



State of Wisconsin  
1999 - 2000 LEGISLATURE

3  
LRBb1888/2  
ISR&JK:jlg&wlj:km

LFB:.....Olin - Transfer of lottery appropriations and transfer to lottery fund  
FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION  
ASSEMBLY AMENDMENT,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1999 ASSEMBLY BILL 133

*Today  
10-4-99*

*see pages  
13, 14 & 16*

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 219, line 13: after that line insert:
- 3 “(fm) Gaming law enforcement GPR A 226,000 226,700”.
- 4 **2.** Page 221, line 5: decrease the dollar amount for fiscal year 1999-00 by
- 5 \$226,000 and decrease the dollar amount for fiscal year 2000-01 by \$226,700 to
- 6 decrease the number of authorized FTE positions by 2.75 SEG positions and for the
- 7 purpose of reducing funding for gaming enforcement.
- 8 **3.** Page 253, line 13: after that line insert:
- 9 “(am) Lottery and gaming credit
- 10 administration GPR A 173,900 186,400”.

1           **4.** Page 254, line 7: decrease the dollar amount for fiscal year 1999–00 by  
2           \$43,300 and decrease the dollar amount for fiscal year 2000–01 by \$33,500 for the  
3           purpose of reducing funding for lottery credit administration.

4           **5.** Page 255, line 8: after that line insert:

5	“(a) General program operations	GPR	A	21,095,800	21,095,800
6	(b) Retailer compensation	GPR	S	–0–	–0–
7	(c) Vendor fees	GPR	S	–0–	–0–”.

8           **6.** Page 255, line 9: decrease the dollar amount for fiscal year 1999–00 by  
9           \$21,095,800 and decrease the dollar amount for fiscal year 2000–01 by \$21,095,800  
10          to decrease the authorized FTE positions by 110.5 SEG positions and for the purpose  
11          of decreasing the funding for general program operations for the lottery.

12          **7.** Page 265, line 3: after that line insert:

13	“(dn) Farmland tax relief credit	GPR	S	–0–	–0–”.
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14          **8.** Page 366, line 3: after that line insert:

15          “**SECTION 481d.** 20.455 (2) (fm) of the statutes is created to read:

16          20.455 (2) (fm) *Gaming law enforcement.* The amounts in the schedule for the  
17          performance of the department’s gaming law enforcement responsibilities as  
18          specified in s. 165.70 (3m). No moneys may be encumbered or expended from this  
19          appropriation account after the day of publication of the 2001–03 biennial budget  
20          act.”.

21          **9.** Page 367, line 25: after that line insert:

22          “**SECTION 490g.** 20.455 (2) (r) of the statutes is amended to read:

1           20.455 (2) (r) *Gaming law enforcement; lottery revenues*. From the lottery fund,  
2 the amounts in the schedule for the performance of the department's gaming law  
3 enforcement responsibilities as specified in s. 165.70 (3m). No moneys may be  
4 encumbered or expended from this appropriation account during the 1999–2001  
5 fiscal biennium.”

6           **10.** Page 391, line 20: after that line insert:

7           “SECTION 595g. 20.566 (2) (am) of the statutes is created to read:

8           20.566 (2) (am) *Lottery and gaming credit administration*. The amounts in the  
9 schedule for the administration of the lottery and gaming credit. No moneys may be  
10 encumbered or expended from this appropriation account after the day of publication  
11 of the 2001–03 biennial budget act.

12           **SECTION 595m.** 20.566 (2) (r) of the statutes, as affected by 1999 Wisconsin Act  
13 5, is amended to read:

14           20.566 (2) (r) *Lottery and gaming credit administration*. From the lottery fund,  
15 the amounts in the schedule for the administration of the lottery and gaming credit.  
16 No moneys may be encumbered or expended from this appropriation account during  
17 the 1999–2001 fiscal year biennium.”

18           **11.** Page 391, line 25: after that line insert:

19           “SECTION 596q. 20.566 (8) (a) of the statutes is created to read:

20           20.566 (8) (a) *General program operations*. The amounts in the schedule for  
21 general program operations under ch. 565. No moneys may be encumbered or  
22 expended from this appropriation account after the day of publication of the 2001–03  
23 biennial budget act.

24           **SECTION 596r.** 20.566 (8) (b) of the statutes is created to read:

1           20.566 (8) (b) *Retailer compensation*. A sum sufficient to pay compensation to  
2 retailers under s. 565.10 (14) (b). No moneys may be encumbered or expended from  
3 this appropriation account after the day of publication of the 2001–03 biennial  
4 budget act.

5           **SECTION 596s.** 20.566 (8) (c) of the statutes is created to read:

6           20.566 (8) (c) *Vendor fees*. A sum sufficient to pay vendors for on–line and  
7 instant ticket services and supplies provided by the vendors under contract under  
8 s. 565.25 (2) (a). No moneys may be encumbered or expended from this appropriation  
9 account after the day of publication of the 2001–03 biennial budget act.”.

10          **12.** Page 392, line 1: delete lines 1 to 6 and substitute:

11          “**SECTION 597g.** 20.566 (8) (q) of the statutes, as affected by 1999 Wisconsin Act  
12 5, is amended to read:

13          20.566 (8) (q) *General program operations*. From the lottery fund, the amounts  
14 in the schedule for general program operations under ch. 565. No moneys may be  
15 encumbered or expended from this appropriation account during the 1999–2001  
16 fiscal biennium.

17          **SECTION 597c.** 20.566 (8) (r) of the statutes is amended to read:

18          20.566 (8) (r) *Retailer compensation*. From the lottery fund, a sum sufficient  
19 to pay compensation to retailers under s. 565.10 (14) (b). No moneys may be  
20 encumbered or expended from this appropriation account during the 1999–2001  
21 fiscal biennium.

22          **SECTION 597f.** 20.566 (8) (v) of the statutes is amended to read:

23          20.566 (8) (v) *Vendor fees*. From the lottery fund, a sum sufficient to pay  
24 vendors for on–line and instant ticket services and supplies provided by the vendors

1 under contract under s. 565.25 (2) (a). No moneys may be encumbered or expended  
2 from this appropriation account during the 1999–2001 fiscal biennium.”.

3 **13.** Page 395, line 4: after that line insert:

4 “SECTION 606t. 20.835 (2) (dn) of the statutes is created to read:

5 20.835 (2) (dn) *Farmland tax relief credit*. A sum sufficient to pay the aggregate  
6 claims approved under ss. 71.07 (3m) (c), 71.28 (2m) (c) and 71.47 (2m) (c). No moneys  
7 may be encumbered or expended from this appropriation after the day of publication  
8 of the 2001–03 biennial budget act.”.

9 **14.** Page 395, line 19: after that line insert:

10 “SECTION 612p. 20.835 (2) (q) of the statutes is amended to read:

11 20.835 (2) (q) *Farmland tax relief credit*. From the lottery fund, a sum  
12 sufficient to pay the aggregate claims approved under ss. 71.07 (3m) (c), 71.28 (2m)  
13 (c) and 71.47 (2m) (c). No moneys may be encumbered or expended from this  
14 appropriation account during the 1999–2001 fiscal biennium.”.

15 **15.** Page 470, line 14: after that line insert:

16 “SECTION 717xa. 25.75 (1) (b) of the statutes is amended to read:

17 25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of  
18 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of  
19 fees, if any, under s. 565.10 (8) and includes compensation, including bonuses, if any,  
20 paid to retailers under s. 565.10 (14), regardless of whether the compensation is  
21 deducted by the retailer prior to transmitting lottery ticket and lottery share  
22 revenues to the commission.

23 SECTION 717xb. 25.75 (1) (b) of the statutes, as affected by 1999 Wisconsin Act  
24 .... (this act), is repealed and recreated to read:

1           25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of  
2 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of  
3 fees, if any, under s. 565.10 (8) and includes compensation, including bonuses, if any,  
4 paid to retailers under s. 565.10 (14), regardless of whether the compensation is  
5 deducted by the retailer prior to transmitting lottery ticket and lottery share  
6 revenues to the commission.

7           **SECTION 717xf.** 25.75 (1) (c) 3. of the statutes is repealed.

8           **SECTION 717xg.** 25.75 (1) (c) 3. of the statutes is created to read:

9           25.75 (1) (c) 3. Amounts for other expenses including compensation paid to  
10 retailers under s. 565.10 (14) and amounts paid to vendors for on-line services and  
11 supplies provided by the vendors under contract under s. 565.25 (2) (a).

12           **SECTION 717xh.** 25.75 (2) of the statutes, as affected by 1999 Wisconsin Act 5,  
13 is amended to read:

14           25.75 (2) **CREATION.** There is created a separate nonlapsible trust fund known  
15 as the lottery fund, to consist of gross lottery revenues received by the department  
16 of revenue and moneys transferred to the lottery fund under ss. 20.455 (2) (g) and  
17 20.505 (8) (am), (g) and (jm) and 1999 Wisconsin Act ... (this act), section 9243 (2c).

18           **SECTION 717xi.** 25.75 (3) (b) of the statutes is repealed.

19           **SECTION 717xj.** 25.75 (3) (b) of the statutes is created to read:

20           25.75 (3) (b) *Expenses.* No more than an amount equal to 10% of gross lottery  
21 revenues for each year may be expended to pay the expenses for the operation and  
22 administration of the lottery, except that expenses for the operation and  
23 administration of the lottery may exceed 10% of gross lottery revenues if so approved  
24 by the joint committee on finance under s. 13.10. In computing expenses subject to  
25 the 10% limitation under this paragraph:

1 1. Compensation paid to retailers under s. 565.10 (14) shall not be included.

2 2. Capital expenditures may be amortized.

3 3. Payments to vendors for on-line services and supplies provided by the  
4 vendors under contract under s. 565.25 (2) (a) shall be included.

5 4. Moneys appropriated from the lottery fund under s. 20.455 (2) (r) shall not  
6 be included.

7 **SECTION 717yn.** 25.75 (3) (e) of the statutes is created to read:

8 25.75 (3) (e) From the appropriation under s. 20.566 (2) (r), lottery proceeds  
9 shall be used to offset department of revenue expenses in administering the lottery  
10 credit.

11 **SECTION 717ym.** 25.75 (3) (e) of the statutes, as affected by 1999 Wisconsin Act  
12 5, is repealed.”.

13 **16.** Page 849, line 7: after that line insert:

14 “**SECTION 1710db.** 71.07 (3m) (b) 1. a. of the statutes is amended to read:

15 71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and  
16 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
17 taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
18 claim exceeds the income taxes otherwise due on the claimant’s income or if there are  
19 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not  
20 used as an offset against income taxes shall be certified to the department of  
21 administration for payment to the claimant by check, share draft or other draft paid  
22 from the appropriation under s. 20.835 (2) (~~q~~) (dn).

23 **SECTION 1710dc.** 71.07 (3m) (b) 1. a. of the statutes, as affected by 1999  
24 Wisconsin Act .... (this act), is repealed and recreated to read:

1           71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and  
2 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
3 taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
4 claim exceeds the income taxes otherwise due on the claimant's income or if there are  
5 no Wisconsin income taxes due on the claimant's income, the amount of the claim not  
6 used as an offset against income taxes shall be certified to the department of  
7 administration for payment to the claimant by check, share draft or other draft paid  
8 from the appropriation under s. 20.835 (2) (q).

9           **SECTION 1710dd.** 71.07 (3m) (c) 3. of the statutes, as created by 1999 Wisconsin  
10 Act 5, is amended to read:

11           71.07 (3m) (c) 3. The department shall annually adjust the percentage that is  
12 used to determine the amount of a claim under subd. 1. based on the estimated  
13 number of claims and the amount estimated to be expended from the appropriation  
14 under s. 20.835 (2) ~~(q)~~ (dn), as determined under s. 79.13. The department shall  
15 incorporate the annually adjusted percentage into the income tax forms and  
16 instructions.

17           **SECTION 1710de.** 71.07 (3m) (c) 3. of the statutes, as affected by 1999 Wisconsin  
18 Act .... (this act), is repealed and recreated to read:

19           71.07 (3m) (c) 3. The department shall annually adjust the percentage that is  
20 used to determine the amount of a claim under subd. 1. based on the estimated  
21 number of claims and the amount estimated to be expended from the appropriation  
22 under s. 20.835 (2) (q), as determined under s. 79.13. The department shall  
23 incorporate the annually adjusted percentage into the income tax forms and  
24 instructions.”.

1           **17.** Page 913, line 7: after that line insert:

2           “**SECTION 1744bd.** 71.28 (2m) (b) 1. a. of the statutes is amended to read:

3           71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
4 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or  
5 franchise taxes otherwise due, the amount derived under par. (c). If the allowable  
6 amount of claim exceeds the income or franchise taxes otherwise due on or measured  
7 by the claimant’s income or if there are no Wisconsin income or franchise taxes due  
8 on or measured by the claimant’s income, the amount of the claim not used as an  
9 offset against income or franchise taxes shall be certified to the department of  
10 administration for payment to the claimant by check, share draft or other draft paid  
11 from the appropriation under s. 20.835 (2) ~~(q)~~ (dn).

12           **SECTION 1744be.** 71.28 (2m) (b) 1. a. of the statutes, as affected by 1999  
13 Wisconsin Act .... (this act), is repealed and recreated to read:

14           71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
15 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
16 taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
17 claim exceeds the income taxes otherwise due on the claimant’s income or if there are  
18 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not  
19 used as an offset against income taxes shall be certified to the department of  
20 administration for payment to the claimant by check, share draft or other draft paid  
21 from the appropriation under s. 20.835 (2) (q).

22           **SECTION 1744bf.** 71.28 (2m) (c) 3. of the statutes, as created by 1999 Wisconsin  
23 Act 5, is amended to read:

1           71.28 (2m) (c) 3. The department shall annually adjust the percentage that is  
2 used to determine the amount of a claim under subd. 1. based on the estimated  
3 number of claims and the amount estimated to be expended from the appropriation  
4 under s. 20.835 (2) (~~q~~) (dn), as determined under s. 79.13. The department shall  
5 incorporate the annually adjusted percentage into the income tax forms and  
6 instructions.

7           **SECTION 1744bg.** 71.28(2m)(c) 3. of the statutes, as affected by 1999 Wisconsin  
8 Act .... (this act), is repealed and recreated to read:

9           71.28 (2m) (c) 3. The department shall annually adjust the percentage that is  
10 used to determine the amount of a claim under subd. 1. based on the estimated  
11 number of claims and the amount estimated to be expended from the appropriation  
12 under s. 20.835 (2) (q), as determined under s. 79.13. The department shall  
13 incorporate the annually adjusted percentage into the income tax forms and  
14 instructions.”.

15           **18.** Page 943, line 22: after that line insert:

16           **“SECTION 1757bd.** 71.47 (2m) (b) 1. a. of the statutes is amended to read:

17           71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
18 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or  
19 franchise taxes otherwise due, the amount derived under par. (c). If the allowable  
20 amount of claim exceeds the income or franchise taxes otherwise due on or measured  
21 by the claimant’s income or if there are no Wisconsin income or franchise taxes due  
22 on or measured by the claimant’s income, the amount of the claim not used as an  
23 offset against income or franchise taxes shall be certified to the department of

1 administration for payment to the claimant by check, share draft or other draft paid  
2 from the appropriation under s. 20.835 (2) ~~(q)~~ (dn).

3 **SECTION 1757be.** 71.47 (2m) (b) 1. a. of the statutes, as affected by 1999  
4 Wisconsin Act .... (this act), is repealed and recreated to read:

5 71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
6 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
7 taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
8 claim exceeds the income taxes otherwise due on the claimant's income or if there are  
9 no Wisconsin income taxes due on the claimant's income, the amount of the claim not  
10 used as an offset against income taxes shall be certified to the department of  
11 administration for payment to the claimant by check, share draft or other draft paid  
12 from the appropriation under s. 20.835 (2) (q).

13 **SECTION 1744bf.** 71.47 (2m) (c) 3. of the statutes, as created by Wisconsin Act  
14 5, is amended to read:

15 71.47 (2m) (c) 3. The department shall annually adjust the percentage that is  
16 used to determine the amount of a claim under subd. 1. based on the estimated  
17 number of claims and the amount estimated to be expended from the appropriation  
18 under s. 20.835 (2) ~~(q)~~ (dn), as determined under s. 79.13. The department shall  
19 incorporate the annually adjusted percentage into the income tax forms and  
20 instructions.

21 **SECTION 1744bg.** 71.47 (2m) (c) 3. of the statutes, as affected by 1999 Wisconsin  
22 Act .... (this act), is repealed and recreated to read:

23 71.47 (2m) (c) 3. The department shall annually adjust the percentage that is  
24 used to determine the amount of a claim under subd. 1. based on the estimated  
25 number of claims and the amount estimated to be expended from the appropriation

1 under s. 20.835 (2) (q), as determined under s. 79.13. The department shall  
2 incorporate the annually adjusted percentage into the income tax forms and  
3 instructions.”.

4 **19.** Page 958, line 14: after that line insert:

5 **“SECTION 1818Lb.** 79.10 (11) (b) of the statutes, as affected by 1999 Wisconsin  
6 Act 5, is amended to read:

7 79.10 (11) (b) Before October 16, the department of administration shall  
8 determine the total funds available for distribution under the lottery and gaming  
9 credit in the following year and shall inform the joint committee on finance of that  
10 total. Total funds available for distribution shall be all moneys projected to be  
11 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and  
12 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of  
13 the distribution, less the amount estimated to be expended ~~under ss. 20.455 (2) (r),~~  
14 ~~20.566 (2) (r) and s. 20.835 (2) (q) and (3) (r)~~ and less the required reserve under s.  
15 20.003 (5). The joint committee on finance may revise the total amount to be  
16 distributed if it does so at a meeting that takes place before November 1. If the joint  
17 committee on finance does not schedule a meeting to take place before November 1,  
18 the total determined by the department of administration shall be the total amount  
19 estimated to be distributed under the lottery and gaming credit in the following year.

20 **SECTION 1818Lc.** 79.10 (11) (b) of the statutes, as affected by 1999 Wisconsin  
21 Act .... (this act), is repealed and recreated to read:

22 79.10 (11) (b) Before October 16, the department of administration shall  
23 determine the total funds available for distribution under the lottery and gaming  
24 credit in the following year and shall inform the joint committee on finance of that

1 total. Total funds available for distribution shall be all moneys projected to be  
 2 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and  
 3 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of  
 4 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),  
 5 20.566 (2) (r) and 20.835 (2) (q) and (3) (r) and less the required reserve under s.  
 6 20.003 (5). The joint committee on finance may revise the total amount to be  
 7 distributed if it does so at a meeting that takes place before November 1. If the joint  
 8 committee on finance does not schedule a meeting to take place before November 1,  
 9 the total determined by the department of administration shall be the total amount  
 10 estimated to be distributed under the lottery and gaming credit in the following year.

11 **SECTION 1818Ld.** 79.13 (1) of the statutes, as created by 1999 Wisconsin Act  
 12 5, is amended to read:

13 79.13 (1) In the 1999–2000 fiscal year, the amount that is estimated to be  
 14 expended from the appropriation under s. 20.835 (2) (q) (dn) is \$15,000,000.

15 **SECTION 1818Le.** 79.13 (1) of the statutes, as affected by 1999 Wisconsin Act  
 16 ... (this act), is repealed and recreated to read:

17 79.13 (1) In the 1999–2000 fiscal year, the amount that is estimated to be  
 18 expended from the appropriation under s. 20.835 (2) (q) is \$15,000,000.

19 **SECTION 1818Lf.** 79.13 (2) of the statutes, as created by 1999 Wisconsin Act 5,  
 20 is amended to read: *renumbered 79.13(2)(a) and*

21 79.13 (2) <sup>(a)</sup> In the 2000–01 fiscal year, ~~and in each fiscal year thereafter,~~ the  
 22 amount that is estimated to be expended from the appropriation under s. 20.835 (2)  
 23 (q) (dn) is \$15,000,000, plus the amount that is estimated to be expended from the  
 24 appropriation under s. 20.835 (2) (q) (dn) in the previous fiscal year and less the

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actual amount that is expended from the appropriation under s. 20.835 (2) ~~(q)~~ <sup>(dn)</sup> in the previous fiscal year.

**SECTION 1818Lg.** 79.13 (2) <sup>(b)</sup> of the statutes, as affected by 1999 Wisconsin Act ~~(this act)~~, is ~~repealed and recreated~~ <sup>recreated</sup> to read:

79.13 (2) <sup>(r)</sup> In the ~~2000-01~~ <sup>2001-02</sup> fiscal year, ~~and in each fiscal year thereafter~~ <sup>strike</sup>, the amount that is estimated to be expended from the appropriation under s. 20.835 (2) (q) is \$15,000,000, plus the amount that is estimated to be expended from the appropriation under s. 20.835 (2) ~~(q)~~ <sup>(dn)</sup> in the previous fiscal year and less the actual amount that is expended from the appropriation under s. 20.835 (2) ~~(q)~~ <sup>(dn)</sup> in the previous fiscal year.”

INSERT 14-10 ✓

**20.** Page 1402, line 19: after that line insert:

“**SECTION 3025w.** 565.45 of the statutes is amended to read:

**565.45 Report on expense limitation.** Before January 1, 1992 ~~2002~~, and every 2 years thereafter, the department shall submit a report to the chief clerk of each house of the legislature, for distribution to the legislature under s. 13.172 (2), on the effects on the operation of the lottery of the 10% expense limitation under s. 25.75 (3) (b).”.

**21.** Page 1527, line 15: after that line insert:

“(2e) **GAMING LAW ENFORCEMENT POSITION AUTHORIZATION.** The authorized FTE positions for the department of justice are increased by 2.75 GPR positions to be funded from the appropriation under section 20.455 (2) (fm) of the statutes, as created by this act, for the purpose of gaming law enforcement.”.

**22.** Page 1545, line 18: after that line insert:

1           “(3e) LOTTERY GENERAL PROGRAM OPERATIONS POSITION AUTHORIZATION. The  
2 authorized FTE positions for the department of revenue are increased by 110.5 GPR  
3 positions to be funded from the appropriation under section 20.566 (8) (a) of the  
4 statutes, as created by this act, for the purpose of conducting general program  
5 operations for the lottery.

6           (3f) LOTTERY AND GAMING CREDIT POSITION AUTHORIZATION. The authorized FTE  
7 positions for the department of revenue are increased by 3.0 GPR positions to be  
8 funded from the appropriation under section 20.566 (2) (am) of the statutes, as  
9 created by this act, for the purpose of administering the lottery and gaming credit.

10           (3g) TRANSFER TO LOTTERY FUND. The legislature intends that the amounts  
11 transferred from the general fund to the lottery fund under SECTION 9243 (2c) of this  
12 act, be used to reimburse the lottery fund for expenditures made from October 1,  
13 1995, to June 30, 1999, from the appropriations under section 20.455 (2) (r), 1995  
14 stats., section 20.566 (2) (r), 1995 stats., section 20.566 (8) (q), (r) and (v), 1995 stats.,  
15 section 20.835 (2) (q), 1995 stats., section 20.455 (2) (r), 1997 stats., section 20.566  
16 (2) (r), 1997 stats., section 20.566 (8) (q), (r) and (v), 1997 stats., and section 20.835  
17 (2) (q), 1997 stats.”.

18           **23.** Page 1580, line 2: after that line insert:

19           “(2c) TRANSFERS TO THE LOTTERY FUND.

20           (a) On March 27, 2000, there is transferred from the general fund to the lottery  
21 fund \$37,207,000.

22           (b) On March 26, 2001, there is transferred from the general fund to the lottery  
23 fund \$216,689,300.”.

24           **24.** Page 1600, line 20: after that line insert:



1818Lh@ (c) created  
Section #. 79.13 (2) of the statutes is ~~amended~~ to read:

INSERT  
14-10

2002-03 ✓  
79.13 (2) In the ~~2001-01~~ fiscal year, and in each fiscal year thereafter, the amount that is estimated to be expended from the appropriation under s. 20.835 (2) (q) is \$15,000,000, plus the amount that is estimated to be expended from the appropriation under s. 20.835 (2) (q) in the previous fiscal year and less the actual amount that is expended from the appropriation under s. 20.835 (2) (q) in the previous fiscal year. ~~NO~~

History: 1999 a. 5.

end of insert 14-10



State of Wisconsin  
1999 - 2000 LEGISLATURE

4  
LRBb1888/3  
ISR&JK:jlg&wlj:jf

LFB:.....Olin - Transfer of lottery appropriations and transfer to lottery fund  
FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION  
ASSEMBLY AMENDMENT ,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 1999 ASSEMBLY BILL 133

~~Issued~~ NOW  
10-4-99

D-N

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 219, line 13: after that line insert:

3 "(fm) Gaming law enforcement GPR A 226,000 226,700".

4 2. Page 221, line 5: decrease the dollar amount for fiscal year 1999-00 by  
5 \$226,000 and decrease the dollar amount for fiscal year 2000-01 by \$226,700 to  
6 decrease the number of authorized FTE positions by 2.75 SEG positions and for the  
7 purpose of reducing funding for gaming enforcement.

8 3. Page 253, line 13: after that line insert:

9 "(am) Lottery and gaming credit  
10 administration GPR A 173,900 186,400".

1           **4.** Page 254, line 7: decrease the dollar amount for fiscal year 1999–00 by  
2           \$43,300 and decrease the dollar amount for fiscal year 2000–01 by \$33,500 for the  
3           purpose of reducing funding for lottery credit administration.

4           **5.** Page 255, line 8: after that line insert:

5	“(a) General program operations	GPR	A	21,095,800	21,095,800
6	(b) Retailer compensation	GPR	S	–0–	–0–
7	(c) Vendor fees	GPR	S	–0–	–0–”.

8           **6.** Page 255, line 9: decrease the dollar amount for fiscal year 1999–00 by  
9           \$21,095,800 and decrease the dollar amount for fiscal year 2000–01 by \$21,095,800  
10          to decrease the authorized FTE positions by 110.5 SEG positions and for the purpose  
11          of decreasing the funding for general program operations for the lottery.

12          **7.** Page 265, line 3: after that line insert:

13	“(dn) Farmland tax relief credit	GPR	S	–0–	–0–”.
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14          **8.** Page 366, line 3: after that line insert:

15          “**SECTION 481d.** 20.455 (2) (fm) of the statutes is created to read:

16          20.455 (2) (fm) *Gaming law enforcement.* The amounts in the schedule for the  
17          performance of the department’s gaming law enforcement responsibilities as  
18          specified in s. 165.70 (3m). No moneys may be encumbered or expended from this  
19          appropriation account after the day of publication of the 2001–03 biennial budget  
20          act.”.

21          **9.** Page 367, line 25: after that line insert:

22          “**SECTION 490g.** 20.455 (2) (r) of the statutes is amended to read:

1           20.455 (2) (r) *Gaming law enforcement; lottery revenues.* From the lottery fund,  
2 the amounts in the schedule for the performance of the department’s gaming law  
3 enforcement responsibilities as specified in s. 165.70 (3m). No moneys may be  
4 encumbered or expended from this appropriation account during the 1999–2001  
5 fiscal biennium.”

6           **10.** Page 391, line 20: after that line insert:

7           “**SECTION 595g.** 20.566 (2) (am) of the statutes is created to read:

8           20.566 (2) (am) *Lottery and gaming credit administration.* The amounts in the  
9 schedule for the administration of the lottery and gaming credit. No moneys may be  
10 encumbered or expended from this appropriation account after the day of publication  
11 of the 2001–03 biennial budget act.

12           **SECTION 595m.** 20.566 (2) (r) of the statutes, as affected by 1999 Wisconsin Act  
13 5, is amended to read:

14           20.566 (2) (r) *Lottery and gaming credit administration.* From the lottery fund,  
15 the amounts in the schedule for the administration of the lottery and gaming credit.  
16 No moneys may be encumbered or expended from this appropriation account during  
17 the 1999–2001 fiscal year biennium.”

18           **11.** Page 391, line 25: after that line insert:

19           “**SECTION 596q.** 20.566 (8) (a) of the statutes is created to read:

20           20.566 (8) (a) *General program operations.* The amounts in the schedule for  
21 general program operations under ch. 565. No moneys may be encumbered or  
22 expended from this appropriation account after the day of publication of the 2001–03  
23 biennial budget act.

24           **SECTION 596r.** 20.566 (8) (b) of the statutes is created to read:

1           20.566 (8) (b) *Retailer compensation*. A sum sufficient to pay compensation to  
2 retailers under s. 565.10 (14) (b). No moneys may be encumbered or expended from  
3 this appropriation account after the day of publication of the 2001–03 biennial  
4 budget act.

5           **SECTION 596s.** 20.566 (8) (c) of the statutes is created to read:

6           20.566 (8) (c) *Vendor fees*. A sum sufficient to pay vendors for on–line and  
7 instant ticket services and supplies provided by the vendors under contract under  
8 s. 565.25 (2) (a). No moneys may be encumbered or expended from this appropriation  
9 account after the day of publication of the 2001–03 biennial budget act.”.

10          **12.** Page 392, line 1: delete lines 1 to 6 and substitute:

11          “**SECTION 597g.** 20.566 (8) (q) of the statutes, as affected by 1999 Wisconsin Act  
12 5, is amended to read:

13          20.566 (8) (q) *General program operations*. From the lottery fund, the amounts  
14 in the schedule for general program operations under ch. 565. No moneys may be  
15 encumbered or expended from this appropriation account during the 1999–2001  
16 fiscal biennium.

17          **SECTION 597c.** 20.566 (8) (r) of the statutes is amended to read:

18          20.566 (8) (r) *Retailer compensation*. From the lottery fund, a sum sufficient  
19 to pay compensation to retailers under s. 565.10 (14) (b). No moneys may be  
20 encumbered or expended from this appropriation account during the 1999–2001  
21 fiscal biennium.

22          **SECTION 597f.** 20.566 (8) (v) of the statutes is amended to read:

23          20.566 (8) (v) *Vendor fees*. From the lottery fund, a sum sufficient to pay  
24 vendors for on–line and instant ticket services and supplies provided by the vendors

1 under contract under s. 565.25 (2) (a). No moneys may be encumbered or expended  
2 from this appropriation account during the 1999–2001 fiscal biennium.”

3 **13.** Page 395, line 4: after that line insert:

4 “**SECTION 606t.** 20.835 (2) (dn) of the statutes is created to read:

5 20.835 (2) (dn) *Farmland tax relief credit.* A sum sufficient to pay the aggregate  
6 claims approved under ss. 71.07 (3m) (c), 71.28 (2m) (c) and 71.47 (2m) (c). No moneys  
7 may be encumbered or expended from this appropriation after the day of publication  
8 of the 2001–03 biennial budget act.”

9 **14.** Page 395, line 19: after that line insert:

10 “**SECTION 612p.** 20.835 (2) (q) of the statutes is amended to read:

11 20.835 (2) (q) *Farmland tax relief credit.* From the lottery fund, a sum  
12 sufficient to pay the aggregate claims approved under ss. 71.07 (3m) (c), 71.28 (2m)  
13 (c) and 71.47 (2m) (c). No moneys may be encumbered or expended from this  
14 appropriation account during the 1999–2001 fiscal biennium.”

15 **15.** Page 470, line 14: after that line insert:

16 “**SECTION 717xa.** 25.75 (1) (b) of the statutes is amended to read:

17 25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of  
18 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of  
19 fees, if any, under s. 565.10 (8) ~~and includes compensation, including bonuses, if any,~~  
20 ~~paid to retailers under s. 565.10 (14), regardless of whether the compensation is~~  
21 ~~deducted by the retailer prior to transmitting lottery ticket and lottery share~~  
22 ~~revenues to the commission.~~

23 **SECTION 717xb.** 25.75 (1) (b) of the statutes, as affected by 1999 Wisconsin Act

24 .... (this act), is repealed and recreated to read:

1           25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of  
2 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of  
3 fees, if any, under s. 565.10 (8) and includes compensation, including bonuses, if any,  
4 paid to retailers under s. 565.10 (14), regardless of whether the compensation is  
5 deducted by the retailer prior to transmitting lottery ticket and lottery share  
6 revenues to the commission.

7           **SECTION 717xf.** 25.75 (1) (c) 3. of the statutes is repealed.

8           **SECTION 717xg.** 25.75 (1) (c) 3. of the statutes is created to read:

9           25.75 (1) (c) 3. Amounts for other expenses including compensation paid to  
10 retailers under s. 565.10 (14) and amounts paid to vendors for on-line services and  
11 supplies provided by the vendors under contract under s. 565.25 (2) (a).

12           **SECTION 717xh.** 25.75 (2) of the statutes, as affected by 1999 Wisconsin Act 5,  
13 is amended to read:

14           **25.75 (2) CREATION.** There is created a separate nonlapsible trust fund known  
15 as the lottery fund, to consist of gross lottery revenues received by the department  
16 of revenue and moneys transferred to the lottery fund under ss. 20.455 (2) (g) and  
17 20.505 (8) (am), (g) and (jm) and 1999 Wisconsin Act ... (this act), section 9243 (2c).

18           **SECTION 717xi.** 25.75 (3) (b) of the statutes is repealed.

19           **SECTION 717xj.** 25.75 (3) (b) of the statutes is created to read:

20           **25.75 (3) (b) Expenses.** No more than an amount equal to 10% of gross lottery  
21 revenues for each year may be expended to pay the expenses for the operation and  
22 administration of the lottery, except that expenses for the operation and  
23 administration of the lottery may exceed 10% of gross lottery revenues if so approved  
24 by the joint committee on finance under s. 13.10. In computing expenses subject to  
25 the 10% limitation under this paragraph:

- 1 1. Compensation paid to retailers under s. 565.10 (14) shall not be included.
- 2 2. Capital expenditures may be amortized.
- 3 3. Payments to vendors for on-line services and supplies provided by the
- 4 vendors under contract under s. 565.25 (2) (a) shall be included.
- 5 4. Moneys appropriated from the lottery fund under s. 20.455 (2) (r) shall not
- 6 be included.

7 **SECTION 717yn.** 25.75 (3) (e) of the statutes is created to read:

8 25.75 (3) (e) From the appropriation under s. 20.566 (2) (r), lottery proceeds  
9 shall be used to offset department of revenue expenses in administering the lottery  
10 credit.

11 **SECTION 717ym.** 25.75 (3) (e) of the statutes, as affected by 1999 Wisconsin Act  
12 5, is repealed.”.

13 **16.** Page 849, line 7: after that line insert:

14 “**SECTION 1710db.** 71.07 (3m) (b) 1. a. of the statutes is amended to read:

15 71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and  
16 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
17 taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
18 claim exceeds the income taxes otherwise due on the claimant’s income or if there are  
19 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not  
20 used as an offset against income taxes shall be certified to the department of  
21 administration for payment to the claimant by check, share draft or other draft paid  
22 from the appropriation under s. 20.835 (2) (~~q~~) (dn).

23 **SECTION 1710dc.** 71.07 (3m) (b) 1. a. of the statutes, as affected by 1999  
24 Wisconsin Act .... (this act), is repealed and recreated to read:

1           71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and  
2 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
3 taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
4 claim exceeds the income taxes otherwise due on the claimant's income or if there are  
5 no Wisconsin income taxes due on the claimant's income, the amount of the claim not  
6 used as an offset against income taxes shall be certified to the department of  
7 administration for payment to the claimant by check, share draft or other draft paid  
8 from the appropriation under s. 20.835 (2) (q).

9           **SECTION 1710dd.** 71.07 (3m) (c) 3. of the statutes, as created by 1999 Wisconsin  
10 Act 5, is amended to read:

11           71.07 (3m) (c) 3. The department shall annually adjust the percentage that is  
12 used to determine the amount of a claim under subd. 1. based on the estimated  
13 number of claims and the amount estimated to be expended from the appropriation  
14 under s. 20.835 (2) (~~q~~) (dn), as determined under s. 79.13. The department shall  
15 incorporate the annually adjusted percentage into the income tax forms and  
16 instructions.

17           **SECTION 1710de.** 71.07 (3m) (c) 3. of the statutes, as affected by 1999 Wisconsin  
18 Act .... (this act), is repealed and recreated to read:

19           71.07 (3m) (c) 3. The department shall annually adjust the percentage that is  
20 used to determine the amount of a claim under subd. 1. based on the estimated  
21 number of claims and the amount estimated to be expended from the appropriation  
22 under s. 20.835 (2) (q), as determined under s. 79.13. The department shall  
23 incorporate the annually adjusted percentage into the income tax forms and  
24 instructions.”.

1           **17.** Page 913, line 7: after that line insert:

2           “**SECTION 1744bd.** 71.28 (2m) (b) 1. a. of the statutes is amended to read:

3           71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
4 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or  
5 franchise taxes otherwise due, the amount derived under par. (c). If the allowable  
6 amount of claim exceeds the income or franchise taxes otherwise due on or measured  
7 by the claimant’s income or if there are no Wisconsin income or franchise taxes due  
8 on or measured by the claimant’s income, the amount of the claim not used as an  
9 offset against income or franchise taxes shall be certified to the department of  
10 administration for payment to the claimant by check, share draft or other draft paid  
11 from the appropriation under s. 20.835 (2) ~~(q)~~ (dn).

12           **SECTION 1744be.** 71.28 (2m) (b) 1. a. of the statutes, as affected by 1999  
13 Wisconsin Act .... (this act), is repealed and recreated to read:

14           71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
15 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
16 taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
17 claim exceeds the income taxes otherwise due on the claimant’s income or if there are  
18 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not  
19 used as an offset against income taxes shall be certified to the department of  
20 administration for payment to the claimant by check, share draft or other draft paid  
21 from the appropriation under s. 20.835 (2) (q).

22           **SECTION 1744bf.** 71.28 (2m) (c) 3. of the statutes, as created by 1999 Wisconsin  
23 Act 5, is amended to read:

1           71.28 (2m) (c) 3. The department shall annually adjust the percentage that is  
2 used to determine the amount of a claim under subd. 1. based on the estimated  
3 number of claims and the amount estimated to be expended from the appropriation  
4 under s. 20.835 (2) ~~(q)~~ (dn), as determined under s. 79.13. The department shall  
5 incorporate the annually adjusted percentage into the income tax forms and  
6 instructions.

7           **SECTION 1744bg.** 71.28 (2m) (c) 3. of the statutes, as affected by 1999 Wisconsin  
8 Act .... (this act), is repealed and recreated to read:

9           71.28 (2m) (c) 3. The department shall annually adjust the percentage that is  
10 used to determine the amount of a claim under subd. 1. based on the estimated  
11 number of claims and the amount estimated to be expended from the appropriation  
12 under s. 20.835 (2) (q), as determined under s. 79.13. The department shall  
13 incorporate the annually adjusted percentage into the income tax forms and  
14 instructions.”

15           **18.** Page 943, line 22: after that line insert:

16           **“SECTION 1757bd.** 71.47 (2m) (b) 1. a. of the statutes is amended to read:

17           71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
18 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or  
19 franchise taxes otherwise due, the amount derived under par. (c). If the allowable  
20 amount of claim exceeds the income or franchise taxes otherwise due on or measured  
21 by the claimant’s income or if there are no Wisconsin income or franchise taxes due  
22 on or measured by the claimant’s income, the amount of the claim not used as an  
23 offset against income or franchise taxes shall be certified to the department of

1 administration for payment to the claimant by check, share draft or other draft paid  
2 from the appropriation under s. 20.835 (2) ~~(q)~~ (dn).

3 **SECTION 1757be.** 71.47 (2m) (b) 1. a. of the statutes, as affected by 1999  
4 Wisconsin Act .... (this act), is repealed and recreated to read:

5 71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
6 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
7 taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
8 claim exceeds the income taxes otherwise due on the claimant's income or if there are  
9 no Wisconsin income taxes due on the claimant's income, the amount of the claim not  
10 used as an offset against income taxes shall be certified to the department of  
11 administration for payment to the claimant by check, share draft or other draft paid  
12 from the appropriation under s. 20.835 (2) (q).

13 **SECTION 1744bf.** 71.47 (2m) (c) 3. of the statutes, as created by Wisconsin Act  
14 5, is amended to read:

15 71.47 (2m) (c) 3. The department shall annually adjust the percentage that is  
16 used to determine the amount of a claim under subd. 1. based on the estimated  
17 number of claims and the amount estimated to be expended from the appropriation  
18 under s. 20.835 (2) ~~(q)~~ (dn), as determined under s. 79.13. The department shall  
19 incorporate the annually adjusted percentage into the income tax forms and  
20 instructions.

21 **SECTION 1744bg.** 71.47 (2m) (c) 3. of the statutes, as affected by 1999 Wisconsin  
22 Act .... (this act), is repealed and recreated to read:

23 71.47 (2m) (c) 3. The department shall annually adjust the percentage that is  
24 used to determine the amount of a claim under subd. 1. based on the estimated  
25 number of claims and the amount estimated to be expended from the appropriation

1 under s. 20.835 (2) (q), as determined under s. 79.13. The department shall  
2 incorporate the annually adjusted percentage into the income tax forms and  
3 instructions.”.

4 **19.** Page 958, line 14: after that line insert:

5 **“SECTION 1818Lb.** 79.10 (11) (b) of the statutes, as affected by 1999 Wisconsin  
6 Act 5, is amended to read:

7 79.10 (11) (b) Before October 16, the department of administration shall  
8 determine the total funds available for distribution under the lottery and gaming  
9 credit in the following year and shall inform the joint committee on finance of that  
10 total. Total funds available for distribution shall be all moneys projected to be  
11 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and  
12 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of  
13 the distribution, less the amount estimated to be expended ~~under ss. 20.455 (2) (r),~~  
14 ~~20.566 (2) (r) and s. 20.835 (2) (q) and (3) (r)~~ and less the required reserve under s.  
15 20.003 (5). The joint committee on finance may revise the total amount to be  
16 distributed if it does so at a meeting that takes place before November 1. If the joint  
17 committee on finance does not schedule a meeting to take place before November 1,  
18 the total determined by the department of administration shall be the total amount  
19 estimated to be distributed under the lottery and gaming credit in the following year.

20 **SECTION 1818Lc.** 79.10 (11) (b) of the statutes, as affected by 1999 Wisconsin  
21 Act .... (this act), is repealed and recreated to read:

22 79.10 (11) (b) Before October 16, the department of administration shall  
23 determine the total funds available for distribution under the lottery and gaming  
24 credit in the following year and shall inform the joint committee on finance of that

1 total. Total funds available for distribution shall be all moneys projected to be  
2 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and  
3 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of  
4 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),  
5 20.566 (2) (r) and 20.835 (2) (q) and (3) (r) and less the required reserve under s.  
6 20.003 (5). The joint committee on finance may revise the total amount to be  
7 distributed if it does so at a meeting that takes place before November 1. If the joint  
8 committee on finance does not schedule a meeting to take place before November 1,  
9 the total determined by the department of administration shall be the total amount  
10 estimated to be distributed under the lottery and gaming credit in the following year.

11 **SECTION 1818Ld.** 79.13 (1) of the statutes, as created by 1999 Wisconsin Act  
12 5, is amended to read:

13 79.13 (1) In the 1999–2000 fiscal year, the amount that is estimated to be  
14 expended from the appropriation under s. 20.835 (2) ~~(q)~~ (dn) is \$15,000,000.

15 **SECTION 1818Lf.** 79.13 (2) of the statutes, as created by 1999 Wisconsin Act 5,  
16 is renumbered 79.13 (2) (a) and amended to read:

17 79.13 (2) (a) In the 2000–01 fiscal year, ~~and in each fiscal year thereafter,~~ the  
18 amount that is estimated to be expended from the appropriation under s. 20.835 (2)  
19 ~~(q)~~ (dn) is \$15,000,000, plus the amount that is estimated to be expended from the  
20 appropriation under s. 20.835 (2) ~~(q)~~ (dn) in the previous fiscal year and less the  
21 actual amount that is expended from the appropriation under s. 20.835 (2) ~~(q)~~ (dn)  
22 in the previous fiscal year.

23 **SECTION 1818Lg.** 79.13 (2) (b) of the statutes is created to read:

24 79.13 (2) (b) In the 2001–02 fiscal year, the amount that is estimated to be  
25 expended from the appropriation under s. 20.835 (2) (q) is \$15,000,000, plus the

1 amount that is estimated to be expended from the appropriation under s. 20.835 (2)  
2 (dn) in the previous fiscal year and less the actual amount that is expended from the  
3 appropriation under s. 20.835 (2) (dn) in the previous fiscal year.

4 **SECTION 1818Lh.** 79.13 (2) (c) of the statutes is created to read:

5 79.13 (2) (c) In the 2002–03 fiscal year, and in each fiscal year thereafter, the  
6 amount that is estimated to be expended from the appropriation under s. 20.835 (2)  
7 (q) is \$15,000,000, plus the amount that is estimated to be expended from the  
8 appropriation under s. 20.835 (2) (q) in the previous fiscal year and less the actual  
9 amount that is expended from the appropriation under s. 20.835 (2) (q) in the  
10 previous fiscal year.”.

11 **20.** Page 1402, line 19: after that line insert:

12 “**SECTION 3025w.** 565.45 of the statutes is amended to read:

13 **565.45 Report on expense limitation.** Before January 1, ~~1992~~ 2002, and  
14 every 2 years thereafter, the department shall submit a report to the chief clerk of  
15 each house of the legislature, for distribution to the legislature under s. 13.172 (2),  
16 on the effects on the operation of the lottery of the 10% expense limitation under s.  
17 25.75 (3) (b).”.

18 **21.** Page 1527, line 15: after that line insert:

19 “(2e) **GAMING LAW ENFORCEMENT POSITION AUTHORIZATION.** The authorized FTE  
20 positions for the department of justice are increased by 2.75 GPR positions to be  
21 funded from the appropriation under section 20.455 (2) (fm) of the statutes, as  
22 created by this act, for the purpose of gaming law enforcement.”.

23 **22.** Page 1545, line 18: after that line insert:

1           “(3e) LOTTERY GENERAL PROGRAM OPERATIONS POSITION AUTHORIZATION. The  
2 authorized FTE positions for the department of revenue are increased by 110.5 GPR  
3 positions to be funded from the appropriation under section 20.566 (8) (a) of the  
4 statutes, as created by this act, for the purpose of conducting general program  
5 operations for the lottery.

6           (3f) LOTTERY AND GAMING CREDIT POSITION AUTHORIZATION. The authorized FTE  
7 positions for the department of revenue are increased by 3.0 GPR positions to be  
8 funded from the appropriation under section 20.566 (2) (am) of the statutes, as  
9 created by this act, for the purpose of administering the lottery and gaming credit.

10           (3g) TRANSFER TO LOTTERY FUND. The legislature intends that the amounts  
11 transferred from the general fund to the lottery fund under SECTION 9243 (2c) of this  
12 act, be used to reimburse the lottery fund for expenditures made from October 1,  
13 1995, to June 30, 1999, from the appropriations under section 20.455 (2) (r), 1995  
14 stats., section 20.566 (2) (r), 1995 stats., section 20.566 (8) (q), (r) and (v), 1995 stats.,  
15 section 20.835 (2) (q), 1995 stats., section 20.455 (2) (r), 1997 stats., section 20.566  
16 (2) (r), 1997 stats., section 20.566 (8) (q), (r) and (v), 1997 stats., and section 20.835  
17 (2) (q), 1997 stats.”

18           **23.** Page 1580, line 2: after that line insert:

19           “(2c) TRANSFERS TO THE LOTTERY FUND.

20           (a) On March 27, 2000, there is transferred from the general fund to the lottery  
21 fund \$37,207,000.

22           (b) On March 26, 2001, there is transferred from the general fund to the lottery  
23 fund \$216,689,300.”

24           **24.** Page 1600, line 20: after that line insert:

1           “(24e) LOTTERY FUND. The repeal and recreation of sections 25.75 (1) (b), 71.07  
2 (3m) (b) 1. a. and (c) 3., 71.28 (2m) (b) 1. a. and (c) 3., 71.47 (2m) (b) 1. a. and (c) 3.  
3 and 79.10 (11) (b) of the statutes and the creation of section 25.75 (1) (c) 3. and (3) (b)  
4 and (e) of the statutes take effect on the effective date of the 2001–03 biennial budget  
5 act.”.

6

(END)

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

LRBb1888/24  
ISR&JK:jlg&wikm

Don

↑  
stays

October 4, 1999

Please note that I have included a statement of legislative intent that may help to sustain this amendment if it faces a constitutional challenge. Also note that this amendment raises two constitutional issues. The first issue is whether the constitution prohibits the use of general program revenue to pay for general program operations and other related costs of the lottery. Article IV, section 24 (6) (a), of the constitution requires that the net proceeds of the lottery be used for property tax relief. It is unclear what the term "net proceeds" means. A court may find that the term "net proceeds" means gross lottery revenues less lottery prizes and other costs associated with the lottery such as general program operations and vendor fees and thus the use of general program revenues is unconstitutional.

The second issue is whether the moneys transferred from the general fund to the lottery fund may be used toward payment of the lottery and gaming credit as it is currently distributed. Under current law, the lottery and gaming credit is paid from the net proceeds of the lottery. Under article IV, section 24 (6) (a), of the constitution, these net lottery proceeds are not subject to the Uniformity Clause of article VIII, section 1, of the constitution. All other state funds distributed for property tax relief are subject to the uniformity requirement.

It is unclear whether general program revenue transferred to the lottery fund may be considered net proceeds of the lottery. A court may find that the general program revenue transferred under this amendment does not qualify as net proceeds of the lottery and thus is subject to the Uniformity Clause. As the lottery and gaming credit is not distributed uniformly under current law, if a court held that the general program revenue is subject to the Uniformity Clause, using the \$200 million of general program revenue toward payment of the lottery and gaming credit would be unconstitutional.

Please review this amendment carefully to make sure it achieves your intent. If you have any questions, please feel free to contact me.

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

LRBb1888/4dn  
ISR&JK:jlg&wlj:jf

October 4, 1999

Please note that I have included a statement of legislative intent that may help to sustain this amendment if it faces a constitutional challenge. Also note that this amendment raises two constitutional issues. The first issue is whether the constitution prohibits the use of general program revenue to pay for general program operations and other related costs of the lottery. Article IV, section 24 (6) (a), of the constitution requires that the net proceeds of the lottery be used for property tax relief. It is unclear what the term "net proceeds" means. A court may find that the term "net proceeds" means gross lottery revenues less lottery prizes and other costs associated with the lottery such as general program operations and vendor fees and thus the use of general program revenues is unconstitutional.

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It is unclear whether general program revenue transferred to the lottery fund may be considered net proceeds of the lottery. A court may find that the general program revenue transferred under this amendment does not qualify as net proceeds of the lottery and thus is subject to the Uniformity Clause. As the lottery and gaming credit is not distributed uniformly under current law, if a court held that the general program revenue is subject to the Uniformity Clause, using the \$200 million of general program revenue toward payment of the lottery and gaming credit would be unconstitutional.

Please review this amendment carefully to make sure it achieves your intent. If you have any questions, please feel free to contact me.

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State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb1888/4  
ISR&JK;jlg&wlj;jf

LFB:.....Olin – Transfer of lottery appropriations and transfer to lottery fund  
FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION  
**ASSEMBLY AMENDMENT ,**  
**TO ASSEMBLY SUBSTITUTE AMENDMENT 1,**  
**TO 1999 ASSEMBLY BILL 133**

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 219, line 13: after that line insert:

3 “(fm) Gaming law enforcement GPR A 226,000 226,700”.

4 **2.** Page 221, line 5: decrease the dollar amount for fiscal year 1999-00 by  
5 \$226,000 and decrease the dollar amount for fiscal year 2000-01 by \$226,700 to  
6 decrease the number of authorized FTE positions by 2.75 SEG positions and for the  
7 purpose of reducing funding for gaming enforcement.

8 **3.** Page 253, line 13: after that line insert:

9 “(am) Lottery and gaming credit  
10 administration GPR A 173,900 186,400”.

1           **4.** Page 254, line 7: decrease the dollar amount for fiscal year 1999–00 by  
2 \$43,300 and decrease the dollar amount for fiscal year 2000–01 by \$33,500 for the  
3 purpose of reducing funding for lottery credit administration.

4           **5.** Page 255, line 8: after that line insert:

5	“(a) General program operations	GPR	A	21,095,800	21,095,800
6	(b) Retailer compensation	GPR	S	–0–	–0–
7	(c) Vendor fees	GPR	S	–0–	–0–”.

8           **6.** Page 255, line 9: decrease the dollar amount for fiscal year 1999–00 by  
9 \$21,095,800 and decrease the dollar amount for fiscal year 2000–01 by \$21,095,800  
10 to decrease the authorized FTE positions by 110.5 SEG positions and for the purpose  
11 of decreasing the funding for general program operations for the lottery.

12           **7.** Page 265, line 3: after that line insert:

13	“(dn) Farmland tax relief credit	GPR	S	–0–	–0–”.
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14           **8.** Page 366, line 3: after that line insert:

15           **“SECTION 481d.** 20.455 (2) (fm) of the statutes is created to read:

16           20.455 (2) (fm) *Gaming law enforcement.* The amounts in the schedule for the  
17 performance of the department’s gaming law enforcement responsibilities as  
18 specified in s. 165.70 (3m). No moneys may be encumbered or expended from this  
19 appropriation account after the day of publication of the 2001–03 biennial budget  
20 act.”.

21           **9.** Page 367, line 25: after that line insert:

22           **“SECTION 490g.** 20.455 (2) (r) of the statutes is amended to read:

1           20.455 (2) (r) *Gaming law enforcement; lottery revenues.* From the lottery fund,  
2 the amounts in the schedule for the performance of the department’s gaming law  
3 enforcement responsibilities as specified in s. 165.70 (3m). No moneys may be  
4 encumbered or expended from this appropriation account during the 1999–2001  
5 fiscal biennium.”

6           **10.** Page 391, line 20: after that line insert:

7           “**SECTION 595g.** 20.566 (2) (am) of the statutes is created to read:

8           20.566 (2) (am) *Lottery and gaming credit administration.* The amounts in the  
9 schedule for the administration of the lottery and gaming credit. No moneys may be  
10 encumbered or expended from this appropriation account after the day of publication  
11 of the 2001–03 biennial budget act.

12           **SECTION 595m.** 20.566 (2) (r) of the statutes, as affected by 1999 Wisconsin Act  
13 5, is amended to read:

14           20.566 (2) (r) *Lottery and gaming credit administration.* From the lottery fund,  
15 the amounts in the schedule for the administration of the lottery and gaming credit.  
16 No moneys may be encumbered or expended from this appropriation account during  
17 the 1999–2001 fiscal year biennium.”

18           **11.** Page 391, line 25: after that line insert:

19           “**SECTION 596q.** 20.566 (8) (a) of the statutes is created to read:

20           20.566 (8) (a) *General program operations.* The amounts in the schedule for  
21 general program operations under ch. 565. No moneys may be encumbered or  
22 expended from this appropriation account after the day of publication of the 2001–03  
23 biennial budget act.

24           **SECTION 596r.** 20.566 (8) (b) of the statutes is created to read:

1           20.566 (8) (b) *Retailer compensation*. A sum sufficient to pay compensation to  
2 retailers under s. 565.10 (14) (b). No moneys may be encumbered or expended from  
3 this appropriation account after the day of publication of the 2001–03 biennial  
4 budget act.

5           **SECTION 596s.** 20.566 (8) (c) of the statutes is created to read:

6           20.566 (8) (c) *Vendor fees*. A sum sufficient to pay vendors for on–line and  
7 instant ticket services and supplies provided by the vendors under contract under  
8 s. 565.25 (2) (a). No moneys may be encumbered or expended from this appropriation  
9 account after the day of publication of the 2001–03 biennial budget act.”.

10           **12.** Page 392, line 1: delete lines 1 to 6 and substitute:

11           **“SECTION 597g.** 20.566 (8) (q) of the statutes, as affected by 1999 Wisconsin Act  
12 5, is amended to read:

13           20.566 (8) (q) *General program operations*. From the lottery fund, the amounts  
14 in the schedule for general program operations under ch. 565. No moneys may be  
15 encumbered or expended from this appropriation account during the 1999–2001  
16 fiscal biennium.

17           **SECTION 597c.** 20.566 (8) (r) of the statutes is amended to read:

18           20.566 (8) (r) *Retailer compensation*. From the lottery fund, a sum sufficient  
19 to pay compensation to retailers under s. 565.10 (14) (b). No moneys may be  
20 encumbered or expended from this appropriation account during the 1999–2001  
21 fiscal biennium.

22           **SECTION 597f.** 20.566 (8) (v) of the statutes is amended to read:

23           20.566 (8) (v) *Vendor fees*. From the lottery fund, a sum sufficient to pay  
24 vendors for on–line and instant ticket services and supplies provided by the vendors

1 under contract under s. 565.25 (2) (a). No moneys may be encumbered or expended  
2 from this appropriation account during the 1999–2001 fiscal biennium.”.

3 **13.** Page 395, line 4: after that line insert:

4 “**SECTION 606t.** 20.835 (2) (dn) of the statutes is created to read:

5 20.835 (2) (dn) *Farmland tax relief credit.* A sum sufficient to pay the aggregate  
6 claims approved under ss. 71.07 (3m) (c), 71.28 (2m) (c) and 71.47 (2m) (c). No moneys  
7 may be encumbered or expended from this appropriation after the day of publication  
8 of the 2001–03 biennial budget act.”.

9 **14.** Page 395, line 19: after that line insert:

10 “**SECTION 612p.** 20.835 (2) (q) of the statutes is amended to read:

11 20.835 (2) (q) *Farmland tax relief credit.* From the lottery fund, a sum  
12 sufficient to pay the aggregate claims approved under ss. 71.07 (3m) (c), 71.28 (2m)  
13 (c) and 71.47 (2m) (c). No moneys may be encumbered or expended from this  
14 appropriation account during the 1999–2001 fiscal biennium.”.

15 **15.** Page 470, line 14: after that line insert:

16 “**SECTION 717xa.** 25.75 (1) (b) of the statutes is amended to read:

17 25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of  
18 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of  
19 fees, if any, under s. 565.10 (8) ~~and includes compensation, including bonuses, if any,~~  
20 ~~paid to retailers under s. 565.10 (14), regardless of whether the compensation is~~  
21 ~~deducted by the retailer prior to transmitting lottery ticket and lottery share~~  
22 ~~revenues to the commission.~~

23 **SECTION 717xb.** 25.75 (1) (b) of the statutes, as affected by 1999 Wisconsin Act

24 ... (this act), is repealed and recreated to read:

1           25.75 (1) (b) “Gross lottery revenues” means gross revenues from the sale of  
2 lottery tickets and lottery shares under ch. 565 and revenues from the imposition of  
3 fees, if any, under s. 565.10 (8) and includes compensation, including bonuses, if any,  
4 paid to retailers under s. 565.10 (14), regardless of whether the compensation is  
5 deducted by the retailer prior to transmitting lottery ticket and lottery share  
6 revenues to the commission.

7           **SECTION 717xf.** 25.75 (1) (c) 3. of the statutes is repealed.

8           **SECTION 717xg.** 25.75 (1) (c) 3. of the statutes is created to read:

9           25.75 (1) (c) 3. Amounts for other expenses including compensation paid to  
10 retailers under s. 565.10 (14) and amounts paid to vendors for on-line services and  
11 supplies provided by the vendors under contract under s. 565.25 (2) (a).

12           **SECTION 717xh.** 25.75 (2) of the statutes, as affected by 1999 Wisconsin Act 5,  
13 is amended to read:

14           25.75 (2) **CREATION.** There is created a separate nonlapsible trust fund known  
15 as the lottery fund, to consist of gross lottery revenues received by the department  
16 of revenue and moneys transferred to the lottery fund under ss. 20.455 (2) (g) and  
17 20.505 (8) (am), (g) and (jm) and 1999 Wisconsin Act .... (this act), section 9243 (2c).

18           **SECTION 717xi.** 25.75 (3) (b) of the statutes is repealed.

19           **SECTION 717xj.** 25.75 (3) (b) of the statutes is created to read:

20           25.75 (3) (b) *Expenses.* No more than an amount equal to 10% of gross lottery  
21 revenues for each year may be expended to pay the expenses for the operation and  
22 administration of the lottery, except that expenses for the operation and  
23 administration of the lottery may exceed 10% of gross lottery revenues if so approved  
24 by the joint committee on finance under s. 13.10. In computing expenses subject to  
25 the 10% limitation under this paragraph:

- 1           1. Compensation paid to retailers under s. 565.10 (14) shall not be included.
- 2           2. Capital expenditures may be amortized.
- 3           3. Payments to vendors for on-line services and supplies provided by the
- 4 vendors under contract under s. 565.25 (2) (a) shall be included.
- 5           4. Moneys appropriated from the lottery fund under s. 20.455 (2) (r) shall not
- 6 be included.

7           **SECTION 717yn.** 25.75 (3) (e) of the statutes is created to read:

8           25.75 (3) (e) From the appropriation under s. 20.566 (2) (r), lottery proceeds

9 shall be used to offset department of revenue expenses in administering the lottery

10 credit.

11           **SECTION 717ym.** 25.75 (3) (e) of the statutes, as affected by 1999 Wisconsin Act

12 5, is repealed.”.

13           **16.** Page 849, line 7: after that line insert:

14           “**SECTION 1710db.** 71.07 (3m) (b) 1. a. of the statutes is amended to read:

15           71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and

16 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income

17 taxes otherwise due, the amount derived under par. (c). If the allowable amount of

18 claim exceeds the income taxes otherwise due on the claimant’s income or if there are

19 no Wisconsin income taxes due on the claimant’s income, the amount of the claim not

20 used as an offset against income taxes shall be certified to the department of

21 administration for payment to the claimant by check, share draft or other draft paid

22 from the appropriation under s. 20.835 (2) (~~q~~) (dn).

23           **SECTION 1710dc.** 71.07 (3m) (b) 1. a. of the statutes, as affected by 1999

24 Wisconsin Act .... (this act), is repealed and recreated to read:

1           71.07 (3m) (b) 1. a. Subject to the limitations provided in this subsection and  
2           s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
3           taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
4           claim exceeds the income taxes otherwise due on the claimant's income or if there are  
5           no Wisconsin income taxes due on the claimant's income, the amount of the claim not  
6           used as an offset against income taxes shall be certified to the department of  
7           administration for payment to the claimant by check, share draft or other draft paid  
8           from the appropriation under s. 20.835 (2) (q).

9           **SECTION 1710dd.** 71.07 (3m) (c) 3. of the statutes, as created by 1999 Wisconsin  
10          Act 5, is amended to read:

11          71.07 (3m) (c) 3. The department shall annually adjust the percentage that is  
12          used to determine the amount of a claim under subd. 1. based on the estimated  
13          number of claims and the amount estimated to be expended from the appropriation  
14          under s. 20.835 (2) (~~q~~) (dn), as determined under s. 79.13. The department shall  
15          incorporate the annually adjusted percentage into the income tax forms and  
16          instructions.

17          **SECTION 1710de.** 71.07 (3m) (c) 3. of the statutes, as affected by 1999 Wisconsin  
18          Act .... (this act), is repealed and recreated to read:

19          71.07 (3m) (c) 3. The department shall annually adjust the percentage that is  
20          used to determine the amount of a claim under subd. 1. based on the estimated  
21          number of claims and the amount estimated to be expended from the appropriation  
22          under s. 20.835 (2) (q), as determined under s. 79.13. The department shall  
23          incorporate the annually adjusted percentage into the income tax forms and  
24          instructions.”.

1           **17.** Page 913, line 7: after that line insert:

2           “**SECTION 1744bd.** 71.28 (2m) (b) 1. a. of the statutes is amended to read:

3           71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
4           s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or  
5           franchise taxes otherwise due, the amount derived under par. (c). If the allowable  
6           amount of claim exceeds the income or franchise taxes otherwise due on or measured  
7           by the claimant’s income or if there are no Wisconsin income or franchise taxes due  
8           on or measured by the claimant’s income, the amount of the claim not used as an  
9           offset against income or franchise taxes shall be certified to the department of  
10          administration for payment to the claimant by check, share draft or other draft paid  
11          from the appropriation under s. 20.835 (2) ~~(q)~~ (dn).

12          **SECTION 1744be.** 71.28 (2m) (b) 1. a. of the statutes, as affected by 1999  
13          Wisconsin Act ... (this act), is repealed and recreated to read:

14          71.28 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
15          s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
16          taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
17          claim exceeds the income taxes otherwise due on the claimant’s income or if there are  
18          no Wisconsin income taxes due on the claimant’s income, the amount of the claim not  
19          used as an offset against income taxes shall be certified to the department of  
20          administration for payment to the claimant by check, share draft or other draft paid  
21          from the appropriation under s. 20.835 (2) (q).

22          **SECTION 1744bf.** 71.28 (2m) (c) 3. of the statutes, as created by 1999 Wisconsin  
23          Act 5, is amended to read:

1           71.28 (2m) (c) 3. The department shall annually adjust the percentage that is  
2 used to determine the amount of a claim under subd. 1. based on the estimated  
3 number of claims and the amount estimated to be expended from the appropriation  
4 under s. 20.835 (2) (~~q~~) (dn), as determined under s. 79.13. The department shall  
5 incorporate the annually adjusted percentage into the income tax forms and  
6 instructions.

7           **SECTION 1744bg.** 71.28 (2m) (c) 3. of the statutes, as affected by 1999 Wisconsin  
8 Act .... (this act), is repealed and recreated to read:

9           71.28 (2m) (c) 3. The department shall annually adjust the percentage that is  
10 used to determine the amount of a claim under subd. 1. based on the estimated  
11 number of claims and the amount estimated to be expended from the appropriation  
12 under s. 20.835 (2) (q), as determined under s. 79.13. The department shall  
13 incorporate the annually adjusted percentage into the income tax forms and  
14 instructions.”.

15           **18.** Page 943, line 22: after that line insert:

16           **“SECTION 1757bd.** 71.47 (2m) (b) 1. a. of the statutes is amended to read:

17           71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
18 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income or  
19 franchise taxes otherwise due, the amount derived under par. (c). If the allowable  
20 amount of claim exceeds the income or franchise taxes otherwise due on or measured  
21 by the claimant’s income or if there are no Wisconsin income or franchise taxes due  
22 on or measured by the claimant’s income, the amount of the claim not used as an  
23 offset against income or franchise taxes shall be certified to the department of

1 administration for payment to the claimant by check, share draft or other draft paid  
2 from the appropriation under s. 20.835 (2) ~~(q)~~ (dn).

3 **SECTION 1757be.** 71.47 (2m) (b) 1. a. of the statutes, as affected by 1999  
4 Wisconsin Act .... (this act), is repealed and recreated to read:

5 71.47 (2m) (b) 1. a. Subject to the limitations provided in this subsection and  
6 s. 71.80 (3) and (3m), a claimant may claim as a credit against Wisconsin income  
7 taxes otherwise due, the amount derived under par. (c). If the allowable amount of  
8 claim exceeds the income taxes otherwise due on the claimant's income or if there are  
9 no Wisconsin income taxes due on the claimant's income, the amount of the claim not  
10 used as an offset against income taxes shall be certified to the department of  
11 administration for payment to the claimant by check, share draft or other draft paid  
12 from the appropriation under s. 20.835 (2) (q).

13 **SECTION 1744bf.** 71.47 (2m) (c) 3. of the statutes, as created by Wisconsin Act  
14 5, is amended to read:

15 71.47 (2m) (c) 3. The department shall annually adjust the percentage that is  
16 used to determine the amount of a claim under subd. 1. based on the estimated  
17 number of claims and the amount estimated to be expended from the appropriation  
18 under s. 20.835 (2) ~~(q)~~ (dn), as determined under s. 79.13. The department shall  
19 incorporate the annually adjusted percentage into the income tax forms and  
20 instructions.

21 **SECTION 1744bg.** 71.47 (2m) (c) 3. of the statutes, as affected by 1999 Wisconsin  
22 Act .... (this act), is repealed and recreated to read:

23 71.47 (2m) (c) 3. The department shall annually adjust the percentage that is  
24 used to determine the amount of a claim under subd. 1. based on the estimated  
25 number of claims and the amount estimated to be expended from the appropriation

1 under s. 20.835 (2) (q), as determined under s. 79.13. The department shall  
2 incorporate the annually adjusted percentage into the income tax forms and  
3 instructions.”.

4 **19.** Page 958, line 14: after that line insert:

5 “**SECTION 1818Lb.** 79.10 (11) (b) of the statutes, as affected by 1999 Wisconsin  
6 Act 5, is amended to read:

7 79.10 (11) (b) Before October 16, the department of administration shall  
8 determine the total funds available for distribution under the lottery and gaming  
9 credit in the following year and shall inform the joint committee on finance of that  
10 total. Total funds available for distribution shall be all moneys projected to be  
11 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and  
12 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of  
13 the distribution, less the amount estimated to be expended under ~~ss. 20.455 (2) (r),~~  
14 ~~20.566 (2) (r) and s. 20.835 (2) (q) and (3) (r)~~ and less the required reserve under s.  
15 20.003 (5). The joint committee on finance may revise the total amount to be  
16 distributed if it does so at a meeting that takes place before November 1. If the joint  
17 committee on finance does not schedule a meeting to take place before November 1,  
18 the total determined by the department of administration shall be the total amount  
19 estimated to be distributed under the lottery and gaming credit in the following year.

20 **SECTION 1818Lc.** 79.10 (11) (b) of the statutes, as affected by 1999 Wisconsin  
21 Act .... (this act), is repealed and recreated to read:

22 79.10 (11) (b) Before October 16, the department of administration shall  
23 determine the total funds available for distribution under the lottery and gaming  
24 credit in the following year and shall inform the joint committee on finance of that

1 total. Total funds available for distribution shall be all moneys projected to be  
2 transferred to the lottery fund under ss. 20.455 (2) (g) and 20.505 (8) (am), (g) and  
3 (jm) and all existing and projected lottery proceeds and interest for the fiscal year of  
4 the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r),  
5 20.566 (2) (r) and 20.835 (2) (q) and (3) (r) and less the required reserve under s.  
6 20.003 (5). The joint committee on finance may revise the total amount to be  
7 distributed if it does so at a meeting that takes place before November 1. If the joint  
8 committee on finance does not schedule a meeting to take place before November 1,  
9 the total determined by the department of administration shall be the total amount  
10 estimated to be distributed under the lottery and gaming credit in the following year.

11 **SECTION 1818Ld.** 79.13 (1) of the statutes, as created by 1999 Wisconsin Act  
12 5, is amended to read:

13 79.13 (1) In the 1999–2000 fiscal year, the amount that is estimated to be  
14 expended from the appropriation under s. 20.835 (2) (q) (dn) is \$15,000,000.

15 **SECTION 1818Lf.** 79.13 (2) of the statutes, as created by 1999 Wisconsin Act 5,  
16 is renumbered 79.13 (2) (a) and amended to read:

17 79.13 (2) (a) In the 2000–01 fiscal year, ~~and in each fiscal year thereafter~~, the  
18 amount that is estimated to be expended from the appropriation under s. 20.835 (2)  
19 (q) (dn) is \$15,000,000, plus the amount that is estimated to be expended from the  
20 appropriation under s. 20.835 (2) (q) (dn) in the previous fiscal year and less the  
21 actual amount that is expended from the appropriation under s. 20.835 (2) (q) (dn)  
22 in the previous fiscal year.

23 **SECTION 1818Lg.** 79.13 (2) (b) of the statutes is created to read:

24 79.13 (2) (b) In the 2001–02 fiscal year, the amount that is estimated to be  
25 expended from the appropriation under s. 20.835 (2) (q) is \$15,000,000, plus the

1 amount that is estimated to be expended from the appropriation under s. 20.835 (2)  
2 (dn) in the previous fiscal year and less the actual amount that is expended from the  
3 appropriation under s. 20.835 (2) (dn) in the previous fiscal year.

4 **SECTION 1818Lh.** 79.13 (2) (c) of the statutes is created to read:

5 79.13 (2) (c) In the 2002–03 fiscal year, and in each fiscal year thereafter, the  
6 amount that is estimated to be expended from the appropriation under s. 20.835 (2)  
7 (q) is \$15,000,000, plus the amount that is estimated to be expended from the  
8 appropriation under s. 20.835 (2) (q) in the previous fiscal year and less the actual  
9 amount that is expended from the appropriation under s. 20.835 (2) (q) in the  
10 previous fiscal year.”.

11 **20.** Page 1402, line 19: after that line insert:

12 “**SECTION 3025w.** 565.45 of the statutes is amended to read:

13 **565.45 Report on expense limitation.** Before January 1, ~~1992~~ 2002, and  
14 every 2 years thereafter, the department shall submit a report to the chief clerk of  
15 each house of the legislature, for distribution to the legislature under s. 13.172 (2),  
16 on the effects on the operation of the lottery of the 10% expense limitation under s.  
17 25.75 (3) (b).”.

18 **21.** Page 1527, line 15: after that line insert:

19 “(2e) **GAMING LAW ENFORCEMENT POSITION AUTHORIZATION.** The authorized FTE  
20 positions for the department of justice are increased by 2.75 GPR positions to be  
21 funded from the appropriation under section 20.455 (2) (fm) of the statutes, as  
22 created by this act, for the purpose of gaming law enforcement.”.

23 **22.** Page 1545, line 18: after that line insert:

1           “(3e) LOTTERY GENERAL PROGRAM OPERATIONS POSITION AUTHORIZATION. The  
2 authorized FTE positions for the department of revenue are increased by 110.5 GPR  
3 positions to be funded from the appropriation under section 20.566 (8) (a) of the  
4 statutes, as created by this act, for the purpose of conducting general program  
5 operations for the lottery.

6           (3f) LOTTERY AND GAMING CREDIT POSITION AUTHORIZATION. The authorized FTE  
7 positions for the department of revenue are increased by 3.0 GPR positions to be  
8 funded from the appropriation under section 20.566 (2) (am) of the statutes, as  
9 created by this act, for the purpose of administering the lottery and gaming credit.

10           (3g) TRANSFER TO LOTTERY FUND. The legislature intends that the amounts  
11 transferred from the general fund to the lottery fund under SECTION 9243 (2c) of this  
12 act, be used to reimburse the lottery fund for expenditures made from October 1,  
13 1995, to June 30, 1999, from the appropriations under section 20.455 (2) (r), 1995  
14 stats., section 20.566 (2) (r), 1995 stats., section 20.566 (8) (q), (r) and (v), 1995 stats.,  
15 section 20.835 (2) (q), 1995 stats., section 20.455 (2) (r), 1997 stats., section 20.566  
16 (2) (r), 1997 stats., section 20.566 (8) (q), (r) and (v), 1997 stats., and section 20.835  
17 (2) (q), 1997 stats.”.

18           **23.** Page 1580, line 2: after that line insert:

19           “(2c) TRANSFERS TO THE LOTTERY FUND.

20           (a) On March 27, 2000, there is transferred from the general fund to the lottery  
21 fund \$37,207,000.

22           (b) On March 26, 2001, there is transferred from the general fund to the lottery  
23 fund \$216,689,300.”.

24           **24.** Page 1600, line 20: after that line insert:

1           “(24e) LOTTERY FUND. The repeal and recreation of sections 25.75 (1) (b), 71.07  
2           (3m) (b) 1. a. and (c) 3., 71.28 (2m) (b) 1. a. and (c) 3., 71.47 (2m) (b) 1. a. and (c) 3.  
3           and 79.10 (11) (b) of the statutes and the creation of section 25.75 (1) (c) 3. and (3) (b)  
4           and (e) of the statutes take effect on the effective date of the 2001–03 biennial budget  
5           act.”.

6

(END)