” of the eligible organization who is at least 18 years of age as defined by the Act may conduct small games of chance on behalf of the eligible organization.

Q: Can members of an eligible organization be paid or otherwise compensated for conducting small games of chance on behalf of an eligible organization.

A: No, the Act specifically prohibits anyone from being paid or compensated in any manner for conducting small games of chance.

Q: Where does an eligible organization obtain small games of chance?

A: Other than raffle tickets, an eligible organization must purchase small games of chance from a licensed Distributor. A list of **licensed distributors** is available from the Perry County Treasurer.

Q: Are there restrictions on advertising small games of chance?

A: Yes. §328.704 of the Act states: “It shall be unlawful for any eligible organization or person to advertise the prizes or their dollar value to be awarded in games of chance, provided that prizes may be identified on raffle tickets. Notwithstanding the prohibition of advertising contained within this section, an eligible organization may advertise prizes and values thereof in periodic publications which are limited in their circulation to members of the eligible organization.”

Q: Must an eligible organization maintain records concerning its conduct of small games of chance.

A: Yes. A licensed eligible organization is required to keep records related to games of chance activity sufficient to demonstrate the organization’s compliance with the law upon inspection or audit.

Q: Are there any resources available to assist a licensed eligible organization organize and maintain its records?

A: Yes. The Pennsylvania State Police Bureau of Liquor Control Enforcement makes available various recordkeeping tools on its website to facilitate proper record-keeping.

Q: Are there limitations on what an eligible organization may use the proceeds of small games of chance for?

A: Yes. The Act permits the proceeds to be used for only “**Public Interest purposes**” as defined in §328.103 of the Act.

Q: Are there limits on prizes?

A: Yes, there are very specific prize limits. Prize limits can be found in §328.302 of the Act. Members of eligible organizations should review the Act and the Small Games of Chance Overview prepared by the Pennsylvania Department of Revenue for an explanation of prize limits. The Local Option Small Games of Chance Act and the Overview can be viewed or downloaded from this site.

Q: Are there specific guidelines for what information must be contained on a raffle ticket?

A: Yes. The Pennsylvania Department of Revenue is charged with promulgating rules and regulations for the operation of small games of chance.

The following section of the Pennsylvania Administrative Code, Title 61 (Revenue) addresses this question:

§ 901.745 Printing requirements

The following information shall be printed upon each raffle ticket sold:

- (1) The dates and times of the drawings.
- (2) The location of the drawings.
- (3) The name of the licensed eligible organization conducting the raffle.
- (4) The games of chance license number of the licensed eligible organization.
- (5) The special raffle permit number, if applicable.
- (6) The price of the ticket.
- (7) The prize or prizes to be awarded.

Q: Must raffle tickets be accounted for in a certain manner?

A: Yes. The Pennsylvania Department of Revenue is charged with promulgating rules and regulations for the operation of small games of chance.

The following section of the Pennsylvania Administrative Code, Title 61 (Revenue) addresses this question:

§ 901.743 Raffle tickets.

(a) Tickets for entry into a raffle shall be sold or issued separately and each ticket shall constitute a separate and equal chance to win with other tickets sold or issued. A person may not be required to obtain more than one ticket, or to pay for anything other than the ticket, to enter a raffle.

(b) Tickets for use in a raffle must have a stub or other detachable section, be consecutively numbered and be accounted for separately through the use of a log book showing to whom the tickets were given to be sold. The ticket stub or other detachable section of the ticket must bear a duplicate number corresponding to the numbers on the ticket and contain the purchaser's name, complete address and telephone number. Both parts must be imprinted with sequential numbers commencing with the number "1" through the maximum number of tickets to be sold; or in the case of a raffle where the winner is determined by a drawing conducted by the Department under the State Lottery Law, the universe of eligible ticket numbers must correspond to the universe of eligible numbers in the State Lottery drawing.

(c) A raffle ticket shall be sold for the price stated on the ticket.

(d) A person may not be required to be present at a raffle drawing to be eligible for the prize drawing or to claim the prize awarded.

(e) A ticket seller shall return the stubs or other detachable section of tickets sold to the eligible organization. The eligible organization shall then place each stub or other detachable section of ticket sold into a receptacle out of which the winning tickets are to be drawn. The receptacle must be designed so that each ticket placed therein has an equal opportunity with every other ticket to be the one withdrawn.

(f) If a ticket stub or other detachable portion was not placed in the receptacle from which the winners were drawn, prior to the drawing, the purchase price of the ticket must be refunded to the purchaser.

(g) The purchaser's name, address and telephone number must appear on the stubs or other detachable section.

Q: How many raffles can my organization hold?

A: The number of raffles held would be dictated by monthly prize limits as set forth in §328.302 of the Act.

Q: Can the advertised date for a raffle drawing be postponed?

A: Yes, but only if: (1) weather or a state of emergency declared by the Governor has caused a postponement of the event at which the drawing was to occur; or (2) not enough tickets are sold to cover the cost of the prizes and an extension will make a material difference. See 61 Pa.Code §901.746.

Q: What procedure must a licensed organization follow if a raffle prize goes unclaimed?

A: If a raffle prize remains unclaimed by the winner for 90 days following the date of the raffle drawing and the club has made a good faith effort to contact the winner via telephone and registered mail, for redemption of the prize, the licensed eligible organization may retain the prize or award it in another game of chance. A record of the attempted contact shall be maintained for a minimum of 2 years. See 61 Pa.Code §901.746.