

DAVE MURPHY

State Representative • 56th Assembly District

Assembly Committee on State Affairs
April 28, 2021

AB 171

Mr. Chair, members of the committee, thank you for the opportunity to express my strong support for Assembly Bill 171, our Paddlewheel Raffles bill.

Wisconsin has many charitable organizations that support excellent causes while fostering community participation and good works. Most of us volunteer in these activities to help our communities. I am a long-time member of my local Lion's Club, for example, and I also volunteer at my church. This bill will help groups like the Lion's Club continue their generous and altruistic work without accidentally committing a crime.

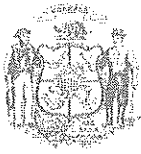
Right now in our state, unless a game of chance with a prize is permitted in Wisconsin law, it is considered illegal gambling and is a felony. For example, in a previous session the legislature passed a law to allow those plastic or rubber duck races at certain events where there is a drawing for a prize. If that type of game hadn't been made legal, charitable organizations holding a Class B raffle license could have faced a Class I Felony charge.

This bill allows another form of fundraising fun to be permitted: the paddlewheel raffle. The raffle still has requirements, and the organization must have a Class B raffle license. As long as the rules are followed, this type of raffle can be allowed.

During our hearings and in our research, the tribes didn't seem to take issue with this bill and they didn't register or testify against it. Unfortunately, the Dept. of Administration felt it would infringe on the tribes. The governor vetoed this bill last session after it passed the Senate and the Assembly.

Again, thank you for hearing this bill. I hope you'll join me in supporting this common sense legislation, Assembly Bill 171.

Thank you.



ANDRÉ JACQUE

STATE SENATOR • 1st SENATE DISTRICT

Phone: (608) 266-3512

Fax: (608) 262-3541

Sen.Jacque@legis.wi.gov

State Capitol - Rm. Box 7882

Madison, WI 53707-7882

*Testimony before the Assembly Committee on State Affairs
State Senator André Jacque
April 28, 2021*

Chairman Swearingen and Members of the Assembly Committee on State Affairs,

Thank you for holding this hearing and the opportunity to testify before you today in support of Assembly Bill 171. This common sense legislation will allow the popular use of paddlewheels for raffles across our state to continue without groups unknowingly and unintentionally committing a felony level offense.

Paddlewheel raffles are very popular amongst Wisconsin's many sportsmen's clubs, civic and veterans' organizations, and churches throughout the state. For example a frequently used variation is the "meat raffle," a crowd favorite seen at events from church festivals to VFW fish fries. However, groups who hold paddlewheel raffles at special events under their raffle license are being informed that they are fostering illegal gambling, and are subject to up to a Class I Felony penalty.

Thanks to previous legislation we've successfully passed to end the use of a similar loophole in state law to obstruct Wisconsin charitable organizations, a Class B raffle license may now be used to conduct a "multiple-container raffle." This allows for popular raffles such as plastic and rubber duck races at special events to lawfully be carried out as long as the winner in the raffle or race is determined by a "drawing" with all tickets having an "equal opportunity to win."

We have introduced AB 171 to provide similar relief for paddlewheel raffles by allowing an organization with a Class B raffle license to conduct such raffles without inadvertently committing a Class I Felony. Minnesota, where such games are also popular, has already legalized paddlewheel raffles for charitable groups.

I am happy to share that last session this bill passed the Senate Committee on Agriculture, Revenue and Financial Institutions with a unanimous bipartisan 9-0 vote and passed the full Senate on a voice vote. It also passed this committee on a unanimous bipartisan 13-0 vote and passed the full Assembly on a voice vote. This session it has already passed the Senate Labor & Regulatory Reform Committee with bi-partisan support and the full senate by voice vote. We ask that you join your colleagues in supporting this common sense fix to ensure popular meat raffles and other paddlewheel raffles at small festivals can continue to thrive. Thank you for your consideration of Assembly Bill 171.



STATE OF WISCONSIN

DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor
Joel Brennan, Secretary
Angela Banks, Division Administrator

AB 171

Informational Statement by the Department of Administration

The Department of Administration (DOA) provides this statement to address the potential fiscal impact of 2021 AB 171. AB 171 makes changes to the law governing raffles. Wisconsin's raffle laws are administered by the Division of Gaming within DOA.

AB 171 would amend current law to permit holders of Class B raffle licenses to conduct "paddlewheel" raffles. Paddlewheel raffles are different from raffles currently permitted under State law because they do not involve a "drawing" as that term is defined by statute. Wisconsin Stat. sec. 563.03(5r) defines a "drawing" as a random selection of tickets from a "container" or a "plastic or rubber duck race."

AB 171 would likely have two fiscal impacts, one on the cost of administering raffle licenses, the other on revenue received from Native American tribes pursuant to gaming compacts with the State.

DOA expects that the fiscal impact of AB 171 on the administration of raffle licenses would be negligible. DOA does not anticipate there would be a significant change in the number of raffle licenses issued if AB 171 becomes law. However, DOA estimates that AB 171 would result in one-time nominal and indeterminate costs to update printed materials associated with Class B raffle licenses. Those additional costs would be absorbed by current Division of Gaming spending authority.

The impact on revenue received pursuant to Native American gaming compacts could be very significant. The State has gaming compacts with each of Wisconsin's eleven federally-recognized Native American tribes. Each of those compacts contains provisions tying the tribes' payment obligation to a prohibition on the expansion of non-tribal gaming. For example, one compact provides as follows:

In the event a change in State law permits the operation of electronic games of chance, or other Class III games that are not permitted by State law on January 1, 2003, by any person or entity . . . other than a federally recognized Tribe under the provisions of the [Indian Gaming Regulatory Act] . . . the Tribe shall thereafter be relieved of its obligation to pay the amounts required [under the compact].

The total amount of tribal compact payments received in FY2019 was \$54.6 million.

Lake Lucerne Advancement Association
Forest County, Wisconsin

Incorporated December 13, 1952

President: Rick Hermus
Secretary: Patty Voigt

Vice President: LexAnn Hitchcock
Treasurer: Sally Hickman

April 24, 2021

Wisconsin State Representative Rob Swearingen
State Affairs Committee Chair
State Capitol
Room 123 West
P. O. Box 8953
Madison, WI 53708

via: Email

Dear Representative Swearingen,

We have become aware that a Public Hearing will be held regarding Assembly Bill 171, which would legalize the use of paddle wheels for local fundraising events.

The Lake Lucerne Advancement Association (LLAA), along with many other local organizations, had used the paddle wheel for many years prior to being informed that its usage was not legal in Wisconsin. For the past several years we have ceased its use at our events, and have experienced a large loss in our resources. We have also been questioned by our members about the elimination of the paddle wheel, and have explained the information received from the Wisconsin Dept. of Administration, Division of Gaming.

Prior to being told it was not appropriate, the paddle wheel was used by the LLAA at our annual "Family Fun Day". It was very popular and enjoyed by young and old alike. Its use was innocuous, and we never received a complaint regarding how it was administered. Prizes included many family items, including kids prizes that encouraged usage of our local waterways (fishing equipment, floatation toys, PFD's, etc.)

The paddle wheel supplied our organization with much needed funding for the maintenance of our lake. These funds reduced the need to rely on state organizations for funding, and helped implement programs and education for the LLAA. Projects funded included fish stocking, Clean Boat Clean Waters implementation, invasive species education and awareness, and boating safety. When we were informed (as were many other organizations in the Northwoods) that paddle wheels were not allowed by Wisconsin Statute, we ceased its usage, and our programming has suffered as a result.

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We enthusiastically support Assembly Bill 171, which would allow the use of paddle wheels for local fundraising events like the Lake Lucerne Advancement Association's "Family Fun Day".

Sincerely,

A handwritten signature in black ink, appearing to read "Rick J. Hermus". The signature is stylized with a large, looped initial "R" and a long, horizontal flourish at the end.

Rick J. Hermus
President
Lake Lucerne Advancement Association

Cc: Representative Jeff Mursau
LLAA Board of Directors

To: rep.swearingen@legis.wisconsin.gov

To: Rep.mursau@legis.wisconsin.gov

Re: Raffle Wheel Bill Assembly 117

From: Lee and Viola Lamers
6967 Hamilton Drive
Wabeno, Wi 54566
Home Phone 715-473-2633
Cell Phone 920-602-0068

Date: April 27, 2021

Dear Representative Mursau and Representative Swearingen,

We are writing today to request that you support the Assembly Bill 171 which supports the use of raffle wheels for charitable and non-profit organizations. In over 44 years of involvement in these types of organizations, I have only seen positive results. There have been no negative consequences of this method of fund raiser.

When this bill as Assembly Bill 37 was up for a vote, I spoke with leaders from both the Mole Lake and the Potawatami native communities. They both said they had no problem with the use of raffle wheels for organizations that were charitable and non-profit.

The money has been used for our lake for many years for many reasons including planting walleyes, putting in fishing cribs, dealing with invasive species such as eurasion milfoil and recently zebra mussels. The money is also used in the community where we give scholarships to all three high schools in our county. We also have supported local fire departments and rescue squads.

Other methods to raise funds have been tried and found to be more time consuming and not as effective resulting in volunteers losing motivation and people at the events losing interest.

This bill is asking nothing more than to continue what has been a major method of supporting charitable and non-profit causes in our communities.

Sincerely yours,
Lee and Viola Lamers

HEARING DATE APRIL 28 IN MADISON, WI

**TESTIMONY OF RUSSELL G SENSO BEFORE THE WISCONSIN ASSEMBLY
COMMITTEE ON STATE AFFAIRS AT THE HEARING REGARDING ASSEMBLY
BILL 171**

MY NAME IS RUSSELL G SENSO AND I WOULD LIKE TO THANK THE STATE AFFAIRS COMMITTEE AND CHAIR, REP. SWEARINGEN FOR GIVING ME THE OPPORTUNITY TO SUBMIT MY WRITTEN TESTIMONY REGARDING ASSEMBLY BILL 171. I AM TESTIFYING IN MY INDIVIDUAL CAPACITY AND MY STATEMENT DOES NOT REPRESENT THE VIEWS OF ANY OTHER ENTITY. I REQUEST THAT MY FULL TESTIMONY BE INCLUDED IN THE RECORD.

I AM A RESIDENT OF NEENAH, WI AND OWN A SMALL CABIN ON A LAKE IN FOREST COUNTY AND AM A MEMBER OF A SMALL LAKE ASSOCIATION. I AM **TESTIFYING IN SUPPORT OF ASSEMBLY BILL 171**. THIS BILL WILL LEGALIZE A SMALL TOOL THAT IS NEEDED TO HELP NONPROFIT ORGANIZATIONS IN THEIR FUND RAISING EFFORTS. SOME OF THESE NONPROFITS ARE THE LAKE ASSOCIATIONS OF WISCONSIN. THESE ASSOCIATIONS CONTRIBUTE MORE TO THE PROTECTION OF OUR STATE WATERS AND WETLANDS THAN MOST PEOPLE REALIZE. A LOT OF THEIR TIME IS SPENT RAISING FUNDS. THESE FUNDS CONTRIBUTE TO A NUMBER OF DIFFERENT CONSERVATION EFFORTS INCLUDING; THE FIGHT AGAINST INVASIVE SPECIES, PROVIDING CONSERVATION SCHOLARSHIPS AND EDUCATIONAL PROGRAMS AND PROMOTING TOURISM AND FISH STOCKING OPERATIONS TO NAME A FEW.

THESE NON PROFIT GROUPS NEED ALL THE HELP WE CAN GIVE THEM. THE LAKE ASSOCIATION I AM A MEMBER OF LOST ITS TWO MAJOR FUND RAISING EFFORTS IN THE SUMMER OF 2020 AND THE WINTER OF 2021 TO THE IMPACTS OF THE COVID 19 PANDEMIC. I AM CERTAIN OTHER GROUPS LOST THEIR MAJOR SOURCES OF REVENUE TOO. I CANNOT EMPHASIZE ENOUGH THE NEED FOR FUNDING OF THESE GROUPS IN WISCONSIN AT THIS TIME. IT IS IMPERATIVE THAT WE GIVE THEM THIS ONE SMALL TOOL BY PASSING ASSEMBLY BILL 171 AS SOON AS POSSIBLE. IF THESE GROUPS DON'T HAVE FUNDS THEY CANNOT MATCH STATE GRANTS OR TRIBAL CONTRIBUTIONS AND SO COULD LOSE VALUABLE TIME AND OPPORTUNITIES IN THEIR CONSERVATION EFFORTS.

.BY PASSING ASSEMBLY BILL 171 WE CAN GIVE A LITTLE HELP, A SMALL TOOL TO THOSE WHO DO SO MUCH FOR US ALL. I STRONGLY SUPPORT THE **TIMELY** PASSING OF ASSEMBLY BILL 171.

THANK YOU FOR ALLOWING ME TO SUBMIT THIS SINCERE TESTIMONY TODAY,

RUSSELL G SENSO
1414 WHITTIER DRIVE
NEENAH, WI 54956