DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRBb2669/1dn RAC:hmh:rs

March 14, 2002

Representative Boyle:

Per your request, this amendment updates 1995 Assembly Bill 633. Please note that the attorney general issued an opinion on 1995 Assembly Bill 633, concluding that it constituted an expansion of gambling in violation of article IV, section 24 of the Wisconsin constitution. OAG 2–96 (May 21, 1996). If you would like a copy of this opinion, please let me know and I will send it to you.

Also, please review the manner in which sales and use taxes are exempted in this amendment. Under the amendment, there is no sales and use tax exemption for credits for replay. This could result in the imposition of sales and use taxes on the initial play and replay of the machines using the credits. I recall from the debate over 1995 Assembly Bill 774 (which was very similar to 1995 Assembly Bill 633) that there may have been unintended effects from the tax provisions in the bill. You may wish to speak with the department of revenue or the fiscal bureau about the tax consequences of the bill.

Please note that, effective April 2, 2003 (the day after the 2003 spring election), I repeal the current law provisions that provide forfeitures for the possession of five or fewer gambling machines at certain premises. As a result, beginning on April 2, 2003, the play and possession of these gambling machines will only be legal at a licensed premises.

Please review my treatment of s. 564.03 (3) (g) 3. I provided that a person must have been convicted of an offense under ch. 961 instead of that a person must be addicted to a controlled substance described in ch. 961. It is far easier to determine that a person has been convicted of an offense that to prove addiction. Is this consistent with your intent?

Finally, because of time constraints, I was unable to include the changes to ss. 945.03, 945.04, and 946.82 (4).

Rick A. Champagne Senior Legislative Attorney Phone: (608) 266–9930

E-mail: rick.champagne@legis.state.wi.us