

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

Senate Bill 259

By Senator Stuart

[Introduced February 12, 2025; referred
to the Committee on Government Organization; and
then to the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new section,
2 designated §47-23-5, relating to licensing the sale of charitable raffles and boards to
3 benefit volunteer fire departments in this state; explaining the legislative purpose; setting
4 forth the licensure requirement; providing the agency to issue licenses; providing for the
5 designation of proceeds from the sale of charitable raffle boards and games; clarifying the
6 county option; authorizing the state to contract with distributors to effectuate sales of
7 charitable raffle boards and games; and providing for enforceability.

Be it enacted by the Legislature of West Virginia: _

ARTICLE 23. CHARITABLE RAFFLE BOARDS AND GAMES.

**§47-23-5. Legislative purpose; licensure requirement for retailers; designation of
proceeds; miscellaneous provisions; enforcement authority.**

1 (a) Legislative purpose. – There is no provision within §47-23-1 et seq. to regulate the retail
2 sale of charitable raffle boards and games. Furthermore, the proceeds of charitable raffle boards
3 and games are not required to benefit charitable or public service organizations in this state. As a
4 consequence, unlicensed sellers of charitable raffle boards and games are able to keep the
5 proceeds from the sales of charitable raffle boards and games and are not required to remit the net
6 proceeds of these sales to licensed charitable or public service organizations as is required for
7 charitable bingo under §47-20-1 et seq. and charitable raffles under §47-21-1 et seq. Volunteer
8 Fire Departments in this state have faced rising costs simply to operate and provide services to the
9 community. Neighboring states, such as Ohio, which has licensed the sale of charitable raffle
10 boards and games by retailers for more than a decade, generate millions of dollars for licensed
11 charitable organizations every year. By licensing persons in West Virginia to sell charitable raffle
12 boards and games and exclusively dedicating the net proceeds of these sales to benefit Volunteer
13 Fire Departments, then Volunteer Fire Departments will have a reliable and dedicated source of
14 funding for their critical public safety services. This will also reduce or eliminate the sales of
15 charitable raffle boards and games by unlicensed sellers which do not share the net proceeds of

16 the sales with charitable or public service organizations in this state.

17 (b) *Licensure requirement for the sale of charitable raffle boards and games.* – After
18 enactment of this amendment, no person in this state shall sell charitable raffle boards or games
19 unless that person is registered to do business in this state pursuant to the provisions of §11-12-1
20 *et seq.* and is licensed to sell charitable raffle boards and games as provided herein. No
21 manufacturer, wholesaler or distributor may provide charitable raffle boards and games to any
22 person in this state unless that person is licensed to sell charitable raffle boards and games under
23 this section and unless that manufacturer, wholesaler, or distributor has a contract with the state of
24 West Virginia to distribute charitable raffle boards and games in the state. For purposes of this
25 section, "person" shall include natural persons and legal persons (including, among others, a
26 retailer, as defined in §47-23-2(d).

27 (c) *Agency to issue licenses.* – The Tax Commissioner shall issue licenses for persons to
28 sell charitable raffle boards and games under the same authority it has to license charitable and
29 public service organizations to hold bingos under §47-20-1 *et seq.* and hold raffles under §47-21-1
30 *et seq.* The license fee shall be \$250 per year per location where the person proposes to sell the
31 charitable raffle boards and games. The license fee shall be used to enforce the provisions of §47-
32 23-1 *et seq.*

33 (d) *Designation of proceeds.* – Proceeds from the sale of charitable raffle board and
34 games:

35 (1) "Gross Sales" shall be defined as the proceeds generated by the sale of charitable
36 raffle boards and games.

37 (2) "Net Proceeds" shall be defined as Gross Sales less the payouts on the charitable raffle
38 boards and games.

39 (3) The person selling the charitable raffle boards and games shall pay to the distributor the
40 Net Proceeds from the sales of the charitable raffle boards and games prior to receiving the
41 charitable raffle boards and games.

42 (4) Seven percent (7%) of the Gross Sales shall be paid by the distributor to the person
43 selling the charitable raffle boards and games.

44 (5) Ten percent (10%) of the Gross Sales shall be paid by the distributor to the Treasury of
45 the state of West Virginia to be allocated by the Legislature for the exclusive benefit of Volunteer
46 Fire Departments in this state.

47 (e) Local county option prohibited. – The provisions of §47-20-26 for charitable bingo and
48 §47-21-24 for charitable raffles do not apply to the provisions of this article.

49 (f) State Shall Contract with Licensed and Bonded Distributors: The state of West Virginia
50 shall contract with licensed, bonded distributors with at least five years' experience distributing
51 charitable raffle boards and games in any U.S. state or territory to effectuate sales of charitable
52 affle boards and games under this §47-23-1 et seq. The state shall charge a \$10,000 annual
53 license fee to distributors licensed and contracted under this §47-23-1 et seq..

54 (g) Enforceability. – The Attorney General shall have the authority to enforce these
55 changes to reduce the illegal sale of charitable raffle boards and games by unlicensed entitles.

NOTE: The purpose of this bill is to license the sale of charitable raffles and boards to benefit Volunteer Fire Departments in this state. The bill sets forth the licensure requirement. The bill provides for the agency to issue licenses. The bill provides for the designation of proceeds. The bill clarifies the county option. Finally, the bill provides for enforceability.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.