

CHAPTER 563

BINGO AND RAFFLE CONTROL

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Cross-reference: See definitions in s. 561.01.

SUBCHAPTER I

GENERAL PROVISIONS AND DEFINITIONS

563.02 Purpose. The legislature declares that:

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

(2) The conduct of bingo, raffles and all attendant activities, except bingo games using free cards and donated prizes for which no payment of consideration is made by participants, should be so regulated as to discourage commercialization of bingo and raffles in all forms and to ensure the maximum use of the profits of bingo exclusively for proper and legitimate expenditures.

(3) It is a matter of statewide concern to foster and support proper and legitimate expenditures and to prevent commercialized gambling, participation by criminal and other undesirable elements and diversion of funds from usage for proper and legitimate expenses.

History: 1973 c. 156; 1975 c. 99; 1977 c. 426; 1987 a. 21; 1989 a. 147; 1991 a. 269 s. 779r; Stats. 1991 s. 563.02.

The state may not enforce bingo laws on Indian reservations. *Oneida Tribe of Indians of Wisconsin v. State of Wisconsin*, 518 F. Supp. 712 (1981).

563.03 Definitions. In this chapter:

(1) "Adult family home" has the meaning given in s. 50.01 (1).

(1m) "Bingo" means a game of chance in which players pay a consideration in order to participate, in which 75 numbered objects are available for selection, and those objects actually selected are selected on a random basis, and in which each player participates by means of cards sold, rented or used only at the time and place of the game, each card containing 5 rows of 5 spaces each, each space printed with a number from 1 to 75, except the central space, which is marked "FREE". Winners are determined and prizes awarded on the basis of possessing a bingo card on which some combination of numbers are printed and conform to the numbered objects selected at random based on a predetermined winning arrangement. "Bingo" as used in this chapter shall not mean any game using free cards and donated prizes, if any, for which no payment of consideration is made by participants.

(2) "Bingo occasion" means a single gathering or session at which a series of successive bingo games is played.

(3) "Bingo supplies and equipment" means all cards, boards, sheets, markers, pads or other supplies, devices or equipment designed for use in the play of bingo.

(4e) "Calendar" means a tabular register of days covering not less than one nor more than 12 calendar months that is used or intended to be used for a calendar raffle.

(4m) "Calendar raffle" means a raffle for which a drawing is held and a prize awarded on each date specified in a calendar.

(4s) "Community-based residential facility" has the meaning given in s. 50.01 (1g).

(5) "Department" means the department of administration.

(5m) "Division of gaming" means the division of gaming in the department.

(6) “Extra regular card” means a nondisposable card which affords additional opportunities to play in a regular bingo game to be played at a bingo occasion.

(6m) “Gambling place” has the meaning designated in s. 945.01 (4) (a).

(7) “Gross receipts” means total receipts received from the conduct of bingo including, but not limited to, receipts from the sale, rental or use of regular bingo cards, extra regular cards, special bingo cards and bingo supplies.

(9) “Licensed organization” means an organization licensed under this chapter to conduct bingo.

(10) “Limited period bingo” means the conduct of bingo for a period of not more than 4 out of 5 consecutive days in any one year at a festival, bazaar, picnic, carnival or similar special function conducted by a licensed organization.

(11) “Premises” means any room, hall, enclosure, tent or outdoor area in which bingo is being played.

(12) “Profit” means the gross receipts collected from one or more bingo occasions, less reasonable sums necessarily and actually expended for bingo supplies and equipment, prizes, utilities, license fees and taxes.

(12e) “Proper and legitimate expenditure” means an expenditure made by an organization for any of the following:

(a) Any purpose for which the organization is organized.

(b) The advancement, improvement or benefit of the organization, if the amount of the expenditure does not exceed the fair market value of the advancement, improvement or benefit.

(12m) “Raffle” means a game of chance in which tickets or calendars are sold and a drawing for prizes is held.

(13) “Regular bingo card” means a nondisposable card issued to a person upon payment of the admission fee which affords a person the opportunity to participate in all regular games played at a bingo occasion.

(14) “Regular bingo game” means a bingo game in which a person, upon payment of an admission, is issued a regular bingo card and may purchase or rent extra regular cards.

(14t) “Senior citizen community center” means a public place in which recreational or social activities are made available primarily to individuals who are 55 years of age or older.

(15) “Special bingo card” means a disposable, specially marked bingo card which affords a person the opportunity to participate in a special bingo game to be played at a bingo occasion.

(16) “Special bingo game” means any bingo game which is not a regular bingo game and which is played with special bingo cards.

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.

SUBCHAPTER II

DUTIES AND POWERS

563.04 General duties of the department. The department shall:

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

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

(4) Approve and establish a standard set of bingo cards comprising a consecutively numbered series and prescribe by rule the manner in which such cards are to be reproduced and distributed to a licensed organization.

(5) Prescribe appropriate forms necessary to carry out this chapter.

(6) Issue, renew and amend licenses:

(a) To organizations to conduct bingo.

(b) To a member designated by the organization who is responsible for the gross receipts.

(7) Issue and renew licenses to suppliers of bingo supplies and equipment.

(8) Have power to temporarily suspend any license.

(10) Refer for investigation potential or actual violations of this chapter and rules promulgated under it to the district attorney of the county in which a bingo occasion will be or was held.

(11) Make a continuous study of the operation of this chapter to ascertain if there are defects herein which jeopardize or threaten to jeopardize the purpose of this chapter; and make a continuous study of the operation and administration of similar laws which may be in effect in other states.

(13) Establish the style, content and format of all licenses issued under this chapter.

History: 1973 c. 156; 1979 c. 34 ss. 1000, 2100 (45) (a); 1989 a. 31, 147; 1991 a. 39; 1991 a. 269 ss. 780d to 781p; Stats. 1991 s. 563.04; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.05 Powers and duties of department. (2) The department may promulgate rules requiring holders of licenses issued under this chapter to post a notice in a conspicuous place where a bingo occasion or raffle drawing is conducted describing the procedures for filing a complaint against the holder.

(3) The department may promulgate rules specifying the number of business days within which the department must review and make a determination on an application for a permit, as defined in s. 560.41 (2), that is issued under this chapter.

(4) The department may promulgate rules defining procedures to be used by the department for receiving, filing and investigating complaints, for commencing disciplinary proceedings and for conducting hearings under this chapter.

(5) No employee in the division of gaming who performs any duty related to bingo or raffles or the executive assistant or the secretary or deputy secretary of administration and no member of such a person’s immediate family, as defined in s. 19.42 (7), may, while that person is employed or serves in such a capacity or for 2 years following the termination of his or her employment with the department after having served in such a capacity, do any of the following:

(a) Have any direct or indirect interest in any person who is licensed or required to be licensed under this chapter.

(b) Accept or agree to accept money or any thing of value from any person who is licensed or required to be licensed under this chapter.

History: 1991 a. 269 ss. 782ad, 782ah, 1110b, 1110d; Stats. 1991 s. 563.05; 1995 a. 27 ss. 6976, 9123 (6pp); 1997 a. 27; 1999 a. 5.

563.051 Bingo and raffle security. The department may do any of the following:

(1) Provide all of the security services for the bingo and raffle operations under this chapter.

(2) Monitor the regulatory compliance of bingo and raffle operations under this chapter.

(3) Audit the bingo and raffle operations under this chapter.

(4) Investigate suspected violations of this chapter.

(5) Report suspected gaming–related criminal activity to the division of criminal investigation in the department of justice for investigation by that division.

(6) If the division of criminal investigation in the department of justice chooses not to investigate a report under sub. (5), coordinate an investigation of the suspected criminal activity with local law enforcement officials and district attorneys.

History: 1997 a. 27.

563.055 Cancellation of license; reinstatement. (1) If the holder of a license issued under this chapter pays a fee required under s. 563.13 (4), 563.22 (2) or 563.92 (2) by check and the check is not paid by the bank upon which the check is drawn, the

department may cancel the license on or after the 60th day after the department receives the notice from the bank, subject to sub. (2).

(2) At least 20 days before canceling a license, the department shall mail a notice to the holder that informs the holder that the check was not paid by the bank and that the holder's license may be canceled on the date determined under sub. (1) unless the holder does all of the following before that date:

(a) Pays the fee for which the unpaid check was issued.

(b) Pays the charge for an unpaid draft established by the depository selection board under s. 20.905 (2).

(3) Nothing in sub. (1) or (2) prohibits the department from extending the date for cancellation to allow the holder additional time to comply with sub. (2) (a) and (b).

(4) A cancellation of a license under this section completely terminates the license and all rights, privileges and authority previously conferred by the license.

(5) The department may reinstate a license that has been canceled under this section only if the previous holder complies with sub. (2) (a) and (b) and pays a \$30 reinstatement fee.

(6) All moneys received under this section shall be credited to the appropriation account under s. 20.505 (8) (jm).

History: 1989 a. 31; 1991 a. 269 s. 782ap; Stats. 1991 s. 563.055; 1995 a. 27 ss. 6976c, 9123 (6pp); 1997 a. 27; 1999 a. 5.

563.10 Rules governing commingling of receipts restricted. Notwithstanding ss. 227.11 (2), 227.24 (1) (a) and 563.04 (3), the department may not promulgate any emergency rule relating to the commingling of bingo and raffle receipts unless it can clearly establish that commingling will occur without such rule and that the rule will effectively prevent commingling. The department shall set forth any such finding in its proposed rule. If upon review under s. 227.40, the court finds that the finding of fact upon which any emergency rule relating to such commingling is based is unsupported by clear and convincing evidence, the rule is invalid.

History: 1979 c. 41; 1985 a. 182 ss. 55 (4), 57; 1991 a. 269 s. 782at; Stats. 1991 s. 563.10; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

SUBCHAPTER III

LICENSING

563.11 License to conduct bingo. (1) Any bona fide religious, charitable, service, fraternal or veterans' organization or any organization, other than the state or any political subdivision of the state, to which contributions are deductible for federal income tax purposes or state income or franchise tax purposes, may apply to the department for a license to conduct bingo. In this subsection, "service organization" includes all of the following:

(b) A community-based residential facility.

(c) A senior citizen community center.

(d) An adult family home.

(2) (a) Prior to applying for a license, an organization listed under sub. (1) shall:

1. Be incorporated in this state as a nonprofit corporation or organized in this state as a religious or nonprofit organization.

2. Have at least 15 members in good standing.

3. Conduct activities within this state in addition to the conduct of bingo.

5. Operate without profit to its members, and no part of the net earnings of such organization shall inure to the benefit of any private shareholder or individual.

6. Have been in existence for 3 years immediately preceding its application for a license, and shall have had during that 3-year period a membership actively engaged in making proper and legitimate expenditures.

7. Have received and used and shall continue to receive and use, for proper and legitimate expenditures, funds derived from sources other than from the conduct of bingo.

(b) Paragraph (a) does not apply to any organization listed under sub. (1) (b) to (d).

History: 1973 c. 156; 1989 a. 147; 1991 a. 39; 1991 a. 269 ss. 782bd, 782bh; Stats. 1991 s. 563.11.

Loss of tax exempt status for income tax purposes does not necessarily imply that an organization is no longer nonprofit. 67 Atty. Gen. 255.

563.12 Bingo license application. Each applicant for a license to conduct bingo shall file with the department an application on a form prescribed by the department. Except as provided in s. 563.135, the application shall include:

(1) The name and address of the applicant.

(2) Sufficient facts relating to the incorporation or organization of the applicant to enable the department to determine if the applicant is eligible for a license under this subchapter.

(3) The name and address of each officer of the applicant organization.

(4) The place and date of each bingo occasion proposed to be conducted during the effective period of the license.

(5) The name and address of the owner of the premises in which bingo will be conducted and the approximate capacity of the premises.

(7) The name, date of birth and address of each supervising member for each bingo occasion who shall be an active member of the applicant organization and one or more of whom shall be present and in immediate charge of and responsible for the conduct of bingo games at each bingo occasion.

(8) The name of any licensed organization cosponsoring any bingo occasion.

(9) The name, address, date of birth and years of membership of an active member of the applicant organization who shall be responsible for the proper utilization of the gross receipts derived from the conduct of bingo.

(11) Other information which the department considers necessary to administer this chapter.

History: 1973 c. 156; 1977 c. 418; 1981 c. 380; 1989 a. 147; 1991 a. 269 s. 782cd; Stats. 1991 s. 563.12; 1995 a. 27 s. 9123 (6pp); 1997 a. 27, 252.

563.13 Affidavits and fees. Except as provided in s. 563.135, an application for a license to conduct bingo shall be accompanied by:

(2) A sworn statement by the member designated as responsible for the proper utilization of gross receipts that no commission or other fee, salary, profits, compensation, reward or recompense will be paid to any person or organization and that all profits will be spent as provided under s. 563.51 (8).

(4) A \$10 license fee for each bingo occasion proposed to be conducted and \$5 for an annual license for each designated member responsible for the proper utilization of gross receipts. All moneys received under this subsection shall be credited to the appropriation account under s. 20.505 (8) (jm).

History: 1973 c. 156; 1975 c. 99; 1979 c. 34; 1987 a. 21; 1989 a. 147; 1991 a. 269 s. 782ch; Stats. 1991 s. 563.13; 1995 a. 27 s. 9123 (6pp); 1995 a. 417; 1999 a. 5.

563.135 Bingo license application; community-based residential facilities, senior citizen community centers and adult family homes. (1) An application for a license to conduct bingo for an organization listed under s. 563.11 (1) (b) to (d) shall be accompanied by a \$5 license fee and a sworn statement by the owner or operator of the organization that:

(a) Only residents, guests of residents and employees of the community-based residential facility or adult family home, or members, patrons, guests of members and patrons and employees of the senior citizen community center, will play bingo;

(b) Bingo will be played only as a recreational or social activity;

(c) No admission fee will be charged to play bingo; and

(d) The total fee charged to a player for all bingo cards used by the player at a bingo occasion will not exceed \$2 and the aggregate value of prizes awarded at the bingo occasion will equal the total amount of fees that are collected from all of the players at the bingo occasion.

(2m) All moneys received under sub. (1) shall be credited to the appropriation account under s. 20.505 (8) (jm).

History: 1989 a. 147; 1991 a. 269 s. 782cp; Stats. 1991 s. 563.135; 1999 a. 5.

563.14 Department determinations. Upon receipt of an application for a license to conduct bingo, the department shall investigate the qualifications of the applicant and the merits of the application and before issuing a license shall determine that:

(1) The applicant is eligible to be licensed to conduct bingo under s. 563.11.

(2) The supervising member and member responsible for the proper utilization of gross receipts are active members of the applicant organization who, subject to ss. 111.321, 111.322 and 111.335, have never been convicted of a felony or, if convicted, have received a pardon or have been released from parole, extended supervision or probation for at least 5 years.

(3) The proposed bingo occasions will be conducted in accordance with this chapter and the rules promulgated under it.

(6) The profits from all bingo games conducted by the applicant organization are proposed to be used as provided under s. 563.51 (8).

History: 1973 c. 156; 1975 c. 99; 1979 c. 34 s. 2100 (45) (a); 1981 c. 122, 380; 1981 c. 391 s. 211; 1987 a. 21; 1989 a. 147; 1991 a. 269 s. 782ct; Stats. 1991 s. 563.14; 1995 a. 27 s. 9123 (6pp); 1997 a. 27, 283.

563.15 Issuance of license to conduct bingo. (1) After making the determinations under s. 563.14, the department shall either notify the applicant organization in writing why a license is not being issued or issue a license to such applicant organization authorizing it to conduct bingo at the times and places set forth in the license. Except as provided in sub. (1m), a license issued under this subsection shall be effective for one year from the first day of the month of the first occasion listed on the license and may be renewed annually, except that an applicant organization may request that the license expire on the first day of any month within the one-year licensure period.

(1m) A license issued under sub. (1) to an organization listed under s. 563.11 (1) (b) to (d) shall remain in effect unless it is canceled, suspended or revoked by the department or withdrawn by the organization.

(3) Each license, and all amendments thereto, shall be conspicuously displayed at the place where a bingo occasion is conducted and at all times during the conduct thereof so as to be easily readable by any patron of the bingo occasion.

History: 1973 c. 156; 1975 c. 99; 1979 c. 34 s. 2100 (45) (a); 1981 c. 162, 209, 391; 1989 a. 147; 1991 a. 39; 1991 a. 269 ss. 782dd to 782dp; Stats. 1991 s. 563.15; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.16 Amendment of license to conduct bingo. Upon application by a licensed organization, a license may be amended, if the subject matter of the amendment properly and lawfully could have been included in the original license. An application for an amendment to a license shall be filed and processed in the same manner as an original application. An application for the amendment of a license shall be accompanied by a \$3 fee. If any application for amendment seeks approval of additional bingo occasions or designates a new member responsible for the proper utilization of gross receipts, the appropriate fee under s. 563.13 (4) also shall be paid. If the department approves an application for an amendment to a license, a copy of the amendment shall be sent to the applicant who shall attach it to the original license. All moneys received under this section shall be credited to the appropriation account under s. 20.505 (8) (jm).

History: 1973 c. 156; 1979 c. 34; 1989 a. 147; 1991 a. 269 s. 782dt; Stats. 1991 s. 563.16; 1995 a. 27 s. 9123 (6pp); 1997 a. 27; 1999 a. 5.

563.17 Denial of application; hearing. If the department denies a license to conduct bingo, within 30 days after receiving written notification of such denial, an applicant may demand in writing a hearing before the department upon the applicant's qualifications and the merit of the application. At the hearing, the burden of proof shall be on the applicant to establish his or her eligibility for a license. If, after the hearing, the department enters an order denying the application, the order shall set forth in detail the reasons for the denial. Upon entry of such an order or upon the expiration of the 30-day period during which a hearing may be demanded, the applicant's license fee shall be refunded less reasonable administrative costs. If the department approves the application, the department shall issue the license within 14 days after approval.

History: 1973 c. 156; 1979 c. 34; 1989 a. 147; 1991 a. 269 s. 782ed; Stats. 1991 s. 563.17; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.18 Suspension or revocation. (1) Proceedings to suspend or revoke a supplier's license or a license to conduct bingo shall be initiated by the department pursuant to the rules promulgated under s. 563.05 (4).

(3) The department's decision under this section is subject to judicial review under ch. 227.

(4) When a license under this subchapter is suspended or revoked by the department, the licensee shall immediately surrender the license to the department. A licensee whose license has been revoked may reapply for a license one year after the effective date of the revocation. If a license has been suspended under sub. (3), the department shall reinstate the license at the end of the period of suspension.

(5) A violation of any applicable law of this state or rule promulgated thereunder shall constitute grounds for suspension or revocation.

History: 1973 c. 156; 1975 c. 198; 1979 c. 34 s. 2100 (45) (a); 1989 a. 147; 1991 a. 269 s. 782eh; Stats. 1991 s. 563.18; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

Board may not revoke license of an organization because of its membership policies regarding race. 67 Atty. Gen. 255.

563.21 Supplier's license. Any person intending to sell or distribute bingo supplies or equipment to a licensed organization shall apply to the department for a supplier's license.

History: 1973 c. 156; 1989 a. 147; 1991 a. 269 s. 782ep; Stats. 1991 s. 563.21; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.22 Supplier's license application. (1) An application for a supplier's license shall be filed with the department on a form prescribed by the department. The application shall include:

(a) The name and address of the applicant.

(b) A designation of the type of business organization of the applicant and the date and place of its original establishment.

(c) The name and address of each officer, director, shareholder, partner, member or other person with an ownership interest in the applicant business.

(d) A statement showing the gross receipts realized in the preceding year on the sale or distribution of bingo supplies and equipment to licensed organizations.

(e) The name and address of any supplier of bingo supplies and equipment to the applicant.

(f) The number of years the applicant has been in the business of supplying bingo supplies and equipment.

(g) If the applicant business is organized outside of this state, the name and address of a resident agent who is authorized to be served legal documents and receive notices, orders and directives of the department.

(2) (a) Each application for an initial supplier's license or for a renewal thereof shall be accompanied by a fee of \$25.

(b) When the supplier's license expires, the supplier shall pay a supplementary fee based on the supplier's gross sales of bingo supplies and equipment to licensed organizations during the pre-

ceding year. The supplementary fee shall be determined in accordance with the following schedule:

<i>Amount of Gross Sales</i>	<i>Fee</i>
Less than \$5,000	\$10
Between \$5,000 and \$19,999	\$50
Between \$20,000 and \$49,999	\$200
Between \$50,000 and \$100,000	\$500
More than \$100,000	\$1,000

(c) All moneys received under this subsection shall be credited to the appropriation account under s. 20.505 (8) (jm).

History: 1973 c. 156; 1979 c. 34; 1989 a. 147; 1991 a. 269 s. 782et; Stats. 1991 s. 563.22; 1993 a. 112; 1995 a. 27 s. 9123 (6pp); 1997 a. 27; 1999 a. 5.

563.24 Issuance of supplier's license. Upon receiving an application for a supplier's license, the department may require the applicant, or if the applicant is a corporation, limited liability company or partnership, its officers, directors, stockholders and members, to appear and testify under oath on the contents of the application. If the department determines that the supplier's license applicant possesses the requisite qualifications, a license shall be issued to the bingo supplier. A license issued under this section shall be effective for one year from the first day of the month of its issuance, and may be renewed annually. If the application is not approved, the department shall notify the applicant in writing of such action. Within 10 days after receipt of such notification, the applicant may demand a hearing before the department. At the hearing, the burden of proof shall be on the applicant to establish his or her qualifications and the merit of the application. The fee, less reasonable administrative costs, shall be refunded to the applicant upon entry of an order denying an application after hearing, or upon expiration of the period during which a hearing may be demanded.

History: 1973 c. 156; 1979 c. 34; 1991 a. 269 s. 782fd; Stats. 1991 s. 563.24; 1993 a. 112; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.25 Supplier to notify department of changes. During the pendency of an application for a supplier's license, the applicant shall immediately notify the department in writing of any change in the facts set forth in the application, including any change in any item in the application, in the organization, structure or mode of operation of the supplier's business and in the identity of persons named or required to be named in the application or the nature or extent of their interests. Within 10 days after any such change which occurs after the issuance of the license, the change shall be reported to the department. Failure to notify the department of such change shall constitute sufficient cause for denial of a pending license application or for suspension or revocation of a license which has been granted.

History: 1973 c. 156; 1989 a. 147; 1991 a. 269 s. 782fh; Stats. 1991 s. 563.25; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.26 Maintenance of supplier's books and records. Each licensed supplier shall maintain his or her books and records in such manner as to enable the department to determine the gross sales of bingo supplies and equipment to licensed organizations. Invoices for the sale of bingo supplies and equipment shall include the name and license number of the organization to which the supplies were sold, the date and amount of the sale and an enumeration of the items sold. Each licensed supplier and formerly licensed supplier shall maintain his or her books and records for not less than 4 years and shall make them available at reasonable times for examination by the department or its authorized representatives.

History: 1973 c. 156; 1979 c. 34; 1983 a. 222; 1991 a. 269 s. 782fp; Stats. 1991 s. 563.26; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.27 Persons not eligible for supplier's license. The following persons shall not be eligible for a supplier's license:

(1) Subject to ss. 111.321, 111.322 and 111.335, a person convicted of a felony who has not received a pardon or has not been released from parole, extended supervision or probation for at least 5 years.

(2) Subject to ss. 111.321, 111.322 and 111.335, a person who is or has been a professional gambler or gambling promoter or to whom s. 139.34 (1) (c) is applicable.

(3) A public officer or employee.

(4) A business in which a person disqualified under sub. (1), (2) or (3) is employed or active or in which a person is married or related in the first degree of kinship to such person who has an interest of more than 10% in the business.

History: 1973 c. 156; 1981 c. 380; 1981 c. 391 s. 211; 1991 a. 269 s. 782ft; Stats. 1991 s. 563.27; 1997 a. 283.

One who sells or rents illegal gambling devices is a promoter under sub. (2). This section is constitutional. *Wisconsin Bingo Supply & Equipment Co. v. Bingo Control Board*, 88 Wis. 2d 293, 276 N.W.2d 716 (1979).

563.28 Suspension or restriction of a supplier's license for delinquent child support payments. (1) If

required in a memorandum of understanding entered into under s. 49.857, the department shall suspend or restrict the supplier's license of any person who is delinquent in making court-ordered payments of child or family support, maintenance, birth expenses, medical expenses or other expenses related to the support of a child or former spouse or who has failed to comply, after appropriate notice, with a subpoena or warrant issued by the department of workforce development or a county child support agency under s. 59.53 (5) and relating to paternity or child support proceedings.

(2) The department shall disclose the social security number of any applicant for a supplier's license to the department of workforce development for the purpose of administering s. 49.22.

History: 1997 a. 191.

563.285 Supplier's license and delinquent taxes.

(1) The department shall deny an application for the issuance or renewal of a license, or revoke a license already issued, if the department of revenue certifies under s. 73.0301 that the applicant or licensee is liable for delinquent taxes. An applicant for whom a license is not issued or renewed, or a licensee whose license is revoked, under this section for delinquent taxes is entitled to a notice under s. 73.0301 (2) (b) 1. b. and a hearing under s. 73.0301 (5) (a) but is not entitled to any other notice or hearing under this section.

(2) (a) If a licensee or an applicant for any license is an individual, the department shall disclose his or her social security number to the department of revenue for the purpose of requesting certifications under s. 73.0301.

(b) If a licensee or an applicant for any license is not an individual, the department shall disclose the person's federal employer identification number to the department of revenue for the purpose of requesting certifications under s. 73.0301.

History: 1997 a. 237.

563.29 Supplier prohibitions. (1) No person shall sell or distribute bingo supplies or equipment to any licensed organization without first having obtained a supplier's license, but an organization which is or has been during the preceding 12 months, licensed to conduct bingo in this state may sell bingo supplies and equipment actually used by it in the conduct of bingo to another licensed organization.

(2) No person shall wilfully make any materially false statement in an application for a supplier's license.

(3) No licensed supplier shall sell or distribute to a licensed organization any card unless it is identified in the standard set of bingo cards prescribed by the department.

(5) No person directly or indirectly connected with the manufacture, sale or distribution of bingo supplies or equipment, and no agent, servant or employee of such person, shall conduct, advise or assist in the conduct of bingo; render any service to anyone conducting or assisting in the conduct of bingo; or prepare any form required of a licensed organization pertaining to bingo.

(6) No licensed supplier, or the authorized agent, salesperson or representative of a licensed supplier, may, during the term of the license, sell or distribute bingo supplies or equipment to any person or organization other than a licensed supplier, licensed orga-

nization or organization using free cards and donated prizes, if any, for which no payment of consideration is made by participants.

(7) No licensed supplier, or the authorized agent, salesperson or representative of a licensed supplier, shall be present to transact business during the conduct of bingo.

History: 1973 c. 156; 1979 c. 34; 1983 a. 171; 1989 a. 147; 1991 a. 269 s. 782gd; Stats. 1991 s. 563.29; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

SUBCHAPTER IV

CONDUCT OF BINGO

563.51 Restrictions on the conduct of bingo. (1) WHO CONDUCTS. Only a person licensed under s. 563.15 shall conduct bingo.

(2t) PROHIBITED PLACES. Bingo may not be conducted at a place owned, operated or controlled by a person who has been convicted of having operated a gambling place within the past 5 years.

(3) WHO MAY PLAY. Except for limited period bingo, only persons who pay for regular bingo cards may participate as a player in a regular or special bingo game.

(4) SUFFICIENT SPACE TO PLAY. Purchase of a regular bingo card shall entitle each player to a place with sufficient room in which to play.

(7) EQUIPMENT; SUPPLIES. (a) A licensed organization shall purchase or receive bingo supplies and equipment specifically designed or adapted for use in the conduct of bingo only from a licensed supplier or another licensed organization.

(b) Any equipment used in the conduct of bingo shall be owned absolutely by the licensed organization or borrowed from another licensed organization without payment of any compensation therefor by the licensed organization.

(c) The equipment and supplies used in the conduct of bingo shall be maintained in good repair and sound condition.

(8) PROFITS USED FOR PROPER AND LEGITIMATE EXPENDITURES. The profits from any bingo game shall be used exclusively for proper and legitimate expenditures of the licensed organization.

(9) LIMITATION ON VALUE OF PRIZES. No prize in a single bingo game shall exceed \$250. The aggregate value of prizes at any bingo occasion may not exceed \$1,000 except by the amount resulting from the awarding of minimum prizes under sub. (27).

(10) PROHIBITED PRIZES. (a) No licensed organization shall award any prize consisting of alcoholic or fermented malt beverages or an interest in real estate or securities.

(b) No bonus or additional prizes shall be awarded on the basis of either a specific arrangement of the numbers or the type of card required to win a game. No prize shall be determined on the basis of a specified number of calls.

(11) MERCHANDISE PRIZES. If any merchandise prize is awarded in a bingo game, its value shall be its current retail price. The current retail price of merchandise prizes donated to a licensed organization shall not be reported as an expenditure in its financial statement of bingo operations. No merchandise prize shall be redeemable or convertible into cash directly or indirectly by the licensed organization.

(12) MANAGEMENT AND OPERATION OF BINGO. No person shall receive remuneration for participating in the management or operation of any bingo game.

(13) AGE LIMITATIONS. No person under age 18 shall:

(a) Play any bingo game conducted by a licensed organization, unless accompanied by that person's parent, guardian or spouse.

(b) Conduct or assist in the conduct of bingo.

(14) ONLY PROPER AND LEGITIMATE EXPENDITURES PERMITTED. No expenditures other than proper and legitimate expenditures may be made in connection with the conduct of bingo by a licensed organization.

(15) REGULAR BINGO GAME FEE. A fee of not more than \$1 may be charged for admission to premises at which a regular bingo game is conducted. The fee entitles the person to participate, without additional charge, in all regular bingo games played at such bingo occasion, except that a fee of not more than \$1 may be charged for each extra regular card.

(16) WINNERS AND PRIZES; SAME DAY. Each bingo winner shall be determined and every prize shall be awarded and delivered on the same day on which the bingo occasion is conducted.

(18) SALE OF SUPPLIES, MERCHANDISE AND REFRESHMENTS. In addition to the sale of bingo supplies by the licensed organization or the sale of food or refreshments, merchandise may be sold on the premises where bingo is conducted when authorized by the licensed organization.

(19) BINGO CARDS; PRINTING. Bingo cards shall be printed only on one side.

(20) SEPARATE COUNT OF BINGO CARDS. The licensed organization shall keep an accurate, separate count of the number of regular bingo cards, extra regular cards and special bingo cards which are sold, rented or used. Such information shall be available for inspection at the close of the bingo occasion.

(21) PRICE OF BINGO CARDS. Regular bingo cards, extra regular cards and special bingo cards shall each be assigned a specific price, and the price shall remain the same during a bingo occasion. At any time during a bingo occasion, a card may be changed at no additional cost. Cards shall be sold or rented only on the premises at which bingo is being conducted. A price list shall be posted where the regular bingo cards are distributed, setting forth the price of each type of card. Only the posted price may be charged. The regular bingo cards and the extra regular cards shall be readily distinguishable from each other.

(22) METHOD OF PLAY. (a) The method of play in any bingo game and the utilization of bingo equipment and supplies shall be such that each player is afforded an equal opportunity to win.

(b) The objects to be drawn shall be essentially the same in size, color, shape, weight, balance and all other characteristics, so that at all times during the conduct of bingo, each object possesses the capacity for equal agitation with any other object within the receptacle.

(c) All 75 objects shall be present in the receptacle at the beginning of each bingo game.

(d) The announcement of all numbers drawn shall be clearly audible to the players present.

(e) When more than one room is used for any one bingo game, the receptacle and the caller and any assistant shall be in the room where the greatest number of players are present; and all numbers shall be announced in a manner clearly audible to the players in each room.

(f) Once removed, no object shall be returned to the receptacle until after the conclusion of the game.

(g) Immediately following the calling of each number in a bingo game, the caller shall turn that portion of the object which shows the number and letter to the players.

(23) NUMBER ARRANGEMENT ANNOUNCED; PRIZES ANNOUNCED AND POSTED. The particular arrangement of numbers required to be covered in order to win and the amount of the prize for each game shall be clearly described and audibly announced to the players immediately before each game. The amount of the prize for each bingo game also shall be posted where the regular bingo cards are distributed.

(24) VERIFICATION OF WINNER. (a) The numbers appearing on the winning card at the time a winner is determined shall be verified in the immediate presence of at least one disinterested player.

(b) At the time a winner is determined, any player may call for a verification of all numbers and of the objects remaining in the receptacle and not yet drawn. This verification shall be made in the immediate presence of the supervising member and at least one disinterested player.

(26) LIMIT ON HOURS OF BINGO. No bingo game may commence before 7 a.m. or after 12 midnight, except as provided in s. 563.55.

(27) MORE THAN ONE WINNER. When more than one player is found to be the winner on the call of the same number in the same bingo game, a cash prize shall be divided equally among the winners. The licensed organization may elect to round off the prize to any amount between the next lower dollar and the next higher dollar. Any licensed organization may elect to set a minimum prize of not exceeding \$10 for each winner. When equal division of a merchandise prize is not possible, identical substitute prizes whose aggregate retail value is approximately equal to that of the designated prize may be awarded or a cash prize equal to the retail value may be divided among the winners as provided in this subsection.

(28) PROHIBITED FROM PLAYING. No licensed organization shall permit any person who is conducting or assisting in the conduct of bingo on a bingo occasion to participate as a player on that occasion.

(29) BINGO CALLER. No person may act as a caller in the conduct of any game of bingo unless the person:

(a) Has been a member in good standing of the licensed organization, the auxiliary of the licensed organization or the parent organization or a member of the local unit of the religious organization which the licensed organization is a member of for at least one year immediately preceding the date of the game or is the spouse of such a member.

(b) Subject to ss. 111.321, 111.322 and 111.335, has never been convicted of a felony or, if convicted, has been pardoned or released from probation, extended supervision or parole for at least 5 years.

History: 1973 c. 156; 1975 c. 99; 1977 c. 418; 1979 c. 34, 172; 1981 c. 122, 209, 380; 1981 c. 391 s. 211; 1983 a. 35, 222; 1985 a. 128; 1987 a. 21; 1989 a. 31, 147; 1991 a. 269 s. 782gp; Stats. 1991 s. 563.51; 1997 a. 283.

A televised bingo program involving viewer participation violates this section and exposes the sponsoring organization and participating television station to prosecution under ss. 163.54 (now 563.73), 945.02 (3) and 945.03 (4) (now 945.03 (1m) (d)), 65 Atty. Gen. 80.

The state's interest in preventing organized crime infiltration of a tribal bingo enterprise does not justify state regulation in light of the compelling federal and tribal interest supporting it. *California v. Cabazon Band of Indians*, 480 U.S. 202 (1987).

563.52 Limited period bingo. (1) In this section, “licensee” means a person licensed to conduct limited period bingo.

(4) No admission fee shall be charged to play limited period bingo.

(5) A fee of not more than 50 cents per game may be charged for a single card to participate in limited period bingo.

(6) All other provisions in this chapter relating to regular bingo games shall apply to limited period bingo except as otherwise provided.

History: 1973 c. 156; 1975 c. 99; 1989 a. 147; 1991 a. 269 s. 782hd; Stats. 1991 s. 563.52.

563.53 Special bingo games. In addition to provisions in this chapter relating to regular bingo games, the following provisions shall apply to special bingo games:

(1) All special bingo cards shall be in a form approved by the department.

(2) Each special bingo card shall be used for one game only and shall be indelibly marked by the player while in use so as to render it void and unusable thereafter.

(3) A fee of not more than 25 cents may be charged for each special bingo card.

(4) Not more than 3 special bingo games shall be played at each bingo occasion.

History: 1973 c. 156; 1975 c. 99; 1991 a. 269 s. 782hh; Stats. 1991 s. 563.53; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.55 Local ordinances. Any political subdivision of this state may enact an ordinance that extends the hours during which bingo may be played under s. 563.51 (26).

History: 1973 c. 156; 1989 a. 147; 1991 a. 269 s. 782hp; Stats. 1991 s. 563.55.

SUBCHAPTER V

REPORTS AND FINANCIAL STATEMENTS

563.61 Report of bingo operations. (1) Each licensed organization shall file with the department, on a form prescribed by the department, a semiannual report of bingo operations for each 6-month period beginning on the date on which the organization's license is issued. The report is due on the 60th day after the last day of the reporting period. The report shall be accompanied by the payment of the gross receipts tax due. The licensed organization shall retain a copy of the report for its permanent records. The report shall include:

(a) The name and address of each supervising member and each member responsible for the proper utilization of gross receipts.

(b) The date, hour and address of each bingo occasion held during the reporting period.

(c) The number of games played at each bingo occasion held during the reporting period.

(d) An itemized statement of the gross receipts from each bingo occasion held during the reporting period, including gross receipts from sales of regular bingo cards, extra regular cards, special game cards and sale of supplies.

(e) An itemized statement of expenditures for each bingo occasion held during the reporting period, including amounts paid for prizes, bingo supplies and equipment, license fees and other expenses.

(em) An itemized statement of expenditures, if any, made during the reporting period by the licensed organization for the advancement, improvement or benefit of the licensed organization.

(f) A statement showing the balance in the licensed organization's bingo account and all deposits into and adjustments in the bingo account that were made during the reporting period.

(g) The name of the depository and the title and number of the account.

(2) The report shall be signed by the member responsible for the proper utilization of gross receipts for the bingo occasion.

(3) If no bingo games are held on a date when a license authorizes them to be held, a report to that effect shall be filed with the department.

History: 1973 c. 156; 1975 c. 99; 1977 c. 418; 1983 a. 222; 1987 a. 21; 1989 a. 147; 1991 a. 269 s. 782id; Stats. 1991 s. 563.61; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.62 Reports improperly filed. (1) The department may refuse to renew a license of an organization found to be delinquent in filing its financial statement or found to have filed an incomplete statement of bingo operations.

(2) If a licensed organization fails to file a financial statement of bingo operations within 5 days after notification by the department of the delinquency, the department may suspend the license, pending the filing of the financial statement.

(3) If the financial statement filed by a licensed organization is not fully, accurately and truthfully completed, the department may refuse to renew a license or may suspend a license until such time as a statement in proper form has been filed.

History: 1973 c. 156; 1977 c. 418; 1979 c. 34 s. 2100 (45) (a); 1991 a. 269 ss. 782ih; Stats. 1991 s. 563.62; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.63 Bingo account. (1) Each licensed organization shall maintain one account which shall be designated as the “bingo account” and which shall be a regular or interest-bearing check-

ing, share draft or negotiable order of withdrawal account from which canceled checks, share drafts or negotiable orders of withdrawal, or microfilm copies of any of them, may be obtained. All gross receipts derived from the conduct of bingo shall be deposited into the bingo account. No other receipts may be deposited in a bingo account. Deposits shall be made within 5 days following the date of a bingo occasion. All accounts shall be maintained in a financial institution located in this state.

(2) (a) All withdrawals from the bingo account shall be by checks or other drafts having preprinted consecutive numbers, signed by the duly authorized person and made payable to a specific person. Except as permitted in par. (b), no such check or other draft shall be issued payable to “cash” or “bearer”.

(b) If more than one player is declared to be the winner on the call of the same number in the same bingo game and an equal division of the cash prize is \$10 or less for each winner, a check for the game total prize may be issued to “Cash—Game #—” and the winners paid with cash from that check.

(3) Checks or other drafts drawn on the bingo account shall be for one or more of the following purposes:

(a) The payment of necessary and reasonable expenses incurred in connection with the conduct of bingo, including prizes, bingo supplies and equipment, utilities, license fees and taxes.

(b) Proper and legitimate expenditures.

(5) Gross receipts derived from the conduct of bingo shall not be commingled with any other funds of the licensed organization. Except as permitted by sub. (3) (b), no part of such receipts shall be transferred to any other account maintained by the licensed organization.

History: 1973 c. 156; 1975 c. 99; 1983 a. 222; 1985 a. 171; 1987 a. 21; 1989 a. 147; 1991 a. 269 s. 782ip; Stats. 1991 s. 563.63.

563.64 Bookkeeping and accounts. (1) Each licensed organization shall maintain a single entry or double entry bookkeeping system for the purpose of recording all receipts and expenditures in connection with the conduct of bingo and the disbursement of profits derived therefrom. Such bookkeeping system shall consist of a columnar book maintained on a calendar or fiscal year basis.

(2) The columnar book, deposit books, canceled checks, records of share drafts, check books, records of share accounts, records of negotiable orders of withdrawal, deposit slips, bank statements and copies of financial statements of bingo operations and all other books and accounts shall be maintained for not less than 4 years and shall be available at reasonable times for examination by the department or its authorized representative. The department may require the licensed organization to obtain microfilm copies of share drafts to the extent necessary for examination purposes. All documents supporting the entries made in the books of accounts shall be kept by the licensed organization for a period of not less than 4 years. Such documents shall include, but are not limited to, bank statements, canceled checks, records of share drafts, deposit slips and invoices for all expenditures.

History: 1973 c. 156; 1985 a. 171; 1989 a. 147; 1991 a. 269 s. 782it; Stats. 1991 s. 563.64; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.65 Proper and legitimate expenditures; reimbursement and waiver. If a financial audit of a licensed organization shows that an expenditure of bingo funds was not a proper and legitimate expenditure and the department requests that the licensed organization reimburse the appropriate bingo account in an amount equal to the amount so expended, the licensed organization may appeal the request to the department. The department may waive or reduce the amount of any such reimbursement if the licensed organization presents evidence satisfactory to the department that the licensed organization acted in good faith and by mistake or inadvertently in so expending the funds.

History: 1983 a. 222; 1989 a. 147; 1991 a. 269 s. 782jd; Stats. 1991 s. 563.65; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.66 Financial report to membership. (1) At least once a year, each licensed organization shall report the following information in writing to its membership regarding the bingo occasions which it has conducted:

- (a) The number of bingo occasions conducted.
- (b) The gross receipts.
- (c) The amount of prizes paid.
- (d) The net profit or loss.
- (e) The disposition of profits.
- (f) Any interest earned on profits deposited in interest-bearing accounts.
- (g) A summary of expenses incurred.

(2) The information reported under sub. (1) shall be incorporated into the minutes or records of each licensed organization. If a licensed organization is an auxiliary or affiliate of a parent organization, a copy of the written report shall be filed with the executive officer of the parent organization and incorporated into its minutes.

History: 1973 c. 156; 1989 a. 147; 1991 a. 269 s. 782jh; Stats. 1991 s. 563.66.

563.68 Expenditure of bingo funds after cessation of bingo. A licensed organization which has ceased to conduct bingo for any reason and has unexpended bingo funds shall disburse such funds in any of the following ways:

(1) As provided under s. 563.51 (8) within one year after the cessation of the conduct of bingo.

(2) In accordance with a plan of expenditure approved in advance by the department.

History: 1973 c. 156; 1987 a. 21; 1989 a. 147; 1991 a. 269 s. 782jk; Stats. 1991 s. 563.68; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.69 Exemptions; community-based residential facilities, senior citizen community centers and adult family homes. This subchapter does not apply to an organization listed under s. 563.11 (1) (b) to (d).

History: 1989 a. 147; 1991 a. 269 s. 782jp; Stats. 1991 s. 563.69.

SUBCHAPTER VI

ENFORCEMENT AND PENALTIES

563.71 Duties of the department of justice. (1) INVESTIGATORY PROCEEDING. (a) Whenever the attorney general files with a circuit court commissioner a statement that the attorney general believes that a violation of this chapter has occurred, the commissioner shall issue a subpoena for any person requested or named by the attorney general. Mileage and witness fees need not be paid in advance, but only verified claims for mileage and fees which are approved by the attorney general shall be paid out of the state treasury and charged to the appropriation under s. 20.455 (1) (d) and shall be the same rates as those paid witnesses in circuit court.

(b) Testimony from persons subpoenaed under par. (a) shall be taken by a stenographic reporter and transcribed and read to or by the witness and subscribed to by the witness, unless the parties represented stipulate upon the record that the reading of the transcript of such testimony to or by the witness and his or her signature thereto are waived and that the transcript may be used with like force and effect as if read and subscribed by the witness. The attendance of the witness for the purpose of reading and subscribing to the transcript may be compelled in the same manner that his or her attendance to be examined may be compelled.

(c) The commissioner shall be entitled to the fees under s. 814.68 (1). All such fees and all other costs and expenses incident to such inquiry shall be paid out of the appropriation under s. 20.455 (1) (d).

(2) VIOLATIONS A PUBLIC NUISANCE. A violation of this chapter constitutes a public nuisance under ch. 823, irrespective of any criminal prosecution which may be or is commenced based on the same acts.

(3) APPLICATION. This section does not apply to subch. VIII.

History: 1973 c. 156; Sup. Ct. Order, 67 Wis. 2d 585, 753 (1975); 1977 c. 29 s. 1656 (27); 1977 c. 187 s. 135; 1977 c. 273; 1977 c. 323 s. 16; 1977 c. 426; 1979 c. 34; 1981 c. 317 s. 2202; 1991 a. 269 s. 782kd; Stats. 1991 s. 563.71.

563.72 Inspection for enforcement. Any peace officer or district attorney, within their respective jurisdictions, or an authorized employee of the department, may, at all reasonable hours, enter the premises where a bingo occasion is being conducted and examine the books, papers and records of the licensed organization to determine if all proper taxes or fees imposed have been paid. Any refusal to permit such examination of the premises by the licensed organization, its agent or an employee or the person in charge of the premises to which the bingo license relates, constitutes sufficient grounds for the suspension or revocation of a license, and is punishable under s. 563.73 (2). In addition, such refusal constitutes sufficient grounds for any peace officer or other persons authorized under this section within their respective jurisdictions or authority to employ whatever reasonable action is necessary to conduct inspections permitted by this section.

History: 1973 c. 156; 1979 c. 34 s. 2100 (45) (a); 1989 a. 147; 1991 a. 269 s. 782kh; Stats. 1991 s. 563.72; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.73 Penalties. (1) Whoever violates s. 563.51 (1), (8) to (10), (12), (15) or (26) may be fined not more than \$10,000 or imprisoned not more than 9 months or both.

(2) Whoever violates any other provision of this chapter may be fined not more than \$5,000 or imprisoned not more than 90 days or both.

(3) The department of justice or the district attorney of the county where the violation occurs may commence an action in the name of the state to recover a civil forfeiture to the state of not more than \$10,000 for the violation of any provision of this chapter.

(4) The department of justice, the department or the district attorney of a county of an actual or potential violation, after informing the department of justice, may commence an action in the circuit court in the name of the state to restrain any violation of any provision of this chapter. The court may, prior to entry of final judgment, make such an order or judgment as necessary to restore to any person any pecuniary loss suffered because of the acts or practices involved in the violation, provided proof thereof is submitted to the court. The department of justice may subpoena persons, require the production of books and other documents and request the department to exercise its authority to aid in the investigation of alleged violations of this section.

(5) This section does not apply to subch. VIII.

History: 1973 c. 156; 1977 c. 426; 1989 a. 147 s. 45; Stats. 1989 s. 163.73; 1991 a. 269 s. 782kp; Stats. 1991 s. 563.73; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

SUBCHAPTER VII

GROSS RECEIPTS TAX

563.80 Gross receipts tax. (1) An occupational tax is imposed on those gross receipts of any licensed organization which are derived from the conduct of bingo, in the following amounts:

(a) One percent of the first \$30,000 in gross receipts received by a licensed organization during a year.

(b) Two percent of the gross receipts received by a licensed organization during a year that exceed \$30,000.

(2m) All moneys received under sub. (1) shall be credited to the appropriation account under s. 20.505 (8) (jm).

History: 1973 c. 156; 1991 a. 269 s. 782Ld; Stats. 1991 s. 563.80; 1997 a. 237; 1999 a. 5.

SUBCHAPTER VIII

RAFFLES

563.90 Qualified organizations. Any local religious, charitable, service, fraternal or veterans organization or any organization to which contributions are deductible for federal income tax purposes or state income or franchise tax purposes, which has been in existence for one year immediately preceding its application for a license or which is chartered by a state or national organization which has been in existence for at least 3 years, may conduct a raffle upon receiving a license for the raffle event from the department. No other person may conduct a raffle in this state.

History: 1977 c. 426; 1991 a. 39, 1991 a. 269 s. 782Lp; Stats. 1991 s. 563.90; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

The “local” requirement applies to all applicants, including tax-exempt organizations. *Knights of Columbus v. Bingo Control Board*, 151 Wis. 2d 404, 444 N.W.2d 447 (Ct. App. 1989).

Certain political organizations and subdivisions of the state may qualify for a raffle license. 67 Atty. Gen. 323.

Raffle laws discussed. 75 Atty. Gen. 273 (1986).

Eligibility requirements for licensure discussed. 76 Atty. Gen. 115.

563.905 Definitions. In this subchapter:

(1) “Local organization” means an organization whose activities are limited to this state or to a specific geographical area within this state.

(2) “Service organization” includes all of the following:

(a) A labor organization, as defined in s. 5.02 (8m), whose jurisdiction is limited to a specific geographical area within the state.

(b) A political party, as defined in s. 5.02 (13), except a state committee registered under s. 11.05 and organized exclusively for political purposes under whose name candidates appear on a ballot at any election.

History: 1987 a. 240; 1989 a. 147; 1991 a. 269 s. 782Lt; Stats. 1991 s. 563.905.

563.91 Limit. No qualified organization under s. 563.90 may conduct more than 200 raffles or more than one calendar raffle during a year.

History: 1977 c. 426; 1983 a. 222; 1989 a. 147; 1991 a. 269 s. 782md; Stats. 1991 s. 563.91.

563.92 License. (1m) The department may issue a Class A license for the conduct of a raffle in which some or all of the tickets for that raffle are sold on days other than the same day as the raffle drawing. The department may issue a Class B license for the conduct of a raffle in which all of the tickets for that raffle are sold on the same day as the raffle drawing.

(2) The fee for a raffle license shall be \$25 and shall be remitted with the application. A raffle license shall be valid for 12 months and may be renewed as provided in s. 563.98 (1g). The department shall issue the license within 30 days after the filing of an application if the applicant qualifies under s. 563.90 and has not exceeded the limits of s. 563.91. All moneys received by the department under this subsection shall be credited to the appropriation account under s. 20.505 (8) (j).

(4) Proceedings to suspend or revoke a license to conduct raffles shall be initiated by the department pursuant to the rules promulgated under s. 563.05 (4).

History: 1977 c. 426; 1979 c. 34 s. 2100 (45) (a); 1983 a. 222; 1989 a. 147; 1991 a. 39, 189; 1991 a. 269 s. 782mt; Stats. 1991 s. 563.92; 1991 a. 315; 1995 a. 27 ss. 6976d, 6976f, 9123 (6pp); 1997 a. 27; 1999 a. 5.

563.93 The conduct of raffles under a Class A license. All of the following shall apply to the conduct of a raffle under a Class A license:

(1) All raffle tickets and all calendars shall be identical in form and include:

(a) The number of the license issued by the department.

- (b) The name and address of the sponsoring organization.
- (c) The price of the ticket or calendar and the discounted price, if any, applicable to multiple ticket or calendar purchases.
- (d) A place for the purchaser to enter his or her name and address.
- (e) The date, time and place of the drawing or drawings.
- (f) A list of each prize to be awarded which has a retail value of \$500 or more.

(1s) Each raffle ticket and each calendar sold by an organization shall include a separate identification number, printed on both the purchaser's and the organization's portion of the ticket or calendar, numbered consecutively in relation to the other tickets or calendars for the same drawing.

(2) No raffle ticket may exceed \$50 in cost.

(2m) No calendar may exceed \$10 in cost for each month covered by the calendar.

(3) No person may sell a raffle ticket or calendar unless authorized by an organization with a Class A license.

(4) Tickets for a proposed raffle may not be offered for sale more than 180 days before the raffle drawing.

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

(6) All prizes shall be awarded. The purchaser of a ticket or calendar need not be present at the drawing to win a prize.

(7) If a raffle drawing is canceled, the organization shall refund the receipts to the ticket or calendar purchasers.

(8) The organization that holds a raffle drawing shall furnish a list of prize winners to each ticket or calendar holder who provides the organization with a self-addressed stamped envelope and requests the list.

History: 1977 c. 426; 1983 a. 222; 1987 a. 399; 1989 a. 147; 1991 a. 269 s. 782nd; Stats. 1991 s. 563.93; 1993 a. 152; 1995 a. 27 ss. 6976m to 6976t, 9123 (6pp); 1997 a. 27.

563.935 The conduct of raffles under a Class B license. All of the following shall apply to the conduct of a raffle under a Class B license:

- (1)** All raffle tickets shall be identical in form.
- (2)** The tickets need not be numbered consecutively.
- (3)** No raffle ticket may exceed \$10 in cost.
- (4)** No person may sell a raffle ticket unless authorized by an organization with a Class B license.
- (5)** All raffle drawings shall be held in public.
- (6)** (a) Except as provided in par. (b), the purchaser of a ticket must be present at the drawing to win a prize, unless the purchaser gives the ticket to another person who may claim the prize on behalf of the purchaser, but only if that other person is present at the drawing. If the purchaser of the ticket gives the ticket to another person to claim a prize on behalf of the purchaser, the organization conducting the raffle and the department shall not be held responsible or liable in any dispute regarding the ownership of the ticket.

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

(7) All prizes shall be awarded.

(8) The time of the drawing and the prizes to be awarded, the prize amount or the methodology used to determine the prize amount shall be posted or announced before the drawing.

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

History: 1995 a. 27, 301; 1997 a. 27.

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

of raffle tickets or calendars or the purchase of equipment or prizes for a raffle.

History: 1977 c. 426; 1983 a. 222; 1989 a. 147; 1991 a. 269 s. 782nh; Stats. 1991 s. 563.94.

563.95 Denial of application; hearing. Within 30 days after receiving written notification of a denial by the department of a license to conduct a raffle, an applicant may demand in writing a hearing before the department upon the applicant's qualifications and the merit of the application. At the hearing, the burden of proof shall be on the applicant to establish eligibility for a license. If, after the hearing, the department enters an order denying the application, the order shall set forth in detail the reasons for the denial. Upon entry of such an order or upon expiration of the 30-day period during which a hearing may be demanded, the applicant's license fee shall be refunded. If the department approves the application, the department shall issue the license within 14 days after approval.

History: 1977 c. 426; 1979 c. 34; 1989 a. 147; 1991 a. 269 s. 782np; Stats. 1991 s. 563.95; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

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

History: 1983 a. 222; 1991 a. 269 s. 782nt; Stats. 1991 s. 563.97; 1995 a. 27 s. 9123 (6pp); 1997 a. 27.

563.98 Annual financial reports; renewals. **(1)** Each organization licensed under this subchapter shall, on or before the last day of the 12th month beginning after the date on which the license is issued and on or before that same date in each subsequent year, report the following information in writing to the department regarding the raffles which it has conducted:

- (a) The number and dates of raffles conducted.
- (b) The receipts.
- (c) The amount of prizes paid.
- (d) The net profit or loss.
- (e) The other expenses paid.

(1c) Upon request of any organization that conducts a raffle during the month in which the report under sub. (1) is due, the department may extend by not more than 30 days the deadline for submitting the report.

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

(1m) Any organization that reports to the department under sub. (1) and that had total receipts from the conduct of raffles of more than \$50,000 during the reporting period shall include in its report a list of the names and addresses of all persons winning prizes with a retail value of \$100 or more, and the prizes won, during the reporting period.

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

History: 1977 c. 426; 1979 c. 34 s. 2100 (45) (a); 1983 a. 222; 1989 a. 147; 1991 a. 269 s. 782pd; Stats. 1991 s. 563.98; 1995 a. 27 s. 9123 (6pp); 1997 a. 27; 1999 a. 5.

563.99 Penalties. **(1)** Any person who violates this subchapter shall be fined not more than \$1,000 or imprisoned not more than 30 days or both.

(2) The district attorney of a county of an actual or potential violation may commence an action in circuit court in the name of the state to restrain any violation of this subchapter. The court may, prior to entry of final judgment, make such an order or judg-

ment as necessary to restore to any person any pecuniary loss suffered because of the acts or practices involved in the violation.

History: [1977 c. 426](#); [1979 c. 34](#); [1991 a. 269 s. 782ph](#); Stats. 1991 s. 563.99.