



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

Appendix A

LRB BILL HISTORY RESEARCH APPENDIX

 The drafting file for

2011 LRB-4347 (For: Senator Petrowski)

has been transferred to the drafting file for

2013 LRB-1417 (For: Senator Petrowski)



RESEARCH APPENDIX -
PLEASE KEEP WITH THE DRAFTING FILE

Date Transfer Requested: 02/27/2013 (Per: MGG)

 The attached draft was incorporated into the new draft listed above. For research purposes the attached materials were added, as a appendix, to the new drafting file. If introduced this section will be scanned and added, as a separate appendix, to the electronic drafting file folder.

2011 DRAFTING REQUEST

Bill

Received: 07/10/2012

Received By: mglass

Wanted: As time permits

Companion to LRB:

For: Jerry Petrowski 608-266-2502

By/Representing: Tim Fiocchi

May Contact:

Drafter: mglass

Subject: Tax, Individual - income credit
Gambling - lottery

Addl. Drafters:

Extra Copies:

Submit via email: YES

Requester's email: sen.petrowski@legis.wisconsin.gov

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Veterans lottery and property tax credit

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?							S&L
/P1	mglass 07/16/2012	evinz 07/19/2012	jfrantze 07/19/2012		sbasford 07/19/2012		S&L
/P2	jkreye 07/19/2012	evinz 07/19/2012	rschluet 07/19/2012		srose 07/19/2012		

FE Sent For:

<END>

2011 DRAFTING REQUEST

Bill

Received: **07/10/2012**

Received By: **mglass**

Wanted: **As time permits**

Companion to LRB:

For: **Jerry Petrowski 608-266-2502**

By/Representing: **Tim Fiocchi**

May Contact:

Drafter: **mglass**

Subject: **Tax, Individual - income credit
Gambling - lottery**

Addl. Drafters:

Extra Copies: *JK*

Submit via email: **YES**

Requester's email: **sen.petrowski@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Veterans lottery and property tax credit

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?							S&L
/P1	mglass 07/16/2012	evinz 07/19/2012	jfrantze 07/19/2012		sbasford 07/19/2012		

FE Sent For:

*1/2/12
7/19*
7/19/12
<END>

2011 DRAFTING REQUEST

Bill

Received: 07/10/2012

Received By: **mglass**

Wanted: **As time permits**

Companion to LRB:

For: **Jerry Petrowski 608-266-2502**

By/Representing: **Tim Fiocchi**

May Contact:

Drafter: **mglass**

Subject: **Tax, Individual - income credit
Gambling - lottery**

Addl. Drafters:

Extra Copies:

Submit via email: **YES**

Requester's email: **sen.petrowski@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Veterans lottery and property tax credit

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1/2	mglass	PI CCV 7/1/12 PIKF 7/1/12	Jb 7/1/12	KB 7/1/12 Jb			

FE Sent For:

<END>

Kreye, Joseph

From: Fiocchi, Tim
Sent: Wednesday, June 27, 2012 2:47 PM
To: Kreye, Joseph
Subject: DVA Draft
Attachments: DVA Lottery Trust Fund Drafts.pdf

Hey Joe,

This is very hard to read due to the quality of the original and the scan, but maybe you can get a copy out of the old file. In any case Jerry would like to try to do this and is wondering if you see any pitfalls - Constitutional or otherwise.

Thanks,

Tim

Tim Fiocchi
Office of Senator Jerry Petrowski
29th Senate District
(608) 266-2502

6/27/2012



Jim Doyle, Governor
John A. Scocos, Secretary

STATE OF WISCONSIN, DEPARTMENT OF VETERANS AFFAIRS

50 West Millin Street, P.O. Box 7843, Madison, WI 53707-7843
PHONE: (608) 266-1311 1-800-WIS-VETS (947-8357)
E-MAIL: info@wisvets.state.wi.us
WEB SITE: www.dva.state.wi.us
FAX: (608) 267-6403

DATE: June 30, 2009

MEMORANDUM TO: Secretary John A. Scocos

SUBJECT: Creation of a Wisconsin Veteran-Themed Lottery and Use of Its Proceeds

1. **Constitutionality of a Veteran-Themed Lottery and use of its Proceeds.** Earlier this year, we sought and received a legal opinion (Attachment 1) from the Legislative Reference Bureau with regards to the constitutionality of the creation of a veteran themed lottery, the use of the net proceeds to fund the Wisconsin Veterans and Surviving Spouses Property Tax Credit, and the creation of a recurring transfer to the Veterans Trust Fund equal to the GPR funding offset by the lottery proceeds transfer.

In the attached email correspondence, the Legislative Reference Bureau's Senior Legislative Attorney Joseph T. Kreye provided a legal opinion supporting the constitutionality of the proposed creation of this veteran-themed lottery and the use of its proceeds as stated above.

More specifically, the opinion notes, "Article IV, section 24 (6) (a) of the state constitution requires that the proceeds of any lottery be used to provide property tax relief to residents of this state. It also provides that such a distribution of lottery proceeds is not subject to the uniformity requirements of section 1 of Article VIII. Article IV, section 24 (6) (a) was amended so that the state can, for instance, provide a lottery credit for principal dwellings and not other types of residential property."

The opinion continues that that Article IV, section 24 (6) (a) also provides that the "distribution of net proceeds of the state lottery may not vary based on the income or age of the person provided the property tax relief." The opinion also notes that while current law extends the veterans and surviving spouse property tax credit to individuals who are at least 65 years old, 2007 Wisconsin Act 20 eliminated the age restriction for the veterans property tax credit.

The Legislative Reference Bureau's opinion is that WDVA's proposal should be allowable under Article IV, section 24 (6) (a) of the Wisconsin Constitution.

The full text of Article IV, §24 (6) (a) of the Constitution of the State of Wisconsin is as follows:

(a) The legislature may authorize the creation of a lottery to be operated by the state as provided by law. The expenditure of public funds or of revenues derived from lottery operations to engage in promotional advertising of the Wisconsin state lottery is prohibited. Any advertising of the state lottery shall indicate the odds of a specific lottery ticket to be selected as the winning ticket for each prize amount offered. The net proceeds of the state lottery shall be deposited in

the treasury of the state, to be used for property tax relief for residents of this state as provided by law. The distribution of the net proceeds of the state lottery may not vary based on the income or age of the person provided the property tax relief. The distribution of the net proceeds of the state lottery shall not be subject to the uniformity requirement of section 1 of article VIII. In this paragraph, the distribution of the net proceeds of the state lottery shall include any earnings on the net proceeds of the state lottery.

2. **Bill Draft P1.** Under the first attached bill draft, LRB-07-4342/P1 [Attachment 2], the statutes would be amended to provide for the creation of a veterans lottery ticket. Proceeds of the veterans lottery ticket sales would go towards offsetting the existing GPR funding of the existing Wisconsin Veterans and Surviving Spouse Property Tax Credit (a refundable state income tax credit equal to the full amount of qualifying property taxes paid by an eligible veteran or his or her surviving spouse).

3. **Bill Draft P2.** The second attached bill draft, LRB-07-4342/P2 [Attachment 3], includes the provisions of the first draft, and adds an additional recurring appropriation from the Wisconsin Veterans and Surviving Spouses Property Tax Credit appropriation to the Veterans Trust Fund. The GPR "saved" through this mechanism could be reallocated to offset WDVA expenditures currently funded with SEG (Veterans Trust Fund) dollars. The drafter's note, LRB-07-4342/P2dn [Attachment 4], includes additional issues.

The drafter notes that s. 79.10 (11) (b), stats. requires that DOA report the amount of lottery proceeds available for the lottery and gaming tax credit to the Joint Finance Committee, and allows the Joint Finance Committee to revise the amount. The question remains to be determined whether DOA should be required to report the projected amount of lottery proceeds attributable to the veterans game to the Joint Finance Committee, and allow the Joint Finance Committee to revise the amount of proceeds appropriated to pay the veterans tax credit.

4. Attachments:

1. Correspondence between WDVA and LRB
2. LRB-07-4342/P1
3. LRB-07-4342/P2
4. Drafter's Note

ATTACHMENT 2

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 AN ACT to amend 20.835 (2) (em); and to create 20.835 (2) (r) and 565.27 (1m)
2 of the statutes; relating to: creating a veterans-themed lottery game,
3 changing the primary source of funding for the veterans and surviving spouses
4 property tax credit, and making an appropriation.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Revenue (DOR) operates a lottery, the proceeds of which must be used for property tax relief for residents of the state.

Also under current law, the veterans and surviving spouses property tax credit may be claimed by certain U.S. armed forces veterans and by the unmarried surviving spouses of certain veterans or members of the national guard or reserves (collectively, "veterans"). The credit is refundable, meaning that if the amount of credit that may be claimed by a veteran exceeds his or her tax liability, the excess amount of the credit is refunded to the veteran by check. Refunded credits are paid from a sum sufficient appropriation.

This bill requires DOR to offer a lottery game with a veterans theme. Under the bill, refunded credits are paid from the net lottery proceeds of the veterans-themed lottery game created by the bill and, if that amount is insufficient to pay all eligible claims, from the current law sum sufficient appropriation.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 20.835 (2) (em) of the statutes is amended to read:

2 20.835 (2) (em) *Veterans and surviving spouses property tax credit.* A sum
3 sufficient to pay the claims approved under s. 71.07 (6a), ~~to the extent that these~~
4 ~~claims are not paid under par. (r).~~

5 SECTION 2. 20.835 (2) (r) of the statutes is created to read:

6 20.835 (2) (r) *Veterans and surviving spouses property tax credit; veterans*
7 *lottery proceeds.* From the lottery fund, as a continuing appropriation, an amount
8 equal to the lottery proceeds attributable to the lottery game under s. 565.27 (1m),
9 to pay the claims approved under s. 71.07 (6a).

10 SECTION 3. 565.27 (1m) of the statutes is created to read:

11 565.27 (1m) *VETERANS LOTTERY.* The department shall offer a lottery game with
12 a veterans theme. The secretary of revenue shall determine the amount of the lottery
13 proceeds, as defined in s. 25.75 (1) (c), that are attributable to the game under this
14 subsection.

15

(END)

ATTACHMENT 3

2007 - 2008 LEGISLATURE

LRS--4342/P2
KLR&MES:lnk:rnw

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 AN ACT to amend 20.835 (2) (cm), 25.36 (1) and 79.10 (1) (b); and to create
2 20.485 (2) (dL), 20.835 (2) (r) and 565.27 (1m) of the statutes; relating to:
3 creating a veterans-themed lottery game, changing the primary source of
4 funding for the veterans and surviving spouses property tax credit, and making
5 appropriations.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Revenue (DOR) operates a lottery, the proceeds of which must be used for property tax relief for residents of the state.

Also under current law, the veterans and surviving spouses property tax credit may be claimed by certain U.S. armed forces veterans and by the unmarried surviving spouses of certain veterans or members of the national guard or reserves (collectively, "veterans"). The credit is refundable, meaning that if the amount of credit that may be claimed by a veteran exceeds his or her tax liability, the excess amount of the credit is refunded to the veteran by check. Refunded credits are paid from a sum sufficient appropriation of general purpose revenue.

This bill requires DOR to offer a lottery game with a veterans theme. Under the bill, refunded veterans and surviving spouses property tax credits are paid from the net lottery proceeds of the veterans-themed lottery game created by the bill and, if that amount is insufficient to pay all eligible claims, from the current law sum sufficient appropriation. The bill also transfers general purpose revenue, in an amount equal to the amount of lottery proceeds used to pay the refunded veterans and surviving spouses property tax credits, to the veterans trust fund.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 20.485 (2) (dL) of the statutes is created to read:

2 20.485 (2) (dL) *Earning aids.* From the general fund, a sum sufficient equal
3 to the amount of projected lottery proceeds attributable to the lottery game under s.
4 565.27 (1m), as determined under s. 565.27 (1m), in each fiscal year, to be transferred
5 to the veterans trust fund.

6 SECTION 2. 20.835 (2) (em) of the statutes is amended to read:

7 20.835 (2) (em) *Veterans and surviving spouses property tax credit.* A sum
8 sufficient to pay the claims approved under s. 71.07 (6e), ~~to the extent that these~~
9 ~~claims are not paid under par. (r).~~

10 SECTION 3. 20.835 (2) (r) of the statutes is created to read:

11 20.835 (2) (r) *Veterans and surviving spouses property tax credit: veterans*
12 *lottery proceeds.* From the lottery fund, a sum sufficient equal to the projected lottery
13 proceeds attributable to the lottery game under s. 565.27 (1m), as determined under
14 s. 565.27 (1m), to pay the claims approved under s. 71.07 (6e).

15 SECTION 4. 25.36 (1) of the statutes is amended to read:

16 25.36 (1) Except as provided in sub. (2), all moneys appropriated or transferred
17 by law shall constitute the veterans trust fund which shall be used for the lending
18 of money to the mortgage loan repayment fund under s. 45.37 (5) (a) 12. and for the
19 veterans programs under ss. 20.485 (2) (m), (mm), (tm), (u), (v), (vo), (vy), (w), (z), and
20 (zn), 45.03 (19), 45.07, 45.20, 45.21, 45.40 (1), 45.41, 45.42, 45.43, and 45.82 and
21 administered by the department of veterans affairs, including all moneys received

1 from the federal government for the benefit of veterans or their dependents; all
2 moneys paid as interest on and repayment of loans under the post-war
3 rehabilitation fund; soldiers rehabilitation fund, veterans housing funds as they
4 existed prior to July 1, 1961; all moneys paid as interest on and repayment of loans
5 under this fund; all moneys paid as expenses for, interest on, and repayment of
6 veterans trust fund stabilization loans under s. 45.356, 1995 stats.; all moneys paid
7 as expenses for, interest on, and repayment of veterans personal loans; the net
8 proceeds from the sale of mortgaged properties related to veterans personal loans;
9 all mortgages issued with the proceeds of the 1981 veterans home loan revenue bond
10 issuance purchased with moneys in the veterans trust fund; all moneys received from
11 the state investment board under s. 45.42 (8) (b); all moneys received from the
12 veterans mortgage loan repayment fund under s. 45.37 (7) (a) and (c); and all gifts
13 of money received by the board of veterans affairs for the purposes of this fund, and
14 all moneys transferred under s. 20.485 (2) (d).

15 SECTION 5. 79.10 (11) (b) of the statutes is amended to read:

16 79.10 (11) (b) Before October 16, the department of administration shall
17 determine the total funds available for distribution under the lottery and gaming
18 credit in the following year and shall inform the joint committee on finance of that
19 total. Total funds available for distribution shall be all moneys projected to be
20 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and
21 (j) and all existing and projected lottery proceeds and interest for the fiscal year of
22 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (f),
23 20.506 (2) (f), and 20.835 (2) (g) and, less the required reserve under s. 20.003 (5),
24 and less the projected lottery proceeds attributable to the lottery game under s.
25 565.27 (1m) as determined under s. 565.27 (1m). The joint committee on finance

1 may revise the total amount to be distributed if it does so at a meeting that takes
2 place before November 1. If the joint committee on finance does not schedule a
3 meeting to take place before November 1, the total determined by the department
4 of administration shall be the total amount estimated to be distributed under the
5 lottery and gaming credit in the following year.

6 SECTION 6. 565.27 (1m) of the statutes is created to read:

7 565.27 (1m) VETERANS LOTTERY. The department shall offer a lottery game with
8 a veterans theme. Before October 16 of each fiscal year, the department of
9 administration shall determine the amount of projected lottery proceeds, as defined
10 in s. 25.75 (1) (c), for the fiscal year that is attributable to the lottery game under this
11 subsection.

12

(END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-4342/P2ds
RLR:bnk/rwn

June 30, 2008

ATTACHMENT 4

Please note that, under this draft, the amount of veterans lottery game proceeds appropriated to pay the veterans tax credit (and hence the amount of GPR appropriated to the veterans trust fund) is based on a projection of the proceeds that will accrue in a fiscal year, not a known amount. The draft requires DOA to project the proceeds attributable to the veterans lottery game before October 16th of each state fiscal year. I drafted the bill in this manner so that the determination of the amount of lottery proceeds available to fund the veterans tax credit will coincide with the determination that DOA makes, under current law, of lottery proceeds available for the lottery and gaming tax credit. (See s. 79.10 (11) (b), stats.)

Also, s. 79.10 (11) (b), stats., requires that DOA report the amount of lottery proceeds available for the lottery and gaming tax credit to the Joint Finance Committee, and allows the Committee to revise the amount. Do you want to require DOA to report the projected amount of lottery proceeds attributable to the veterans game to the Committee, and allow the Committee to revise the amount of proceeds appropriated to pay the veterans tax credit?

Robin Ryan
Legislative Attorney
Phone: (608) 261-6927
E-mail: robin.ryan@legis.wisconsin.gov

2007 DRAFTING REQUEST

Bill

Received: 04/21/2008

Received By: rryan

Wanted: As time permits

Identical to LRB:

For: Veterans Affairs

By/Representing: Anthony Hardie

This file may be shown to any legislator: NO

Drafter: rryan

May Contact:

Addl. Drafters: mshovers

Subject: Gambling - lottery

Extra Copies:

Submit via email: YES

Requester's email: anthony.hardie@dva.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Veterans lottery

Instructions:

See Attached

see p. 25, 75

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1?	rryan	pl lmk 6/18	nwn 6/18	nwn/rs 6/18			

FE Sent For:

<END>

Ryan, Robin

From: Hardie, Anthony [Anthony.Hardie@dva.state.wi.us]
Sent: Friday, April 11, 2008 12:49 PM
To: Kreye, Joseph
Cc: Ryan, Robin; Kloster, William J - DVA
Subject: RE: Lottery

Thanks, Joe.

Robin – we look forward to working with you after your return.

Anthony Hardie
WDVA Executive Assistant to the Secretary for
Legislative, Public, and Intergovernmental Affairs
Office of the Secretary
Wisconsin Department of Veterans Affairs

Direct Phone: (608) 266-0517 – Fax: (608) 264-7616
Wisconsin Department of Veterans Affairs
30 West Mifflin Street
P.O. Box 7843
Madison, WI 53707-7843
Toll-Free: (800) WIS-VETS (800-947-8387)
Web Site: www.dva.state.wi.us

From: Kreye, Joseph
Sent: Thursday, April 10, 2008 9:45 AM
To: Hardie, Anthony
Cc: Ryan, Robin
Subject: RE: Lottery

Anthony,

Robin Ryan would be the drafting attorney for the creation of a veterans lottery. I have copied-in on this e-mail. She is out of the office until April 15.

Joe

Joseph T. Kreye
Senior Legislative Attorney
Legislative Reference Bureau
(608) 266-2263

From: Hardie, Anthony [mailto:Anthony.Hardie@dva.state.wi.us]
Sent: Wednesday, April 09, 2008 6:49 PM
To: Kreye, Joseph
Subject: RE: Lottery

04/15/2008

Joe,

We would like to begin work on drafting language to accomplish this. Would you be the drafting attorney, or would someone else?

Thanks,

Anthony Hardie
WDVA Executive Assistant to the Secretary for
Legislative, Public, and Intergovernmental Affairs
Office of the Secretary
Wisconsin Department of Veterans Affairs

Direct Phone: (608) 266-0517 – Fax: (608) 264-7616

Wisconsin Department of Veterans Affairs

30 West Mifflin Street

P.O. Box 7843

Madison, WI 53707-7843

Toll-Free: (800) WIS-VETS (800-947-8387)

Web Site: www.dva.state.wi.us

From: Kreye, Joseph
Sent: Wednesday, April 09, 2008 9:59 AM
To: Hardie, Anthony
Subject: FW: Lottery

Anthony,

I have to modify my previous e-mail because I just remembered that 2007 Wisconsin Act 20 eliminated the age restriction for the veterans property tax credit. Consequently, I think what you're proposing should be allowable under Article IV, section 24 (6) (a). Sorry for the confusion.

Joe

Joseph T. Kreye
Senior Legislative Attorney
Legislative Reference Bureau
(608) 266-2263

From: Kreye, Joseph
Sent: Monday, April 07, 2008 1:58 PM
To: Hardie, Anthony D - DVA
Subject: FW: Lottery

Anthony,

Bob Nelson sent me your e-mail.

With regard to your question, Article IV, section 24 (6) (a) of the state constitution requires that the proceeds of any lottery be used to provide property tax relief to residents of this state. It also provides that such a distribution of lottery proceeds is not subject to the uniformity requirements of section 1 of Article VIII. Article IV, section 24 (6) (a) was amended so that the state can, for instance, provide a lottery credit for principal dwellings and not

04/15/2008

other types of residential property.

Article IV, section 24 (6) (a), however, also provides that the "distribution of net proceeds of the state lottery may not vary based on the income or age of the person provided the property tax relief." That presents a problem for the mechanism you propose because the veterans and surviving spouse property tax credit is for individuals who are at least 65 years old.

I have provided a copy of Article IV, section 24 (6) (a) below, with the relevant sentences highlighted. Please contact me if you have any questions.

Article IV, §24 ¶(6) (a)

(a) The legislature may authorize the creation of a lottery to be operated by the state as provided by law. The expenditure of public funds or of revenues derived from lottery operations to engage in promotional advertising of the Wisconsin state lottery is prohibited. Any advertising of the state lottery shall indicate the odds of a specific lottery ticket to be selected as the winning ticket for each prize amount offered. The net proceeds of the state lottery shall be deposited in the treasury of the state, to be used for property tax relief for residents of this state as provided by law. The distribution of the net proceeds of the state lottery may not vary based on the income or age of the person provided the property tax relief. The distribution of the net proceeds of the state lottery shall not be subject to the uniformity requirement of section 1 of article VIII. In this paragraph, the distribution of the net proceeds of the state lottery shall include any earnings on the net proceeds of the state lottery.

Joe

Joseph T. Kreye

Senior Legislative Attorney
Legislative Reference Bureau
(608) 266-2263

From: Hardie, Anthony [mailto:Anthony.Hardie@dva.state.wi.us]
Sent: Monday, March 31, 2008 7:13 PM
To: Nelson, Robert P.
Subject: Lottery

Hi, Bob,

We've been looking at a possible creative funding mechanism as follows:

1. The statutes would be amended to provide for the creation of a veterans lottery ticket.
2. Given our understanding that there are constitutional limits of lottery proceeds that restrict them to property tax relief, proceeds of the veterans lottery ticket sales would go towards offsetting the existing GPR funding of the existing Wisconsin Veterans and Surviving Spouse Property Tax Credit (a refundable state income tax credit equal to the full amount of qualifying property taxes paid by an eligible veteran or his or her surviving spouse).
3. One might then be able to make the argument later than the GPR "saved" through this mechanism could be reallocated to offset WDVA expenditures currently funded with SEG (Veterans Trust Fund) dollars.

Can you please ask that this be confidentially reviewed by the appropriate folks within LRB for a determination of the legal viability (vis-à-vis the Constitutional lottery restrictions) of all this?

As background, Illinois has had a veterans lottery ticket for the last couple years, and it reportedly generates roughly \$3 million annually. Proceeds are not restricted as they presumably would be in Wisconsin; monies collected are returned to veterans programs through discretionary grants. See:

<http://www.illinois.gov/PressReleases/ShowPressRelease.cfm?SubjectID=1&RecNum=4654>
<http://www.il.gov/PressReleases/ShowPressRelease.cfm?SubjectID=1&RecNum=5986>
<http://www.state.il.us/agency/dva/vetscash/>

04/15/2008

Thanks in advance for any assistance you may be able to provide. As always, please let me know if you want to discuss.

All the best,

Anthony Hardie
WDVA Executive Assistant to the Secretary for
Legislative, Public, and Intergovernmental Affairs
Office of the Secretary
Wisconsin Department of Veterans Affairs

Direct Phone: (608) 266-0517 -- Fax: (608) 264-7616
Wisconsin Department of Veterans Affairs
30 West Mifflin Street
P.O. Box 7843
Madison, WI 53707-7843
Toll-Free: (800) WIS-VETS (800-947-8387)
Web Site: www.dva.state.wi.us

Ryan, Robin

From: Hardie, Anthony [Anthony.Hardie@dva.state.wi.us]
Sent: Monday, May 05, 2008 4:46 PM
To: Ryan, Robin
Subject: RE: veteran's lottery

Robin,

For the purposes of this draft, the veterans' lottery should be mandated within the existing state lottery operating system.

Thank you!

Anthony Hardie
WDVA Executive Assistant to the Secretary for

Legislative, Public, and Intergovernmental Affairs
Office of the Secretary
Wisconsin Department of Veterans Affairs

Direct Phone: (608) 266-0517 -- Fax: (608) 264-7616
Wisconsin Department of Veterans Affairs
30 West Mifflin Street
P.O. Box 7843
Madison, WI 53707-7843
Toll-Free: (800) WIS-VETS (800-947-8387)
Web Site: www.dva.state.wi.us

From: Ryan, Robin
Sent: Monday, May 05, 2008 4:04 PM
To: Hardie, Anthony
Subject: FW: veteran's lottery

Anthony, do you have any follow-up on the veterans lottery bill request?

Thanks,

Robin Ryan

From: Ryan, Robin

Sent: Thursday, April 17, 2008 4:38 PM

To: Hardie, Anthony D - DVA

Subject: veteran's lottery

Anthony,

05/06/2008

RE: veteran's lottery

Page 2 of 2

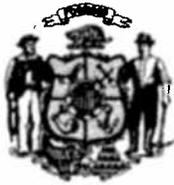
Do you want to the Dept. of Revenue to run the veteran's lottery as a sub-part of the current state lottery or do you want DVA to run it?

Regardless of which agency runs the lottery, do you want to mandate that the state run a veteran's lottery or just provide authority?

Thanks,

Robin

05/06/2008



State of Wisconsin
2007 - 2008 LEGISLATURE

PI
LRB-43427
RLR&MES:A...
IMC

TODAY

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

RMR

1 AN ACT...; relating to: creating a veterans lottery game, changing the source of
 2 funding for the veterans and surviving spouses property tax credit, and making
 3 an appropriation.

Gen. act. ✓ *themed* *primary*

Analysis by the Legislative Reference Bureau

Under current law, the Department of Revenue (DOR) operates a lottery, the proceeds of which must be used for property tax relief for residents of the state. ✓

Also under current law, the veterans and surviving spouses property tax credit may be claimed by certain U.S. armed forces veterans and by the unremarried surviving spouses of certain veterans or members of the national guard or reserves (collectively, "veterans"). The credit is refundable, meaning that if the amount of credit that may be claimed by a veteran exceeds his or her tax liability, the excess amount of the credit is refunded to the veteran by check. ✓ Refunded credits are paid from a sum sufficient appropriation. ✓

This bill requires DOR to offer a lottery game with a veterans theme. Under the bill, refunded credits are paid from the net lottery proceeds of the veterans lottery game created by the bill and, if that amount is insufficient to pay all eligible claims, from the current law sum sufficient appropriation. ✓ *themed*

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill. ✓

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 20.835 (2) (em) of the statutes is amended to read:

2 20.835 (2) (em) *Veterans and surviving spouses property tax credit*. A sum
3 sufficient to pay the claims approved under s. 71.07 (6e), to the extent that these
4 claims are not paid under par. (r). ✓

History: 1971 c. 125 ss. 192 to 195, 521; 1971 c. 215; 1973 c. 90, 158, 333; 1975 c. 39; 1975 c. 372 s. 41; 1975 c. 424; 1977 c. 29, 31, 313, 418, 447; 1979 c. 34 ss. 637m to 643m, 2102 (46) (d); 1979 c. 221; 1979 c. 329 s. 25 (1); 1979 c. 350 s. 27 (1); 1981 c. 1, 20, 93, 317; 1983 a. 2 ss. 1, 12; 1983 a. 27 ss. 489m, 490m, 2202 (45); 1985 a. 29, 41, 205; 1987 a. 27 ss. 473 to 474r, 476; 1987 a. 92; 1987 a. 312 s. 17; 1987 a. 323, 328, 399, 411, 422; 1989 a. 31 ss. 551 to 557m, 564m; 1989 a. 56 s. 259; 1989 a. 336; 1991 a. 37; 1991 a. 39 ss. 250m, 653m to 659m; 1991 a. 225, 269; 1993 a. 16, 263; 1995 a. 27, 56, 209, 417; 1997 a. 27, 237; 1999 a. 5, 9, 10; 1999 a. 150 s. 672; 1999 a. 167; 2001 a. 16, 105, 109; 2003 a. 31, 33, 320; 2005 a. 25, 361, 405, 483; 2007 a. 20; s. 13.93 (1) (b).

5 SECTION 2. 20.835 (2) (r) of the statutes is created to read:

6 20.835 (2) (r) *Veterans and surviving spouses property tax credit; veterans*
7 *lottery proceeds*. From the lottery fund, (an amount equal to the lottery proceeds
8 attributable to the lottery game under s. 565.27 (1m) to pay the aggregate claims
9 approved under s. 71.07 (6e). ✓

10 SECTION 3. 565.27 (1m) of the statutes is created to read:

11 565.27 (1m) VETERANS LOTTERY. The department shall offer a lottery game with
12 a veterans theme. The secretary of revenue shall determine the amount of the lottery
13 proceeds, as defined in s. 25.75 (1) (c), that are attributable to the game under this
14 subsection. ✓

15 (END)

as a continuing appropriation ^

Ryan, Robin

From: Duerst, Christina
Sent: Thursday, June 19, 2008 9:16 AM
To: Ryan, Robin
Subject: FW: Draft review: LRB 07-4342/P1 Topic: Veterans lottery; proceeds to pay for veterans and surviving spouses property tax credit.
Importance: High

From: Hardie, Anthony [mailto:Anthony.Hardie@dva.state.wi.us]
Sent: Wednesday, June 18, 2008 6:18 PM
To: Duerst, Christina
Subject: RE: Draft review: LRB 07-4342/P1 Topic: Veterans lottery; proceeds to pay for veterans and surviving spouses property tax credit.

Thanks, Christina. WDVA and DOR legal counsels are now reviewing the draft.

We would like to include another provision in this same draft, or, if there is reason to do so, in a separate bill draft.

The desired new provision would transfer GPR to the Veterans Trust Fund as a perpetual – albeit variable – funding source, in amounts equal to the GPR transferred to the Veterans Property Tax Credit from the proceeds of the veteran themed lottery under the provisions contained in your draft, LRB 07-4342/P1.

How do you suggest we proceed?

Anthony Hardie
WDVA Executive Assistant to the Secretary for
Legislative, Public, and Intergovernmental Affairs
Office of the Secretary
Wisconsin Department of Veterans Affairs

Direct Phone: (608) 266-0517 – Fax: (608) 264-7616
Wisconsin Department of Veterans Affairs
30 West Mifflin Street
P.O. Box 7843
Madison, WI 53707-7843
Toll-Free: (800) WIS-VETS (800-947-8387)
Web Site: www.dva.state.wi.us

From: Duerst, Christina
Sent: Wednesday, June 18, 2008 3:40 PM
To: Hardie, Anthony
Subject: Draft review: LRB 07-4342/P1 Topic: Veterans lottery; proceeds to pay for veterans and surviving spouses property tax credit.

Following is the PDF version of draft LRB 07-4342/P1.



State of Wisconsin
2007 - 2008 LEGISLATURE

P2
LRB-4342/P1
RLR&MES:lmk:nwn

wanted soon
In 6/26/08

STAYS (RMNR)

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

(J-N)

Regem cut

✓

1 AN ACT [✓] to amend 20.835 (2) (em); and to create 20.835 (2) (r) and 565.27 (1m)

2 of the statutes; relating to: creating a veterans-themed lottery game,

3 changing the primary source of funding for the veterans and surviving spouses

4 property tax credit, and making [✓] an appropriation. [✓]

Analysis by the Legislative Reference Bureau

Under current law, the Department of Revenue (DOR) operates a lottery, the proceeds of which must be used for property tax relief for residents of the state.

Also under current law, the veterans and surviving spouses property tax credit may be claimed by certain U.S. armed forces veterans and by the unremarried surviving spouses of certain veterans or members of the national guard or reserves (collectively, "veterans"). The credit is refundable, meaning that if the amount of credit that may be claimed by a veteran exceeds his or her tax liability, the excess amount of the credit is refunded to the veteran by check. Refunded credits are paid from a sum sufficient appropriation of general purpose revenue.

This bill requires DOR to offer a lottery game with a veterans theme. Under the bill, refunded credits are paid from the net lottery proceeds of the veterans-themed lottery game created by the bill and, if that amount is insufficient to pay all eligible claims, from the current law sum sufficient appropriation.

veterans and surviving spouses
property tax

INS A

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

INS 2-1

1 SECTION 1. 20.835 (2) (em) of the statutes is amended to read:
2 20.835 (2) (em) *Veterans and surviving spouses property tax credit*. A sum
3 sufficient to pay the claims approved under s. 71.07 (6e), to the extent that these
4 claims are not paid under par. (r). *a sum sufficient*

5 SECTION 2. 20.835 (2) (r) of the statutes is created to read:
6 20.835 (2) (r) *Veterans and surviving spouses property tax credit; veterans*
7 *lottery proceeds*. From the lottery fund, as a continuing appropriation, an amount
8 equal to the lottery proceeds attributable to the lottery game under s. 565.27 (1m),
9 to pay the claims approved under s. 71.07 (6e).

Projected

INS 2-9

10 SECTION 3. 565.27 (1m) of the statutes is created to read:
11 565.27 (1m) VETERANS LOTTERY. The department shall offer a lottery game with
12 a veterans theme. The secretary of revenue shall determine the amount of the lottery
13 proceeds, as defined in s. 25.75 (1) (c), that are attributable to the game under this
14 subsection.

INS 2-14

(END)

AS DIRECTOR GENERAL S. S. 565.27 (1m)

2007-2008 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-4342/P2ins
RLR:.....

1 **Ins A:**

MP The bill also transfers to the veterans trust fund general purpose revenue, in an amount equal to the amount of lottery proceeds used to pay the refunded veterans and surviving spouses property tax credits. *to the veterans trust fund*

2

3 **Ins 2-1:**

4 **SECTION #** 20.485 (2) (dL) of the statutes is created to read:

5 20.485 (2) (dL) *Gaming aids*. *X* sum sufficient equal to the amount of projected
6 lottery proceeds attributable to the lottery game under s. 565.27 (1m), as determined
7 under s. 565.27 (1m), in each fiscal year, to be transferred to the veterans trust fund. *From the general fund*

8

9

10 **Ins 2-9:**

11 **SECTION #** 25.36 (1) of the statutes is amended to read:

12 25.36 (1) Except as provided in sub. (2), all moneys appropriated or transferred
13 by law shall constitute the veterans trust fund which shall be used for the lending
14 of money to the mortgage loan repayment fund under s. 45.37 (5) (a) 12. and for the
15 veterans programs under ss. 20.485 (2) (m), (mn), (tm), (u), (v), (vo), (vy), (w), (z), and
16 (zm), 45.03 (19), 45.07, 45.20, 45.21, 45.40 (1), 45.41, 45.42, 45.43, and 45.82 and
17 administered by the department of veterans affairs, including all moneys received
18 from the federal government for the benefit of veterans or their dependents; all
19 moneys paid as interest on and repayment of loans under the post-war
20 rehabilitation fund; soldiers rehabilitation fund, veterans housing funds as they
21 existed prior to July 1, 1961; all moneys paid as interest on and repayment of loans

1 under this fund; all moneys paid as expenses for, interest on, and repayment of
 2 veterans trust fund stabilization loans under s. 45.356, 1995 stats.; all moneys paid
 3 as expenses for, interest on, and repayment of veterans personal loans; the net
 4 proceeds from the sale of mortgaged properties related to veterans personal loans;
 5 all mortgages issued with the proceeds of the 1981 veterans home loan revenue bond
 6 issuance purchased with moneys in the veterans trust fund; all moneys received from
 7 the state investment board under s. 45.42 (8) (b); all moneys received from the
 8 veterans mortgage loan repayment fund under s. 45.37 (7) (a) and (c); ~~and~~ all gifts
 9 of money received by the board of veterans affairs for the purposes of this fund, and
 10 all moneys transferred under s. 20.485⁽²⁾(dL).

History: 1993 a. 16, 254; 1995 a. 27, 255; 1997 a. 27; 2001 a. 16; 2003 a. 33, 83; 2005 a. 22, 25.

11 ~~SECTION 3~~ 79.10 (11) (b) of the statutes is amended to read:

12 79.10 (11) (b) Before October 16, the department of administration shall
 13 determine the total funds available for distribution under the lottery and gaming
 14 credit in the following year and shall inform the joint committee on finance of that
 15 total. Total funds available for distribution shall be all moneys projected to be
 16 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and
 17 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of
 18 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),
 19 20.566 (2) (r), and 20.835 (2) (q) ~~and~~, less the required reserve under s. 20.003 (5),
 20 and less the projected lottery proceeds attributable to the lottery game under s.
 21 565.27 (1m), as determined under s. 565.27 (1m). The joint committee on finance
 22 may revise the total amount to be distributed if it does so at a meeting that takes
 23 place before November 1. If the joint committee on finance does not schedule a
 24 meeting to take place before November 1, the total determined by the department

1 of administration shall be the total amount estimated to be distributed under the
2 lottery and gaming credit in the following year.

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199; 1977 c. 29, 418; 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss. 6 to 10, 12; 1983 a. 3, 27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a. 16; 1995 a. 27; 1997 a. 27, 164; 1999 a. 5, 9, 83, 84, 185; 2001 a. 16; 2003 a. 33; 2005 a. 399; 2007 a. 20.

3

4

5

6 **Ins 2-14:**

7 ^{NOA} Before October 16 of each fiscal year, the department of administration shall
8 determine the amount of projected lottery proceeds, as defined in s. 25.75 (1) (c), for
9 the fiscal year that ^{are} attributable to the lottery game under this subsection.

10

eis

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-4342/P2dn

RLR:.....

mmk

(date)

Anthony:

Please note that, under this draft, the amount of veterans lottery game proceeds appropriated to pay the veterans tax credit (and hence the amount of GPR appropriated to the veterans trust fund) is based on a projection of the proceeds that will accrue in a fiscal year, not a known amount. ✓ The draft requires DOA to project the proceeds attributable to the veterans lottery game before October 16th of each state fiscal year. ✓ I drafted the bill in this manner so that the determination of the amount of lottery proceeds available to fund the veterans tax credit will coincide with the determination that DOA makes, under current law, of lottery proceeds available for the lottery and gaming tax credit. (See s. 79.10 (11) (b), stats.) ✓

Also, s. 79.10 (11) (b), stats., requires that DOA report the amount of lottery proceeds available for the lottery and gaming tax credit to the Joint Finance Committee, and allows the Committee to revise the amount. ✓ Do you want to require DOA to report the projected amount of lottery proceeds attributable to the veterans game to the Committee, and allow the Committee to revise the amount of proceeds appropriated to pay the veterans tax credit? ✓

Robin Ryan
Legislative Attorney
Phone: (608) 261-6927
E-mail: robin.ryan@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-4342/P2dn
RLR:lmk:nwn

June 30, 2008

Anthony:

Please note that, under this draft, the amount of veterans lottery game proceeds appropriated to pay the veterans tax credit (and hence the amount of GPR appropriated to the veterans trust fund) is based on a projection of the proceeds that will accrue in a fiscal year, not a known amount. The draft requires DOA to project the proceeds attributable to the veterans lottery game before October 16th of each state fiscal year. I drafted the bill in this manner so that the determination of the amount of lottery proceeds available to fund the veterans tax credit will coincide with the determination that DOA makes, under current law, of lottery proceeds available for the lottery and gaming tax credit. (See s. 79.10 (11) (b), stats.)

Also, s. 79.10 (11) (b), stats., requires that DOA report the amount of lottery proceeds available for the lottery and gaming tax credit to the Joint Finance Committee, and allows the Committee to revise the amount. Do you want to require DOA to report the projected amount of lottery proceeds attributable to the veterans game to the Committee, and allow the Committee to revise the amount of proceeds appropriated to pay the veterans tax credit?

Robin Ryan
Legislative Attorney
Phone: (608) 261-6927
E-mail: robin.ryan@legis.wisconsin.gov

m 7/10

2007 - 2008 LEGISLATURE

MES/JK/MG
4347/P1
LRB-4342/P2
RLR&MES
not R
epv's
kjf

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

D-N

Proof w/ folio

SAI
xref

legen

1 AN ACT to amend 20.835 (2) (em), 25.36 (1) and 79.10 (11) (b); and to create

2 20.485 (2) (dL), 20.835 (2) (r) and 565.27 (1m) of the statutes; relating to:

3 creating a veterans-themed lottery game, changing the primary source of

4 funding for the veterans and surviving spouses property tax credit, and making

5 appropriations.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Revenue (DOR) operates a lottery, the proceeds of which must be used for property tax relief for residents of the state.

Also under current law, the veterans and surviving spouses property tax credit may be claimed by certain U.S. armed forces veterans and by the unremarried surviving spouses of certain veterans or members of the national guard or reserves (collectively, "veterans"). The credit is refundable, meaning that if the amount of credit that may be claimed by a veteran exceeds his or her tax liability, the excess amount of the credit is refunded to the veteran by check. Refunded credits are paid from a sum sufficient appropriation of general purpose revenue.

This bill requires DOR to offer a lottery game with a veterans theme. Under the bill, refunded veterans and surviving spouses property tax credits are paid from the net lottery proceeds of the veterans-themed lottery game created by the bill and, if that amount is insufficient to pay all eligible claims, from the current law sum sufficient appropriation. The bill also transfers general purpose revenue, in an amount equal to the amount of lottery proceeds used to pay the refunded veterans and surviving spouses property tax credits, to the veterans trust fund.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 20.485[✓] (2) (dL) of the statutes is created to read:

2 20.485 (2) (dL) *Gaming aids*. From the general fund, a sum sufficient equal
3 to the amount of projected lottery proceeds attributable to the lottery game under s.
4 565.27[✓] (1m), as determined under s. 565.27[✓] (1m), in each fiscal year, to be transferred
5 to the veterans trust fund.

6 SECTION 2. 20.835[✓] (2) (em) of the statutes is amended to read:

7 20.835 (2) (em) *Veterans and surviving spouses property tax credit*. A sum
8 sufficient to pay the claims approved under s. 71.07 (6e), to the extent that these
9 claims are not paid under par. (r).

10 SECTION 3. 20.835 (2) (r) of the statutes is created to read:

11 20.835 (2) (r) *Veterans and surviving spouses property tax credit; veterans*
12 *lottery proceeds*. From the lottery fund, a sum sufficient equal to the projected lottery
13 proceeds attributable to the lottery game under s. 565.27[✓] (1m), as determined under
14 s. 565.27[✓] (1m), to pay the claims approved under s. 71.07 (6e).

15 SECTION 4. 25.36[✓] (1) of the statutes is amended to read:

16 25.36 (1) Except as provided in sub. (2), all moneys appropriated or transferred
17 by law shall constitute the veterans trust fund which shall be used for the lending
18 of money to the mortgage loan repayment fund under s. 45.37 (5) (a) 12. and for the
19 veterans programs under ss. 20.485 (2) (m), (mn), (tm), (u), (v), (vo), (vy), (w), (z) and

20 (zm), 45.03 (19), 45.07, 45.20, 45.21, 45.40 (1), 45.41, 45.42, 45.43, and 45.82 and
21 administered by the department of veterans affairs, including all moneys received
and (5) (mn), (v), (vo) and (zm) ← plain

was affected by 2011 Wisconsin Act 32,

plain → and

circled numbers 15, 20, 21

1 from the federal government for the benefit of veterans or their dependents; all
2 moneys paid as interest on and repayment of loans under the post-war
3 rehabilitation fund; soldiers rehabilitation fund, veterans housing funds as they
4 existed prior to July 1, 1961; all moneys paid as interest on and repayment of loans
5 under this fund; all moneys paid as expenses for, interest on, and repayment of
6 veterans trust fund stabilization loans under s. 45.356, 1995 stats.; all moneys paid
7 as expenses for, interest on, and repayment of veterans personal loans; the net
8 proceeds from the sale of mortgaged properties related to veterans personal loans;
9 all mortgages issued with the proceeds of the 1981 veterans home loan revenue bond
10 issuance purchased with moneys in the veterans trust fund; all moneys received from
11 the state investment board under s. 45.42 (8) (b); all moneys received from the
12 veterans mortgage loan repayment fund under s. 45.37 (7) (a) and (c); and all gifts
13 of money received by the board of veterans affairs for the purposes of this fund and
14 all moneys transferred under s. 20.485 (2) (dL).

15 **SECTION 5.** 79.10 (11) (b) of the statutes is amended to read:

16 79.10 (11) (b) Before October 16, the department of administration shall
17 determine the total funds available for distribution under the lottery and gaming
18 credit in the following year and shall inform the joint committee on finance of that
19 total. Total funds available for distribution shall be all moneys projected to be
20 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and
21 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of
22 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),
23 20.566 (2) (r), and 20.835 (2) (q) and, less the required reserve under s. 20.003 (5),
24 and less the projected lottery proceeds attributable to the lottery game under s.
25 565.27 (1m), as determined under s. 565.27 (1m). The joint committee on finance

SECTION 5

1 may revise the total amount to be distributed if it does so at a meeting that takes
2 place before November 1. If the joint committee on finance does not schedule a
3 meeting to take place before November 1, the total determined by the department
4 of administration shall be the total amount estimated to be distributed under the
5 lottery and gaming credit in the following year.

6 **SECTION 6.** 565.27 (1m) of the statutes is created to read:

7 565.27 (1m) VETERANS LOTTERY. The department shall offer a lottery game with
8 a veterans theme. Before October 16 of each fiscal year, the department of
9 administration shall determine the amount of projected lottery proceeds, as defined
10 in s. 25.75 (1) (c), for the fiscal year that is attributable to the lottery game under this
11 subsection.

12 (END)

D-Note

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

4347/PJ
LRB-4342/P2dn
RLR:lmk:nwn

June 30, 2008 Date

MS/JK/MGG
JK:
REV: lgf

Anthony:
Tim:
We =

X
XX

Please note that, under this draft, the amount of veterans lottery game proceeds appropriated to pay the veterans tax credit (and hence the amount of GPR appropriated to the veterans trust fund) is based on a projection of the proceeds that will accrue in a fiscal year, not a known amount. The draft requires DOA to project the proceeds attributable to the veterans lottery game before October 16th of each state fiscal year. I drafted the bill in this manner so that the determination of the amount of lottery proceeds available to fund the veterans tax credit will coincide with the determination that DOA makes, under current law, of lottery proceeds available for the lottery and gaming tax credit. [See s. 79.10 (11) (b), stats.]

Also, s. 79.10 (11) (b), stats., requires that DOA report the amount of lottery proceeds available for the lottery and gaming tax credit to the Joint Finance Committee, and allows the Committee to revise the amount. Do you want to require DOA to report the projected amount of lottery proceeds attributable to the veterans game to the Committee, and allow the Committee to revise the amount of proceeds appropriated to pay the veterans tax credit?

on Finance
lottery

Robin Ryan
Legislative Attorney
Phone: (608) 261-6927
E-mail: robin.ryan@legis.wisconsin.gov

JK

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-4347/P1dn
JK:eev&kjf:jf

July 19, 2012

Tim:

Please note that, under this draft, the amount of veterans lottery game proceeds appropriated to pay the veterans tax credit (and hence the amount of GPR appropriated to the veterans trust fund) is based on a projection of the proceeds that will accrue in a fiscal year, not a known amount. The draft requires DOA to project the proceeds attributable to the veterans lottery game before October 16 of each state fiscal year. We drafted the bill in this manner so that the determination of the amount of lottery proceeds available to fund the veterans tax credit will coincide with the determination that DOA makes, under current law, of lottery proceeds available for the lottery and gaming tax credit. [See s. 79.10 (11) (b), stats.]

Also, s. 79.10 (11) (b), stats., requires that DOA report the amount of lottery proceeds available for the lottery and gaming tax credit to the Joint Committee on Finance, and allows the committee to revise the amount. Do you want to require DOA to report the projected amount of lottery proceeds attributable to the veterans lottery game to the committee, and allow the committee to revise the amount of proceeds appropriated to pay the veterans tax credit?

Joseph T. Kreye
Senior Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.wisconsin.gov



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-4347/P1
MES/JK/MGG:eev&kjff

stays

RMR

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in 7-19-12
due Thurs 7-26
regen
D-N

1 **AN ACT to amend** 20.835 (2) (em), 25.36 (1) and 79.10 (11) (b); and **to create**
2 20.485 (2) (dL), 20.835 (2) (r) and 565.27 (1m) of the statutes; **relating to:**
3 creating a veterans-themed lottery game, changing the primary source of
4 funding for the veterans and surviving spouses property tax credit, and making
5 appropriations.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Revenue (DOR) operates a lottery, the proceeds of which must be used for property tax relief for residents of the state.

Also under current law, the veterans and surviving spouses property tax credit may be claimed by certain U.S. armed forces veterans and by the unremarried surviving spouses of certain veterans or members of the national guard or reserves (collectively, "veterans"). The credit is refundable, meaning that if the amount of credit that may be claimed by a veteran exceeds his or her tax liability, the excess amount of the credit is refunded to the veteran by check. Refunded credits are paid from a sum sufficient appropriation of general purpose revenue.

This bill requires DOR to offer a lottery game with a veterans theme. Under the bill, refunded veterans and surviving spouses property tax credits are paid from the net lottery proceeds of the veterans-themed lottery game created by the bill and, if that amount is insufficient to pay all eligible claims, from the current law sum sufficient appropriation. The bill also transfers general purpose revenue, in an amount equal to the amount of lottery proceeds used to pay the refunded veterans and surviving spouses property tax credits, to the veterans trust fund.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.485 (2) (dL) of the statutes is created to read:

2 20.485 (2) (dL) *Gaming aids.* From the general fund, a sum sufficient equal
3 to the amount of projected lottery proceeds attributable to the lottery game under s.
4 565.27 (1m), as determined under s. 565.27 (1m), in each fiscal year, to be transferred
5 to the veterans trust fund.

6 **SECTION 2.** 20.835 (2) (em) of the statutes is amended to read:

7 20.835 (2) (em) *Veterans and surviving spouses property tax credit.* A sum
8 sufficient to pay the claims approved under s. 71.07 (6e), to the extent that these
9 claims are not paid under par. (r).

10 **SECTION 3.** 20.835 (2) (r) of the statutes is created to read:

11 20.835 (2) (r) *Veterans and surviving spouses property tax credit; veterans*
12 *lottery proceeds.* From the lottery fund, a sum sufficient equal to the projected lottery
13 proceeds attributable to the lottery game under s. 565.27 (1m), as determined under
14 s. 565.27 (1m), to pay the claims approved under s. 71.07 (6e).

15 **SECTION 4.** 25.36 (1) of the statutes, as affected by 2011 Wisconsin Act 32, is
16 amended to read:

17 25.36 (1) Except as provided in sub. (2), all moneys appropriated or transferred
18 by law shall constitute the veterans trust fund which shall be used for the lending
19 of money to the mortgage loan repayment fund under s. 45.37 (5) (a) 12. and for the
20 veterans programs under ss. 20.485 (2) (m), (tm), (u), (vy), (w), and (z) and (5) (mn),
21 (v), (vo), and (zm), 45.03 (19), 45.07, 45.20, 45.21, 45.40 (1m), 45.41, 45.42, 45.43, and

1 45.82 and administered by the department of veterans affairs, including all moneys
2 received from the federal government for the benefit of veterans or their dependents;
3 all moneys paid as interest on and repayment of loans under the post-war
4 rehabilitation fund; soldiers rehabilitation fund, veterans housing funds as they
5 existed prior to July 1, 1961; all moneys paid as interest on and repayment of loans
6 under this fund; all moneys paid as expenses for, interest on, and repayment of
7 veterans trust fund stabilization loans under s. 45.356, 1995 stats.; all moneys paid
8 as expenses for, interest on, and repayment of veterans personal loans; the net
9 proceeds from the sale of mortgaged properties related to veterans personal loans;
10 all mortgages issued with the proceeds of the 1981 veterans home loan revenue bond
11 issuance purchased with moneys in the veterans trust fund; all moneys received from
12 the state investment board under s. 45.42 (8) (b); all moneys received from the
13 veterans mortgage loan repayment fund under s. 45.37 (7) (a) and (c); ~~and~~ all gifts
14 of money received by the board of veterans affairs for the purposes of this fund; and
15 all moneys transferred under s. 20.485 (2) (dL).

16 **SECTION 5.** 79.10 (11) (b) of the statutes is amended to read:

17 79.10 (11) (b) Before October 16, the department of administration shall
18 determine the total funds available for distribution under the lottery and gaming
19 credit in the following year and shall inform the joint committee on finance of that
20 total. Total funds available for distribution shall be all moneys projected to be
21 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g), and
22 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of
23 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),
24 20.566 (2) (r), and 20.835 (2) (q) ~~and~~, less the required reserve under s. 20.003 (5),
25 and less the ~~projected~~ lottery proceeds attributable to the lottery game under s.

1 565.27 (1m), as determined under s. 565.27 (1m). The joint committee on finance
2 may revise the total amount to be distributed if it does so at a meeting that takes
3 place before November 1. If the joint committee on finance does not schedule a
4 meeting to take place before November 1, the total determined by the department
5 of administration shall be the total amount estimated to be distributed under the
6 lottery and gaming credit in the following year.

7 **SECTION 6.** 565.27 (1m) of the statutes is created to read:

8 565.27 (1m) VETERANS LOTTERY. The department shall offer a lottery game with
9 a veterans theme. Before October 16 of each fiscal year, the department of
10 administration shall determine the amount of ~~projected~~ lottery proceeds, as defined
11 in s. 25.75 (1) (c), for the fiscal year that is attributable to the lottery game under this
12 subsection.

previous (END)

D-116

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-4347/P2dn
MES/JK/MGG:eev&kjf/jf

date

Senator Petrowski:

Please review this draft carefully to ensure that it is consistent with your intent.

Joseph T. Kreye
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DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-4347/P2dn
MES/JK/MGG:eev&kjf:rs

July 19, 2012

Senator Petrowski:

Please review this draft carefully to ensure that it is consistent with your intent.

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State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-4347/P2
MES/JK/MGG:eev&kjf:rs

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT to amend** 20.835 (2) (em), 25.36 (1) and 79.10 (11) (b); and **to create**
2 20.485 (2) (dL), 20.835 (2) (r) and 565.27 (1m) of the statutes; **relating to:**
3 creating a veterans-themed lottery game, changing the primary source of
4 funding for the veterans and surviving spouses property tax credit, and making
5 appropriations.

Analysis by the Legislative Reference Bureau

Under current law, the Department of Revenue (DOR) operates a lottery, the proceeds of which must be used for property tax relief for residents of the state.

Also under current law, the veterans and surviving spouses property tax credit may be claimed by certain U.S. armed forces veterans and by the unremarried surviving spouses of certain veterans or members of the national guard or reserves (collectively, "veterans"). The credit is refundable, meaning that if the amount of credit that may be claimed by a veteran exceeds his or her tax liability, the excess amount of the credit is refunded to the veteran by check. Refunded credits are paid from a sum sufficient appropriation of general purpose revenue.

This bill requires DOR to offer a lottery game with a veterans theme. Under the bill, refunded veterans and surviving spouses property tax credits are paid from the net lottery proceeds of the veterans-themed lottery game created by the bill and, if that amount is insufficient to pay all eligible claims, from the current law sum sufficient appropriation. The bill also transfers general purpose revenue, in an amount equal to the amount of lottery proceeds used to pay the refunded veterans and surviving spouses property tax credits, to the veterans trust fund.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.485 (2) (dL) of the statutes is created to read:

2 20.485 (2) (dL) *Gaming aids.* From the general fund, a sum sufficient equal
3 to the amount of lottery proceeds attributable to the lottery game under s. 565.27
4 (1m), as determined under s. 565.27 (1m), in each fiscal year, to be transferred to the
5 veterans trust fund.

6 **SECTION 2.** 20.835 (2) (em) of the statutes is amended to read:

7 20.835 (2) (em) *Veterans and surviving spouses property tax credit.* A sum
8 sufficient to pay the claims approved under s. 71.07 (6e), to the extent that these
9 claims are not paid under par. (r).

10 **SECTION 3.** 20.835 (2) (r) of the statutes is created to read:

11 20.835 (2) (r) *Veterans and surviving spouses property tax credit; veterans*
12 *lottery proceeds.* From the lottery fund, a sum sufficient equal to the lottery proceeds
13 attributable to the lottery game under s. 565.27 (1m), as determined under s. 565.27
14 (1m), to pay the claims approved under s. 71.07 (6e).

15 **SECTION 4.** 25.36 (1) of the statutes, as affected by 2011 Wisconsin Act 32, is
16 amended to read:

17 25.36 (1) Except as provided in sub. (2), all moneys appropriated or transferred
18 by law shall constitute the veterans trust fund which shall be used for the lending
19 of money to the mortgage loan repayment fund under s. 45.37 (5) (a) 12. and for the
20 veterans programs under ss. 20.485 (2) (m), (tm), (u), (vy), (w), and (z) and (5) (mn),
21 (v), (vo), and (zm), 45.03 (19), 45.07, 45.20, 45.21, 45.40 (1m), 45.41, 45.42, 45.43, and

1 45.82 and administered by the department of veterans affairs, including all moneys
2 received from the federal government for the benefit of veterans or their dependents;
3 all moneys paid as interest on and repayment of loans under the post-war
4 rehabilitation fund; soldiers rehabilitation fund, veterans housing funds as they
5 existed prior to July 1, 1961; all moneys paid as interest on and repayment of loans
6 under this fund; all moneys paid as expenses for, interest on, and repayment of
7 veterans trust fund stabilization loans under s. 45.356, 1995 stats.; all moneys paid
8 as expenses for, interest on, and repayment of veterans personal loans; the net
9 proceeds from the sale of mortgaged properties related to veterans personal loans;
10 all mortgages issued with the proceeds of the 1981 veterans home loan revenue bond
11 issuance purchased with moneys in the veterans trust fund; all moneys received from
12 the state investment board under s. 45.42 (8) (b); all moneys received from the
13 veterans mortgage loan repayment fund under s. 45.37 (7) (a) and (c); ~~and~~ all gifts
14 of money received by the board of veterans affairs for the purposes of this fund; and
15 all moneys transferred under s. 20.485 (2) (dL).

16 SECTION 5. 79.10 (11) (b) of the statutes is amended to read:

17 79.10 (11) (b) Before October 16, the department of administration shall
18 determine the total funds available for distribution under the lottery and gaming
19 credit in the following year and shall inform the joint committee on finance of that
20 total. Total funds available for distribution shall be all moneys projected to be
21 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g), and
22 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of
23 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),
24 20.566 (2) (r), and 20.835 (2) (q) ~~and~~, less the required reserve under s. 20.003 (5),
25 and less the lottery proceeds attributable to the lottery game under s. 565.27 (1m).

1 as determined under s. 565.27 (1m). The joint committee on finance may revise the
2 total amount to be distributed if it does so at a meeting that takes place before
3 November 1. If the joint committee on finance does not schedule a meeting to take
4 place before November 1, the total determined by the department of administration
5 shall be the total amount estimated to be distributed under the lottery and gaming
6 credit in the following year.

7 **SECTION 6.** 565.27 (1m) of the statutes is created to read:

8 565.27 (1m) VETERANS LOTTERY. The department shall offer a lottery game with
9 a veterans theme. Before October 16 of each fiscal year, the department of
10 administration shall determine the amount of lottery proceeds, as defined in s. 25.75
11 (1) (c), for the previous fiscal year that is attributable to the lottery game under this
12 subsection.

13 (END)