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# SHAE SORTWELL

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STATE REPRESENTATIVE • 2<sup>nd</sup> ASSEMBLY DISTRICT

**Hearing Testimony**  
**Assembly Committee on State Affairs**  
**September 15, 2021**  
**Assembly Bill 401**

Thank you Chairman Swearingen and members of the Assembly Committee on State Affairs for taking the time to hear testimony on Assembly Bill 401 – relating to exempting 50/50 raffles from license requirements.

In order to conduct a 50/50 raffle in Wisconsin, an eligible organization needs to obtain an annual Class B license (\$25) from the Department of Administration.

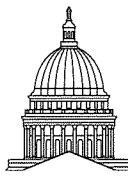
For frequent high-scale, community-based raffles, requiring a raffle license is fair and understandable. However, organizations, such as the American Legion, hold a few small-scale 50/50 raffles throughout the year at monthly membership meetings, often for fundraising purposes. Most of the time, the winner donates the money back to the organization.

The government should not penalize veteran organizations and others, such as sports clubs and charities, for modest and narrow fundraising within their own body. That should not be the intent of the raffle law.

AB 401 will create an exemption to purchase these 50/50 raffle licenses for eligible organizations when conducting such an event if the cash prize is \$500 or less, if the ticket sales are limited to the organization's own membership, and if the organization complies with all other requirements for the conduct of raffles.

American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars (VFW) support this bill.

I appreciate the committee's time and will answer any questions you may have.



**JULIAN BRADLEY**  
WISCONSIN STATE SENATOR

**Assembly Bill 401: Exempting 50/50 raffles from license requirements**

**Assembly Committee on State Affairs  
Wednesday, September 15, 2021**

Chairman Swearingen and committee members,

While I cannot join you for your hearing today, I do appreciate the committee holding a public hearing on Assembly Bill 401.

This legislation would make life a little simpler for groups across this state doing good work back home in our districts. Most of us have probably attended a large event of some kind that held a 50/50 raffle. The premise is simple. You, and hopefully several hundred others, buy tickets with half of the total ticket sales given to the organization sponsoring the event or a charity and half given to the winner of a drawing.

Under current law, a raffle license is required from the Department of Administration for a charitable organization to hold a 50/50 raffle.

This bill would create an exemption from this license for smaller raffles with a prize of under \$500 and in a raffle where tickets have only been sold to a member of the organization. This exemption is designed for the small monthly or quarterly meetings that some groups hold among their members. As these groups try and raise funds to continue their good work, they will sometimes have a small 50/50 raffle at these membership meetings.

Representative Sortwell and I, along with our coauthors, believe these two different types of events are different enough to merit a narrow exemption to the general requirement for a raffle license from the Department of Administration. These groups like the American Legion and Veterans of Foreign Wars should not have to clear one more hurdle to raise funds necessary to do their good work.

Thank you for your time and consideration.



FULFILLING OUR PROMISES  
TO THE MEN AND WOMEN WHO SERVED

## Department of Wisconsin

**STATEMENT OF  
AL LABELLE  
DAV WISCONSIN BENEFITS PROTECTION TEAM LEADER  
BEFORE THE  
COMMITTEE ON STATE AFFAIRS  
WISCONSIN STATE ASSEMBLY  
SEPTEMBER 15, 2021**

Chairman Swearingen and distinguished Members of the Committee:

Good Afternoon! Thank you for allowing DAV (Disabled American Veterans) this opportunity to present our view on Assembly Bill 401 (AB 401) Relating to: *exempting 50/50 raffles from license requirements.*

As you may know, DAV is a non-profit veterans service organization (VSO) comprised of over one million wartime service-disabled veterans, nationwide. In Wisconsin, we have nearly 15,000 members.

Each year, DAV helps more than one million veterans with Benefits, Transportation, Advocacy, Employment, and Volunteerism. Well over eighty percent (80%) of our total expenditures go to Service.

All our members are wartime wounded, injured or ill veterans, many of them severely. They have sacrificed much in defense of our freedoms.

Under current law, charitable, religious, or veterans' nonprofits may conduct a 50/50 raffle after receiving a raffle license from the Department of Administration (DOA).

AB 401 allows these nonprofits to conduct a 50/50 raffle without a license. The bill defines a 50/50 raffle as a raffle in which the awarded cash prize is equal to one-half of the ticket sales proceeds.

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Under AB 401, an eligible nonprofit does not need to obtain a raffle license from DOA if the following criteria are met:

- Cash prize is \$500 or less.
- If ticket sales are limited to the nonprofits' membership.
- If the nonprofit follows all raffles requirements, including those required under a Class B raffle license.

It is our belief that AB 401 will enhance and simplify the process for our Chapters, the Auxiliary, and the Department to hold 50/50 raffles. These funds will provide needed services to our state's veterans, their families, and survivors.

Pursuant to the DAV Statement of Policy, DAV Wisconsin supports the passage of AB 401.

This concludes our testimony, Mr. Chairman. I would be pleased to respond to any questions you or other Committee Members may have.