

Mike Kuglitsch

STATE REPRESENTATIVE • 84TH ASSEMBLY DISTRICT

DATE: February 4, 2015
RE: **Testimony on 2015 Assembly Bill 14**
TO: The Assembly Committee on State Affairs and Government Operations
FROM: Office of Representative Mike Kuglitsch

Thank you Mister Chairman and committee members for allowing me to testify in favor of Assembly Bill 14. I believe that this non-partisan piece of legislation will streamline raffles for our local organizations, and make it easier for these groups to fundraise moving forward.

Discussions of Assembly Bill 14 and its companion, Senate Bill 8, were developed last session and have evolved into a large bi-partisan piece of legislation. One of the major goals that the legislature has brought upon itself is to make our government more effective, efficient, and productive moving forward. Assembly Bill 14 accomplishes this by creating a streamlined process for raffles here in Wisconsin, and updates antiquated language that has not been visited in a number of years.

Charitable gaming is important to many organizations, ranging from our local churches to statewide sportsmen groups. Fundraising through raffles is an important tool that these groups take advantage of. Unfortunately, many of the strict dollar amount caps have not been raised since the 1990s. There are also aspects of our rules that may be better suited in the statutes to ensure certainty moving forward. This omnibus bill clarifies a number of definitions, eliminates burdensome requirements, and raises dollar amounts with regards to the various types of raffles.

This legislation before you today is intended to be a helping hand to those organizations that benefit from Wisconsin's raffle statutes. We have all entered into a raffle and some of us have even won. What we do not see is what goes on behind the scenes in terms of obtaining a license and the audits that are conducted by DOA. Assembly Bill 14 is constructed with language that will welcome raffles with an updated licensing process and an updated audit procedure. This will ensure that those who deserve a license will be able to obtain one, and those who deserve an audit will get one.

Last session, a similar bill was introduced by myself and former Senator Joe Leibham. Senate Bill 628 received large bi-partisan support and was passed on a voice vote in both houses. However, the bill was vetoed due to interferences with Class III gaming compacts. Prior to introducing this legislation, we have worked with the Department of Administration, Legislative Council, and Legislative Reference Bureau to ensure that there are no longer any issues moving forward.

I ask that you support this legislation and I will take any questions you may have at this time.



DEVIN LEMAHIEU

STATE SENATOR

DATE: February 4, 2015
RE: **Testimony on 2015 Assembly Bill 14**
TO: The Assembly Committee on State Affairs and Government Operations
FROM: Senator Devin LeMahieu

Mr. Chairman and committee members, thank you for taking time today to discuss Assembly Bill 14, the Raffle Reform Bill. While it may not seem like the most exciting issue, this bill will make a positive impact in each of the communities you represent.

During my campaign last fall, time and time again members of various non-profit organizations approached me with concerns about the current raffle process in our state. Mostly, they didn't understand why their ideas and attempts to raise money for their charities were deemed illegal. For that reason I'm proud to make the Raffle Reform Bill the first bill that I have authored as a State Senator.

Unfortunately, our current raffle rules and regulations are confusing and over-burdensome to non-profit organizations and their volunteers. The goal of AB 14 is to simplify, update, and improve the charitable raffle regulations in our state, while maintaining transparency and fairness, to make it easier for non-profit organizations to conduct raffles.

More specifically, some important changes under the bill include: a faster application process, allowing organizations to hold more raffles each year, the "early bird" purchase of Class B raffles, and allowing Class A tickets to be sold a year in advance. These small changes, along with others included in the bill, all add up to create an easier system for non-profit organizations to raise money. Money that, whether it be through scholarships or wildlife preservation, is required by law to be directly invested into serving our communities.

According to the Department of Administration, over 8,600 organizations hold a raffle license in our state. Organizations such as local VFW posts, fire departments, conservation groups, lions clubs, and other service organizations that all count on revenue from raffles to aide their cause. The changes proposed by AB 14 will ease the burden on these charitable organizations and allow them to raise more funds to better our communities.

As you can see, this bill has received bi-partisan support in both houses. Last session, Senate Bill 628 (which this bill revises) passed the legislature with strong bi-partisan support as well. Now we would like to turn it over to some of the non-profit organizations that will benefit from this legislation. I hope you will join us in supporting this improvement to our state's laws.

Raffle Law Simplification Bill of 2015

Bill Provisions:

- 1 – **Eliminates rulemaking.** This puts all the raffle laws in one place and prevents department from complicating things back up in the future without coming to the Legislature.
- 2 – Clarifies raffle definitions so that pulling multiple tickets from one bin is clearly legal and having multiple buckets for Class B raffles is also clearly legal.
- 3 – Allows **Early Bird purchase** of Class B raffle tickets.
- 4 – Eliminate requirement that department “**continuously study**” raffle laws.
- 5 – Will allow on organization to conduct **365 Class B raffles per year**, up from 200.
- 6 – Requires department to make a “completion determination” within 15 days and to issue or deny a license within 30 days after that. **If not denied in 30 days, the license is considered approved.**
- 7 – Increasing the amount from **\$500 to \$1000 for prizes** that need to be listed on a Class A ticket.
- 8 – Allows an organization that has made a good faith effort to award a prize the ability to **keep the prize for future** fund-raising purposes.
- 9 – **Eliminate posting requirements** other than if a prize is age restricted. Organization just must have license available for inspection if asked.
- 10 – Allow ticket **sales one year before drawing** instead of 270 days.
- 11 – **Eliminates raffle ticket price caps** on both Class A and Class B raffles.
- 12 – **Eliminates that the burden of proof** is on the organization at a license denial hearing.
- 13 – **Increases the prize amount from \$100 to \$600** for whose names must be listed as winners and kept by the organization.
- 14 – **Eliminates sending to the department a report** every year and instead just requires it to be available for inspection. Eliminates the “other expenses” category from the report. Department can only **request a copy of the report upon receipt of a complaint.**
- 15 – **Eliminates rule against co-mingling of funds.**

Public Hearing for Assembly Bill 14: relating to the regulation of raffles

I appreciate the opportunity to address this committee today.

My name is Phil Mersberger and I live at 9759 Middle Road, Oostburg, which is in Sheboygan County. I am the president of the Sheboygan County Conservation Association (S.C.C.A.), which is a 501(c)(3) not-for-profit corporation consisting of 28 conservation, fishing, trapping, hunting, archery, and trap shooting clubs. We hold two fundraisers every year and raffles are an integral part of each of them. Raffles are our life-blood when it comes to raising money to support the many projects that S.C.C.A. is involved in every year. We would not be able to do most of the projects listed on page 3, if it were not for raffles.

Conservation associations are one Wisconsin group that benefits from the use of raffles, but there are many others also. Fraternal organizations, like Rotary, Lions Clubs, and the Elks benefit from having raffles. Fire departments and police associations, churches, schools, and veterans groups benefit as well. All combined, these groups number in the thousands that use raffles as a form of fundraising.

I am in support of Assembly Bill 14 because it will streamline the application process, it will clarify raffle definitions, it will allow for Early Bird purchase of Class B raffle tickets, it will update many of the clerical responsibilities of the raffle sponsor, it will eliminate the annual report as part of the licensing process, and it will reduce the amount of DOA responsibility in the Raffle Law process.

This concludes my comments. Are there any questions ?

Thanks again for allowing me to testify today.

Phil Mersberger

President, Sheboygan County Conservation Association

Recent SCCA Projects

- Youth archery equipment for Maywood, Y-Koda, Winooski Bowmen, & W. Bowhtr
- 200 youth size life jackets for Maywood, Y-Koda, & Longfellow Reel 'Em In Club
- \$8,500.00 for wheelchair accessible floating fishing pier at Camp Anakijig
- \$25,000.00 pledge to help renovate the fishing pond at Camp Y-Koda
- With the support of the Sheboygan Co. Stewardship Fund and the State of Wisconsin Stewardship Fund, purchased 40 acres of recreation land contiguous to south side of Sheboygan Marsh and donated to Sheboygan County.
- Annual Scholarships: \$1000.00 Roy Kalmerton & \$1000.00 Marion & Bob Schuchardt
- Annual Pheasant Rearing Program: 1721 birds released in 2014
- Annual Pheasant Food/Cover Crop Program: 72 acres in 2014
- Wisconsin Outdoor Alliance; \$500.00 3000 elementary students in 2013
- Donation to Sheboygan Falls High School Fishing Club
- Donation to Muskies B-T-L youth education/fishing program: Turning Leaf
- Annual Outdoor Activity Day: Clubs and SCCA spent \$2500.00 for fish, worms, etc
- Annual Camp Y-Koda: Sponsor a Classroom Program
- Annual donation to Maywood and Camp Y-Koda to support youth programs
- Annual Trees for Tommorrow trip: free to Sheboygan Co. high school students
- Participate in Adopt A Highway Project: clean up 3 times a year.
- Purchased 225 copies of Field Guide to Invasive Plants in WI: Invasive species program
- Financial support to two 4-H youth to attend the national 4-H air rifle/archery competition
- Annual pass-the-hat at December SCCA meeting: 2014, collected carload of non-perishable food plus \$641.00 for Sheboygan County Food Pantry; \$793.00 for the Sheboygan Co. Share the Spirit Program; and \$1,144.00 for the Wounded Warrior Program.
- \$500.00 toward the Riverside Hunting & Fishing Club-St. Cloud's wood duck house building and restoration project
- Lots of other projects



Wisconsin Firearm Owners, Ranges,
Clubs and Educators, Inc.

Phone 888-337-3534
www.wisconsinforce.org

February 4, 2015

Relating to: Regulation of Raffles Act AB-14/SB-8

Committee on State Affairs and Government Operations

Mr. Chairman and Members of the Committee,

Wisconsin FORCE (Firearm Owners, Ranges, Clubs, and Educators Inc.) enthusiastically supports AB-14/SB-8. It is time to reduce the burdens placed on volunteers that are working to support non-profit organizations across the state.

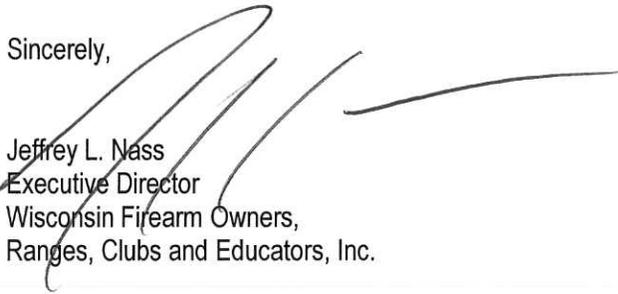
Under current law, not-for-profit, religious, charitable, service, fraternal, and veteran organizations that serve Wisconsin may obtain a license to conduct raffles. However, the current law is outdated monetarily and in areas of technology, and puts undue pressure on people who just want to do their part. This bill would help decrease the burden on Wisconsinites that are stepping up in support of their community and state.

All of the organizations that are affected by this regulation are an important part of the fabric of our state. It is critical that Wisconsin allows these volunteers to donate their precious time to support these groups in the most efficient and beneficial manner.

Wisconsin Firearm Owners, Ranges, Clubs, and Educators Inc. encourages you to pass this bill.

Thank you for your consideration.

Sincerely,



Jeffrey L. Nass
Executive Director
Wisconsin Firearm Owners,
Ranges, Clubs and Educators, Inc.