

2015 DRAFTING REQUEST

Bill

Received: 11/10/2014 Received By: eshea
Wanted: As time permits Same as LRB: -0241
For: Devin LeMahieu (608) 266-2056 By/Representing: Zach Bemis
May Contact: Drafter: eshea
Subject: Gambling - miscellaneous Addl. Drafters:
Extra Copies:

Submit via email: YES
Requester's email: Devin.LeMahieu@legis.wisconsin.gov
Carbon copy (CC) to: elisabeth.shea@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Changes to the regulation of raffles

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	eshea 1/14/2015	kfollett 1/14/2015	jfrantze 1/15/2015	_____	mbarman 11/11/2014		State
/2				_____	lparisi 1/15/2015	lparisi 1/19/2015	State

FE Sent For:

at
intro

<END>

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/1	eshea 11/10/2014	scalvin 11/11/2014	rschluct 11/11/2014	_____	mbarman 11/11/2014		State

FE Sent For:

12/5f
 11/14
 JB/R2
 11/5
 <END>

2015 DRAFTING REQUEST

Bill

Received: **11/10/2014** Received By: **eshea**
Wanted: **As time permits** Same as LRB: **-0241**
For: **Thomas Tiffany (608) 266-2509** By/Representing: **Jennifer Esser**
May Contact: Drafter: **eshea**
Subject: **Gambling - miscellaneous** Addl. Drafters:
Extra Copies:

Submit via email: **YES**
Requester's email: **Sen.Tiffany@legis.wi.gov**
Carbon copy (CC) to:

Pre Topic:

No specific pre topic given

Topic:

Changes to the regulation of raffles

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	eshea 11/10/2014	scalvin 11/11/2014	rschluet 11/11/2014	_____	mbarman 11/11/2014		State

FE Sent For:

<END>

2015 DRAFTING REQUEST

Bill

Received: 11/10/2014 Received By: eshea
Wanted: As time permits Same as LRB: -0241
For: Thomas Tiffany (608) 266-2509 By/Representing: Jennifer Esser
May Contact: Drafter: eshea
Subject: Gambling - miscellaneous Addl. Drafters:
Extra Copies:

Submit via email: YES
Requester's email: Sen.Tiffany@legis.wi.gov
Carbon copy (CC) to:

Pre Topic:

No specific pre topic given

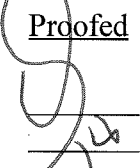
Topic:

Changes to the regulation of raffles ✓

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	eshea	/1 sac 11/11/2014	/1 sac 11/11/2014				

FE Sent For:

<END>

Shea, Elisabeth

From: Spencer, Matt
Sent: Thursday, November 06, 2014 1:49 PM
To: Shea, Elisabeth; Esser, Jennifer
Subject: FW: Draft review: LRB -0241/P1 Topic: Changes to the regulation of raffles
Attachments: 15-0241/P1.pdf; DraftersNote1.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Good Afternoon,

Could you please release this draft to Sen. Tiffany's office. They will be requesting a Senate Companion.

Thank you,

Matthew Spencer
Office of Representative Mike Kuglitsch
(608) 267-5158

From: LRB.Legal
Sent: Thursday, October 30, 2014 12:59 PM
To: Rep.Kuglitsch
Subject: Draft review: LRB -0241/P1 Topic: Changes to the regulation of raffles

Following is the PDF version of draft LRB -0241/P1 and drafter's note.



State of Wisconsin
2015 - 2016 LEGISLATURE



LRB-0241/P1

0577/i

EHS:sac:rs

stays companion RMrun

In 11/10/14

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

NO CHANGES ✓

-gen cut

1 **AN ACT to repeal** 563.03 (4p), 563.04 (11), 563.04 (14), 563.905 (title), 563.905
2 (intro.), 563.908 (1), 563.908 (2), 563.909, 563.93 (2), 563.93 (2m), 563.93 (4) (b),
3 563.93 (8), 563.935 (3), 563.935 (10), 563.98 (1) (e), 563.98 (1c) and 563.98 (1m);
4 **to renumber** 563.907; **to renumber and amend** 563.905 (1), 563.905 (2),
5 563.908 (intro.), 563.93 (1), 563.93 (1s), 563.93 (3), 563.93 (4) (a), 563.93 (4m),
6 563.93 (5), 563.93 (6), 563.93 (7), 563.93 (9), 563.935 (6) and 563.97; **to amend**
7 563.02 (1), 563.03 (4m), 563.03 (5r), 563.03 (11), 563.03 (12r), 563.04 (2), 563.04
8 (3), 563.05 (2), 563.05 (3), 563.05 (4), 563.10, 563.91, 563.92 (2), 563.92 (4),
9 563.935 (1), 563.935 (4), 563.935 (5), 563.935 (9), 563.94, 563.95, 563.98 (1)
10 (intro.), 563.98 (1) (f), 563.98 (1g), 563.98 (2) and 945.01 (3) (b) 1.; **to repeal and**
11 **recreate** 563.05 (title) and 563.92 (1m); and **to create** 563.02 (1m), 563.03
12 (10m), 563.03 (14w), 563.03 (17), 563.05 (4m), 563.925, 563.93 (2g) (intro.), (a),
13 (b), (g) and (h), 563.93 (2r), 563.93 (3e), 563.93 (3i), 563.93 (3m), 563.935 (1m),

1 563.935 (6) (b), 563.935 (6) (c), 563.97 (2) and 563.98 (1e) of the statutes;
2 **relating to:** the regulation of raffles.

Analysis by the Legislative Reference Bureau

Under current law, a not-for-profit, religious, charitable, service, fraternal, or veterans organization that serves a geographic area that is limited to Wisconsin and that has existed for at least one year or is chartered by a state or national organization that has existed for at least three years may obtain a license to conduct raffles.

Under rules promulgated by the Department of Administration (DOA), an organization with a Class A raffle license may conduct single-event raffles or a calendar raffle. Current law defines a calendar raffle as a raffle for which a drawing is held and a prize awarded on each date specified in a calendar. This bill defines a single-event raffle to be a raffle for which one or more drawings from a single container are held and one or more prizes are awarded on one date and at one location. Under current law, an organization with a Class B raffle license may conduct raffles in which more than one drawing may be made from more than one container, each container is specific to a prize or group of prizes, and ticket purchasers place their tickets in the containers of their choice.

Current law allows two types of raffles to be conducted: (1) a game of chance for which tickets or calendars are sold and a drawing for prizes is held and (2) a game of chance for which a different method is used to determine a winner (alternate raffle) that has been approved by DOA. Current law requires any alternate raffle approved by DOA to be based on the winner being determined by random selection with all participants having an equal opportunity to win.

Under current law, an organization that holds a Class A or Class B raffle license may apply to DOA to conduct an alternate raffle. DOA may not issue a license for an alternate raffle unless it determines that the raffle will comply with all requirements under the statute and applicable rules. Current law requires DOA to approve a license for an alternate raffle that consists of flexible plastic or rubber ducks being used in a race (duck race) and to establish requirements for conducting a duck race so that it will comply with all requirements under the statute and applicable rules.

This bill removes DOA's authority to approve an alternate raffle. Instead, this bill authorizes raffles that involve either of two types of drawings: (1) a drawing in which a winner is determined by random selection of a ticket or calendar portion from a container housing all portions of tickets or calendars purchased for the selection and (2) a drawing in which the winner is determined by a duck race. Under this bill, a raffle may not be conducted unless the winner of any drawing is determined by a random process with all tickets or calendars having an equal opportunity to win.

Under current law, a Class A licensee may charge up to \$500 for a raffle ticket and up to \$10 for each month covered by a calendar raffle. Under a Class B raffle,

current law allows tickets to be sold for no more than \$10 each. This bill removes all limits on the prices of raffle tickets and calendars.

Under current law, an organization with a raffle license may conduct no more than 200 raffles in a 12-month period. This bill increases this maximum to 365 raffles.

Under current law, an organization with a Class B raffle license may sell tickets for a raffle drawing only on the day of the drawing or within 24 hours immediately preceding the start of the drawing. Under this bill, a Class B licensee may sell tickets before the day of a drawing if the tickets are not delivered to purchasers until the day of the drawing.

Under current law, a Class A licensee may sell raffle tickets up to 270 days before the day of a raffle drawing, except that an organization that existed five years before obtaining a Class A license may sell raffle tickets up to one year before the day of the drawing. This bill extends this period to one year for all Class A licensees.

Current law allows a Class A licensee to sell equal shares of a single ticket to one or more purchasers. This bill allows this only if certain requirements are met, including that not more than four shares of a single ticket be sold and that no discount be offered to the purchaser of more than one share of a ticket.

Current law requires DOA to promulgate rules relating to the conduct of raffles. This bill removes that authority.

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

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

1 **SECTION 1.** 563.02 (1) of the statutes is amended to read:

2 563.02 (1) All phases of the conduct of bingo ~~and raffles~~, except bingo games
3 using free cards and donated prizes for which no payment of consideration is made
4 by participants, should be closely controlled by appropriate laws and rules, which
5 should be ~~strictly and~~ uniformly enforced throughout this state.

6 **SECTION 2.** 563.02 (1m) of the statutes is created to read:

7 563.02 (1m) All phases of the conduct of raffles should be closely controlled by
8 appropriate laws, which should be uniformly enforced throughout this state.

9 **SECTION 3.** 563.03 (4m) of the statutes is amended to read:

1 563.03 (4m) “Calendar raffle” means a raffle for which a drawing is held and
2 a prize awarded on each date specified in a calendar as a date upon which a prize will
3 be awarded.

4 **SECTION 4.** 563.03 (4p) of the statutes is repealed.

5 **SECTION 5.** 563.03 (5r) of the statutes is amended to read:

6 563.03 (5r) “Drawing” means ~~a method of random~~ any of the following methods
7 for determining a winner of a game of chance:

8 (a) Random selection of a raffle ticket portion or calendar portion from a
9 container housing portions of all raffle tickets or calendars purchased for the raffle,
10 ~~with such selection used to determine a winner; determination of a winner in a~~

11 ~~(b) A plastic or rubber duck race; or any other method that is used to determine~~
12 ~~a winner and that is approved by the department under s. 563.909.~~

13 **SECTION 6.** 563.03 (10m) of the statutes is created to read:

14 563.03 (10m) “Multiple-container raffle” means a raffle to which all of the
15 following apply:

16 (a) One or more drawings are held and one or more prizes are awarded on the
17 same date and at the same location.

18 (b) A drawing for each prize or group of prizes is made from a container specific
19 to each prize or group of prizes.

20 (c) The ticket purchaser places his or her ticket in the container of his or her
21 choice.

22 **SECTION 7.** 563.03 (11) of the statutes is amended to read:

23 563.03 (11) “Premises” means any room, hall, enclosure, tent, or outdoor area
24 in which bingo is being played ~~or a raffle drawing is being held.~~

25 **SECTION 8.** 563.03 (12r) of the statutes is amended to read:

1 563.03 (12r) “Raffle game” means ~~a game as described under s. 563.908 (1) or~~
2 ~~a plastic or rubber duck race or other game of chance that has been approved by the~~
3 ~~department under s. 563.909~~ a game of chance for which tickets or calendars are sold
4 and one or more drawings for prizes are held.

5 **SECTION 9.** 563.03 (14w) of the statutes is created to read:

6 563.03 (14w) “Single-container raffle” means a raffle for which one or more
7 drawings from a single container are held and one or more prizes are awarded on one
8 date and at one location.

9 **SECTION 10.** 563.03 (17) of the statutes is created to read:

10 563.03 (17) “Ticket” means an instrument that entitles the purchaser to one
11 entry in a raffle other than a calendar raffle.

12 **SECTION 11.** 563.04 (2) of the statutes is amended to read:

13 563.04 (2) Conduct hearings on the suspension or revocation of a license for
14 violation of this chapter or any applicable rules promulgated under it.

15 **SECTION 12.** 563.04 (3) of the statutes is amended to read:

16 563.04 (3) Promulgate rules under ch. 227 relating to the issuance, renewal,
17 amendment, suspension, and revocation of bingo ~~and raffle~~ licenses and the conduct
18 of bingo under this chapter.

19 **SECTION 13.** 563.04 (11) of the statutes is repealed.

20 **SECTION 14.** 563.04 (14) of the statutes is repealed.

21 **SECTION 15.** 563.05 (title) of the statutes is repealed and recreated to read:

22 **563.05 (title) Departmental duties; powers; prohibitions.**

23 **SECTION 16.** 563.05 (2) of the statutes is amended to read:

24 563.05 (2) The department may promulgate rules requiring holders of licenses
25 issued under ~~this chapter~~ subch. III to post a notice in a conspicuous place where a

1 bingo occasion ~~or raffle drawing~~ is being conducted describing the procedures for
2 filing a complaint against the holder.

3 **SECTION 17.** 563.05 (3) of the statutes is amended to read:

4 563.05 (3) The department may promulgate rules specifying the number of
5 business days within which the department must review and make a determination
6 on an application for a permit, ~~as defined in s. 227.116 (1g),~~ license that is issued
7 under ~~this chapter~~ subch. III.

8 **SECTION 18.** 563.05 (4) of the statutes is amended to read:

9 563.05 (4) The department may promulgate rules ~~defining~~ relating to bingo
10 that establish procedures to be used by the department for receiving, filing, and
11 investigating complaints, for commencing disciplinary proceedings, and for
12 conducting hearings ~~under this chapter.~~

13 **SECTION 19.** 563.05 (4m) of the statutes is created to read:

14 563.05 (4m) Notwithstanding s. 227.11, the department may not promulgate
15 or enforce any rule that interprets the provisions under subch. VIII or any other
16 provisions under this chapter that relate to raffles.

17 **SECTION 20.** 563.10 of the statutes is amended to read:

18 **563.10 Rules governing commingling of receipts ~~restricted prohibited.~~**
19 ~~Notwithstanding ss. 227.11 (2), 227.24 (1) (a) and 563.04 (3), the~~ The department
20 may not promulgate any emergency rule relating to the commingling of bingo and
21 raffle receipts ~~unless it can clearly establish that commingling will occur without~~
22 ~~such rule and that the rule will effectively prevent commingling. The department~~
23 ~~shall set forth any such finding in its proposed rule. If upon review under s. 227.40,~~
24 ~~the court finds that the finding of fact upon which any emergency rule relating to~~

1 such commingling is based is unsupported by clear and convincing evidence, the rule
2 is invalid.

3 SECTION 21. 563.905 (title) of the statutes is repealed.

4 SECTION 22. 563.905 (intro.) of the statutes is repealed.

5 SECTION 23. 563.905 (1) of the statutes is renumbered 563.907 (2) and amended
6 to read:

7 563.907 (2) ~~“Local organization” means an organization~~ Local organizations
8 that may conduct raffles include only those organizations whose activities are
9 limited to this state, to a specific geographical area within this state, or to a specific
10 geographical area that is partly within this state and partly within another state.

11 SECTION 24. 563.905 (2) of the statutes is renumbered 563.907 (3), and 563.907
12 (3) (intro.), as renumbered, is amended to read:

13 563.907 (3) (intro.) ~~“Service organization” includes~~ Service organizations that
14 may conduct raffles include all of the following:

15 SECTION 25. 563.907 of the statutes is renumbered 563.907 (1).

16 SECTION 26. 563.908 (intro.) of the statutes is renumbered 563.908 and
17 amended to read:

18 **563.908 Types of Requirements of raffles allowed.** A raffle may not be
19 conducted in this state unless ~~it is one of the following types: the winner of any~~
20 drawing is determined by a random process with all tickets or calendars having an
21 equal opportunity to win.

22 SECTION 27. 563.908 (1) of the statutes is repealed.

23 SECTION 28. 563.908 (2) of the statutes is repealed.

24 SECTION 29. 563.909 of the statutes is repealed.

25 SECTION 30. 563.91 of the statutes is amended to read:

1 **563.91 Limit.** No qualified organization under s. 563.907 may conduct more
2 than 200 ~~365~~ raffles or more than one calendar raffle during a year. A raffle for which
3 one or more drawings are held on one day at one location is one raffle for purposes
4 of this section.

5 **SECTION 31.** 563.92 (1m) of the statutes is repealed and recreated to read:

6 **563.92 (1m)** (a) The department may issue a Class A license or a Class B license
7 to any qualified organization that applies.

8 (b) Under a Class A license, an organization may do all of the following:

9 1. Conduct single-container raffles, a calendar raffle, or plastic or rubber duck
10 races if the raffles or races are authorized under s. 563.908.

11 2. Sell some or all tickets on days other than the same day as the drawing.

12 3. Sell equal shares of a single ticket to one or more purchasers.

13 (c) Under a Class B license, an organization may do all of the following:

14 1. Conduct multiple-container raffles or plastic or rubber duck races if the
15 raffles or races are authorized under s. 563.908.

16 2. Sell tickets in either of the following ways:

17 a. On the same day as the drawing.

18 b. On more than one day if the organization distributes tickets to purchasers
19 only at the event at which the drawing will take place.

20 **SECTION 32.** 563.92 (2) of the statutes is amended to read:

21 **563.92 (2)** The fee for a raffle license shall be \$25 and shall be remitted with
22 the application. A raffle license shall be valid for 12 months and may be renewed as
23 provided in s. 563.98 (1g). The department shall issue the license within 30 business
24 days after the filing of ~~an~~ a complete application if the applicant qualifies under s.
25 563.907 and has not exceeded the limits of s. 563.91. The department shall notify

1 the applicant within 15 days after it is filed if the raffle license application is
2 incomplete or the application shall be considered complete. A complete license
3 application that is not denied within 30 days after its filing shall be considered
4 approved. All moneys received by the department under this subsection shall be
5 credited to the appropriation account under s. 20.505 (8) (j).

6 **SECTION 33.** 563.92 (4) of the statutes is amended to read:

7 563.92 (4) ~~Proceedings to~~ The department may conduct proceedings to suspend
8 or revoke ~~a~~ an organization's license to conduct raffles ~~shall be initiated by the~~
9 ~~department pursuant to the rules promulgated under s. 563.05 (4) for failing to~~
10 comply with the requirements of this subchapter.

11 **SECTION 34.** 563.925 of the statutes is created to read:

12 **563.925 Liability.** (1) With respect to a raffle conducted under a Class A
13 license, the department shall not be held responsible or liable in any dispute
14 regarding the ownership or sale of a share of a ticket under s. 563.93 (3i).

15 (2) The department and the organization conducting a raffle under a Class B
16 license shall not be held responsible or liable in any dispute regarding the ownership
17 of a ticket if the purchaser of the ticket gives the ticket to another person to claim a
18 prize on behalf of the purchaser under s. 563.935 (6) (c).

19 **SECTION 35.** 563.93 (1) of the statutes is renumbered 563.93 (1m), and 563.93
20 (1m) (intro.) and (f), as renumbered, are amended to read:

21 563.93 (1m) (intro.) All raffle tickets and all calendars shall be identical in form
22 and include:

23 (f) A list of each prize to be awarded ~~which that~~ has a retail fair market value
24 of \$500 \$1,000 or more.

1 **SECTION 36.** 563.93 (1s) of the statutes is renumbered 563.93 (2g) (e) and
2 amended to read:

3 563.93 (2g) (e) ~~Each raffle ticket and each calendar sold by an organization~~
4 ~~shall include a separate~~ Print an identification number, ~~printed~~ on both the
5 purchaser's and the organization's portion of the ticket or calendar, The tickets or
6 calendars shall be numbered consecutively in relation to the other tickets or
7 calendars for the same drawing.

8 **SECTION 37.** 563.93 (2) of the statutes is repealed.

9 **SECTION 38.** 563.93 (2g) (intro.), (a), (b), (g) and (h) of the statutes are created
10 to read:

11 563.93 (2g) (intro.) An organization that conducts a raffle under a Class A raffle
12 license shall do all of the following:

13 (a) Prominently display, at each place where tickets may be purchased, a notice
14 describing any state or federal law that imposes an age restriction on who may
15 possess a prize that will be awarded in the raffle.

16 (b) Make a good faith effort to award all of the prizes offered for a raffle. If the
17 organization is unable to award a prize, it may hold the prize and use it for future
18 fund-raising purposes.

19 (g) In raffles that involve containers, place the organization's portion of the
20 ticket or calendar in the drawing container prior to the time of the drawing.

21 (h) Retain the organization's portion of each ticket or calendar sold for one year
22 after the date on which the drawing is held and provide any of these portions to the
23 department upon request.

24 **SECTION 39.** 563.93 (2m) of the statutes is repealed.

25 **SECTION 40.** 563.93 (2r) of the statutes is created to read:

1 563.93 (2r) An organization that conducts a calendar raffle shall do all of the
2 following:

3 (a) Print identical drawing dates and identical prize amounts for each drawing
4 on every calendar sold.

5 (b) After holding a drawing, replace the winning tickets into the container to
6 allow the purchasers the chance to win again in subsequent drawings.

7 **SECTION 41.** 563.93 (3) of the statutes is renumbered 563.93 (1e) and amended
8 to read:

9 563.93 (1e) No person may sell a raffle ticket or calendar unless authorized by
10 an organization with a Class A license.

11 **SECTION 42.** 563.93 (3e) of the statutes is created to read:

12 563.93 (3e) An organization that conducts a raffle under a Class A raffle license
13 may not do any of the following:

14 (a) Permit another organization or individual to use its license to conduct a
15 raffle.

16 (b) Resell a ticket or calendar.

17 **SECTION 43.** 563.93 (3i) of the statutes is created to read:

18 563.93 (3i) An organization conducting a raffle under a Class A license may not
19 sell equal shares of a ticket unless all of the following apply:

20 (a) The organization does not sell more than 4 equal shares of one ticket.

21 (b) The organization does not offer a price discount to the purchaser of more
22 than one share of a ticket.

23 (c) Each share of a ticket is identical in form to other shares and includes the
24 organization's portion and the purchaser's portion.

1 (d) Each purchaser's portion of a share of a ticket includes all of the information
2 required under subs. (1m) (a), (b), (c), (e), and (f) and (2g) (e).

3 (e) Each organization's portion of a share of a ticket includes the ticket
4 identification number, an identification letter for each share of the ticket, and a place
5 for the purchaser to enter the purchaser's name and address next to the share
6 identification letter.

7 (f) Each prize is in the form of cash or a number of items that is equally divisible
8 by the maximum allowable number of shares of a ticket.

9 (g) The organization directly delivers to each holder of a share of a winning
10 ticket his or her share of the prize.

11 **SECTION 44.** 563.93 (3m) of the statutes is created to read:

12 563.93 (3m) An organization that conducts a calendar raffle may not do any
13 of the following:

14 (a) Sell any calendars after holding the first drawing.

15 (b) Change the dates of any drawings or the amounts of any prizes designated
16 on the calendar after the first calendar is sold.

17 **SECTION 45.** 563.93 (4) (a) of the statutes is renumbered 563.93 (3e) (c) and
18 amended to read:

19 563.93 (3e) (c) ~~Except as provided in par. (b), Offer~~ tickets for a proposed raffle
20 ~~may not be offered for sale more than 270 days~~ one year before the date of the
21 drawing.

22 **SECTION 46.** 563.93 (4) (b) of the statutes is repealed.

23 **SECTION 47.** 563.93 (4m) of the statutes is renumbered 563.93 (2g) (c) and
24 amended to read:

1 563.93 (2g) (c) ~~The organization that conducts a raffle under a Class A license~~
2 ~~shall provide~~ Provide the purchaser of a raffle ticket or calendar with the purchaser's
3 portion of the ticket or calendar at the time of purchase or at any time before each
4 raffle drawing is held, ~~but need not provide it to the purchaser at the time of~~
5 purchase.

6 **SECTION 48.** 563.93 (5) of the statutes is renumbered 563.93 (2g) (d) and
7 amended to read:

8 563.93 (2g) (d) ~~All~~ Hold all drawings shall be held in public.

9 **SECTION 49.** 563.93 (6) of the statutes is renumbered 563.93 (3e) (d) and
10 amended to read:

11 563.93 (3e) (d) ~~All prizes shall be awarded. The~~ Require the purchaser of a
12 ticket or calendar ~~need not~~ to be present at the drawing to win a prize.

13 **SECTION 50.** 563.93 (7) of the statutes is renumbered 563.93 (2g) (f) and
14 amended to read:

15 563.93 (2g) (f) ~~If a raffle game is canceled, the organization shall refund~~ Refund
16 the drawing receipts to the ticket or calendar purchasers if a drawing is canceled.
17 The organization may not deduct from the refund a handling charge or other amount
18 relating to the expense incurred in the sale of a ticket or calendar. The organization
19 may not reclaim any prize awarded in a drawing that has already been held at the
20 time a calendar raffle is canceled.

21 **SECTION 51.** 563.93 (8) of the statutes is repealed.

22 **SECTION 52.** 563.93 (9) of the statutes is renumbered 563.93 (3i) (h) and
23 amended to read:

24 563.93 (3i) (h) ~~If a person who holds a Class A license sells equal shares of a~~
25 single ticket to one or more purchasers for a raffle game, the person shall, prior The

1 ~~organization purchases, prior to the date on which the a drawing is held, purchase~~
2 ~~any unsold shares of the ticket that have not tickets of which one or more shares have~~
3 ~~been sold.~~

4 **SECTION 53.** 563.935 (1) of the statutes is amended to read:

5 563.935 (1) All raffle tickets shall be identical in form.

6 **SECTION 54.** 563.935 (1m) of the statutes is created to read:

7 563.935 (1m) If state or federal law places an age restriction on who may
8 possess any prize that will be awarded for a raffle, the organization conducting the
9 raffle shall prominently display a notice describing the restriction at each place
10 where tickets may be purchased.

11 **SECTION 55.** 563.935 (3) of the statutes is repealed.

12 **SECTION 56.** 563.935 (4) of the statutes is amended to read:

13 563.935 (4) No person may sell a raffle ticket unless authorized by an
14 organization with a Class B license.

15 **SECTION 57.** 563.935 (5) of the statutes is amended to read:

16 563.935 (5) All raffle drawings shall be held in public.

17 **SECTION 58.** 563.935 (6) of the statutes is renumbered 563.935 (6) (a) and
18 amended to read:

19 563.935 (6) (a) ~~The Except as provided in pars. (b) and (c), the purchaser of a~~
20 ~~ticket must be present at the drawing to win a prize, unless the purchaser gives the~~
21 ~~ticket to another person who may claim the prize on behalf of the purchaser, but only~~
22 ~~if that other person is present at the drawing. If the purchaser of the ticket gives the~~
23 ~~ticket to another person to claim a prize on behalf of the purchaser, the organization~~
24 ~~conducting the raffle and the department shall not be held responsible or liable in~~
25 ~~any dispute regarding the ownership of the ticket.~~

1 **SECTION 59.** 563.935 (6) (b) of the statutes is created to read:

2 563.935 (6) (b) Any organization conducting a raffle may, according to
3 procedures determined by the organization, allow the purchaser of a ticket not to be
4 present at the drawing to win a prize.

5 **SECTION 60.** 563.935 (6) (c) of the statutes is created to read:

6 563.935 (6) (c) The purchaser of a ticket may give the ticket to another person
7 who may claim the prize on behalf of the purchaser, but only if that other person is
8 present at the drawing.

9 **SECTION 61.** 563.935 (9) of the statutes is amended to read:

10 563.935 (9) If a raffle game drawing is canceled, the organization shall refund
11 the receipts to the ticket purchasers.

12 **SECTION 62.** 563.935 (10) of the statutes is repealed.

13 **SECTION 63.** 563.94 of the statutes is amended to read:

14 **563.94 Profits.** All profits from raffles shall be used by the organization
15 conducting the raffles to further the organization's purpose for existence and no
16 salaries, fees, or profit shall be paid to any other organization or individual in
17 connection with the operation of a raffle. This section does not prohibit the printing
18 of raffle tickets or calendars or the purchase of equipment or prizes for a raffle.

19 **SECTION 64.** 563.95 of the statutes is amended to read:

20 **563.95 Denial of application; hearing.** Within 30 days after receiving
21 written notification of a denial by the department of a license to conduct a raffle, an
22 applicant may demand in writing a hearing before the department upon the
23 applicant's qualifications and the merit of the application. ~~At the hearing, the~~
24 ~~burden of proof shall be on the applicant to establish eligibility for a license.~~ If, after
25 the hearing, the department enters an order denying the application, the order shall

1 set forth in detail the reasons for the denial. Upon entry of such an order or upon
2 expiration of the 30-day period during which a hearing may be demanded, the
3 applicant's license fee shall be refunded. If the department approves the application,
4 the department shall issue the license within 14 days after approval.

5 **SECTION 65.** 563.97 of the statutes is renumbered 563.97 (1) and amended to
6 read:

7 563.97 (1) Each organization licensed to conduct raffles shall maintain a list
8 of the names and addresses of all persons winning prizes with a ~~retail~~ fair market
9 value of ~~\$100~~ \$600 or more, and the prizes won, for at least 12 months after each
10 raffle is conducted. The list shall be available at reasonable times for public
11 examination and shall be provided to the department upon request.

12 **SECTION 66.** 563.97 (2) of the statutes is created to read:

13 563.97 (2) An organization licensed to conduct raffles shall keep an electronic
14 or paper copy of its license that is available for any person to inspect upon request
15 at the event during which a drawing is held.

16 **SECTION 67.** 563.98 (1) (intro.) of the statutes is amended to read:

17 563.98 (1) (intro.) Each organization licensed under this subchapter shall, on
18 or before the last day of the 12th month beginning after the date on which the license
19 is issued and on or before that same date in each subsequent year, prepare and make
20 available for inspection a report containing the following information in writing to
21 ~~the department regarding the raffles which~~ that it has conducted during the previous
22 12 months:

23 **SECTION 68.** 563.98 (1) (e) of the statutes is repealed.

24 **SECTION 69.** 563.98 (1) (f) of the statutes is amended to read:

1 563.98 (1) (f) For raffles with drawings of the ~~type types~~ described in s. 563.908
2 (2) 563.03 (5r) (b), an accounting of all sold and unsold tickets for each raffle.

3 **SECTION 70.** 563.98 (1c) of the statutes is repealed.

4 **SECTION 71.** 563.98 (1e) of the statutes is created to read:

5 563.98 (1e) The department shall request a copy of a report prepared under
6 sub. (1) only upon the receipt of a complaint regarding the conduct of a raffle.

7 **SECTION 72.** 563.98 (1g) of the statutes is amended to read:

8 563.98 (1g) An organization licensed under this subchapter may renew the
9 license by submitting a \$25 renewal fee ~~with the report under sub. (1)~~. All moneys
10 received under this subsection shall be credited to the appropriation account under
11 s. 20.505 (8) (j).

12 **SECTION 73.** 563.98 (1m) of the statutes is repealed.

13 **SECTION 74.** 563.98 (2) of the statutes is amended to read:

14 563.98 (2) ~~If a copy of the financial report is not filed or is not fully, accurately~~
15 ~~and truthfully completed, or if the fee specified in sub. (1g) is not paid, the~~
16 department may refuse to renew a license or may suspend a license until ~~the report~~
17 ~~in proper form has been filed or the fee is paid.~~

18 **SECTION 75.** 945.01 (3) (b) 1. of the statutes is amended to read:

19 945.01 (3) (b) 1. A device used in conducting a bingo occasion or raffle game
20 under ch. 563, used in conducting a lottery under ch. 565, or used in conducting a race
21 under ch. 562.

22 **SECTION 76. Initial applicability.**

23 (1) This act first applies to an application for a raffle license filed with the
24 department of administration on the effective date of this subsection.

25 **SECTION 77. Effective date.**

1 (1) This act takes effect on the first day of the 3rd month beginning after
2 publication.

3 **(END)**

Shea, Elisabeth

From: Shea, Elisabeth
Sent: Tuesday, January 06, 2015 9:37 AM
To: Bemis, Zach
Subject: RE: Draft Review

Zach,

I'm not sure if Sen. LeMahieu will receive a notification, but I have transferred LRB-0577/1 to him in our system. Let me know if you have questions or need any changes made.

Lis

Elisabeth H. Shea
Legislative Attorney
Wisconsin Legislative Reference Bureau
P.O. Box 2037
Madison, WI 53701-2037
(608) 266 - 5446
elisabeth.shea@legis.wisconsin.gov

From: Esser, Jennifer
Sent: Friday, January 02, 2015 4:22 PM
To: Shea, Elisabeth
Cc: Bemis, Zach
Subject: Draft Review

Hi Elisabeth,

Can you please transfer LRB-0577/1 to Senator-Elect LeMahieu please? Senator Tiffany had it drafted for him.

Best,

Jen
Office of Sen. Tiffany
6-2509

Shea, Elisabeth

From: Shea, Elisabeth
Sent: Wednesday, January 14, 2015 4:33 PM
To: Petrovich, Luke
Subject: RE: LRB 0577/1

Hi Luke,

As we discussed, I'm redrafting this so that it is identical to the current version of the Assembly bill. You should get this tomorrow.

Lis

From: Petrovich, Luke
Sent: Wednesday, January 14, 2015 3:56 PM
To: Shea, Elisabeth
Subject: LRB 0577/1

Hi Lis,

Could we get the raffle bill, LRB 0577/1 jacketed please? I don't have the usual email link to request it.

Thanks,

Luke Petrovich
Office of Senator Devin LeMahieu
608-266-2056



State of Wisconsin
2015 - 2016 LEGISLATURE



LRB-057711

EHS:sac:rs

In 1/14/15

DUE 1/15/15

RMNR

ef

2015 BILL

Regen

1 **AN ACT to repeal** 563.03 (4p), 563.04 (11), 563.04 (14), 563.905 (title), 563.905
2 (intro.), 563.908 (1), 563.908 (2), 563.909, 563.93 (2), 563.93 (2m), 563.93 (4) (b),
3 563.93 (8), 563.935 (3), 563.935 (10), 563.98 (1) (e), 563.98 (1c) and 563.98 (1m);
4 **to renumber** 563.907; **to renumber and amend** 563.905 (1), 563.905 (2),
5 563.908 (intro.), 563.93 (1), 563.93 (1s), 563.93 (3), 563.93 (4) (a), 563.93 (4m),
6 563.93 (5), 563.93 (6), 563.93 (7), 563.93 (9), 563.935 (6) and 563.97; **to amend**
7 563.02 (1), 563.03 (4m), 563.03 (5r), 563.03 (11), 563.03 (12r), 563.04 (2), 563.04
8 (3), 563.05 (2), 563.05 (3), 563.05 (4), 563.10, 563.91, 563.92 (2), 563.92 (4),
9 563.935 (1), 563.935 (4), 563.935 (5), 563.935 (9), 563.94, 563.95, 563.98 (1)
10 (intro.), 563.98 (1) (f), 563.98 (1g), 563.98 (2) and 945.01 (3) (b) 1.; **to repeal and**
11 **recreate** 563.05 (title) and 563.92 (1m); and **to create** 563.02 (1m), 563.03
12 (10m), 563.03 (14w), 563.03 (17), 563.05 (4m), 563.925, 563.93 (2g) (intro.), (a),
13 (b), (g) and (h), 563.93 (2r), 563.93 (3e), 563.93 (3i), 563.93 (3m), 563.935 (1m),

BILL

1 563.935 (6) (b), 563.935 (6) (c), 563.97 (2) and 563.98 (1e) of the statutes;
2 **relating to:** the regulation of raffles.

Analysis by the Legislative Reference Bureau

Under current law, a not-for-profit, religious, charitable, service, fraternal, or veterans organization that serves a geographic area that is limited to Wisconsin and that has existed for at least one year or is chartered by a state or national organization that has existed for at least three years may obtain a license to conduct raffles.

Under rules promulgated by the Department of Administration (DOA), an organization with a Class A raffle license may conduct single-event raffles or a calendar raffle. Current law defines a calendar raffle as a raffle for which a drawing is held and a prize awarded on each date specified in a calendar. This bill defines a single-event raffle to be a raffle for which one or more drawings from a single container are held and one or more prizes are awarded on one date and at one location. Under current law, an organization with a Class B raffle license may conduct raffles in which more than one drawing may be made from more than one container, each container is specific to a prize or group of prizes, and ticket purchasers place their tickets in the containers of their choice.

Current law allows two types of raffles to be conducted: (1) a game of chance for which tickets or calendars are sold and a drawing for prizes is held and (2) a game of chance for which a different method is used to determine a winner (alternate raffle) that has been approved by DOA. Current law requires any alternate raffle approved by DOA to be based on the winner being determined by random selection with all participants having an equal opportunity to win.

Under current law, an organization that holds a Class A or Class B raffle license may apply to DOA to conduct an alternate raffle. DOA may not issue a license for an alternate raffle unless it determines that the raffle will comply with all requirements under the statute and applicable rules. Current law requires DOA to approve a license for an alternate raffle that consists of flexible plastic or rubber ducks being used in a race (duck race) and to establish requirements for conducting a duck race so that it will comply with all requirements under the statute and applicable rules.

This bill removes DOA's authority to approve an alternate raffle. Instead, this bill authorizes raffles that involve either of two types of drawings: (1) a drawing in which a winner is determined by random selection of a ticket or calendar portion from a container housing all portions of tickets or calendars purchased for the selection and (2) a drawing in which the winner is determined by a duck race. Under this bill, a raffle may not be conducted unless the winner of any drawing is determined by a random process with all tickets or calendars having an equal opportunity to win.

Under current law, a Class A licensee may charge up to \$500 for a raffle ticket and up to \$10 for each month covered by a calendar raffle. Under a Class B raffle,

BILL

current law allows tickets to be sold for no more than \$10 each. This bill removes all limits on the prices of raffle tickets and calendars.

Under current law, an organization with a raffle license may conduct no more than 200 raffles in a 12-month period. This bill increases this maximum to 365 raffles.

Under current law, an organization with a Class B raffle license may sell tickets for a raffle drawing only on the day of the drawing or within 24 hours immediately preceding the start of the drawing. Under this bill, a Class B licensee may sell tickets before the day of a drawing if the tickets are not delivered to purchasers until the day of the drawing.

Under current law, a Class A licensee may sell raffle tickets up to 270 days before the day of a raffle drawing, except that an organization that existed five years before obtaining a Class A license may sell raffle tickets up to one year before the day of the drawing. This bill extends this period to one year for all Class A licensees.

Current law allows a Class A licensee to sell equal shares of a single ticket to one or more purchasers. This bill allows this only if certain requirements are met, including that not more than four shares of a single ticket be sold and that no discount be offered to the purchaser of more than one share of a ticket.

Current law requires DOA to promulgate rules relating to the conduct of raffles. This bill removes that authority.

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

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

1 **SECTION 1.** 563.02 (1) of the statutes is amended to read:

2 563.02 (1) All phases of the conduct of bingo ~~and raffles~~, except bingo games
3 using free cards and donated prizes for which no payment of consideration is made
4 by participants, should be closely controlled by appropriate laws and rules, which
5 should be ~~strictly and~~ uniformly enforced throughout this state.

6 **SECTION 2.** 563.02 (1m) of the statutes is created to read:

7 563.02 (1m) All phases of the conduct of raffles should be closely controlled by
8 appropriate laws, which should be uniformly enforced throughout this state.

INSERT
3-9 →

9 **SECTION 3.** 563.03 (4m) of the statutes is amended to read:

BILL**SECTION 3**

1 563.03 (4m) “Calendar raffle” means a raffle for which a drawing is held and
2 a prize awarded on each date specified in a calendar as a date upon which a prize will
3 be awarded.

4 **SECTION 4.** 563.03 (4p) of the statutes is repealed.

5 **SECTION 5.** 563.03 (5r) of the statutes is amended to read:

6 563.03 (5r) “Drawing” means ~~a method of random~~ any of the following methods
7 for determining a winner of a game of chance:

8 (a) Random selection of a raffle ticket portion or calendar portion from a
9 container housing portions of all raffle tickets or calendars purchased for the raffle,
10 ~~with such selection used to determine a winner; determination of a winner in a~~

11 (b) ~~A plastic or rubber duck race; or any other method that is used to determine~~
12 ~~a winner and that is approved by the department under s. 563.909.~~

13 **SECTION 6.** 563.03 (10m) of the statutes is created to read:

14 563.03 (10m) “Multiple-container raffle” means a raffle to which all of the
15 following apply:

16 (a) One or more drawings are held and one or more prizes are awarded on the
17 same date and at the same location.

18 (b) A drawing for each prize or group of prizes is made from a container specific
19 to each prize or group of prizes.

20 (c) The ticket purchaser places his or her ticket in the container of his or her
21 choice.

22 **SECTION 7.** 563.03 (11) of the statutes is amended to read:

23 563.03 (11) “Premises” means any room, hall, enclosure, tent, or outdoor area
24 in which bingo is being played ~~or a raffle drawing is being held.~~

25 **SECTION 8.** 563.03 (12r) of the statutes is amended to read:

BILL

1 563.03 (12r) “Raffle game” means ~~a game as described under s. 563.908 (1) or~~
2 ~~a plastic or rubber duck race or other game of chance that has been approved by the~~
3 ~~department under s. 563.909~~ a game of chance for which tickets or calendars are sold
4 and one or more drawings for prizes are held.

5 **SECTION 9.** 563.03 (14w) of the statutes is created to read:

6 563.03 (14w) “Single-container raffle” means a raffle for which one or more
7 drawings from a single container are held and one or more prizes are awarded on one
8 date and at one location.

9 **SECTION 10.** 563.03 (17) of the statutes is created to read:

10 563.03 (17) “Ticket” means an instrument that entitles the purchaser to one
11 entry in a raffle other than a calendar raffle.

12 **SECTION 11.** 563.04 (2) of the statutes is amended to read:

13 563.04 (2) Conduct hearings on the suspension or revocation of a license for
14 violation of this chapter or any applicable rules promulgated under it.

15 **SECTION 12.** 563.04 (3) of the statutes is amended to read:

16 563.04 (3) Promulgate rules under ch. 227 relating to the issuance, renewal,
17 amendment, suspension, and revocation of bingo ~~and raffle~~ licenses and the conduct
18 of bingo under this chapter.

19 **SECTION 13.** 563.04 (11) of the statutes is repealed.

20 **SECTION 14.** 563.04 (14) of the statutes is repealed.

21 **SECTION 15.** 563.05 (title) of the statutes is repealed and recreated to read:

22 **563.05 (title) Departmental duties; powers; prohibitions.**

23 **SECTION 16.** 563.05 (2) of the statutes is amended to read:

24 563.05 (2) The department may promulgate rules requiring holders of licenses
25 issued under ~~this chapter~~ subch. III to post a notice in a conspicuous place where a

BILL**SECTION 16**

1 bingo occasion ~~or raffle drawing~~ is being conducted describing the procedures for
2 filing a complaint against the holder.

3 **SECTION 17.** 563.05 (3) of the statutes is amended to read:

4 563.05 (3) The department may promulgate rules specifying the number of
5 business days within which the department must review and make a determination
6 on an application for a ~~permit, as defined in s. 227.116 (1g),~~ license that is issued
7 under ~~this chapter~~ subch. III.

8 **SECTION 18.** 563.05 (4) of the statutes is amended to read:

9 563.05 (4) The department may promulgate rules ~~defining~~ relating to bingo
10 that establish procedures to be used by the department for receiving, filing, and
11 investigating complaints, for commencing disciplinary proceedings, and for
12 conducting hearings ~~under this chapter.~~

13 **SECTION 19.** 563.05 (4m) of the statutes is created to read:

14 563.05 (4m) Notwithstanding s. 227.11, the department may not promulgate
15 or enforce any rule that interprets the provisions under subch. VIII or any other
16 provisions under this chapter that relate to raffles.

17 **SECTION 20.** 563.10 of the statutes is amended to read:

18 **563.10 Rules governing commingling of receipts restricted prohibited.**
19 ~~Notwithstanding ss. 227.11 (2), 227.24 (1) (a) and 563.04 (3), the~~ The department
20 may not promulgate any emergency rule relating to the commingling of bingo and
21 raffle receipts ~~unless it can clearly establish that commingling will occur without~~
22 ~~such rule and that the rule will effectively prevent commingling. The department~~
23 ~~shall set forth any such finding in its proposed rule. If upon review under s. 227.40,~~
24 ~~the court finds that the finding of fact upon which any emergency rule relating to~~

BILL

1 such commingling is based is unsupported by clear and convincing evidence, the rule
2 is invalid.

3 SECTION 21. 563.905 (title) of the statutes is repealed.

4 SECTION 22. 563.905 (intro.) of the statutes is repealed.

5 SECTION 23. 563.905 (1) of the statutes is renumbered 563.907 (2) and amended
6 to read:

7 563.907 (2) ~~“Local organization” means an organization~~ Local organizations
8 that may conduct raffles include only those organizations whose activities are
9 limited to this state, to a specific geographical area within this state, or to a specific
10 geographical area that is partly within this state and partly within another state.

11 SECTION 24. 563.905 (2) of the statutes is renumbered 563.907 (3), and 563.907
12 (3) (intro.), as renumbered, is amended to read:

13 563.907 (3) (intro.) ~~“Service organization” includes~~ Service organizations that
14 may conduct raffles include all of the following:

15 SECTION 25. 563.907 of the statutes is renumbered 563.907 (1).

16 SECTION 26. 563.908 (intro.) of the statutes is renumbered 563.908 and
17 amended to read:

18 **563.908 Types of Requirements of raffles allowed.** A raffle may not be
19 conducted in this state unless it is one of the following types: ~~the winner of any~~
20 drawing ^{in the raffle} ~~is determined by a random process~~ ^{drawing} ~~with all tickets or calendars having an~~
21 equal opportunity to win.

22 SECTION 27. 563.908 (1) of the statutes is repealed.

23 SECTION 28. 563.908 (2) of the statutes is repealed.

24 SECTION 29. 563.909 of the statutes is repealed.

25 SECTION 30. 563.91 of the statutes is amended to read:

BILL**SECTION 30**

1 **563.91 Limit.** No qualified organization under s. 563.907 may conduct more
2 than 200 365 raffles or more than one calendar raffle during a year. A raffle for which
3 one or more drawings are held on one day at one location is one raffle for purposes
4 of this section.

5 **SECTION 31.** 563.92 (1m) of the statutes is repealed and recreated to read:

6 **563.92 (1m)** (a) The department may issue a Class A license or a Class B license
7 to any qualified organization that applies.

8 (b) Under a Class A license, an organization may do all of the following:

9 1. Conduct single-container raffles, a calendar raffle, or plastic or rubber duck
10 races if the raffles or races are authorized under s. 563.908.

11 2. Sell some or all tickets on days other than the same day as the drawing.

12 3. Sell equal shares of a single ticket to one or more purchasers.

13 (c) Under a Class B license, an organization may do all of the following:

14 1. Conduct multiple-container raffles or plastic or rubber duck races if the
15 raffles or races are authorized under s. 563.908.

16 2. Sell tickets in either of the following ways:

17 a. On the same day as the drawing.

18 b. On more than one day if the organization distributes tickets to purchasers
19 only at the event at which the drawing will take place.

20 **SECTION 32.** 563.92 (2) of the statutes is amended to read:

21 **563.92 (2)** The fee for a raffle license shall be \$25 and shall be remitted with
22 the application. A raffle license shall be valid for 12 months and may be renewed as
23 provided in s. 563.98 (1g). The department shall issue the license within 30 business
24 days after the filing of an a complete application if the applicant qualifies under s.
25 563.907 and has not exceeded the limits of s. 563.91. The department shall notify

BILL

1 the applicant within 15 days after it is filed if the raffle license application is
2 incomplete or the application shall be considered complete. A complete license
3 application that is not denied within 30 days after its filing shall be considered
4 approved. All moneys received by the department under this subsection shall be
5 credited to the appropriation account under s. 20.505 (8) (j).

6 **SECTION 33.** 563.92 (4) of the statutes is amended to read:

7 563.92 (4) ~~Proceedings to~~ The department may conduct proceedings to suspend
8 ~~or revoke –a– an organization’s license to conduct raffles shall be initiated by the~~
9 ~~department pursuant to the rules promulgated under s. 563.05 (4) for failing to~~
10 comply with the requirements of this subchapter.

11 **SECTION 34.** 563.925 of the statutes is created to read:

12 **563.925 Liability.** (1) With respect to a raffle conducted under a Class A
13 license, the department shall not be held responsible or liable in any dispute
14 regarding the ownership or sale of a share of a ticket under s. 563.93 (3i).

15 (2) The department and the organization conducting a raffle under a Class B
16 license shall not be held responsible or liable in any dispute regarding the ownership
17 of a ticket if the purchaser of the ticket gives the ticket to another person to claim a
18 prize on behalf of the purchaser under s. 563.935 (6) (c).

19 **SECTION 35.** 563.93 (1) of the statutes is renumbered 563.93 (1m), and 563.93
20 (1m) (intro.) and (f), as renumbered, are amended to read:

21 563.93 (1m) (intro.) All raffle tickets and all calendars shall be identical in form
22 and include:

23 (f) A list of each prize to be awarded ~~which~~ that has a ~~retail~~ fair market value
24 of \$500 ~~\$1,000~~ or more.

BILL

1 **SECTION 36.** 563.93 (1s) of the statutes is renumbered 563.93 (2g) (e) and
2 amended to read:

3 563.93 (2g) (e) ~~Each raffle ticket and each calendar sold by an organization~~
4 ~~shall include a separate~~ Print an identification number, printed on both the
5 purchaser's and the organization's portion of the ticket or calendar. The tickets or
6 calendars shall be numbered consecutively in relation to the other tickets or
7 calendars for the same drawing.

8 **SECTION 37.** 563.93 (2) of the statutes is repealed.

9 **SECTION 38.** 563.93 (2g) (intro.), (a), (b), (g) and (h) of the statutes are created
10 to read:

11 563.93 (2g) (intro.) An organization that conducts a raffle under a Class A raffle
12 license shall do all of the following:

13 (a) Prominently display, at each place where tickets may be purchased, a notice
14 describing any state or federal law that imposes an age restriction on who may
15 possess a prize that will be awarded in the raffle.

16 (b) Make a good faith effort to award all of the prizes offered for a raffle. If the
17 organization is unable to award a prize, it may hold the prize and use it for future
18 fund-raising purposes.

19 (g) In raffles that involve containers, place the organization's portion of the
20 ticket or calendar in the drawing container prior to the time of the drawing.

g drawings, as defined in s. 563.03(5r)(a)

21 (h) Retain the organization's portion of each ticket or calendar sold for one year
22 after the date on which the drawing is held and provide any of these portions to the
23 department upon request.

24 **SECTION 39.** 563.93 (2m) of the statutes is repealed.

25 **SECTION 40.** 563.93 (2r) of the statutes is created to read:

BILL

1 563.93 (2r) An organization that conducts a calendar raffle shall do all of the
2 following:

3 (a) Print identical drawing dates and identical prize amounts for each drawing
4 on every calendar sold.

5 (b) After holding a drawing, replace the winning tickets into the container to
6 allow the purchasers the chance to win again in subsequent drawings.

7 **SECTION 41.** 563.93 (3) of the statutes is renumbered 563.93 (1e) and amended
8 to read:

9 563.93 (1e) No person may sell a raffle ticket or calendar unless authorized by
10 an organization with a Class A license.

11 **SECTION 42.** 563.93 (3e) of the statutes is created to read:

12 563.93 (3e) An organization that conducts a raffle under a Class A raffle license
13 may not do any of the following:

14 (a) Permit another organization or individual to use its license to conduct a
15 raffle.

16 (b) Resell a ticket or calendar.

17 **SECTION 43.** 563.93 (3i) of the statutes is created to read:

18 563.93 (3i) An organization conducting a raffle under a Class A license may not
19 sell equal shares of a ticket unless all of the following apply:

20 (a) The organization does not sell more than 4 equal shares of one ticket.

21 (b) The organization does not offer a price discount to the purchaser of more
22 than one share of a ticket.

23 (c) Each share of a ticket is identical in form to other shares and includes the
24 organization's portion and the purchaser's portion.

BILL**SECTION 43**

1 (d) Each purchaser's portion of a share of a ticket includes all of the information
2 required under subs. (1m) (a), (b), (c), (e), and (f) and (2g) (e).

3 (e) Each organization's portion of a share of a ticket includes the ticket
4 identification number, an identification letter for each share of the ticket, and a place
5 for the purchaser to enter the purchaser's name and address next to the share
6 identification letter.

7 (f) Each prize is in the form of cash or a number of items that is equally divisible
8 by the maximum allowable number of shares of a ticket.

9 (g) The organization directly delivers to each holder of a share of a winning
10 ticket his or her share of the prize.

11 **SECTION 44.** 563.93 (3m) of the statutes is created to read:

12 563.93 (3m) An organization that conducts a calendar raffle may not do any
13 of the following:

14 (a) Sell any calendars after holding the first drawing.

15 (b) Change the dates of any drawings or the amounts of any prizes designated
16 on the calendar after the first calendar is sold.

17 **SECTION 45.** 563.93 (4) (a) of the statutes is renumbered 563.93 (3e) (c) and
18 amended to read:

19 563.93 (3e) (c) ~~Except as provided in par. (b), Offer~~ tickets for a proposed raffle
20 may not be offered for sale more than 270 days one year before the date of the
21 drawing.

22 **SECTION 46.** 563.93 (4) (b) of the statutes is repealed.

23 **SECTION 47.** 563.93 (4m) of the statutes is renumbered 563.93 (2g) (c) and
24 amended to read:

BILL

1 563.93 (2g) (c) ~~The organization that conducts a raffle under a Class A license~~
2 ~~shall provide~~ Provide the purchaser of a raffle ticket or calendar with the purchaser's
3 portion of the ticket or calendar at the time of purchase or at any time before each
4 raffle drawing is held, ~~but need not provide it to the purchaser at the time of~~
5 purchase.

6 **SECTION 48.** 563.93 (5) of the statutes is renumbered 563.93 (2g) (d) and
7 amended to read:

8 563.93 (2g) (d) ~~All~~ Hold all drawings shall be held in public.

9 **SECTION 49.** 563.93 (6) of the statutes is renumbered 563.93 (3e) (d) and
10 amended to read:

11 563.93 (3e) (d) ~~All prizes shall be awarded. The~~ Require the purchaser of a
12 ticket or calendar ~~need not~~ to be present at the drawing to win a prize.

13 **SECTION 50.** 563.93 (7) of the statutes is renumbered 563.93 (2g) (f) and
14 amended to read:

15 563.93 (2g) (f) ~~If a raffle game is canceled, the organization shall refund~~ Refund
16 the drawing receipts to the ticket or calendar purchasers if a drawing is canceled.
17 The organization may not deduct from the refund a handling charge or other amount
18 relating to the expense incurred in the sale of a ticket or calendar. The organization
19 may not reclaim any prize awarded in a drawing that has already been held at the
20 time a calendar raffle is canceled.

21 **SECTION 51.** 563.93 (8) of the statutes is repealed.

22 **SECTION 52.** 563.93 (9) of the statutes is renumbered 563.93 (3i) (h) and
23 amended to read:

24 563.93 (3i) (h) ~~If a person who holds a Class A license sells equal shares of a~~
25 single ticket to one or more purchasers for a raffle game, the person shall, prior The

BILL**SECTION 52**

1 organization purchases, prior to the date on which the a drawing is held, purchase
2 any unsold shares of the ticket that have not tickets of which one or more shares have
3 been sold.

4 **SECTION 53.** 563.935 (1) of the statutes is amended to read:

5 563.935 (1) All raffle tickets shall be identical in form.

6 **SECTION 54.** 563.935 (1m) of the statutes is created to read:

7 563.935 (1m) If state or federal law places an age restriction on who may
8 possess any prize that will be awarded for a raffle, the organization conducting the
9 raffle shall prominently display a notice describing the restriction at each place
10 where tickets may be purchased.

11 **SECTION 55.** 563.935 (3) of the statutes is repealed.

12 **SECTION 56.** 563.935 (4) of the statutes is amended to read:

13 563.935 (4) No person may sell a raffle ticket unless authorized by an
14 organization with a Class B license.

15 **SECTION 57.** 563.935 (5) of the statutes is amended to read:

16 563.935 (5) All raffle drawings shall be held in public.

17 **SECTION 58.** 563.935 (6) of the statutes is renumbered 563.935 (6) (a) and
18 amended to read:

19 563.935 (6) (a) ~~The Except as provided in pars. (b) and (c), the purchaser of a~~
20 ~~ticket must be present at the drawing to win a prize, unless the purchaser gives the~~
21 ~~ticket to another person who may claim the prize on behalf of the purchaser, but only~~
22 ~~if that other person is present at the drawing. If the purchaser of the ticket gives the~~
23 ~~ticket to another person to claim a prize on behalf of the purchaser, the organization~~
24 ~~conducting the raffle and the department shall not be held responsible or liable in~~
25 ~~any dispute regarding the ownership of the ticket.~~

BILL

1 **SECTION 59.** 563.935 (6) (b) of the statutes is created to read:

2 563.935 (6) (b) Any organization conducting a raffle may, according to
3 procedures determined by the organization, allow the purchaser of a ticket not to be
4 present at the drawing to win a prize.

5 **SECTION 60.** 563.935 (6) (c) of the statutes is created to read:

6 563.935 (6) (c) The purchaser of a ticket may give the ticket to another person
7 who may claim the prize on behalf of the purchaser, but only if that other person is
8 present at the drawing.

9 **SECTION 61.** 563.935 (9) of the statutes is amended to read:

10 563.935 (9) If a ~~raffle game~~ drawing is canceled, the organization shall refund
11 the receipts to the ticket purchasers.

12 **SECTION 62.** 563.935 (10) of the statutes is repealed.

13 **SECTION 63.** 563.94 of the statutes is amended to read:

14 **563.94 Profits.** All profits from raffles shall be used by the organization
15 conducting the raffles to further the organization's purpose for existence and no
16 salaries, fees, or profit shall be paid to any other organization or individual in
17 connection with the operation of a raffle. This section does not prohibit the printing
18 of ~~raffle~~ tickets or calendars or the purchase of equipment or prizes for a raffle.

19 **SECTION 64.** 563.95 of the statutes is amended to read:

20 **563.95 Denial of application; hearing.** Within 30 days after receiving
21 written notification of a denial by the department of a license to conduct a raffle, an
22 applicant may demand in writing a hearing before the department upon the
23 applicant's qualifications and the merit of the application. ~~At the hearing, the~~
24 ~~burden of proof shall be on the applicant to establish eligibility for a license.~~ If, after
25 the hearing, the department enters an order denying the application, the order shall

BILL**SECTION 64**

1 set forth in detail the reasons for the denial. Upon entry of such an order or upon
2 expiration of the 30-day period during which a hearing may be demanded, the
3 applicant's license fee shall be refunded. If the department approves the application,
4 the department shall issue the license within 14 days after approval.

5 **SECTION 65.** 563.97 of the statutes is renumbered 563.97 (1) and amended to
6 read:

7 563.97 (1) Each organization licensed to conduct raffles shall maintain a list
8 of the names and addresses of all persons winning prizes with a retail fair market
9 value of ~~\$100~~ \$600 or more, and the prizes won, for at least 12 months after each
10 raffle is conducted. The list shall be available at reasonable times for public
11 examination and shall be provided to the department upon request.

12 **SECTION 66.** 563.97 (2) of the statutes is created to read:

13 563.97 (2) An organization licensed to conduct raffles shall keep an electronic
14 or paper copy of its license that is available for any person to inspect upon request
15 at the event during which a drawing is held.

16 **SECTION 67.** 563.98 (1) (intro.) of the statutes is amended to read:

17 563.98 (1) (intro.) Each organization licensed under this subchapter shall, on
18 or before the last day of the 12th month beginning after the date on which the license
19 is issued and on or before that same date in each subsequent year, prepare and make
20 available for inspection a report containing the following information in writing to
21 ~~the department~~ regarding the raffles ~~which that~~ it has conducted during the previous
22 12 months:

23 **SECTION 68.** 563.98 (1) (e) of the statutes is repealed.

24 **SECTION 69.** 563.98 (1) (f) of the statutes is amended to read:

BILL

1 563.98 (1) (f) For raffles with drawings of the type types described in s. 563.908
2 ~~(2) 563.03 (5r) (b)~~, an accounting of all sold and unsold tickets for each raffle.

3 **SECTION 70.** 563.98 (1c) of the statutes is repealed.

4 **SECTION 71.** 563.98 (1e) of the statutes is created to read:

5 563.98 (1e) The department shall request a copy of a report prepared under
6 sub. (1) only upon the receipt of a complaint regarding the conduct of a raffle.

7 **SECTION 72.** 563.98 (1g) of the statutes is amended to read:

8 563.98 (1g) An organization licensed under this subchapter may renew the
9 license by submitting a \$25 renewal fee ~~with the report under sub. (1)~~. All moneys
10 received under this subsection shall be credited to the appropriation account under
11 s. 20.505 (8) (j).

12 **SECTION 73.** 563.98 (1m) of the statutes is repealed.

13 **SECTION 74.** 563.98 (2) of the statutes is amended to read:

14 563.98 (2) ~~If a copy of the financial report is not filed or is not fully, accurately~~
15 ~~and truthfully completed, or if the fee specified in sub. (1g) is not paid, the~~
16 department may refuse to renew a license or may suspend a license until ~~the report~~
17 ~~in proper form has been filed or the fee is paid.~~

18 **SECTION 75.** 945.01 (3) (b) 1. of the statutes is amended to read:

19 945.01 (3) (b) 1. A device used in conducting a bingo occasion or raffle game
20 under ch. 563, used in conducting a lottery under ch. 565, or used in conducting a race
21 under ch. 562.

22 **SECTION 76. Initial applicability.**

23 (1) This act first applies to an application for a raffle license filed with the
24 department of administration on the effective date of this subsection.

25 **SECTION 77. Effective date.**

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LRB-0577/lins
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1 INSERT 3-9

2 **SECTION 1.** 563.03 (4e) of the statutes is amended to read:

3 563.03 (4e) "Calendar" means a tabular register of days covering not less than
4 one nor more than 12 calendar months that ~~is used or intended to be used for a~~
5 entitles the purchaser to one entry in each drawing in a calendar raffle.

History: 1973 c. 156; 1975 c. 99; 1977 c. 426; 1979 c. 32, 34; 1983 a. 222; 1989 a. 147; 1991 a. 269 ss. 779s to 779w; Stats. 1991 s. 563.03; 1997 a. 27; 2005 a. 247; 2009 a. 28; 2011 a. 32; 2013 a. 273.

Parisi, Lori

From: Shea, Elisabeth
Sent: Monday, January 19, 2015 12:30 PM
To: Parisi, Lori
Subject: RE: LRB 0577/2

Lori -
Sorry - yes! For the senate. Thank you!
Lis

From: Parisi, Lori
Sent: Monday, January 19, 2015 12:02 PM
To: Shea, Elisabeth
Subject: FW: LRB 0577/2

Hi Elisabeth, (sorry about misspelling your name before) I have a question....did you really want this jacketed for the Assembly? It is a Senator Lemahieu draft, so I wanted to make sure. I will hold off on jacketing until I hear back from you on this.

Thanks much ☺

Lori

From: Parisi, Lori
Sent: Monday, January 19, 2015 10:19 AM
To: Shea, Elisabeth
Subject: RE: LRB 0577/2

Hi Elisabeth. I will take care of this later today.

Thanks ☺

Lori

From: Shea, Elisabeth
Sent: Friday, January 16, 2015 5:15 PM
To: Parisi, Lori
Subject: FW: LRB 0577/2

Hi Lori,

Would you please have 0577/2 jacketed for the Assembly? I believe he wants this Tuesday if possible.

Lis

From: Petrovich, Luke
Sent: Friday, January 16, 2015 4:52 PM
To: Shea, Elisabeth
Subject: LRB 0577/2

mistake

~~X~~