

1999 DRAFTING REQUEST

Bill

Received: 09/23/98

Received By: kuesejt

Wanted: As time permits

Identical to LRB:

For: Scott Walker (608) 266-9180

By/Representing: him

This file may be shown to any legislator: NO

Drafter: kuesejt

May Contact:

Alt. Drafters:

Subject: Elections - campaign finance

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

Political contributions by gambling interests

Instructions:

Per 1997 AB 793.

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>
/?	kuesejt 10/16/98	gilfokm 10/29/98		_____			
/1			hhagen 10/30/98	_____	gretskl 10/30/98	lrb_docadmin 07/1/99	
				_____	lrb_docadmin 07/1/99		

FE Sent For:

Not Needed

<END>

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DN 076

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17/1	kuesejt 10/16		11/10/30	11/10/30			

FE Sent For:

<END>



Scott Walker

Wauwatosa's Representative in the Wisconsin State Assembly

To: Jeffery T. Kuesel, Legislative Reference Bureau

From: Rep. Scott Walker

Date: September 22, 1998

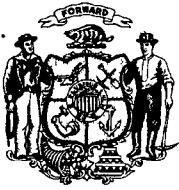
Re: Legislative Drafting Requests for the 1999-2000 Session

Listed below you will find bills which were drafted for me during the past legislative session. I would like to reintroduce this legislation for the upcoming 1999-2000 session. Please refer to the corresponding LRB and bill numbers below. At this time the legislation can be drafted the same as it was last session.

If you have questions or comments, please call me at 6-9181. Thank you for your attention to this matter.

<u>Subject</u>	<u>Topic</u>	<u>LRB No.</u>	<u>Introduced</u>
• Elections- campaign finance	Political contributions by gambling interests	-4048/3	<u>As</u> AB-793





[DNOTE]
State of Wisconsin
~~1997-1998~~ LEGISLATURE
1999

-0367/1
LRB-4048/3
JTK:jlg&kaf:hmh
PK

1999 Bill

~~1997 ASSEMBLY BILL 793~~

~~February 12, 1998 - Introduced by Representatives WALKER, DUFF, DOBYNS, GOETSCH, GROTHMAN, F. LASEE, HUEBSCH and ALBERS, cosponsored by Senators DARLING, FARROW, PANZER and WELCH. Referred to Committee on Campaign Finance Reform.~~

regenerate

1 AN ACT to amend 11.61 (1) (b); and to create 11.41 and 11.60 (3e) of the statutes;
2 relating to: acceptance of political contributions made by owners, operators or
3 managers of casinos or racetracks and providing penalties.

Analysis by the Legislative Reference Bureau

This bill prohibits any person, including any committee or group, from accepting a political contribution made by any person who owns, operates or manages a casino or racetrack in any state, or who is licensed by any state to operate or manage a casino or racetrack. If a corporation owns, operates or manages a casino or racetrack, the prohibition applies to contributions made by the officers and directors of the corporation or by any individual owner of the corporation if the individual owns a 10% or greater interest in the corporation. If an Indian tribe owns, operates or manages a casino or racetrack, the prohibition applies only to contributions made by the officers and members of the governing body of the tribe.

Violators are subject to a forfeiture (civil penalty) of not more than treble the amount of any contribution accepted in violation of the provision. Intentional violators may be fined not more than \$1,000 or imprisoned for not more than 6 months, or both, if an unlawful contribution is \$100 or less, and may be fined not more than \$10,000 or imprisoned for not more than 3 years, or both, if an unlawful contribution is more than \$100. *After December 30, 1999, the maximum term of imprisonment for intentionally accepting an unlawful contribution of more than \$100 is increased to 4 years and 6 months.*

Currently, there is no such prohibition, except that if a corporation owns, operates or manages a casino or racetrack the acceptance of contributions made from the corporate treasury is currently prohibited.

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

1 **SECTION 1.** 11.41 of the statutes is created to read:

2 **11.41 Acceptance of contributions from owners, operators or**
3 **managers of casinos and racetracks. (1)** In this section:

4 (a) "Casino" means a location where casino gambling is authorized to be
5 conducted under an applicable state law or a compact negotiated under 25 USC 2710.

6 (b) "Casino gambling" means one or more of the games described in s. 565.01
7 (6m) (b) 2. to 9., or any game that is similar to a game described in s. 565.01 (6m) (b)
8 2. to 9.

9 (c) "Pari-mutuel" means a wagering system in which all persons who wager on
10 any animal which finishes in any position for which wagers are taken in a race share
11 the total amount wagered on the race minus any deductions from the wagers on that
12 race required under the law of the state where the race is conducted.

13 (d) "Racetrack" means a location in any state at which animal races are
14 authorized by the law of that state to be conducted and at which pari-mutuel
15 wagering on those races is authorized to be conducted under that law.

16 **(2)** No person, including a committee or group, may accept a contribution made
17 by any person who owns, operates or manages a casino or racetrack in any state, or
18 who is licensed by any state to operate or manage a casino or racetrack.

19 **(3)** For purposes of sub. (2), if an individual owns a 10% or greater interest in
20 or serves as an officer or director of a corporation that owns, operates or manages a

1 casino or racetrack in any state, or that is licensed by any state to operate or manage
2 a casino or racetrack, that individual is considered to own, operate or manage that
3 casino or racetrack or to be licensed to do so.

4 (4) For purposes of sub. (2), if an Indian tribe owns or operates a casino or
5 racetrack, the officers and members of the governing body of the tribe are considered
6 to own or operate that casino or racetrack.

7 SECTION 2. 11.60 (3e) of the statutes is created to read:

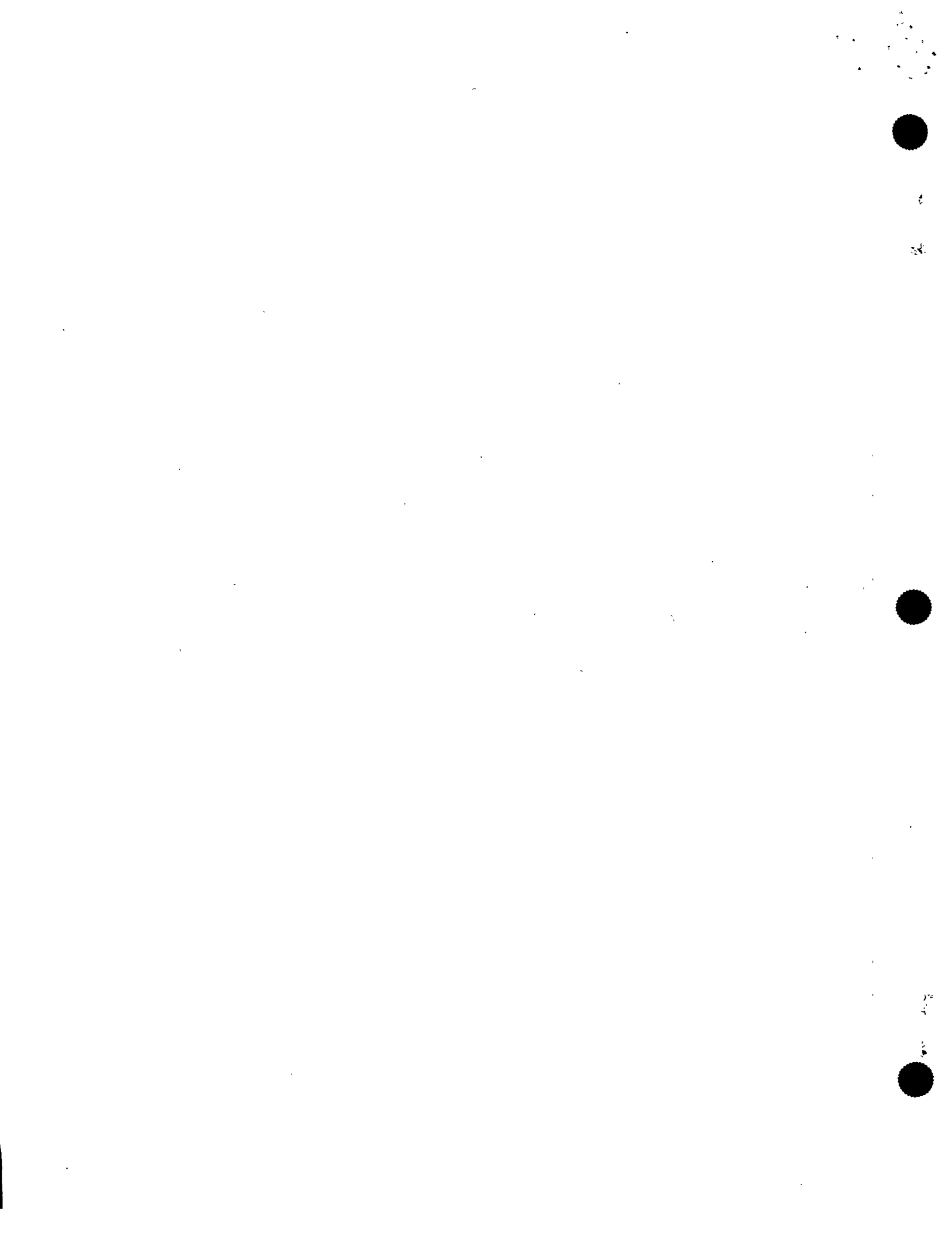
8 11.60 (3e) Notwithstanding sub. (1), any person, including any committee or
9 group, who accepts a contribution in violation of s. 11.41 may be required to forfeit
10 not more than treble the amount of the contribution.

11 SECTION 3. 11.61 (1) (b) of the statutes is amended to read:

12 11.61 (1) (b) Whoever intentionally violates s. 11.25, 11.26, 11.27 (1), 11.30 (1)
13 or, 11.38 or 11.41 where the intentional violation does not involve a specific figure,
14 or where the intentional violation concerns a figure which exceeds \$100 in amount
15 or value may be fined not more than \$10,000 or imprisoned not more than 3 years
16 or both.

17 ~~(END)~~

proof w/ stats



1 casino or racetrack in any state, or that is licensed by any state to operate or manage
2 a casino or racetrack, that individual is considered to own, operate or manage that
3 casino or racetrack or to be licensed to do so.

4 (4) For purposes of sub. (2), if an Indian tribe owns or operates a casino or
5 racetrack, the officers and members of the governing body of the tribe are considered
6 to own or operate that casino or racetrack.

7 SECTION 2. 11.60 (3e) of the statutes is created to read:

8 11.60 (3e) Notwithstanding sub. (1), any person, including any committee or
9 group, who accepts a contribution in violation of s. 11.41 may be required to forfeit
10 not more than treble the amount of the contribution.

11 *auto ref. A.* SECTION 3. 11.61 (1) (b) of the statutes *is amended to read:* *as affected by 1997 WRS casino Act* 283

12 11.61 (1) (b) Whoever intentionally violates s. 11.25, 11.26, 11.27 (1), 11.30 (1)
13 ~~or~~, 11.38 or 11.41 where the intentional violation does not involve a specific figure,
14 or where the intentional violation concerns a figure which exceeds \$100 in amount
15 or value may be fined not more than \$10,000 or imprisoned *for* not more than *4* years
16 *and 6 months* for both.

prop w/ stats
↓

17 (END)

1999

Nonstat File Sequence: **FFF**

LRB 036711

JK : : :

EFFECTIVE DATE

1. In the component bar: For the action phrase, execute: ... **create** → **action:** → *NS: → **effdate**
For the text, execute: **create** → **text:** → *NS: → **effdateA**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # _____ . Effective date.

(#1) () This act takes effect on

1. In the component bar: For the action phrase, execute: .. **create** → **action:** → *NS: → **effdateE**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # _____ . Effective dates

..... This act takes effect on the day after publication, except as follows:

(#1) () The treatment of sections 11.61(1)(b) (by Section 4) ^{CS} auto refn A of the statutes takes effect on December 31, 1999.

1. In the component bar: For the budget action phrase, execute:..**create** → **action:** → *NS: → **94XX**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the **9400** department code; and fill in "()" only if a "frozen" number is needed.

SECTION 94 _____ . Effective dates;

(#1) () The treatment of sections of the statutes takes effect on

(END)

dh →



DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

- 0367/1dn
LRB-4048/1dn

JTK: hmf:hmh

(pk)

~~Tuesday, November 11, 1997~~

1. Ordinarily, a prohibition on the making of political contributions by members of a certain group would raise issues concerning whether the First Amendment rights of members of that group were being violated or whether the equal protection rights of members of that group were being infringed. Nevertheless, casino gambling is a regulated economic activity which exists in some states and not in others, and may be subject to limitations in state law. If it may be shown that gambling interests have in fact attempted to influence campaigns for state and local non-Indian offices, it may be argued that this state could properly conclude that there is a greater potential for corrupting influences from this type of activity than from other economic activity that is generally permitted everywhere. I did, however, want you to be aware that constitutional questions may potentially be present when attempting to regulate in this field and there is room for disagreement concerning the permissible sweep of state regulation.

2. There is some question as to the jurisdiction of this state to regulate the activities of Indian tribes or tribal members. In this case, however, we are attempting to regulate state and local election campaigns for non-Indian offices and we are regulating primarily off-reservation activity. The applicability of state election laws to Indians voting in state elections or participating in campaigns for state and local non-Indian offices is well accepted. For these reasons, it may be argued that this state does have jurisdiction. ~~Because casinos are the one form of gambling in which Indians have a major stake, the constitutional posture of this draft might be improved if it were extended to apply to other privately owned non-Indian gambling facilities (racetracks).~~

Jeffery T. Kuesel
Assistant Chief Counsel
266-6778

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0367/1dn
JTK:pk:hmh

Friday, October 30, 1998

1. Ordinarily, a prohibition on the making of political contributions by members of a certain group would raise issues concerning whether the First Amendment rights of members of that group were being violated or whether the equal protection rights of members of that group were being infringed. Nevertheless, casino gambling is a regulated economic activity which exists in some states and not in others, and may be subject to limitations in state law. If it may be shown that gambling interests have in fact attempted to influence campaigns for state and local non-Indian offices, it may be argued that this state could properly conclude that there is a greater potential for corrupting influences from this type of activity than from other economic activity that is generally permitted everywhere. I did, however, want you to be aware that constitutional questions may potentially be present when attempting to regulate in this field and there is room for disagreement concerning the permissible sweep of state regulation.
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Jeffery T. Kuesel
Assistant Chief Counsel
266-6778

**SUBMITTAL
FORM**

**LEGISLATIVE REFERENCE BUREAU
Legal Section Telephone: 266-3561
5th Floor, 100 N. Hamilton Street**

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and **sign** on the appropriate line(s) below.

Date: 10/30/98

To: Representative Walker

Relating to LRB drafting number: LRB-0367

Topic

Political contributions by gambling interests

Subject(s)

Elections - campaign finance

1. **JACKET** the draft for introduction _____
in the **Senate** ____ or the **Assembly** (check only one). Only the requester under whose name the drafting request is entered in the LRB's drafting records may authorize the draft to be submitted. Please allow one day for the preparation of the required copies.

2. **REDRAFT.** See the changes indicated or attached _____.
A revised draft will be submitted for your approval with changes incorporated.

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction _____.
If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

Jeffery T. Kuesel, Assistant Chief Counsel
Telephone: (608) 266-6778