

2001 Jr2 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB1)

Received: 03/14/2002

Received By: phurley

Wanted: As time permits

Identical to LRB:

For: Frank Boyle (608) 266-0640

By/Representing:

This file may be shown to any legislator: NO

Drafter: champra

May Contact:

Addl. Drafters:

Subject: Gambling - miscellaneous

Extra Copies:

Submit via email: YES

Requester's email: Rep.Boyle@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Video amusement devices

Instructions:

See Attached

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>
/?	champra 03/14/2002	hhagen 03/14/2002		_____			
/1			rschluet 03/14/2002	_____	lrb_docadmin 03/14/2002	lrb_docadmin 03/14/2002	

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Page 2

FE Sent For:

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3-14-02

FE Sent For:

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2001

Date (time) needed 3-14-02

LRB b 2669 1 1

BUDGET AMENDMENT

RA: PK: hmh:

NOT FOR COMPILE

See form AMENDMENTS — COMPONENTS & ITEMS.

January 2002 SPECIAL SESSION AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 2001 ASSEMBLY BILL 1

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

✓ ✓
#. Page 19, line 20: after that line insert: Insert A

✓ ✓
#. Page 139, line 16: after that line insert: Insert B

✓ ✓
#. Page 164, line 16: after that line insert: Insert C

✓ ✓
#. Page 221, line 4: after that line insert: Insert D

✓ ✓
#. Page 272, line 24: after that line insert: Insert E

✓ ✓
#. Page 273, line 3: after that line insert: Insert F

✓

2001

Date (time)
needed _____

LRB b _____ / _____

BUDGET AMENDMENT

NOT FOR COMPILE

See form ~~AMENDMENTS — COMPONENTS & ITEMS.~~

January 2002 SPECIAL SESSION AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 2001 ASSEMBLY BILL 1

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

#. Page 352, line 12: after that line insert: (insert g)

#. Page 445, line 1...: before that line insert: (insert h)

(end)

#. Page, line

D-note

#. Page, line

#. Page, line

#. Page, line

BILL

lottery. This bill provides that playing an amusement device licensed by DOA is not a bet; that an amusement device licensed by DOA is not a gambling machine; that a lottery does not include the playing of an amusement device licensed by DOA; and, that the premises on which an amusement device licensed by DOA is located is not a gambling place.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

Insert A

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7

SECTION ~~2~~ 20.505 (8) (j) of the statutes is amended to read:
~~52*~~ 20.505 (8) (j) *General program operations; raffles and, crane games, and amusement devices.* The amounts in the schedule for general program operations relating to raffles under subchs. II and VIII of ch. 563 and relating to crane games and amusement devices under ch. 564. All moneys received by the department of administration under ss. 563.92 (2), and 563.98 (1g) and 564.02 (2) ch. 564 shall be credited to this appropriation account. ¹⁾.

Insert B

8
9
10

SECTION ~~2~~ 77.51 (4) (b) 8. of the statutes is created to read:
~~232p~~ 77.51 (4) (b) 8. The value of redeemable credits, except credits for replay, issued by an amusement device, as defined in s. 564.03 (1) (a). ¹⁾.

Insert C

11
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17

SECTION ~~3~~ 125.12 (1) (a) of the statutes is amended to read:
~~292k~~ 125.12 (1) (a) Except as provided in this subsection and in s. 945.041, any municipality or the department may revoke, suspend, or refuse to renew any license or permit under this chapter, as provided in this section.
SECTION ~~4~~ 125.12 (1) (c) of the statutes is amended to read:
~~292p~~ 125.12 (1) (c) Neither a municipality nor the department may consider an arrest or conviction for a violation punishable under s. ~~945.03 (2m), 945.04 (2m) or~~

BILL

Insert
C, cont.

1 945.05 (1m) in any action to revoke, suspend, or refuse to renew a Class "B" or
2 "Class B" license or permit.)).

Insert
D

3 **SECTION 5.** Chapter 564 (title) of the statutes is amended to read:

CHAPTER 564

506m

CRANE GAMES AND

AMUSEMENT DEVICES

7 **SECTION 6.** 564.03 of the statutes is created to read:

8 **564.03 Offering amusement devices for play; registration and**
9 **licensing. (1) DEFINITIONS. In this section:**

10 (a) "Amusement device" means any video amusement device that awards or is
11 capable of awarding the player with one or more redeemable free replays or credits
12 for achieving certain scores or results and does not change the ratio of plays to free
13 replays or credits so awarded.

14 (b) "Set up for the purpose of play" means operated for the purpose of offering
15 a person, for consideration, an opportunity to play an amusement device.

16 **(2) DEPARTMENT AUTHORITY; LOCAL OPTION.** (a) Subject to pars. (b) and (c),
17 beginning on April 2, 2003, the department, on behalf of all cities and villages, shall
18 license and regulate amusement devices in the manner provided in this section.

19 (b) The governing body of a city or village may adopt a resolution calling for a
20 referendum, to be held at the 2003 spring election, on whether the play and
21 possession of amusement devices shall be prohibited in that city or village. The
22 governing body shall adopt such a resolution no later than February 17, 2003. The
23 referendum question shall be substantially as follows: "Shall the play and
24 possession of amusement devices be prohibited in [name of city or village]?" If a
25 majority of the electors who vote in the referendum vote "Yes," the department may




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1 not license any amusement device for the purpose of play or possession in the city or
2 village. The clerk of the city or village shall report the results of any referendum held
3 under this paragraph to the department as soon as the deadline for filing a petition
4 for a recount has passed. If a valid petition for a recount is filed, the clerk shall report
5 the results as soon as the recount is completed and the time allowed for filing an
6 appeal has passed or, if appealed, as soon as the appeal is decided.

7 (c) The department may license any amusement device for the purpose of play
8 or possession in a city or village that enacted an ordinance on April 1, 2003, that
9 prohibited in the city or village the play and possession of any amusement device, if
10 that city or village enacts a subsequent ordinance authorizing the play and
11 possession of any amusement device in the city or village.

12 (3) **REGISTRATION AND LICENSING; FEES.** (a) No person may market, lease, service,
13 repair, warehouse, transport, or set up for the purpose of play in this state any
14 amusement device or collect the proceeds from an amusement device set up for the
15 purpose of play in this state unless the person has been a resident of this state during
16 the year immediately prior to applying for a certificate of registration under this
17 subsection, the person registers with the department under this subsection, and a
18 license with an identification number issued by the department is affixed to the
19 amusement device.

20 (b) Any person who wishes to market, lease, service, repair, warehouse,
21 transport, or set up for the purpose of play in this state any amusement device or
22 collect the proceeds from an amusement device set up for the purpose of play in this
23 state shall file with the department, on application forms prescribed by the
24 department, a signed application that includes all of the following information:



BILL

1 1. The name and address of the person. If the person is a corporation or other
2 business entity, the person shall also file with the department the name and address
3 of all officers, directors, agents, and stockholders or other persons holding or
4 controlling, either directly or indirectly, 5% or more of the ownership of the
5 corporation or other business entity.

6 2. The person's place or places of residence in this state, if any, during the year
7 immediately prior to applying for a certificate of registration under this subsection.


8 3. The serial number and manufacturer of each amusement device that the
9 person intends to set up for the purpose of play in this state.

10 4. The location of the premises at which the amusement devices shall be set up
11 for the purpose of play.

12 (c) A nonrefundable fee, set by the department to cover all costs of processing
13 the application filed under par. (b), and the first year's license fees shall accompany
14 the application under par. (b). If the department does not approve the application
15 under par. (b), the department shall refund the license fees to the person.

16 (d) Upon receipt of the application under par. (b) and the fees specified under
17 par. (c), but subject to pars. (e) to (g), the department shall issue a certificate of
18 registration to each applicant who has met the requirements of this subsection and
19 a license with an identification number for each amusement device.

20 (e) The department may not issue a certificate of registration under this
21 subsection to any person who is a corporation or other business entity unless at least
22 51% of the ownership in that corporation or other business entity is held by one or
23 more persons who have been residents of this state during the year immediately
24 prior to applying for a certificate of registration.



BILL

1 (f) The department may not issue a license with an identification number for
2 an amusement device that is set up for the purpose of play at a location in a city or
3 village other than a premises issued a Class "B" license or a "Class B" license under
4 ch. 125.

5 (g) Notwithstanding ss. 111.321, 111.322, and 111.335, the department may not
6 issue a certificate of registration under this subsection to any person to whom any
7 of the following applies:

8 1. The person has been convicted of a misdemeanor, not involving chs. 340 to
9 349, at least 3 times.

10 2. The person has been convicted of a felony, unless pardoned.

11 3. The person has been convicted of an offense under ch. 961.

12 4. The person has been convicted of 2 or more gambling offenses.


13 5. The person has been convicted of crimes relating to prostitution.

14 6. The person has been convicted of crimes relating to loaning money or
15 anything of value to persons holding licenses or permits under ch. 125.

16 7. The person does not hold a permit under s. 77.52 (7), if the person is a retailer.

17 8. The person has been finally adjudged to be delinquent in the payment of
18 taxes under ch. 71, 72, 76, 77, 78, or 139 or the person has been found delinquent in
19 the payment of contributions to the unemployment reserve fund under s. 108.16 in
20 a proceeding under s. 108.10 and the person remains so delinquent at the time of
21 filing an application under par. (b).

22 (h) Upon denial of an application under par. (b), the department shall
23 immediately notify the person in writing and shall state the reasons for the denial.
24 A denial of an application under par. (b) shall be subject to judicial review under ch.
25 227.



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1 (i) 1. The department shall charge, on behalf of a city or village, the owner of
2 an amusement device an annual license fee of \$1,000 for each amusement device set
3 up for the purpose of play. The person shall pay this fee directly to the city or village.

4 2. The department shall charge the owner of an amusement device an
5 additional annual license fee of \$500 for each amusement device set up for the
6 purpose of play to defray the costs incurred by the department in enforcing this
7 subsection, but the department may not charge any one person under this
8 subdivision more than a total of \$10,000 in license fees in any one year, regardless
9 of the number of amusement devices that the person intends to set up for the purpose
10 of play in this state. The person shall pay this fee directly to the department.

11 3. Any license issued under this subsection shall remain in effect for one year.


12 (j) The certificate of registration issued under par. (d) shall remain in effect
13 unless it is canceled by the department, after consulting with the department of
14 justice, or unless it is withdrawn by the person who is issued the certificate of
15 registration.

16 (k) Every person registered under this section shall notify the department of
17 any change in the information provided under par. (b) by the 10th day of the first
18 month following the change in information.

19 (L) The department shall deposit all moneys received by the department under
20 this subsection in the appropriation account under s. 20.505 (8) (j).

21 (4) PROHIBITED PRACTICES RELATING TO AMUSEMENT DEVICES. (a) No person may
22 keep more than 5 amusement devices at any one premises operated under a Class
23 "B" license or a "Class B" license under ch. 125.

24 (b) No person may play, or permit another person to play, an amusement device
25 at a premises operated under a Class "B" or "Class B" license in a city or village



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1 during hours in which the premises is closed or the sale of fermented malt beverages
2 or intoxicating liquor is prohibited under s. 125.32 (3) (a) or (c) or 125.68 (4) (c) 1., 3m.,
3 or 4.

4 (c) No owner of a premises may set up for the purpose of play an amusement
5 device at his or her premises unless he or she has entered into a written agreement
6 with a person who owns the amusement device for the use of that amusement device
7 at his or her premises and a copy of the agreement is kept on the premises and made
8 available for inspection to any person authorized by the department. This paragraph
9 shall not apply to an owner of a premises who is also the owner of every amusement
10 device kept at his or her premises.


11 (d) No person may engage in the advertising of any amusement device set up
12 for the purpose of play or offer, or allow to be offered, to any other person any special
13 inducement for playing an amusement device.

14 (e) No person registered under sub. (3) may purchase an amusement device
15 from a person other than a person registered under sub. (3) or a distributor registered
16 under sub. (5) (c).

17 (f) No person registered under sub. (3) may set up for the purpose of play any
18 amusement device that has a percentage of credits awarded to credits played of not
19 less than 83%.

20 **(5) MANUFACTURERS AND DISTRIBUTORS OF AMUSEMENT DEVICES; REGISTRATION AND**
21 **FEEES.** (a) No person who is a manufacturer of amusement devices may do any of the
22 following:

23 1. Do any business in this state related to amusement devices unless the person
24 submits an application for registration with the department under par. (c), pays the



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1 first year's annual license fee and the nonrefundable fee set by the department to
2 cover all costs of processing the application, and is issued a manufacturer's license.

3 2. Sell an amusement device to any person other than a distributor of
4 amusement devices with a valid distributor's license issued by the department under
5 par. (c).

6 3. Hold or control, either directly or indirectly, any ownership interest of a
7 distributor with a valid distributor's license issued by the department under par. (c).

8 4. Set up for the purpose of play any amusement device.

9 (b) No person who is a distributor of amusement devices may do any of the
10 following:

11 1. Sell, repair, distribute, warehouse, transport, display, or market an
12 amusement device unless the person submits an application for registration with the
13 department under par. (c), pays the first year's annual license fee and the
14 nonrefundable fee set by the department to cover all costs of processing the
15 application, and is issued a distributor's license.


16 2. Set up for the purpose of play any amusement device.

17 3. Sell an amusement device to any person other than a person registered with
18 the department under sub. (3).

19 4. Hold or control, either directly or indirectly, any ownership interest of a
20 person registered under sub. (3).

21 (c) The department shall do all of the following:

22 1. Upon receipt of an application of registration from a person under par. (a)
23 or (b), submission of the first year's license fee, and payment of a nonrefundable fee
24 set by the department to cover all costs of processing the application, issue a
25 manufacturer's license to each applicant under par. (a) and a distributor's license to



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1 each applicant under par. (b) who has met the requirements specified under sub. (3)
2 (b) 1. and (g) for a person applying for a certificate of registration under sub. (3) and
3 the requirements of this subsection. The license shall remain in effect unless it is
4 canceled by the department, after consulting with the department of justice, or
5 unless it is withdrawn by the person who is issued the license.

6 2. Charge an annual fee for a manufacturer's license and distributor's license
7 in the amount of \$10,000, payable directly to the department. The license shall
8 remain in effect for one year.

9 3. Upon denial of an application under subd. 1., immediately notify the person
10 in writing and state the reasons for the denial. A denial of an application under subd.
11 1. shall be subject to review under ch. 227.

12 4. Deposit all moneys received by the department under this subsection in the
13 appropriation account under s. 20.505 (8) (j).


14 (6) **RULE MAKING.** The department shall promulgate all rules necessary to
15 administer this section.

16 (7) **CONFLICTS OF INTEREST.** No employee of the department and no member of
17 the employee's immediate family, as defined in s. 19.42 (7), may, while that employee
18 is employed by the department or for 2 years following the termination of
19 employment, do any of the following:

20 (a) Have any direct or indirect interest in any person who is registered or
21 required to be registered under sub. (3) or (5).

22 (b) Accept or agree to accept money or any thing of value from any person who
23 is registered or required to be registered under sub. (3) or (5).

24 (c) Directly or indirectly own or operate any amusement device licensed under
25 sub. (3).



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1 **(8) INVESTIGATION AND ENFORCEMENT.** (a) In response to a written complaint,
2 the department shall conduct an investigation of any person registered under sub.
3 (3) or (5). The department may, at any time, conduct an inspection of a person
4 registered under sub. (3) or (5), of the amusement device licensed to the person, or
5 of the premises on which the amusement device is played.

6 (b) The department may conduct an investigation to determine if a person
7 markets, leases, services, repairs, warehouses, transports, or sets up for the
8 purposes of play an amusement device or collects the proceeds of an amusement
9 device which is set up for the purposes of play without being registered under sub.
10 (3) or if a person sells, repairs, distributes, warehouses, displays, or markets an
11 amusement device without being registered under sub. (5).

12 (c) An action for violation of this section may be prosecuted in any circuit court
13 of this state by the department in the name of the state and, in any such action, the
14 department shall exercise all of the powers and perform all duties that the district
15 attorney would otherwise be authorized to exercise or perform.

16 **(9) SEIZURE AND SALE.** The department may seize any amusement device owned
17 by a person who is convicted under sub. (10) and may sell the amusement device in
18 the name of the state. The department and its agents are exempt from all liability
19 to the owner of the amusement device for the seizure or sale of the amusement device.

20 **(10) PENALTY.** Any person who violates this section may be required to forfeit
21 not less than \$500 nor more than \$5,000 for each offense. Each day of continued
22 violation constitutes a separate offense. The period shall be measured by using the
23 dates of the offenses that resulted in convictions. " .

24 SECTION 945.01 (1) (dm) of the statutes is created to read:

Insert
E
sale



E, cont

BILL

1 945.01 (1) (dm) Playing an amusement device, as defined in s. 564.03 (1) (a),
2 that is licensed as described in s. 564.03 (3).

3 SECTION 8. 945.01 (3) (a) of the statutes is amended to read:

4 821i 945.01 (3) (a) ~~A Subject to par. (b),~~ a gambling machine is a contrivance which
5 that for a consideration affords the player an opportunity to obtain something of
6 value, the award of which is determined by chance, even though accompanied by
7 some skill and whether or not the prize is automatically paid by the machine.

8 821m SECTION 9. 945.01 (3) (b) 1m. of the statutes is created to read:

9 945.01 (3) (b) 1m. An amusement device, as defined in s. 564.03 (1) (a), that is
10 licensed as described in s. 564.03 (3).

11 821r SECTION 10. 945.01 (4) (am) of the statutes is renumbered 945.01 (4) (am)
12 (intro.) and amended to read:

13 945.01 (4) (am) (intro.) "Gambling place" does not include ~~a~~ any of the
14 following:

15 1. A place where bingo or a raffle is conducted under ch. 563,

16 2. A place where a lottery is conducted under ch. 565 or

17 3. A place where a race is conducted under ch. 562 and does not include a.

18 4. A gambling vessel that is in the process of construction, delivery, conversion,
19 or repair by a shipbuilding business that complies with s. 945.095.

20 821v SECTION 11. 945.01 (4) (am) 5. of the statutes is created to read:

21 945.01 (4) (am) 5. A premises on which is located an amusement device, as
22 defined in s. 564.03 (1) (a), that is licensed as described in s. 564.03 (3).

23 821y SECTION 12. 945.01 (5) (am) of the statutes is amended to read:

24 945.01 (5) (am) "Lottery" does not include bingo or a raffle conducted under ch.
25 563; the playing of an amusement device, as defined in s. 564.03 (1) (a), that is

BILL

e, cont.

1 licensed as described in s. 564.03 (3); pari-mutuel wagering conducted under ch. 562;
2 or the state lottery or any multijurisdictional lottery conducted under ch. 565. 1).

3 ~~SECTION 13.~~ 945.03 (1m) of the statutes is renumbered 945.03, and 945.03
4 (intro.), as renumbered, is amended to read:

5 **945.03 Commercial gambling.** (intro.) Whoever intentionally does any of
6 the following is engaged in commercial gambling and, ~~except as provided in sub.~~
7 ~~(2m),~~ is guilty of a Class E felony:

8 ~~SECTION 14.~~ 945.03 (2m) of the statutes is repealed.

9 ~~SECTION 15.~~ 945.04 (1m) of the statutes is renumbered 945.04, and 945.04
10 (intro.), as renumbered, is amended to read:

11 **945.04 Permitting premises to be used for commercial gambling.**
12 (intro.) ~~Except as provided in sub. (2m), whoever~~ Whoever intentionally does any of
13 the following is guilty of a Class A misdemeanor:

14 ~~SECTION 16.~~ 945.04 (2m) of the statutes is repealed.

Insert f

15 ~~SECTION 17.~~ 945.041 (1) of the statutes is amended to read:

822g

16 945.041 (1) A license or permit issued under ch. 125 to any person who
17 knowingly permits any slot machine, roulette wheel, other similar mechanical
18 gambling device, or number jar or other device designed for like form of gambling,
19 or any amusement device, as defined in s. 564.03 (1) (a), that is not licensed as
20 described under s. 564.03 (3), or any horse race betting or other bookmaking as
21 defined in s. 945.01, or solicitation of drinks from customers under s. 944.36 to be set
22 up, kept, managed, used, or conducted upon the licensed premises or in connection
23 therewith upon premises controlled directly or indirectly by the person, shall be
24 revoked by the circuit courts by a special proceeding as provided in this section. If
25 a license or permit has been revoked no other license or permit of any character

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1 provided for by ch. 125 may be issued to the person who held the license or permit,
2 prior to the expiration of one year from the effective date of the revocation. If any
3 appeal is taken from the revocation, any period during which the order is stayed shall
4 be added to the one year.

5 **SECTION 18** 945.041 (2) of the statutes is amended to read:

6 **945.041 (2)** Any sheriff, undersheriff, deputy sheriff, constable, or other
7 municipal police officer or any person authorized to enforce the gambling laws under
8 s. 165.60 shall within 10 days after acquiring such information report to the district
9 attorney of the county the name and address of any licensee or permittee under ch.
10 125 who to his or her knowledge has knowingly suffered or permitted any gambling
11 device in sub. (1), any amusement device, as defined in s. 564.03 (1) (a), that is not
12 licensed as described under s. 564.03 (3), or any horse race betting to be set up, kept,
13 managed, used, or conducted upon the licensed premises or in connection therewith
14 upon premises controlled directly or indirectly by such licensee or permittee. Such
15 The officer or person shall also report to the district attorney knowledge of the
16 circumstances and the name of the municipality or officer by whom the license or
17 permit has been issued. Any other person may in writing and signed by that person
18 report any such name, address, and other information to the district attorney.
19 Within 10 days after any report the district attorney shall institute a proceeding as
20 hereinafter provided before the circuit court of the county or shall within such that
21 time report to the attorney general the reasons why such a proceeding has not been
22 instituted. The attorney general may direct the department of justice or the district
23 attorney to institute such the proceeding within a reasonable time.


24 **SECTION 19** 945.041 (3) of the statutes is amended to read:

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1 945.041 (3) Such proceeding shall be in the name of the state and the issues
2 may be determined by a jury. It shall be instituted by the filing of a petition and
3 service of a notice as herein provided. The petition shall be directed to the circuit
4 court and shall set forth a clear and concise statement of the grounds that are alleged
5 to exist justifying a revocation of the license or permit under sub. (1), and shall
6 request an order revoking ~~such~~ the license or permit. It shall also request an
7 injunction restraining the defendant from thereafter knowingly suffering or
8 permitting any such gambling devices, any amusement device, as defined in s.
9 564.03 (1) (a), that is not licensed as described under s. 564.03 (3), or any horse race
10 betting to be set up, kept, managed, used, or conducted upon premises directly or
11 indirectly controlled by the defendant. Upon the filing of ~~such~~ the petition the court
12 shall fix a time for hearing not to exceed 30 days from the date of filing at a place
13 within the judicial circuit, and a copy of the petition and a notice of the time and place
14 of hearing shall be served upon the defendant not less than 20 days prior to the date
15 of hearing. ~~Such~~ The service shall be made in the same manner as a summons is
16 served in a civil action, except that it may also be made by leaving a copy of said
17 petition and notice with any person charged with the operation of the licensed
18 premises under s. 125.68 (2). The allegations of the petition shall be ~~deemed~~
19 considered controverted and shall be at issue without further pleading by the
20 defendant. No hearing shall be adjourned except for cause. If upon ~~such~~ the hearing
21 the court finds that the allegations of the petition are true, it shall issue a written
22 order revoking the license or permit and shall likewise enjoin the defendant from
23 thereafter knowingly suffering or permitting any gambling devices referred to in
24 sub. (1), any amusement device, as defined in s. 564.03 (1) (a), that is not licensed as
25 described under s. 564.03 (3), or any horse race betting to be set up, kept, managed,



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1 used, or conducted upon premises directly or indirectly controlled by the defendant.
2 The district attorney shall forthwith cause a copy of the order to be filed with the
3 issuing authority of the license or permit and shall cause a copy to be served upon
4 the defendant as above provided or the defendant's attorney. The revocation and
5 injunction shall become effective upon such service. In cases where a license is issued
6 by a town, city, or village, a copy of the order shall also be filed with the department
7 of revenue as provided under s. 125.13.

8 8221 SECTION 20. 945.041 (11) of the statutes is repealed. 1).

9 SECTION 21. 946.82 (4) of the statutes, as affected by 2001 Wisconsin Act 16,
10 is amended to read:

11 946.82 (4) "Racketeering activity" means any activity specified in 18 USC 1961
12 (1) in effect as of April 27, 1982 or the attempt, conspiracy to commit, or commission
13 of any of the felonies specified in: chs. 945 and 961 and ss. 49.49, 134.05, 139.44 (1),
14 180.0129, 181.0129, 185.825, 201.09 (2), 215.12, 221.0625, 221.0636, 221.0637,
15 221.1004, 551.41, 551.42, 551.43, 551.44, 553.41 (3) and (4), 553.52 (2), 940.01,
16 940.19 (3) to (6), 940.20, 940.201, 940.203, 940.21, 940.30, 940.305, 940.31, 941.20
17 (2) and (3), 941.26, 941.28, 941.298, 941.31, 941.32, 943.01 (2), (2d), or (2g), 943.011,
18 943.012, 943.013, 943.02, 943.03, 943.04, 943.05, 943.06, 943.10, 943.20 (3) (c) and
19 (d), 943.201, 943.23 (1g), (1m), (1r), (2) and (3), 943.24 (2), 943.25, 943.27, 943.28,
20 943.30, 943.32, 943.34 (1) (c), 943.38, 943.39, 943.40, 943.41 (8) (b) and (c), 943.50 (4)
21 (c), 943.60, 943.70, 943.76, 944.205, 944.21 (5) (c) and (e), 944.32, 944.33 (2), 944.34,
22 945.03 (1m), 945.04 (1m), 945.05 (1), 945.08, 946.10, 946.11, 946.12, 946.13, 946.31,
23 946.32 (1), 946.48, 946.49, 946.61, 946.64, 946.65, 946.72, 946.76, 947.015, 948.05,
24 948.08, 948.12, and 948.30.

25

~~SECTION 22. Nonstatutory provisions.~~

Insert g

BILL

1 " (B2f) (1) ADVISORY REFERENDUM. Section 565.015 of the statutes does not apply to the
2 action of the legislature in enacting this act.

3 (B2g) (2) SUBMISSION OF AMUSEMENT DEVICE RULES TO LEGISLATIVE COUNCIL STAFF. The
4 department of administration shall submit the proposed rules under section 564.03
5 (6) of the statutes, as created by this act, to the legislative council staff under section
6 227.15 (1) of the statutes no later than January 1, 2003.

7 (B2h) (3) REGULATION OF AMUSEMENT DEVICES. The department of administration shall
8 administer section 564.03 of the statutes, as created by this act, on a case-by-case
9 basis prior to the effective date of the rules promulgated under section 564.03 (6) of
10 the statutes, as created by this act. " .

11 ~~SECTION 23. Effective dates. This act takes effect on the day after publication,~~
12 ~~except as follows.~~ 4f

Insert h

13 " (B3f) (1) The treatment of sections 125.12 (1) (c), 945.01 (1) (dm), (3) (a) and (b), (4)
14 (am), and (5) (am), ~~945.03 (1m) and (2m), 945.04 (1m) and (2m),~~ 945.041 (1), (2), (3),
15 and (11), ~~and 946.82 (4)~~ of the statutes and the creation of section 945.01 (4) (am) 5.
16 of the statutes takes effect on April 2, 2003. " ,

(END)

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

LRB-4928/1dn
RAC:hmh:pg

Representative *Boyle* *amendment*

Per your request, this ~~bill~~ 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.

amendment Also, please review the manner in which sales and use taxes are exempted in this ~~bill~~ *amendment*. Under the ~~bill~~, 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.

Finally, 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 than to prove addiction. Is this consistent with your intent?

Rick A. Champagne
Senior Legislative Attorney
Phone: (608) 266-9930
E-mail: rick.champagne@legis.state.wi.us

Finally,
Because of time constraints, I was unable to include the changes to ss. 945.03, 945.04, and 946.02(4).

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.

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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
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