

FISCAL ESTIMATE

1999 Session

LRB # - 2180/4

ORIGINAL UPDATED

INTRODUCTION # AB 291

CORRECTED SUPPLEMENTAL

Admin. Rule #

Subject

Distribution of Money Received From Indian Gaming Compacts

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

Increase Costs - May be Possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation Increase Existing Revenues
- Decrease Existing Appropriation Decrease Existing Revenues
- Create New Appropriation

Decrease Costs

Local: No Local Government Costs

- 1. Increase Costs
 Permissive Mandatory
- 2. Decrease Costs
 Permissive Mandatory

- 3. Increase Revenues
 Permissive Mandatory
- 4. Decrease Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:
- Towns Villages Cities
 - Counties Others _____
 - School Districts WTCS Districts

Fund Sources Affected

GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

20.505 (8)(h) and (hm) and 20.835 (1)(k)

Assumptions Used in Arriving at Fiscal Estimate

The bill specifies the distribution of moneys received from additional payments paid to the state by Indian tribes under recently amended gaming compacts. Under the bill, the additional moneys for each casino would be distributed from FY 2000 through FY 2004 as follows: 5% for compulsive gambling awareness campaigns, 5% to general program operations of Indian gaming, 10% for state tourism promotion, 50% to the county where the casino is located, and 30% to counties that are contiguous to the county where the casino is located.

Under the bill, the payments to counties would be used for 1) economic development initiatives that would benefit Wisconsin Indian tribes and regions around casinos, 2) the support of county programs, and 3) tourism promotion.

According to the Legislative Fiscal Bureau, Wisconsin tribes will pay the state an additional \$21.5 million in 1999/2000. Under the bill, \$10.8 million would be distributed in 1999/00 to 13 counties where casinos are located, averaging \$718,000 per county (one county would receive payments for three casinos). The 52 counties that are contiguous to counties where casinos are located would receive a total of

(continued on page two)

Long-Range Fiscal Implications

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4/29/99

\$6.5 million in 1999/00, averaging \$77,900 (16 counties would receive payments for more than one casino). In 2000/01, the payments would be \$12.0 million to counties where casinos are located, averaging \$801,000; contiguous counties would receive \$7.2 million, averaging \$86,800. The table below shows the payments under the bill for FY 2000 through FY 2004.

The bill will result in increased programming and personnel costs for the department to administer the county payments. These costs can be absorbed by the department

Payments Made Under The Bill, FY 2000-2004

	1999/00	2000/01	2001/02	2002/03	2003/04
Total Tribal Payments Under Amended Gaming Compacts (1)	\$21,538,685	\$24,024,956	\$24,024,956	\$24,524,956	\$24,352,456
Additional Appropriations for:					
Gaming Operations s. 20.505(8)(hm)1.d & s. 20.505(8)(h)	\$1,076,934	\$1,201,248	\$1,201,248	\$1,226,248	\$1,217,623
Tourism Promotion s. 20.505(8)(hm)1.b & s. 20.380(1)(km)	\$2,153,869	\$2,402,496	\$2,402,496	\$2,452,496	\$2,435,246
Compulsive Gambling Awareness Campaigns s. 20.505(8)(hm)1.c & s.20.435(7)(kg)	\$1,076,934	\$1,201,248	\$1,201,248	\$1,226,248	\$1,217,623
County Payments s. 20.505(8)(hm)1.a & s. 20.835(1)(k)	\$17,230,948	\$19,219,965	\$19,219,965	\$19,619,965	\$19,481,965
Counties with Casinos	\$10,769,343	\$12,012,478	\$12,012,478	\$12,262,478	\$12,176,228
Contiguous Counties	\$6,461,606	\$7,207,487	\$7,207,487	\$7,357,487	\$7,305,737
Average Payment to Counties with Casinos	\$717,956	\$800,832	\$800,832	\$817,499	\$811,749
Average Payment to Contiguous Counties	\$77,851	\$86,837	\$86,837	\$88,644	\$88,021

(1) Source: Legislative Fiscal Bureau, Summary of Governor's 1999-01 Budget Recommendations

YEB 4/29/99

FISCAL ESTIMATE

Detailed Estimate of annual fiscal Effect

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I. One-Time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:	Annualized Fiscal impact on State Funds from:	
A. State Costs by Category	Increased Costs FY 2001	Decreased Costs FY 2001
State Operations - Salaries and Fringe (FTE Position Changes)	\$ (FTE)	\$ - (- FTE)
State Operations-Other Costs	4.8 million	-
Local Assistance	19.2 million	-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ 24.0 million	\$ -
B. State Costs by Source of Funds	Increased Costs FY 2001	Decreased Costs
GPR	\$	\$ -
FED		-
PRO/PRS	\$ 24.0 million	-
SEG/SEG-S		-
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL FY 2001
NET CHANGE IN COSTS	\$ 24.0 million	\$
NET CHANGE IN REVENUES	\$	\$ 24.0 million

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