



## RAFFLES, LOTTERIES, GAMING AND 4-H

With the desire to raise funds in support of programs or events, the involvement of 4-H in games of chance, raffles, lotteries and other forms of gaming is increasing. National 4-H Headquarters has no intention of limiting the ability of 4-H organizations to raise dollars in locally accepted ways in support of the 4-H program, however, unlike other national youth organizations, sports associations or school related extra curricular activities, 4-H is a public organization. The 4-H Name and Emblem is a Federal mark with its responsibility for conducting programs delegated to the Secretary of Agriculture and through cooperative partnerships with the land-grant universities. National 4-H Headquarters recommends careful consideration be given to whether the involvement of the 4-H program in games of chance enhances the precepts, ideals, or goals of 4-H educational work or the land grant institution.

In the 1960's, and revised and updated in the 1970's and 1980's the Extension Committee on Organization and Policy (ECOP) developed policies specific to fund raising or private support for 4-H programs. This policy, in all its versions has contained a provision discouraging fund raising activities involving raffles or games of chance. National 4-H Headquarters has always and continues to endorse this long standing policy. The policy states under the section, *Guides for Raising Funds*, "Discourage lotteries or games of chance." Additionally it states, "Never let fundraising lower the status or prestige of 4-H. Wholesome educational purpose for funds and wise use of them are the most important guiding principles."

State gaming laws have changed since the establishment of the ECOP policy and throughout communities across the nation there are displays of lotto tickets, scratch-offs and gaming promotions. Many of these support public activity such as schools or social services and appear to be a successful way to promote a program or product. These promotions come with a myriad of state and local laws and regulations prohibiting or regulating games of chance that need to be followed in each situation. Involving 4-H in navigating the legal waters to properly conduct a raffle could be complex and perhaps, detrimental to the program.

Additionally, according to the Internal Revenue Service (IRS) (publication 526 – Charitable Contributions, dated 12/2003) the price of raffle tickets, lotteries, etc are still not deductible as contributions, therefore the purchasers of these tickets may not be getting any value or less than full value for their money. The IRS requires filers who show gaming income and losses, to provide a detailed log or journal of all the gaming activity that resulted in the wins and losses. 4-H groups should not be involved in this type of record keeping and reporting, and would need to be careful not to imply endorsement by having the 4-H Name listed next to an establishment that did not represent the positive youth development ideals of the program.

Although the policy related to games of chance is almost 30 years old, the reasoning is still valid. First, as expressed in the Federal regulations, (Title 7 Code of Federal Regulations section 8) related to the 4-H program, which state; "Fund-raising programs using the 4-H Name and Emblem should be carried out for specific educational purposes." (Section 8.9). Second, "Private support monies should be: a.) given and used for priority educational purposes and b.) accounted for efficiently" (Section III). These requirements may be difficult to meet in a game of chance or raffle situation. Additionally, the 4-H Name and Emblem may not be used on or associated with products and services sold in connection with 4-H fund raising programs where an endorsement of a commercial firm, product or service is either intended or effected.

National 4-H Headquarters-USDA is not forbidding the involvement of 4-H clubs or organizations in raffles or games of chance, but recommending that careful consideration go into the decision-making related to these activities. Given the longstanding policy of discouraging 4-H participation in these types of activities and the potential implications for the 4-H program and land grant institution, appropriate individuals at the state and local level, including the State Extension Director, should be consulted to determine the suitability of fund raising activities.

For questions concerning the use of the 4-H Name and Emblem, please contact the National 4-H Headquarters- USDA at (202) 720-2908 or at <http://www.national4-headquarters.gov>.



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