

**FISCAL ESTIMATE FORM**

**1999 Session**

- ORIGINAL                       UPDATED  
 CORRECTED                       SUPPLEMENTAL

**LRB # -2907/1**

**INTRODUCTION # AB-300**

Admin. Rule #

**Subject**

**Property Tax Gaming Credit**

**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)(g), (h), (i), (j), (q), (r)

**Assumptions Used in Arriving at Fiscal Estimate:**

The Division of Gaming within the Department of Administration receives revenue from various Indian gaming, pari-mutuel and charitable gaming sources including, but not limited to, a racing programs tax, stewards fees, occupational license fees, performance fees, fines and forfeitures, bingo taxes, and licenses for bingo, raffles and crane games. The Division of Gaming uses these various revenues to pay the cost of general program operations and oversight. In addition, certain excess revenues of the pari-mutuel appropriation are transferred to the Department of Agriculture, Trade and Consumer Protection for aids to county and district fairs. Annually, the Division of Gaming is permitted to retain an amount equal to 10% of previous year expenditures with the excess, if any, lapsing to the general fund. Current law permits the charitable gaming appropriation to retain any unexpended balance from previous years.

This bill does not make any changes to the amounts or types of fees collected for the oversight of racing and bingo. In addition, the bill does not make any changes to the overall expenditure authority or staffing levels of either the racing bureau or the office of charitable gaming. It does, however, change where the revenues are deposited and how excess revenues are expended.

Under this bill, all moneys attributable to bingo and pari-mutuel betting would be deposited in the gaming fund (SEG). The budgets and positions attributable to racing and bingo are also converted from the current program revenue (PR) funding to SEG. Annually, the Division of Gaming would have the ability to spend up to the amounts in the chapter 20 schedule for general program operations and oversight. Any amounts deposited in the gaming fund in excess of the amounts in the schedule would remain in the gaming fund. The balances, along with those of the lottery, would then be used to fund the property tax gaming credit.

Under the bill, charitable gaming other than bingo (i.e., raffles and crane games) remains PR as does Indian gaming. The bill does increase costs to Indian gaming by requiring Indian gaming to pay 100% (\$100,000) of the cost of the compulsive gambling program at DHFS. Indian gaming currently pays 50% (\$50,000) of the program costs. The repeal of 20.505(8)(i), county fair association grants, also contained in the bill, reduces costs to the Division.

The bill also creates a new GPR-funded appropriation within DATCP for aids to county and district fairs, which are currently paid with racing revenues. Note: This is a companion bill to SB-114. On April 21, the Committee on Economic Development, Housing and Government Operations adopted substitute amendment 1 to SB-114.

**Long-Range Fiscal Implications:**

Unknown

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