



## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

<b>2013 Assembly Bill 422</b>	<b>Assembly Substitute Amendment 1</b>
<i>Memo published: February 11, 2014</i>	<i>Contact: Anna Henning, Staff Attorney (266-0292)</i>

2013 Assembly Bill 422 relates to raffles that include the racing of plastic or rubber ducks.

### **2013 ASSEMBLY BILL 422**

The Wisconsin Constitution generally prohibits gambling, but it authorizes the Legislature to allow certain raffle games operated by licensed religious, charitable, service, fraternal, veterans', or other tax-exempt organizations. [Wis. Const. art. IV, s. 24, cl. 4.] Under current law, such organizations may obtain a license to conduct a raffle, defined to mean a game of chance in which tickets or calendars are sold and a drawing for prizes is held. [s. 563.03 (12m), Stats.]

2013 Assembly Bill 422 expands the types of raffles that may be conducted under a state license to include a game of chance that employs flexible plastic or rubber ducks that are used in a race. To qualify, a game involving plastic or rubber ducks must satisfy certain requirements, including, for example, requirements relating to the physical properties of the ducks and the manner in which the winner of a duck race is determined.

### **ASSEMBLY SUBSTITUTE AMENDMENT 1**

Assembly Substitute Amendment 1 authorizes the approval of new types of raffles in addition to duck racing. Specifically, the amendment expands the definition of raffles that may be conducted under a state license to include any game of chance for which a method for choosing a winner has been approved by the Department of Administration (DOA) and is based on a winner being determined by random selection with all participants having an equal opportunity to win.

Under the substitute amendment, DOA *must* approve a type of raffle that consists of flexible plastic or rubber ducks being used in a race, and the department must establish requirements for conducting such raffles.

In addition, the substitute amendment creates a process for the approval of other types of raffles. Specifically, the substitute amendment requires any organization that is licensed to conduct raffles in the state and seeks to conduct a new type of raffle to obtain approval from DOA before conducting such a raffle. The DOA may approve a new type of raffle only if it determines that the raffle will comply with certain requirements and rules. If DOA approves a new type of raffle, the department's determination must include a description of how the raffle must be conducted and a description of record-keeping and accounting procedures that must be used. DOA must also post a copy of its determination on the department's website.

Once DOA has approved a new type of raffle under the procedures set forth under the substitute amendment, any organization that is licensed to conduct raffles in the state may conduct that type of raffle without receiving specific approval from the department.

In addition, the substitute amendment allows tickets for a Class B raffle to be sold within the 24-hour period prior to the drawing, whereas current law requires Class B raffle tickets to be sold on the same day as the drawing. However, the substitute amendment eliminates a provision that allows participants in a raffle conducted under a Class B raffle license to win a prize in a raffle despite not being present for the drawing.

## **BILL HISTORY**

Representative Jacque introduced Assembly Substitute Amendment 1 to 2013 Assembly Bill 422 on January 16, 2014. On February 7, 2014, the Assembly Committee on State Affairs and Government Operations voted to recommend adoption of the substitute amendment on a vote of Ayes, 14; Noes, 0. On the same day, the committee voted to recommend passage of the bill, as amended, also on a vote of Ayes, 14; Noes, 0.

AH:jal