AN ACT to amend 945.01 (5) (b) 2. h. of the statutes; relating to: opportunities to win prizes that are received by employees as compensation from employers.

Analysis by the Legislative Reference Bureau

Under current statutory law, a person is engaged in gambling if he or she places a bet or participates in or conducts a lottery. The Wisconsin Constitution and current statutory law prohibit gambling except for the state lottery, charitable bingo, charitable raffles, and pari-mutuel wagering.

Current law exempts from the definition of “bet” an agreement under which an employee is given an opportunity to win a prize, the award of which is determined by chance, in return for referring a potential customer to his or her employer for goods or services offered by the employer. Current law defines “lottery” as an enterprise in which, in exchange for consideration, the participants are given an opportunity to win a prize, the award of which is determined by chance even though it may be accompanied by some skill. Consideration in general is something of value. For purposes of the definition of “lottery,” consideration does not include the situation where an employee refers to his or her employer a potential customer but only if the employee is not receiving compensation for the referral. Under the bill, such a referral is outside the definition of consideration regardless of whether the employee receives any compensation.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:
SECTION 1. 945.01 (5) (b) 2. h. of the statutes is amended to read:

945.01 (5) (b) 2. h. An employee referring a person to the employee's employer to purchase goods or services from the employer, or identifying for the employer a person who may purchase goods or services from the employer, if regardless of whether the employee who makes the referral or identification is not compensated in any manner for the referral or identification.

(END)