



## 2019 SENATE BILL 857

February 20, 2020 - Introduced by Senators LEMAHIEU, CRAIG and NASS, cosponsored by Representatives MAGNAFICI, QUINN, PETRYK, PLUMER, FELZKOWSKI, SPIROS, HORLACHER, VORPAGEL, WICHGERS and GUNDRUM. Referred to Committee on Public Benefits, Licensing and State-Federal Relations.

1     **AN ACT to repeal** 563.04 (6) (b), 563.12 (4), 563.12 (9), 563.51 (12), subchapter  
2     V (title) of chapter 563 [precedes 563.61], 563.61, 563.62, 563.63, 563.64,  
3     563.66, 563.68, 563.69 and subchapter VII of chapter 563 [precedes 563.80]; **to**  
4     **consolidate, renumber and amend** 563.04 (6) (intro.) and (a); and **to amend**  
5     20.505 (8) (jm), 125.06 (10), 563.12 (7), 563.13 (2), 563.13 (4), 563.14 (2), 563.15  
6     (1), 563.16, 563.51 (10) (a), 563.72 and 563.73 (1) of the statutes; **relating to:**  
7     bingo licenses.

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### *Analysis by the Legislative Reference Bureau*

This bill changes some of the requirements for applying for and maintaining a license to operate bingo games, changes the financial recordkeeping and reporting requirements for bingo operations, and removes the gross receipts tax for bingo operations.

Under current law, a “bingo occasion,” defined as a single gathering or session at which a series of successive bingo games is played, can only be run by a nonprofit organization that obtains a license from the Department of Administration’s Division of Gaming. This bill removes the current requirement for an organization applying for a bingo license to specify the date and place of each bingo occasion that will be held under the license, and allows a licensed organization to operate an unlimited number of bingo occasions during the license period. This bill also removes

**SENATE BILL 857**

the current requirement for the organization to license a member to be responsible for the proper utilization of the gross receipts of the bingo occasions under the license.

Current law requires an applicant to pay a license fee that includes a fee of \$10 per bingo occasion that will be held under the license and a \$5 fee per member who is responsible for the proper utilization of gross receipts under the license. This bill changes the fee structure so that an applicant pays a flat fee of \$100 for an annual bingo license.

This bill removes the bookkeeping and accounts requirements for bingo operations under current law. Current law requires licensed organizations to submit semiannual reports of bingo operations to DOA along with payment of a gross receipts tax, and to provide an annual report to the membership of the organization on bingo operations. This bill removes the requirement to submit the semiannual report to DOA, eliminates the gross receipts tax, and removes the requirement for the organization to report to its membership. This bill also removes the current prohibition on receiving payment for participating in the management or operation of a bingo game and the prohibition on awarding alcohol or fermented malt beverages as a prize in a bingo game.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 20.505 (8) (jm) of the statutes is amended to read:

2           20.505 (8) (jm) *General program operations; bingo.* The amounts in the  
3 schedule for general program operations relating to bingo under subchs. II to ~~VII~~ VI  
4 of ch. 563. All moneys received by the department of administration under ss.  
5 563.055, 563.13 (4), 563.135, 563.16, and 563.22 (2) ~~and 563.80~~ shall be credited to  
6 this appropriation account. Notwithstanding s. 20.001 (3) (a), the unencumbered  
7 balance of this appropriation account at the end of each fiscal year shall be  
8 transferred to the lottery fund.

9           **SECTION 2.** 125.06 (10) of the statutes is amended to read:

**SENATE BILL 857**

1           125.06 (10) RAFFLES AND BINGO. The awarding of alcohol beverages in original,  
2           unopened packages, containers or bottles as a prize, in a bingo occasion or raffle  
3           conducted by an organization licensed to conduct the bingo occasion or raffle under  
4           ch. 563, to any person who has attained the legal drinking age.

5           **SECTION 3.** 563.04 (6) (intro.) and (a) of the statutes are consolidated,  
6           renumbered 563.04 (6) and amended to read:

7           563.04 (6) Issue, renew, and amend licenses: ~~(a) To~~ to organizations to conduct  
8           bingo.

9           **SECTION 4.** 563.04 (6) (b) of the statutes is repealed.

10          **SECTION 5.** 563.12 (4) of the statutes is repealed.

11          **SECTION 6.** 563.12 (7) of the statutes is amended to read:

12          563.12 (7) The name, date of birth and address of each ~~supervising member for~~  
13          ~~each bingo occasion~~ who is authorized to supervise a bingo occasion, who shall be an  
14          active member of the applicant organization and one or more of whom shall be  
15          present and in immediate charge of and responsible for the conduct of bingo games  
16          at each bingo occasion.

17          **SECTION 7.** 563.12 (9) of the statutes is repealed.

18          **SECTION 8.** 563.13 (2) of the statutes is amended to read:

19          563.13 (2) A sworn statement by ~~the~~ a supervising member ~~designated as~~  
20          ~~responsible for the proper utilization of gross receipts~~ that no commission or other  
21          fee, salary, profits, compensation, reward or recompense will be paid to any person  
22          or organization and that all profits will be spent as provided under s. 563.51 (8).

23          **SECTION 9.** 563.13 (4) of the statutes is amended to read:

24          563.13 (4) A \$10 license fee for ~~each bingo occasion proposed to be conducted~~  
25          ~~and \$5 for an annual license for the designated member responsible for the proper~~

**SENATE BILL 857****SECTION 9**

1 ~~utilization of gross receipts~~ \$100 fee for a bingo license. All moneys received under  
2 this subsection shall be credited to the appropriation account under s. 20.505 (8) (jm).

3 **SECTION 10.** 563.14 (2) of the statutes is amended to read:

4 563.14 (2) The supervising member ~~and member responsible for the proper~~  
5 ~~utilization of gross receipts~~ members are active members of the applicant  
6 organization who, subject to ss. 111.321, 111.322 and 111.335, have never been  
7 convicted of a felony or, if convicted, have received a pardon or have been released  
8 from parole, extended supervision or probation for at least 5 years.

9 **SECTION 11.** 563.15 (1) of the statutes is amended to read:

10 563.15 (1) After making the determinations under s. 563.14, the department  
11 shall either notify the applicant organization in writing why a license is not being  
12 issued or issue a license to such applicant organization authorizing it to conduct  
13 bingo ~~at the times and places set forth in the license~~. Except as provided in sub. (1m),  
14 a license issued under this subsection shall be allow an organization to conduct  
15 unlimited bingo occasions, effective for one year from the first day of the month of the  
16 ~~first occasion listed on the license~~ date of issuance and may be renewed annually,  
17 except that an applicant organization may request that the license expire on the first  
18 day of any month within the one-year licensure period.

19 **SECTION 12.** 563.16 of the statutes is amended to read:

20 **563.16 Amendment of license to conduct bingo.** Upon application by a  
21 licensed organization, a license may be amended, if the subject matter of the  
22 amendment properly and lawfully could have been included in the original license.  
23 An application for an amendment to a license shall be filed and processed in the same  
24 manner as an original application. An application for the amendment of a license  
25 shall be accompanied by a \$3 fee. ~~If any application for amendment seeks approval~~

**SENATE BILL 857**

1 ~~of additional bingo occasions or designates a new member responsible for the proper~~  
2 ~~utilization of gross receipts, the appropriate fee under s. 563.13 (4) also shall be paid.~~

3 If the department approves an application for an amendment to a license, a copy of  
4 the amendment shall be sent to the applicant who shall attach it to the original  
5 license. All moneys received under this section shall be credited to the appropriation  
6 account under s. 20.505 (8) (jm).

7 **SECTION 13.** 563.51 (10) (a) of the statutes is amended to read:

8 563.51 (10) (a) No licensed organization shall award any prize consisting of  
9 ~~alcoholic or fermented malt beverages or an interest in real estate or securities.~~

10 **SECTION 14.** 563.51 (12) of the statutes is repealed.

11 **SECTION 15.** Subchapter V (title) of chapter 563 [precedes 563.61] of the  
12 statutes is repealed.

13 **SECTION 16.** 563.61 of the statutes is repealed.

14 **SECTION 17.** 563.62 of the statutes is repealed.

15 **SECTION 18.** 563.63 of the statutes is repealed.

16 **SECTION 19.** 563.64 of the statutes is repealed.

17 **SECTION 20.** 563.66 of the statutes is repealed.

18 **SECTION 21.** 563.68 of the statutes is repealed.

19 **SECTION 22.** 563.69 of the statutes is repealed.

20 **SECTION 23.** 563.72 of the statutes is amended to read:

21 **563.72 Inspection for enforcement.** Any peace officer or district attorney,  
22 within their respective jurisdictions, or an authorized employee of the department,  
23 may, at all reasonable hours, enter the premises where a bingo occasion is being  
24 conducted and examine the books, papers and records of the licensed organization  
25 to determine if all proper ~~taxes or fees~~ imposed have been paid. Any refusal to permit

**SENATE BILL 857****SECTION 23**

1 such examination of the premises by the licensed organization, its agent or an  
2 employee or the person in charge of the premises to which the bingo license relates,  
3 constitutes sufficient grounds for the suspension or revocation of a license, and is  
4 punishable under s. 563.73 (2). In addition, such refusal constitutes sufficient  
5 grounds for any peace officer or other persons authorized under this section within  
6 their respective jurisdictions or authority to employ whatever reasonable action is  
7 necessary to conduct inspections permitted by this section.

8 **SECTION 24.** 563.73 (1) of the statutes is amended to read:

9 563.73 (1) Whoever violates s. 563.51 (1), (8) to (10), ~~(12)~~, (15) or (26) may be  
10 fined not more than \$10,000 or imprisoned not more than 9 months or both.

11 **SECTION 25.** Subchapter VII of chapter 563 [precedes 563.80] of the statutes  
12 is repealed.

13 (END)