

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0895/P1dn
RLR:bjk:ph

December 12, 2008

Senator Hansen:

This bill provides that making a customer referral does not constitute consideration for purposes of the statutory prohibitions against lotteries and betting. However, courts may find that the constitutional prohibition against gambling prohibits contests in which a participant must make a customer referral in order to win a prize. Article IV, Section 24, of the Wisconsin Constitution prohibits gambling except for the state lottery, charitable bingo or raffles, and pari-mutuel wagering. The constitution further specifies three activities that do not constitute consideration for purposes of the prohibition against gambling (listening to the radio or watching television, filling out a coupon or entry blank, and visiting a mercantile establishment without being required to make a purchase or pay an admittance fee.) Courts may construe these three items as an exclusive list of items that do not constitute consideration.

The exception to consideration in this bill applies to referrals made by any person, not just an employee. Is this ok?

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