



## 1999 ASSEMBLY JOINT RESOLUTION 2

January 7, 1999 – Introduced by Representatives M. LEHMAN, JENSEN, GARD, WOOD, SPILLNER, BOCK, MUSSER, PLALE, KREUSER, PORTER, KAUFERT, GOETSCH, OWENS, OURADA, STONE, HASENOHRL, HUBER, OLSEN, BLACK, KREIBICH, FREESE, SYKORA, OTT, CULLEN, HAHN, MEYER, LADWIG, AINSWORTH, GUNDERSON, CARPENTER, PLOUFF, SUDER, PETROWSKI and GRONEMUS, cosponsored by Senators DECKER, CLAUSING, BRESKE, PLACHE, JAUCH, DRZEWIECKI, ERPENBACH, BAUMGART, SCHULTZ, ROESSLER and MOEN. Referred to Committee on Ways and Means.

- 1     **To amend** section 24 (3), (5) and (6) (a) of article IV of the constitution; **relating to:**  
2             the distribution of the net proceeds of the state lottery and certain moneys  
3             received by the state that are attributable to pari-mutuel on-track betting and  
4             bingo (2nd consideration).

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*Analysis by the Legislative Reference Bureau*

### EXPLANATION OF PROPOSAL

This proposed constitutional amendment, to be given 2nd consideration by the 1999 legislature for submittal to the voters in April 1999, was first considered by the 1997 legislature in 1997 Assembly Joint Resolution 80, which became 1997 Enrolled Joint Resolution 19.

This proposed constitutional amendment amends section 24 (3), (5) and (6) (a) of article IV of the state constitution. Section 24 (3), (5) and (6) (a) of article IV contains the state constitution's limitation on the power of the legislature to authorize gambling. The proposed constitutional amendment provides that all moneys received by the state that are attributable to bingo games and pari-mutuel on-track betting (other than moneys used for the regulation of, and enforcement of law relating to, bingo games and pari-mutuel on-track betting) and the net proceeds of the state lottery must be used for property tax relief for residents of this state. The proposed constitutional amendment also provides that the distribution of these moneys may not vary based on the income or age of the person provided the property tax relief. Finally, the proposed constitutional amendment provides that the

distribution of these moneys is not subject to the uniformity requirement of section 1 of article VIII of the state constitution.

### **PROCEDURE FOR 2ND CONSIDERATION**

When a proposed constitutional amendment is before the current legislature on 2nd consideration, any change in the text approved by the preceding legislature causes the proposed constitutional amendment to revert to first consideration status so that 2nd consideration approval would have to be given by the next legislature before the proposal may be submitted to the people for ratification [see joint rule 57 (2)].

If the legislature approves a proposed constitutional amendment on 2nd consideration, it must also set the date for submitting the proposed constitutional amendment to the people for ratification and must determine the question or questions to appear on the ballot.

### **SUBMITTAL TO PEOPLE**

Because of the time required for publication of election notices and distribution of election supplies, the elections board estimates that this joint resolution would have to be adopted by both houses no later than February 16, 1999, to be placed on the ballot for the April 6, 1999, spring election.

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1           Whereas, the 1997 legislature in regular session considered a proposed  
2 amendment to the constitution (1997 Assembly Joint Resolution 80, which became  
3 1997 Enrolled Joint Resolution 19) and agreed to it by a majority of the members  
4 elected to each of the 2 houses, which proposed amendment reads as follows:

**SECTION 1.** Section 24 (3) of article IV of the constitution is amended to read:

[Article IV] Section 24 (3) The legislature may authorize the following bingo games licensed by the state, but all profits shall accrue to the licensed organization and no salaries, fees or profits may be paid to any other organization or person: bingo games operated by religious, charitable, service, fraternal or veterans' organizations or those to which contributions are deductible for federal or state income tax purposes. All moneys received by the state that are attributable to bingo games shall be used for property tax relief for residents of this state as provided by law. The distribution of moneys that are attributable to bingo games may not vary based on the income or age of the person provided the property tax relief. The distribution of moneys that are attributable to bingo games shall not be subject to the uniformity requirement of section 1 of article VIII. In this subsection, the distribution of all moneys attributable to bingo games shall include any earnings on the moneys received by the state that are attributable to bingo games, but shall not include any

moneys used for the regulation of, and enforcement of law relating to, bingo games.

**SECTION 2.** Section 24 (5) of article IV of the constitution is amended to read:

[Article IV] Section 24 (5) This section shall not prohibit pari-mutuel on-track betting as provided by law. The state may not own or operate any facility or enterprise for pari-mutuel betting, or lease any state-owned land to any other owner or operator for such purposes. All moneys received by the state that are attributable to pari-mutuel on-track betting shall be used for property tax relief for residents of this state as provided by law. The distribution of moneys that are attributable to pari-mutuel on-track betting may not vary based on the income or age of the person provided the property tax relief. The distribution of moneys that are attributable to pari-mutuel on-track betting shall not be subject to the uniformity requirement of section 1 of article VIII. In this subsection, the distribution of all moneys attributable to pari-mutuel on-track betting shall include any earnings on the moneys received by the state that are attributable to pari-mutuel on-track betting, but shall not include any moneys used for the regulation of, and enforcement of law relating to, pari-mutuel on-track betting.

**SECTION 3.** Section 24 (6) (a) of article IV of the constitution is amended to read:

[Article IV] Section 24 (6) (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.

- 1           ***Now, therefore, be it resolved by the assembly, the senate concurring,***  
 2           ***That*** the foregoing proposed amendment to the constitution is agreed to by the 1999  
 3           legislature; and, be it further  
 4           ***Resolved, That*** the foregoing proposed amendment to the constitution be

1 submitted to a vote of the people at the election to be held on the first Tuesday of April,  
2 1999; and, be it further

3 ***Resolved, That*** the question concerning ratification of the foregoing proposed  
4 amendment to the constitution be stated on the ballot as follows:

5 **QUESTION 1: “*Distribution of gambling proceeds.*** Shall section 24 (3), (5)  
6 and (6) (a) of article IV of the constitution be amended to require that the net proceeds  
7 of the state lottery and of moneys received by the state from bingo games and  
8 pari-mutuel on-track betting be used for property tax relief for residents of this state  
9 as provided by law, but subject to the condition that the distribution not vary based  
10 on the income or age of the person provided property tax relief?”

11 (END)