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# **1999 SENATE BILL 114**

April 14, 1999 – Introduced by Senators Decker, Wirch, Cowles, Moen, Grobschmidt, Chvala, Shibilski, Robson, Burke and Jauch, cosponsored by Representatives M. Lehman, Wood, Huebsch, Montgomery, Ryba, Owens, J. Lehman, Stone, Sykora and Brandemuehl. Referred to Committee on Economic Development, Housing and Government Operations.

AN ACT to repeal 20.115 (4) (g), 20.115 (4) (h), 20.455 (2) (g), 20.505 (8) (g), 20.505 (8) (i), 562.077 and 563.05 (6); to renumber 563.135 and 563.80; to amend 20.003 (5), 20.115 (4) (a), 20.115 (4) (b), 20.435 (7) (kg), 20.455 (2) (r), 20.505 (8) (h), 20.505 (8) (j), 20.566 (2) (r), 20.566 (8), 20.835 (2) (q), 20.835 (3) (q), 25.17 (1) (jr), 25.75 (title), 25.75 (2), 25.75 (3) (intro.), 25.75 (3) (a), 25.75 (3) (b) 4., 25.75 (3) (e), 66.058 (3) (c) 8., 79.10 (1m), 79.10 (2), 79.10 (5), 79.10 (7m) (b) (title) and 1. a., 79.10 (9) (bm), 79.10 (9) (c), 79.10 (11) (title), (b) and (c), 79.11 (3) (b), 93.31, 562.02 (2) (f), 562.04 (1) (b) 4., 562.04 (2) (d), 562.05 (2), 562.065 (3) (d) (title) and 2., 562.065 (3m) (c) (title) and 2., 562.065 (4), 562.09 (2) (e), 562.124 (2), 563.13 (4), 563.16, 563.92 (2), 563.98 (1g), 565.02 (6) and 565.02 (7); and to create 20.505 (8) (q), 20.505 (8) (r), 20.835 (3) (r), 25.75 (1) (am), 25.75 (1) (d), 25.75 (3) (f), 79.10 (1) (dm), 79.10 (7r), 79.10 (10), 562.065 (3) (cm), 563.055 (6),

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563.135 (2m), 563.22 (2) (c) and 563.80 (2m) of the statutes; **relating to:** the property tax lottery credit and making an appropriation.

#### Analysis by the Legislative Reference Bureau

Under current law, every owner of taxable real property is entitled to a property tax lottery credit regardless of whether the owner's taxable real property is the owner's primary residence. The state constitution requires that all lottery proceeds, less money used for the regulation of and enforcement of laws relating to the lottery, be applied to the property tax lottery credit.

On April 6, 1999, Wisconsin voters approved amendments to sections 24 (3), (5) and (6) (a) of article IV of the state constitution. The amendments require all moneys received by the state that are attributable to bingo, pari-mutuel on-track betting and the lottery, less the moneys used for the regulation of or enforcement of laws relating to bingo, pari-mutuel on-track betting and the lottery, be used for property tax relief for state residents regardless of the income or age of the resident.

This bill restores the language of the property tax lottery credit that existed prior to the 1997–1998 legislative session. The bill changes the name of the property tax lottery credit to the property tax gaming credit and provides a property tax gaming credit to any taxpayer whose primary residence is on a parcel of taxable property. An eligible taxpayer must file an application with the county or municipality treasurer to receive the credit.

This bill also changes the name of the lottery fund to the gaming fund and requires that all moneys received by the state that are attributable to bingo and pari-mutuel on-track betting be deposited into the gaming fund. All of these moneys plus lottery proceeds, less any moneys used for general program operations and law enforcement relating to bingo, pari-mutuel on-track betting and the lottery, must be used for property tax relief.

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:

**Section 1.** 20.003 (5) of the statutes is amended to read:

20.003 (5) Required Lottery Gaming fund Balance. (a) The legislature may not enact any bill directly or indirectly affecting the lottery gaming fund if the bill would cause the estimated lottery gaming fund balance on June 30 of any fiscal year, as projected under s. 20.005 (1), to be less than 2% of the estimated gross lottery

revenues, as defined in s. 25.75 (1) (b), for that fiscal year, as projected under s. 20.005 1 2 (1).(b) Beginning with the summary under s. 20.005 (1) that is included in the 3 4 1991–93 biennial budget bill, the summary under s. 20.005 (1) shall separately list 5 estimated lottery gaming fund balances and estimated gross lottery revenues, as 6 defined in s. 25.75 (1) (b). 7 **Section 2.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert 8 the following amounts for the purposes indicated: 1997-98 1998-99 9 20.115 Commerce, department of 10 **(4)** Agricultural Assistance 11 (b) Aids to county and district fairs GPR -0--0-Α 1220.505Administration, department of 13 (8)DIVISION OF GAMING 14 General program operations; rac-(q) 15 ing SEG Α -0-662,800 16  $(\mathbf{r})$ General program operations: 17 bingo SEG Α -0-32,300 18 **Section 3.** 20.115 (4) (a) of the statutes is amended to read: 20.115 (4) (a) Aid to Wisconsin livestock breeders association. The amounts in 19 20 the schedule, less moneys available under par. (h), for the purpose of aid to the 21 Wisconsin livestock breeders association for the conduct of junior livestock shows

**SECTION 4.** 20.115 (4) (b) of the statutes is amended to read:

and other livestock educational programs under s. 93.31.

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20.115 (4) (b) Aids to county and district fairs. A sum sufficient The amounts
in the schedule to provide state aids to counties and agricultural societies,
associations or boards and to incorporated dairy or livestock associations, not to
exceed \$15,000 per fair as provided in s. 93.23. No moneys in excess of the difference
between \$585,000 and the amount of moneys available under par. (g) in each fiscal
year may be expended from this appropriation. If the total due the several counties
and agricultural societies under this paragraph exceeds \$585,000 the amounts in the
schedule, the department shall equitably prorate that amount.

- **SECTION 5.** 20.115 (4) (g) of the statutes is repealed.
- **Section 6.** 20.115 (4) (h) of the statutes is repealed.
- **SECTION 7.** 20.435 (7) (kg) of the statutes is amended to read:
  - 20.435 (7) (kg) *Compulsive gambling awareness campaigns*. The amounts in the schedule for the purpose of awarding grants under s. 46.03 (43). All moneys transferred from ss. s. 20.505 (8) (g) and (h) and 20.566 (8) (q) shall be credited to this appropriation account.
    - **Section 8.** 20.455 (2) (g) of the statutes is repealed.
- **SECTION 9.** 20.455 (2) (r) of the statutes is amended to read:
  - 20.455 (2) (r) Gaming law enforcement; lottery gaming revenues. From the lottery gaming fund, the amounts in the schedule for the performance of the department's gaming law enforcement responsibilities as specified in s. 165.70 (3m).
  - **Section 10.** 20.505 (8) (g) of the statutes is repealed.
- **SECTION 11.** 20.505 (8) (h) of the statutes is amended to read:
  - 20.505 (8) (h) *General program operations; Indian gaming*. The amounts in the schedule for general program operations under ch. 569. All Indian gaming receipts, as defined in s. 569.01 (1m), less the amounts appropriated under s. 20.455 (2) (gc),

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shall be credited to this appropriation account. Annually, of the moneys received
under this appropriation account, an amount equal to 50% of the amount in the
schedule under s. 20.435 (7) (kg) shall be transferred to the appropriation account
under s. 20.435 (7) (kg).
SECTION 12. 20.505 (8) (i) of the statutes is repealed.
<b>Section 13.</b> $20.505$ (8) (j) of the statutes is amended to read:
20.505 (8) (j) General program operations; charitable raffles and crane games.
The amounts in the schedule for general program operations under ehs. subch. VIII
of ch. 563 and ch. 564.All moneys received by the department of administration
under ch. 563, except s. 563.80, and under s. ss. 563.92 (2), 563.98 (1g) and 564.02
(2) shall be credited to this appropriation account.
<b>Section 14.</b> 20.505 (8) (q) of the statutes is created to read:
20.505 (8) (q) General program operations; racing. From the gaming fund, the
amounts in the schedule for general program operations under ch. 562.
<b>Section 15.</b> 20.505 (8) (r) of the statutes is created to read:
20.505 (8) (r) General program operations; bingo. From the gaming fund, the
amounts in the schedule for general program operations relating to bingo under
subchs. II to VII of ch. 563.
<b>Section 16.</b> 20.566 (2) (r) of the statutes is amended to read:
20.566 (2) (r) Lottery Gaming credit administration. From the lottery gaming
fund, the amounts in the schedule for the administration of the lottery gaming credit.
<b>SECTION 17.</b> 20.566 (8) of the statutes is amended to read:
20.566 (8) Lottery. (q) General program operations. From the lottery gaming
fund, the amounts in the schedule for general program operations under ch. 565.
Annually, of the moneys appropriated under this paragraph, an amount equal to 36%

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1	of the amount in the schedule under s. 20.435 (7) (kg) shall be transferred to the
2	appropriation account under s. 20.435 (7) (kg).
3	(r) Retailer compensation. From the lottery gaming fund, a sum sufficient to
4	pay compensation to retailers under s. 565.10 (14) (b).
5	(s) Prizes. From the lottery gaming fund, a sum sufficient to pay holders of
6	winning lottery tickets or lottery shares under ch. 565.
7	(v) Vendor fees. From the lottery gaming fund, a sum sufficient to pay vendors
8	for on-line and instant ticket services and supplies provided by the vendors under
9	contract under s. 565.25 (2) (a).
10	<b>Section 18.</b> 20.835 (2) (q) of the statutes is amended to read:
11	20.835 (2) (q) Farmland tax relief credit. From the lottery gaming fund, a sum
12	sufficient to pay the aggregate claims approved under ss. $71.07~(3\text{m})~(c),71.28~(2\text{m})$
13	(c) and 71.47 (2m) (c).
14	<b>Section 19.</b> 20.835 (3) (q) of the statutes is amended to read:
15	20.835 (3) (q) Lottery Gaming credit. From the lottery gaming fund, a sum
16	sufficient to make the payments under s. 79.10 (5).
17	<b>Section 20.</b> 20.835 (3) (r) of the statutes is created to read:
18	20.835 (3) (r) Gaming credit precertification. From the gaming fund, a sum
19	sufficient to make payments under s. 79.10 (7r) to counties and cities for
20	precertification of the gaming credit.
21	<b>Section 21.</b> 25.17 (1) (jr) of the statutes is amended to read:
22	25.17 (1) (jr) Lottery Gaming fund (s. 25.75);
23	<b>Section 22.</b> 25.75 (title) of the statutes is amended to read:
24	25.75 (title) Lottery Gaming fund.

**Section 23.** 25.75 (1) (am) of the statutes is created to read:

1	25.75 (1) (am) "Bingo revenues" means all moneys required to be deposited into
2	the gaming fund under ch. 563.
3	<b>Section 24.</b> 25.75 (1) (d) of the statutes is created to read:
4	25.75 (1) (d) "Pari-mutuel wagering revenues" means all moneys required to
5	be deposited into the gaming fund under ch. 562.
6	<b>SECTION 25.</b> 25.75 (2) of the statutes is amended to read:
7	25.75 (2) CREATION. There is created a separate nonlapsible trust fund known
8	as the lottery gaming fund, to consist of gross lottery revenues received by the
9	department of revenue, bingo revenues and pari-mutuel wagering revenues and
10	earnings from these revenues. Revenues deposited in the gaming fund shall be used
11	for the purposes specified in this section, for the general program operations of the
12	department of administration relating to pari-mutuel wagering under ch. 562 and
13	bingo under ch. 563, for the payment of the farmland tax relief credit under ss. 71.07
14	(3m), 71.28 (2m) and 71.47 (2m) and for the payment of the gaming credit under s.
15	<u>79.10 (5)</u> .
16	<b>Section 26.</b> 25.75 (3) (intro.) of the statutes is amended to read:
17	25.75 (3) Distribution of gross lottery revenues. (intro.) Amounts The
18	distribution of the gross lottery revenues in the gaming fund shall be distributed as
19	follows subject to all of the following:
20	<b>Section 27.</b> 25.75 (3) (a) of the statutes is amended to read:
21	25.75 (3) (a) Prizes. An amount equal to at least 50% of each year's gross lottery
22	revenues from the sale of lottery tickets and lottery shares shall be returned as prizes
23	to the holders of winning lottery tickets or lottery shares sold during that year.
24	<b>Section 28.</b> 25.75 (3) (b) 4. of the statutes is amended to read:

25.75 (3) (b) 4. Moneys Any moneys derived from gross lottery revenues that are appropriated from the lottery gaming fund under s. 20.455 (2) (r) shall not be included.

**Section 29.** 25.75 (3) (e) of the statutes is amended to read:

25.75 (3) (e) Lottery Gaming credit state administration expenses. From the appropriation under s. 20.566 (2) (r), lottery proceeds, bingo revenues and pari-mutuel wagering revenues shall be used to offset department of revenue expenses in administering the lottery gaming credit.

**SECTION 30.** 25.75 (3) (f) of the statutes is created to read:

25.75 (3) (f) *Gaming credit precertification*. From the appropriation under s. 20.835 (3) (r), lottery proceeds shall be used to make payments under s. 79.10 (7r) to counties and cities for precertification of the gaming credit.

**SECTION 31.** 66.058 (3) (c) 8. of the statutes is amended to read:

dwelling on a parcel of taxable property shall apply to the estimated fair market value of a mobile home that is the principal dwelling of the owner. The owner of the mobile home shall file a claim for the credit with the treasurer of the municipality in which the property is located no later than January 31. To obtain the credit under s. 79.10 (9) (bm), the owner shall attest on the claim that the mobile home is the owner's principal dwelling, as defined in s. 79.10 (1) (dm). The treasurer shall reduce the owner's parking permit fee by the amount of any allowable credit. The treasurer shall furnish notice of all amounts claims for credits filed under this subdivision to the department of revenue as provided under s. 79.10 (1m).

**SECTION 32.** 79.10 (1) (dm) of the statutes is created to read:

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79.10 (1) (dm) "Principal dwelling" means any dwelling that is used by the owner of the dwelling as a primary residence.

**SECTION 33.** 79.10 (1m) of the statutes is amended to read:

79.10 (1m) (a) Each municipality shall notify the department of revenue of the total amount of credits to be paid claimed by taxpayers under sub. (9) (bm) and the total number of parcels of taxable real property and personal property accounts in the municipality that are eligible for the credit under sub. (5).

(b) Counties and municipalities shall submit to the department of revenue all data related to the lottery gaming credit and requested by the department of revenue.

**Section 34.** 79.10 (2) of the statutes is amended to read:

79.10 (2) Notice to municipalities. On or before December 1 of the year preceding the distribution under sub. (7m) (a), the department of revenue shall notify the clerk of each town, village and city of the estimated fair market value, as determined under sub. (11), to be used to calculate the lottery gaming credit under sub. (5) and of the amount to be distributed to it under sub. (7m) (a) on the following 4th Monday in July. The anticipated receipt of such distribution shall not be taken into consideration in determining the tax rate of the municipality but shall be applied as tax credits.

**Section 35.** 79.10 (5) of the statutes is amended to read:

79.10 (5) LOTTERY GAMING CREDIT. Each municipality shall receive, from the appropriation under s. 20.835 (3) (q), an amount determined by multiplying the school tax rate by the estimated fair market value, not exceeding the value determined under sub. (11), of every parcel of taxable real property and every personal property account in the municipality on which a principal dwelling is

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located in the municipality and for which a claim for the credit under sub. (9) (bm)
is made by the owner of the principal dwelling.

3 **Section 36.** 79.10 (7m) (b) (title) and 1. a. of the statutes are amended to read: 79.10 (7m) (b) (title) Lottery Gaming credit.

- 1. a. The amount determined under sub. (5) with respect to the number of parcels of taxable real property and personal property accounts claims filed for which the town, village or city has furnished notice under sub. (1m) by March 1 shall be distributed from the appropriation under s. 20.835 (3) (q) by the department of administration on the 4th Monday in March.
  - **Section 37.** 79.10 (7r) of the statutes is created to read:
- 79.10 (7r) Gaming Credit Certification Reimbursement. (a) A county or city that performs the certification procedure under sub. (10) (a) shall receive, from the appropriation under s. 20.835 (3) (r), 50 cents for each gaming credit certified for a principal dwelling located in that county or city.
- The amounts determined under par. (a) shall be distributed by the department of administration on the first Friday in September, 2000, and every 5th year thereafter, based on applications on file with the county or city on August 1. A county or city shall inform the department of revenue of the number of applications on file before August 16.
- (c) If the department of revenue determines before August 1 of the year following a distribution under par. (b) that a county or city received an overpayment or underpayment under par. (b) because of a late application or an erroneous payment, the department of revenue shall correct the overpayment or underpayment by reducing or increasing the subsequent year's distribution under par. (b). Corrections shall be made without interest.

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**Section 38.** 79.10 (9) (bm) of the statutes is amended to read:

79.10 (9) (bm) Lottery Gaming credit. Except as provided in ss. 79.175 and 79.18, every owner of taxable personal property or a principal dwelling on a parcel of taxable real property is entitled to receive a lottery gaming credit in an amount determined by multiplying the estimated fair market value of the personal property or of the parcel of taxable real property, not exceeding the value determined under sub. (11), by the school tax rate. The owner shall receive the credit if the owner claims the credit in the manner provided under sub. (10) (a).

**Section 39.** 79.10 (9) (c) of the statutes is amended to read:

79.10 (9) (c) Credits shown on tax bill. The lettery gaming credit under par. (bm) shall reduce the property taxes otherwise payable for those taxpayers who are eligible to receive that credit and who complete the information required under sub. (10) (a), and the credit under par. (b) shall reduce the property taxes otherwise payable.

**Section 40.** 79.10 (10) of the statutes is created to read:

79.10 (10) Claiming the Gaming Credit. (a) Beginning with property taxes levied in 1999, the owner of a principal dwelling who is entitled to receive a gaming credit under sub. (9) (bm) may claim the credit by making an application on a form prescribed by the department of revenue. A claimant whose principal dwelling is on a parcel of taxable real property shall attest that, as of the certification date, the claimant is the owner of the property and uses the property as the claimant's principal dwelling. The certification date is January 1 of the year in which the property taxes are levied. The claimant shall file the application for the gaming credit with the treasurer of the county in which the property is located or, if the property is located in a city that collects taxes under s. 74.87, with the treasurer of

the city in which the property is located. Subject to review by the department of revenue, a treasurer who receives a completed application shall direct that the property described in the application be identified on the next tax roll as property for which the owner is entitled to receive a gaming credit. A claim that is made under this paragraph is valid for 5 years.

- (b) A person who becomes eligible for a credit under sub. (5) may claim the credit by filing an application, on a form prescribed by the department of revenue, with the treasurer of the county in which the property is located or, if the property is located in a city that collects taxes under s. 74.87, with the treasurer of the city in which the property is located. Claims made under this paragraph become invalid when claims made under par. (a) become invalid.
- (c) A person who becomes eligible for a credit under sub. (5) because of a purchase of a property may claim the credit by applying for it on the return under s. 77.22 (2). Claims made under this paragraph become invalid when claims made under par. (a) become invalid.
- (d) If the department of revenue determines that a credit was claimed by a taxpayer who was not entitled to the credit for reasons other than that the taxpayer failed to complete the information required under par. (a), the department of revenue shall collect the credit as a special charge against the county where the property for which the credit was claimed is located. The county shall instruct the appropriate taxation district to collect the credit as a special charge on the next property tax bill issued for the property.

**SECTION 41.** 79.10 (11) (title), (b) and (c) of the statutes are amended to read: 79.10 (11) (title) LOTTERY GAMING CREDIT ESTIMATED FAIR MARKET VALUE.

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- (b) Before October 16, the department of administration shall determine the total funds available for distribution under the lottery gaming credit in the following year and shall inform the joint committee on finance of that total. Total funds available for distribution shall be all existing and projected lottery proceeds, as defined in s. 25.75 (1) (c), bingo revenues, as defined in s. 25.75 (1) (am), pari-mutuel wagering revenues, as defined in s. 25.75 (1) (d), and interest for the fiscal year of the distribution, less the amount estimated to be expended under ss. 20.455 (2) (r), 20.505 (8) (q) and (r), 20.566 (2) (r) and 20.835 (2) (q) and (3) (r); less 20% of the amount estimated to be expended under s. 20.835 (3) (r) on the first Friday in September, 2005 or on the first Friday in September of every 5th year thereafter; and less the required reserve under s. 20.003 (5). The joint committee on finance may revise the total amount to be distributed if it does so at a meeting that takes place before November 1. If the joint committee on finance does not schedule a meeting to take place before November 1, the total determined by the department of administration shall be the total amount estimated to be distributed under the lottery gaming credit in the following year. (c) Before November 1, the department of administration shall inform the
- (c) Before November 1, the department of administration shall inform the department of revenue of the total amount available for distribution under the lottery gaming credit in the following year. Before December 1, the department of revenue shall calculate, to the nearest \$100, the estimated fair market value necessary to distribute the total amount available for distribution under the lottery gaming credit in the following year.

**Section 42.** 79.11 (3) (b) of the statutes is amended to read:

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79.11 (3) (b) Notwithstanding ss. 74.11 (2) (b) and 74.12 (2) (b), the lottery gaming credit shall be deducted in its entirety from the first instalment. This paragraph does not apply to the payment of taxes in instalments under s. 74.87.

**Section 43.** 93.31 of the statutes is amended to read:

93.31 Livestock breeders association. The secretary of the Wisconsin livestock breeders association shall on and after July 1 of each year make a report to the department, signed by the president, treasurer and secretary of the association, setting forth in detail the receipts and disbursements of the association for the preceding fiscal year in such form and detail together with such other information as the department may require. On receipt of such reports, if the department is satisfied that the business of the association has been efficiently conducted during the preceding fiscal year and in the interest of and for the promotion of the special agricultural interests of the state and for the purpose for which the association was organized and if the final statement shows that all the receipts together with the state aid have been accounted for and disbursed for the proper and necessary purposes of the association, and in accordance with the laws of the state, then the department shall file a certificate with the department of administration and it shall draw its warrant and the state treasurer shall pay to the treasurer of the association the amount of the appropriations made available for the association by s. 20.115 (4) (a) and (h) for the conduct of junior livestock shows and other livestock educational programs. The association may upon application to the state purchasing agent, upon such terms as he or she may require, obtain printing for the association under the state contract.

**SECTION 44.** 562.02 (2) (f) of the statutes is amended to read:

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562.02 (2) (f) Suspend or revoke any license or impose a forfeiture for any violation of this chapter or department rules relating to pari-mutuel racing. The department may suspend or revoke an occupational license issued under s. 562.05 (1) (d) or impose a forfeiture on that licensee under this paragraph if the stewards do not hold a meeting under s. 562.04 (1) (b) or hold a meeting but do not suspend the license or impose a forfeiture. Upon appeal, the department may change any action of the stewards under s. 562.04 (1) (b). Fifty percent of the moneys received under this paragraph shall be credited to the appropriation accounts under ss. 20.455 (2) (g) and 20.505 (8) (g) deposited into the gaming fund.

**SECTION 45.** 562.04 (1) (b) 4. of the statutes is amended to read:

562.04 (1) (b) 4. If at least 2 stewards determine that the violation or conduct has occurred, the stewards may, under the schedule established by the department under s. 562.02 (1) (f), suspend a license issued under s. 562.05 (1) (d) for a period not to exceed 90 days or impose a forfeiture not to exceed \$2,000 or both; or recommend that the department suspend a license for more than 90 days or impose a forfeiture exceeding \$2,000 or both. Fifty percent of the moneys received under this subdivision shall be credited to the appropriation accounts under ss. 20.455 (2) (g) and 20.505 (8) (g) deposited into the gaming fund.

**Section 46.** 562.04 (2) (d) of the statutes is amended to read:

562.04 (2) (d) A fee for the supervision of racing by stewards or other racing officials employed by or under contract with the department. Any moneys received under this paragraph shall be eredited to the appropriation accounts under ss. 20.455 (2) (g) and 20.505 (8) (g) deposited into the gaming fund.

**Section 47.** 562.05 (2) of the statutes is amended to read:

562.05 (2) The department shall establish, by rule, the qualifications for any
license required under sub. (1) and fix the fee for that license and any background
investigation under sub. (7) related to that license. Any moneys received under this
subsection shall be credited to the appropriation accounts under ss. 20.455(2)(g) and
20.505 (8) (g) deposited into the gaming fund.
Section 48. 562.065 (3) (cm) of the statutes is created to read:
562.065 (3) (cm) Moneys to be deposited into gaming fund. All moneys received
under par. (c) shall be deposited into the gaming fund.
SECTION 49. 562.065 (3) (d) (title) and 2. of the statutes are amended to read:
562.065 (3) (d) (title) General program operations; aids to county and district
fairs.
2. The department shall <u>credit deposit</u> the money received under subd. 1. to the
appropriation accounts under ss. 20.455 (2) (g) and 20.505 (8) (g) into the gaming
<u>fund</u> .
Section 50. 562.065 (3m) (c) (title) and 2. of the statutes are amended to read:
562.065 (3m) (c) (title) Allocation between Payment by licensee and state
association to the department.
2. The licensee may retain $50\%$ of the amount of the deduction under par. (a)
remaining after the payment of purses under par. (b), and the payment of the
licensee's cost under subd. 1. The licensee shall deposit the remaining $50\%$ of that
amount with the department. The department shall credit deposit all moneys
received under this subdivision to the appropriation account under s. 20.505 (8) (i)
into the gaming fund.
<b>SECTION 51.</b> 562.065 (4) of the statutes is amended to read:

562.065 (4) Unclaimed Prizes. Any winnings on a race which are not claimed within 90 days after the end of the period authorized for racing in that year under s. 562.05 (9) shall be paid to the department. The department shall credit deposit moneys received under this subsection to the appropriation accounts under ss. 20.455 (2) (g) and 20.505 (8) (g) into the gaming fund.

**Section 52.** 562.077 of the statutes is repealed.

**SECTION 53.** 562.09 (2) (e) of the statutes is amended to read:

562.09 **(2)** (e) The department shall establish, by rule, and charge fees for testing under this subsection. Fees received under this paragraph shall be credited to the appropriation accounts under ss. 20.455 (2) (g) and 20.505 (8) (g) deposited into the gaming fund.

**Section 54.** 562.124 (2) of the statutes is amended to read:

562.124 (2) If the department authorizes on-track pari-mutuel wagering on snowmobile racing under sub. (1m), the department shall regulate the pari-mutuel wagering and shall promulgate all rules necessary to administer this section. The department may promulgate rules that require persons who conduct snowmobile racing to be licensed by the department and the department may charge a fee to any person licensed under this subsection to cover the costs of the department in regulating on-track pari-mutuel wagering on snowmobile racing. Through its rules, the department shall do everything necessary to ensure the public interest and protect the integrity of the sport of snowmobile racing. If the department charges a fee to a person licensed under this subsection, the department shall deposit the moneys received in into the appropriation account under s. 20.505 (8) (g) gaming fund.

**Section 55.** 563.05 (6) of the statutes is repealed.

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<b>Section 56.</b> 563.055 (6) of the statutes is created to rea	SECTION 56.	563.055	(6)	of the	statutes	is	created	to	read
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- 2 563.055 (6) All moneys received under this section shall be deposited into the gaming fund.
  - **Section 57.** 563.13 (4) of the statutes is amended to read:
  - 563.13 (4) A \$10 license fee for each bingo occasion proposed to be conducted and \$5 for an annual license for each designated member responsible for the proper utilization of gross receipts. All moneys received under this subsection shall be deposited into the gaming fund.
  - **Section 58.** 563.135 of the statutes is renumbered 563.135 (1).
- **Section 59.** 563.135 (2m) of the statutes is created to read:
- 11 563.135 (2m) All moneys received under sub. (1) shall be deposited into the gaming fund.
  - **Section 60.** 563.16 of the statutes is amended to read:
  - 563.16 Amendment of license to conduct bingo. Upon application by a licensed organization, a license may be amended, if the subject matter of the amendment properly and lawfully could have been included in the original license. An application for an amendment to a license shall be filed and processed in the same manner as an original application. An application for the amendment of a license shall be accompanied by a \$3 fee. If any application for amendment seeks approval of additional bingo occasions or designates a new member responsible for the proper utilization of gross receipts, the appropriate fee under s. 563.13 (4) also shall be paid. If the department approves an application for an amendment to a license, a copy of the amendment shall be sent to the applicant who shall attach it to the original license. All moneys received under this section shall be deposited into the gaming fund.

1	<b>Section 61.</b> 563.22 (2) (c) of the statutes is created to read:
2	563.22 (2) (c) All moneys received under this subsection shall be deposited into
3	the gaming fund.
4	<b>Section 62.</b> 563.80 of the statutes is renumbered 563.80 (1).
5	<b>Section 63.</b> 563.80 (2m) of the statutes is created to read:
6	563.80 (2m) All moneys received under sub. (1) shall be deposited into the
7	gaming fund.
8	<b>Section 64.</b> 563.92 (2) of the statutes is amended to read:
9	563.92 (2) The fee for a raffle license shall be \$25 and shall be remitted with
10	the application. A raffle license shall be valid for 12 months and may be renewed as
11	provided in s. 563.98 (1g). The department shall issue the license within 30 days
12	after the filing of an application if the applicant qualifies under s. 563.90 and has not
13	exceeded the limits of s. 563.91. All moneys received by the department under this
14	subsection shall be credited to the appropriation account under s. 20.505 (8) (j).
15	<b>Section 65.</b> 563.98 (1g) of the statutes is amended to read:
16	563.98 (1g) An organization licensed under this subchapter may renew the
17	license by submitting a \$25 renewal fee with the report under sub. (1). All moneys
18	received under this subsection shall be credited to the appropriation account under
19	s. 20.505 (8) (j).
20	<b>Section 66.</b> 565.02 (6) of the statutes is amended to read:
21	565.02 (6) The department shall deposit all gross lottery revenues, as defined
22	in s. 25.75 (1) (b), in the lottery gaming fund.
23	<b>SECTION 67.</b> 565.02 (7) of the statutes is amended to read:
24	565.02 (7) Not later than March 1 of each year, the department shall submit
25	to the joint committee on finance a report that includes an estimate for that fiscal

year and for the subsequent fiscal year of the gross revenues from the sale of lottery tickets and lottery shares, the total amount paid as prizes and the prize payout ratio for each type of lottery game offered, and an evaluation of the effect of prize payout ratios of lottery games on lottery sales, lottery operating costs and on maximizing the revenue available for the lettery gaming property tax credit. If, within 14 working days after the date on which the committee receives the report, the cochairpersons of the committee notify the department that the committee has scheduled a meeting for the purpose of reviewing the department's proposed prize payouts, the department may proceed with its plans for the prize payouts for the subsequent fiscal year only upon approval of the plans by the committee. If the cochairpersons of the committee do not notify the department within 14 working days after the date on which the committee receives the report that the committee has scheduled a meeting for the purpose of reviewing the department's proposed prize payouts, the department's plans for the prize payouts for the subsequent fiscal year are considered approved by the committee.

#### SECTION 68. Nonstatutory provisions.

- (1) Position authorizations: Department of Administration.
- (a) The authorized FTE positions for the department of administration, funded from the appropriation account under section 20.505 (8) (g) of the statutes, as affected by this act, are decreased by 27.85 PR positions on the effective date of this paragraph, for the purpose of providing general program operations related to pari–mutuel wagering.
- (b) The authorized FTE positions for the department of administration, funded from the appropriation account under section 20.505 (8) (j) of the statutes, as affected

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SECTION 68

by this act, are decreased by 3.0 PR positions on the effective date of this paragraph, for the purpose of providing general program operations related to bingo games.

- (c) The authorized FTE positions for the department of administration, funded from the appropriation account under section 20.505 (8) (q) of the statutes, as created by this act, are increased by 27.85 SEG positions on the effective date of this paragraph, for the purpose of providing general program operations related to pari-mutuel wagering.
- (d) The authorized FTE positions for the department of administration, funded from the appropriation account under section 20.505 (8) (r) of the statutes, as created by this act, are increased by 3.0 SEG positions on the effective date of this paragraph, for the purpose of providing general program operations related to bingo games.
- (2) Position authorizations; department of justice. The authorized FTE positions for the department of justice, funded from the appropriation account under section 20.455 (2) (g) of the statutes, as affected by this act, are decreased by 1.0 PR position on the effective date of this paragraph, for the purpose of performing gaming law enforcement responsibilities.

### SECTION 69. Appropriation changes.

- (1) Pari-mutuel wagering. On the effective date of this subsection, the unencumbered balance of the appropriation account to the department of administration under section 20.505 (8) (g) of the statutes, as affected by this act, immediately before the effective date of this subsection is transferred to the gaming fund.
- (2) BINGO. On the effective date of this subsection, \$404,400 is transferred from the appropriation account to the department of administration under section 20.505 (8) (j) of the statutes, as affected by this act, to the gaming fund.

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(3)	GAMING LAW ENFORCEMENT.	On the effective date of this subsection, the
unencuml	bered balance of the approp	priation account to the department of justice
under sec	tion 20.455 (2) (g) of the state	utes, as affected by this act, immediately before
the effecti	ive date of this subsection is	s transferred to the gaming fund.

(4) Gaming law enforcement. In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of justice under section 20.455 (2) (r) of the statutes, as affected by the acts of 1997 and 1999, the dollar amount is increased by \$36,700 for fiscal year 1998–99 to increase the authorized FTE positions for the department by 1.0 SEG position for the performance of gaming law enforcement responsibilities.

#### Section 70. Initial applicability.

(1) The treatment of sections 79.10 (1m), (2), (5), (7m) (b) (title) and 1. a., (7r), (9) (bm) and (c) and (11) (title), (b) and (c) of the statutes first applies to the assessment beginning January 1, 1999.

15 (END)