



**District 7 Auxiliary Policy Letter 003/25**

**25 April 2025**

**To: All District 7 Members and Unit Leaders**

**Subject: Raffles, Lotteries, and Door Prizes**

**Discussion**

This Policy Letter addresses the permissibility of flotillas, divisions, and districts conducting 50/50 raffles or other types of raffles involving games of chance, either during or following the adjournment of an official meeting. This matter has been reviewed by the District Legal Officer and the answer is unequivocally negative. Such activities are prohibited under the provisions of the Auxiliary Manual and are further restricted by applicable state laws.

**Auxiliary Manual Guidance**

Auxiliary Manual, Chapter 5, Section H: Solicitation, Gifts and Donations provides:

H.1.f. Raffles, Lotteries, and Door Prizes. All raffles and lotteries are forms of gambling activity because those activities require a participant to pay money, or other valuable consideration, to obtain a chance to win a cash or non-cash prize.

No Auxiliary unit is permitted to conduct any raffle, lottery, or any other form of gambling activity on any Coast Guard owned or leased property.

Auxiliary units may be permitted to conduct raffles, lotteries, or any other form of gambling activity in other locations subject to advance review and written approval (e-mail is acceptable) by the Director. An Auxiliary unit leader shall first consult with the DSO-LP (e-mail is acceptable) to determine whether a desired raffle, lottery, or other gambling activity is prohibited or regulated by State and/or local law. This determination shall be included with the request to the Director.

Auxiliary units are permitted to provide door prizes at Auxiliary events or activities without any need to obtain the Director's consent.

Provisions of this section may be satisfied by blanket authorization in regional Auxiliary policy manuals or annual blanket authorization by the Director. If ever in doubt or in question about any circumstances regarding the conduct of such activities or the clarity of any associated blanket authorization, the Auxiliary unit leader (e.g., FC or DCDR) shall advise and seek guidance from the DSO-LP.

**State Laws**

Most state laws within our district deem 50/50 raffles as gambling unless the organization is a qualifying organization. A qualifying organization is one that is exempt by federal taxation such as a 501(c)(3), which the United States Coast Guard Auxiliary and its units are not. The United

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States Coast Guard Auxiliary is not a 501(c)(3) or exempt from federal income taxation as we are codified in Title 14 of the United States Code.

### **Compliance with Auxiliary Regulations and State Law**

Raffles such as 50/50s or where there is a game of chance are strictly prohibited, whether they are conducted during a formal business meeting or after the meeting is adjourned. These activities are a violation of state law and the Auxiliary Manual.



Martin S. Goodwin  
District Commodore  
Seventh District Coast Guard Auxiliary