

Fiscal Estimate - 2015 Session

Original Updated Corrected Supplemental

LRB Number 15-0241/1		Introduction Number AB-0014	
Description Regulation of raffles			
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriations <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs			
Local: <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts			
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.505 (8)(j)			
Agency/Prepared By		Authorized Signature	Date
DOA/ Zolonda Eubanks (608) 266-6497		Colleen Holtan (608) 266-1359	2/4/2015

Fiscal Estimate Narratives

DOA 2/4/2015

LRB Number	15-0241/1	Introduction Number	AB-0014	Estimate Type	Original
Description Regulation of raffles					

Assumptions Used in Arriving at Fiscal Estimate

2015 AB 14 makes numerous changes to provisions regarding raffles. Under current law, a raffle is a game of chance in which tickets or calendars are sold and a drawing for prizes held, or for which a different method is used to determine a winner and that has been approved by the Department of Administration (alternate raffle). The winner of an alternate raffle must be determined by random selection with all participants having an equal opportunity to win. The Department is required to approve an alternate raffle that consists of flexible plastic or rubber ducks being used in a race.

Generally, charitable organizations may conduct raffles. Under rules promulgated by the Department of Administration (Department or DOA), an organization with a Class A raffle license may conduct single-event raffles or a calendar raffle. A calendar raffle is a raffle for which a drawing is held and a prize awarded on each date specified in a calendar. 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, with each container specific to a prize or group of prizes, and ticket purchasers place tickets in their container of choice.

AB 14 makes the following changes to current statutory provisions:

- Removes the Department's authority to approve an alternate raffle.
- Requires that a raffle may not be conducted unless any winner is determined by a drawing with all tickets or calendars having an equal opportunity to win.
- Defines a drawing as a random selection of a ticket portion or calendar portion from a container housing all portions of tickets or calendars purchased for the selection or a plastic or rubber duck race.
- Removes current limits on raffle ticket prices. The current Class A limit is \$500 for a raffle ticket and up to \$10 for each month covered by a calendar raffle, and \$10 for a Class B ticket.
- Increases the number of raffles allowed during a 12-month period from 200 to 365.
- Allows tickets sold under a Class B raffle to be sold prior to the raffle if tickets are not delivered to purchasers until the day of the drawing.
- Increases the number of days prior to a raffle conducted under a Class A license during which tickets may be sold from 270 days to one year.
- Allows a Class A license to sell equal shares of a single ticket to one or more purchaser, only if not more than four shares of a single ticket be sold and no discount is offered to the purchaser.
- Requires the Department to issue a license within 30 days after the filing of a complete application and to notify an applicant within 15 days if an application is incomplete.
- Eliminates the requirement that licensees submit an annual report to the Department detailing the number of raffles conducted in the prior year and the related receipts and net profits. Licensees would still be required to prepare and make the report available for inspection; however the Department could request a copy of the report only upon receipt of a complaint regarding the conduct of a raffle.
- Removes the authority of the Department to promulgate rules regarding the conduct of raffles. Many provisions related to the administration of raffles that are currently codified by administrative rule would be added to Chapter 563, Wis. Stats.

Statutory provisions regarding raffles are administered by DOA. The Department does not anticipate a change in the number of raffle licenses resulting from AB 14. However, the Department estimates that AB 14 would result in one-time costs of \$14,400 to educate/communicate with licensees and prospective licensees regarding the new raffle provisions; update the charitable database program, and revise and re-print forms and documents, and that those costs could be absorbed.

Long-Range Fiscal Implications

There are no long term costs associated with AB 14.

Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description Regulation of raffles		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
\$14,400		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		Date
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		2/4/2015