

# Administration

## Division of Gaming

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### LFB Summary Items for Which an Issue Paper Has Been Prepared

<u>Item #</u>	<u>Title</u>
1	Tribal Gaming Appropriations and General Fund Revenue (Paper #125)
2	Tribal Youth Wellness Center (Paper #126)
3	University of Wisconsin-Green Bay (Paper #127)





## Legislative Fiscal Bureau

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May, 2019

Joint Committee on Finance

Paper #125

### **Tribal Gaming Appropriations and General Fund Revenue (Administration -- Division of Gaming)**

[LFB 2019-21 Budget Summary: Page 32, #1]

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#### **CURRENT LAW**

Indian gaming receipts are statutorily defined as moneys received by the state from any of the following: (a) tribal reimbursement for state costs of regulation of Indian gaming under Indian gaming compacts; (b) payments by Indian gaming vendors and persons proposing to be Indian gaming vendors as reimbursement for state costs of certification and background investigations; (c) tribal reimbursement for state costs of gaming services and assistance provided by the state at the request of a tribe; and (d) tribal payments pursuant to the Indian gaming compacts.

The first draw on tribal gaming receipts is to the following appropriations: (a) a Department of Administration (DOA) general program operations appropriation relating to Indian gaming regulation under the compacts (\$1,996,300 PR in 2018-19); (b) a Department of Justice (DOJ) Indian gaming law enforcement appropriation (\$165,800 PR in 2018-19); and (c) an amount necessary to make all of the transfers specified under the DOA Indian gaming receipts appropriation to other state programs (\$25,334,200 PR in 2018-19). Tribal gaming receipts remaining after these allocations are made are credited to the general fund.

#### **GOVERNOR**

Appropriate \$29,151,300 in 2019-20 and \$29,072,300 in 2020-21 in tribal gaming revenue paid to the state under the tribal gaming compacts. The appropriations include: (a) allocations totaling \$26,943,100 in 2019-20 and \$26,839,600 in 2020-21 to various state agencies for programs unrelated to tribal gaming regulation or law enforcement; and (b) appropriations for the regulation of tribal gaming in DOA [\$2,016,200 in 2019-20 and \$2,040,700 in 2020-21], and tribal gaming law enforcement in the Department of Justice (DOJ) [\$192,000 annually]. In addition,

program revenues are reserved for potential supplemental funding needs for staff of all tribal PR-funded appropriations [\$38,100 in 2019-20 and \$83,300 in 2020-21].

Tribal revenue paid to the state is based on provisions under the current state-tribal gaming compacts. Under the compacts, tribes are scheduled to make payments to the state based on a percentage of net revenue (gross revenue minus winnings). The percentages used to calculate state payments vary by tribe and, in some cases, may vary by year for the same tribe.

Under current law, Indian gaming receipts are credited to: (a) the DOJ Indian gaming law enforcement appropriation; (b) the DOA general program operations appropriation relating to Indian gaming regulation; and (c) a DOA appropriation for Indian gaming receipts in the amount necessary to make all the transfers specified under the appropriation to other state programs. Indian gaming receipts not otherwise credited to, or expended from, these appropriation accounts are deposited in the general fund.

The calculation for the general fund tribal revenue under the bill is summarized in Table 1.

**TABLE 1**

**2019-21 Tribal Gaming General Fund Revenue**

	<u>2019-20</u>	<u>2020-21</u>
Estimated Tribal Payments	\$55,943,600	\$56,380,000
Regulatory Payments	350,000	350,000
Vendor Certification Revenue	140,600	140,600
Unobligated Funds Reversions	<u>200,000</u>	<u>600,000</u>
Total Revenue	\$56,634,200	\$57,470,600
Program Allocations to State Agencies	\$29,151,300	\$29,072,300
Program Reserves	38,100	83,300
Tribal Gaming General Fund Revenue	\$27,444,800	\$28,315,000

**DISCUSSION POINTS**

**Tribal Gaming Revenues**

1. Tribal payments to the state, required under the state-tribal gaming compacts, fund programs in various state agencies and provide revenue to the general fund. The appropriations of tribal gaming revenue to state agencies are approved in each biennial budget process. General fund revenue from tribal gaming is identified in the state's general fund condition statement and is estimated in each fiscal year based on projected tribal payments to the state and the amounts appropriated to state agencies. This paper examines the estimated tribal payments to the state and the general fund revenue projections for 2019-20 and 2020-21 under the bill. It also provides a brief overview of the appropriations of tribal gaming revenue to state agencies in the 2019-21 biennium. [Allocations to individual agencies may be addressed in conjunction with the budgets of the affected agencies.]

2. Until 2009, annual net win casino revenue generally increased each year since tribal casino operations began in 1992. Based on data from independent financial audits of gaming facilities, the annual net revenue for the last 10 state fiscal years is shown in Table 2. The decline in revenue from 2009 to 2012 reflects the national economic downturn. Overall casino revenues increased in 2013, decreased in 2014 and 2015, and then increased in 2016, 2017, and 2018.

**TABLE 2**

**Tribal Class III Net Gaming Revenue - 2009-2018 (In Millions)**

<u>Fiscal Year</u>	<u>Net Revenue</u>	<u>Percent Change</u>
2009	\$1,215.9	
2010	1,215.1	-0.1%
2011	1,188.7	-2.2
2012	1,178.8	-0.8
2013	1,188.9	0.9
2014	1,159.4	-2.5
2015	1,153.5	-0.5
2016	1,194.4	3.5
2017	1,226.0	2.6
2018	1,242.9	1.4

3. The estimate of tribal payments to the state under the bill (\$55,943,600 in 2019-20 and \$56,380,000 in 2020-21) is based on assumed growth rates that approximate recent trends in net win-based tribal gaming payments to the state.

4. The revenue projections under the bill have been recalculated based upon recent data, a revision of assumed growth rates, and an evaluation of casino net win. This analysis projects that revenues will be lower than the administration's estimates by \$2,552,800 in 2019-20 and \$2,769,200 in 2020-21. In addition, as noted in the following section regarding tribal gaming appropriations, a May 1, 2019, errata from the administration reduced costs associated with DOA regulation. These changes are reflected in Table 3, which reestimates the total revenue at \$54,081,400 in 2019-20 and \$54,701,400 in 2020-21, and reestimates the tribal gaming general fund revenue at \$24,945,800 in 2019-20 and \$25,599,600 in 2020-21.

**TABLE 3**

**2019-21 Tribal Gaming General Fund Revenue, Reestimated**

	<u>2019-20</u>	<u>2020-21</u>
Estimated Tribal Payments	\$53,390,800	\$53,610,800
Regulatory Payments	350,000	350,000
Vendor Certification Revenue	140,600	140,600
Unobligated Funds Reversions	<u>200,000</u>	<u>600,000</u>
Total Revenue	\$54,081,400	\$54,701,400
Program Allocations to State Agencies	\$29,097,500	\$29,018,500
Program Reserves	38,100	83,300
Tribal Gaming General Fund Revenue	\$24,945,800	\$25,599,600

5. The reestimate shown at the conclusion of this paper indicates the amount of tribal gaming revenues deposited into the general fund for 2019-21 will be \$5,322,000 below the estimates reflected in the budget bill.

6. On March 6, 2017, the Stockbridge Munsee tribe indicated "that it has notified the State of Wisconsin of its intent to withhold its revenue sharing payment of \$923,000" for 2016-17 in a dispute over the expansion of the Ho-Chunk's Wittenburg facility (scheduled for completion in December, 2017). On April 19, 2017, the Stockbridge Munsee tribe filed suit against the state and the Ho-Chunk Nation alleging that: (a) the state is in violation of the Stockbridge Munsee compact revenue sharing provisions; (b) Ho-Chunk is in violation of its own compact for operating a gaming facility on lands not eligible for Indian gaming under federal law; and (c) the Wittenburg expansion does not meet the meaning of an "ancillary" facility. As of April, 2019, the Stockbridge-Munsee have withheld two payments to the state. Given that DOA will not bill the tribe for payment until June, 2019, and that legal matters are pending, no assumption regarding a fiscal impact is made at this time. To the extent that a payment has not been received or is not made, revenue would be reduced pending the outcome of the lawsuit. Subsequent to settlement, payment may be received.

**Tribal Gaming Appropriations**

7. Under the bill, the Governor recommends the appropriation of tribal gaming revenue to 16 state agencies in 47 program areas, including the DOA regulation and DOJ enforcement appropriations. In the errata letter, the administration indicated that the DOA PR appropriation for regulation should have been reduced by \$53,800 and 1.0 position annually. Each of the program areas is listed and briefly described in the attachment. Where there is a net fiscal change associated with any of these appropriations (other than standard budget adjustments), it is included under the budget summaries of the affected agency.

Of these allocations, all except the youth treatment facility [item #1] and program operations for the tribal language revitalization grant program [item #34] are to appropriation accounts

authorized under current law. Of the 47 program allocations, 28 are identical amounts to those provided in the 2017-19 biennium. Of the 19 allocations that changed, eight were affected by standard budget adjustments and/or adjustments to the base only [identified in the table below as items #20, #25, #28, #29, #31, #40, #42, and #47]. The remaining ten are: tribal youth treatment wellness center [item #1, create an appropriation and provide \$640,000 in 2019-20 to fund architectural plans for the center]; UW-Green Bay and Oneida Tribe programs assistance grants [item #3, increase of \$247,500 annually for First Nations education programing]; tribal family service grants [item #5, transfer the appropriation from GPR to GPR-Tribal and provide an increase of \$1,718,600 GPR-Tribal in 2019-20 and \$1,867,500 GPR-Tribal in 2020-21]; minority health program and public information campaign grants [item #16, transfer the appropriation from GPR-Tribal to GPR]; Wisconsin grant program for tribal college students [item #18, increase of \$24,100 in 2019-20 and \$25,300 in 2020-21]; state snowmobile enforcement program for snowmobile safety training and fatality reporting [item #32, transfer the appropriation from GPR-Tribal to GPR]; tribal language revitalization grants [item #34, an increase of \$100,000 in 2020-21 for program operations]; general tourism marketing [item #35, an increase of \$100,000 annually for marketing]; and tribal elderly transportation [item #38, an increase of \$39,600 annually for increased transportation services to tribal elders on and off tribal reservations]; and general program operations for gaming administration [item #46, a decrease of \$53,800 and 1.0 position annually].

**MODIFICATION**

Based on the reestimates discussed above, decrease the GPR-Tribal amounts (revenue to the general fund) under the bill by \$2,499,000 in 2019-20 and \$2,715,400 in 2020-21.

	<b>Revenue Change to</b>	
	<b>Base</b>	<b>Bill</b>
GPR-Tribal	- \$5,214,200	- \$5,214,200

Prepared by: Angela Miller  
Attachment



## ATTACHMENT

### 2019-21 Tribal Gaming Revenue Appropriations Governor

	<u>Agency</u>	<u>2019-20</u>	<u>2020-21</u>	<u>Purpose</u>
1	Administration	\$640,000	\$0	Youth treatment wellness center.
2	Administration	563,200	563,200	County management assistance grant program.
3	Administration	247,500	247,500	UW-Green Bay and Oneida Tribe programs assistance grants.
4	Administration	79,500	79,500	Tribal governmental services and technical assistance.
5	Children and Families	1,718,600	1,867,500	Tribal family services grants.
6	Children and Families	717,500	717,500	Indian child high-cost out-of-home care placements.
7	Corrections	50,000	50,000	American Indian tribal community reintegration program.
8	Health Services	961,700	961,700	Medical assistance matching funds for tribal outreach positions and federally qualified health centers (FQHC).
9	Health Services	712,800	712,800	Health services: tribal medical relief block grants.
10	Health Services	445,500	445,500	Indian substance abuse prevention education.
11	Health Services	445,500	445,500	Elderly nutrition; home-delivered and congregate meals.
12	Health Services	250,000	250,000	Reimbursements for high-cost mental health placements by tribal courts.
13	Health Services	242,000	242,000	Indian aids for social and mental hygiene services.
14	Health Services	106,900	106,900	American Indian health projects.
15	Health Services	22,500	22,500	American Indian diabetes and control.
16	Health Services	0	0	Minority health program and public information campaign grants.
17	Higher Education Aids Bd.	779,700	779,700	Indian student assistance grant program for American Indian undergraduate or graduate students.
18	Higher Education Aids Bd.	505,900	531,200	Wisconsin Grant Program for tribal college students
19	Higher Education Aids Bd.	405,000	405,000	Tribal College Payments
20	Historical Society	246,300	246,300	Northern Great Lakes Center operations funding.
21	Historical Society	201,100	201,100	Collection preservation storage facility.
22	Justice	695,000	695,000	Tribal law enforcement grant program.
23	Justice	631,200	631,200	County-tribal law enforcement programs: local assistance.
24	Justice	490,000	490,000	County law enforcement grant program.
25	Justice	115,400	115,400	County-tribal law enforcement programs: state operations.
26	Kickapoo Valley Reserve Bd.	69,400	69,400	Law enforcement services at the Kickapoo Valley Reserve.
27	Natural Resources	3,000,000	3,000,000	Transfer to the fish and wildlife account of the conservation fund.
28	Natural Resources	165,900	165,900	Management of state fishery resources in off-reservation areas where tribes have treaty-based rights to fish.
29	Natural Resources	125,700	125,700	Management of an elk reintroduction program.
30	Natural Resources	84,500	84,500	Payment to the Lac du Flambeau Band relating to certain fishing and sports licenses.
31	Natural Resources	80,700	80,700	Reintroduction of whooping cranes.
32	Natural Resources	0	0	State snowmobile enforcement program, safety training and fatality reporting.
33	Public Instruction	222,800	485,000	Tribal language revitalization grants.
34	Public Instruction		100,000	Tribal language revitalization grants, program operations.
35	Tourism	9,067,100	9,067,100	General tourism marketing, including grants to nonprofit tourism promotion organizations and specific earmarks.

<u>Agency</u>	<u>2019-20</u>	<u>2020-21</u>	<u>Purpose</u>
36 Tourism	\$160,000	\$160,000	Grants to local organizations and governments to operate regional tourist information centers.
37 Tourism	24,900	24,900	State aid for the arts.
38 Transportation	435,600	435,600	Elderly transportation grants.
39 UW System	417,500	417,500	Ashland full-scale aquaculture demonstration facility operational costs.
40 UW System	256,100	256,200	Ashland full-scale aquaculture demonstration facility debt service payments.
41 UW-Madison	488,700	488,700	Physician and health care provider loan assistance.
42 Veterans Affairs	101,300	101,300	American Indian services veterans benefits coordinator position.
43 Veterans Affairs	61,200	61,200	Grants to assist American Indians in obtaining federal and state veterans benefits and to reimburse veterans for the cost of tuition at tribal colleges.
44 WTCS Board	594,000	594,000	Grants for work-based learning programs.
45 Workforce Development	314,900	314,900	Vocational rehabilitation services for Native American individuals and American Indian tribes or bands.
Subtotal (Non-Regulatory Items)	<u>\$26,943,100</u>	<u>\$26,839,600</u>	
46 Administration	\$1,962,400	\$1,986,900	General program operations for Indian gaming regulation under the compacts.
47 Justice	<u>\$192,000</u>	<u>\$192,000</u>	Investigative services for Indian gaming law enforcement.
Subtotal (Regulation/Enforcement)	\$2,154,400	\$2,178,900	
Total Appropriations	\$29,097,500	\$29,018,500	



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May, 2019

Joint Committee on Finance

Paper #126

### **Tribal Youth Wellness Center (Administration -- Division of Gaming)**

[LFB 2019-21 Budget Summary: Page 37, #2]

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#### **CURRENT LAW**

Under 2017 Act 59, one-time funding of \$200,000 PR from tribal gaming revenue was provided to the Stockbridge-Munsee to study the potential creation of a tribal youth wellness center. In June, 2018, the Great Lakes Inter-Tribal Council published the resulting feasibility study and business plan outlining next steps for building the center.

#### **GOVERNOR**

Create an annual appropriation for a youth wellness center under the Department of Administration (DOA). Provide \$640,000 PR from tribal gaming revenue in 2019-20 to fund architectural plans for a youth substance abuse treatment center led by the Great Lakes Inter-Tribal Council.

#### **DISCUSSION POINTS**

1. Indian gaming receipts are statutorily defined as moneys received by the state from any of the following: (a) tribal reimbursement for state costs of regulation of Indian gaming under Indian gaming compacts; (b) payments by Indian gaming vendors and persons proposing to be Indian gaming vendors as reimbursement for state costs of certification and background investigations; (c) tribal reimbursement for state costs of gaming services and assistance provided by the state at the request of a tribe; and (d) tribal payments pursuant to the Indian gaming compacts.

2. The first draw on tribal gaming receipts is to the following appropriations: (a) a

Department of Administration general program operations appropriation relating to Indian gaming regulation under the compacts (\$1,996,300 PR in 2018-19); (b) a Department of Justice Indian gaming law enforcement appropriation (\$165,800 PR in 2018-19); and (c) an amount necessary to make all of the transfers specified under the DOA Indian gaming receipts appropriation to other state programs (\$25,334,200 PR in 2018-19). Tribal gaming receipts remaining after these allocations are made are credited to the general fund.

3. The agreements between the state and most of the tribes that operate gaming facilities, including the agreement between the state and the Stockbridge-Munsee, include ancillary memoranda of understanding (MOUs) related to government-to-government matters. In most cases, these MOUs specify that tribal gaming revenues, other than payments made to reimburse the state for the costs of regulating gaming and to reimburse DOA and the Department of Justice for the cost of providing services and assistance, should be used for the following four purposes: (a) economic development initiatives to benefit tribes and/or American Indians within Wisconsin; (b) economic development initiatives in regions around casinos; (c) promotion of tourism within the state; and (d) support of programs and services of the county in which the tribe is located.

4. Under 2017 Act 59, the Stockbridge-Munsee was authorized to spend \$200,000 PR in 2017-18 to study the potential creation of a tribal youth wellness center. Reimbursement claims for the project totaled \$187,400. In June, 2018, the Inter-Tribal Council published the resulting "Feasibility Study and Business Plan for a Regional Juvenile Substance Abuse and Mental Health Treatment Facility." The goal of the study was to provide "tribal and urban Native American communities with tools and resources to plan and design a holistic, culturally-based, coordinated wellness center designed to support mental health and wellness for children, youth, and their families."

5. According to the U.S. Department of Health and Human Services (HHS), 8.7% of Wisconsin residents suffer from a substance abuse disorder, exceeding the national average of 7.6%. The Inter-Tribal Council reports that Native youth are two times more likely to use opioids for nonmedical purposes compared to non-Native youth. In addition, from 1999 to 2015, the death rate from opioid overdoses reportedly increased by more than 500% for Native Americans.

6. Further, Native youth in Wisconsin currently have limited treatment options for substance abuse disorders. According to the Inter-Tribal Council, two facilities in Wisconsin (Eau Claire Academy and Rodgers Memorial Hospital) provide residential substance abuse services for adolescents. However, neither facility specializes in treatment for opioid addiction or accepts Indian Health Service (IHS) reimbursements.

7. The Indian Health Service, an agency within HHS, currently funds 12 youth regional treatment centers throughout the U.S. that address substance abuse among Native youth. While IHS provides financial support for patient care, the agency does not provide financing for the construction of facilities. The closest IHS-sponsored youth treatment center to Wisconsin is in South Dakota.

8. The Inter-Tribal Council indicates that the proposed treatment center would provide "tools and programs for addicted youth to enable them to reintegrate themselves back into their communities and re-initiate a constructive life, as well as save young lives that otherwise would be

lost." As proposed, the center would provide 36 beds and the average length of stay would be 40 days. While the center would focus on serving Native adolescents from all tribes, it would also serve non-Native youth in need of treatment. The Inter-Tribal Council recommends establishing the center near Wausau because of the city's central location, highway accessibility to Wisconsin tribes, and relatively inexpensive real estate.

9. The treatment center would use Dialectical Behavioral Treatment in conjunction with Medical Assisted Treatment. According to the plan, interventions would also "incorporate traditional Native cultural and spiritual practices including talking circles, sweat lodges, smudging, praying and dancing." The plan further indicates that the center could be tribally-owned and operated with the assistance of a private healthcare contractor. The Inter-Tribal Council indicates that this model would allow the center to maximize federal assistance available to tribes while providing evidence-based medical treatment.

10. In June, 2018, the President of the Stockbridge-Munsee community sent a letter to DOA requesting one-time financing of \$640,000 to procure architectural designs for the treatment center. According to the request, the "scope of service will include structural, mechanical, electrical, plumbing and site/ civil engineering services, energy modeling/ analysis, food service and energy, technology and security integration and management." Once funds are provided, the administration indicates that the Stockbridge-Munsee Community would post a request for proposals to obtain estimates from design firms and would select a firm with the assistance of the Inter-Tribal Council.

11. The administration indicates that the amount requested (\$640,000) is estimated as 8% of the total cost of the facility (\$8 million). The cost appears to be within the range of the industry standard for procuring architectural plans. The administration recommends providing funding in the first year of the biennium because funds would likely be expended through a single payment to the selected architectural firm. As with the \$200,000 previously allocated for the treatment facility study in 2017-18, funds would be provided to the Stockbridge-Munsee and distributed with the guidance of the Inter-Tribal Council. At this time, the administration indicates that additional construction costs are expected to be funded without additional state support.

12. It could be argued that the requested use of tribal gaming revenues would be consistent with the MOUs regarding the use of tribal gaming revenues because the treatment center would support services for tribal members. Further, given the ongoing need to address substance abuse disorders among Native youth, the Committee could approve the Governor's recommendation to provide \$640,000 PR in 2019-20 to fund architectural plans for a treatment center. [Alternative 1]

13. Tribal gaming revenues that are not allocated to state agencies are deposited in the state's general fund. If the Committee were to provide funding from tribal gaming revenues for the treatment center, the year-end balance of the state's general fund would be reduced by the same amount. Given that the allocation would reduce the amount available to the general fund, the Committee may determine that the current level of allocations is appropriate. As such, the Committee may wish to take no action. [Alternative 2] Under this alternative, the Stockbridge-Munsee would need to secure another fund source in order to procure architectural plans for the center.

## ALTERNATIVES

1. Approve the Governor's recommendation to provide \$640,000 PR from tribal gaming revenue in 2019-20 to fund architectural plans for a youth substance abuse treatment center led by the Great Lakes Inter-Tribal Council.

ALT 1	Change to Base		Change to Bill	
	Revenue	Funding	Revenue	Funding
PR		\$640,000		\$0
GPR-Tribal	-\$640,000		\$0	

2. Take no action.

ALT 2	Change to Base		Change to Bill	
	Revenue	Funding	Revenue	Funding
PR		\$0		-\$640,000
GPR-Tribal	\$0		\$640,000	

Prepared by: Angela Miller



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May, 2019

Joint Committee on Finance

Paper #127

### University of Wisconsin-Green Bay (Administration -- Division of Gaming)

[LFB 2019-21 Budget Summary: Page 37, #3]

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#### **CURRENT LAW**

From 2001-02 to 2016-17, tribal gaming revenue was provided for programming jointly developed by the Oneida Nation and the University of Wisconsin-Green Bay. Under 2017 Act 59, the Governor vetoed funding in 2017-18 and 2018-19 for the appropriation. In 2016-17, the Oneida Nation was provided \$247,500 PR for UW-Green Bay programs.

#### **GOVERNOR**

Provide \$247,500 PR annually from tribal gaming revenue through the Department of Administration (DOA) to fund the UW-Green Bay and Oneida Tribe programs assistance grant. Funds would support the Education Doctorate in First Nations Education and the Education Center for First Nations Studies. The allocation would be deposited in the UW System's program revenue appropriation for funds transferred from other state agencies.

#### **DISCUSSION POINTS**

1. Indian gaming receipts are statutorily defined as moneys received by the state from any of the following: (a) tribal reimbursement for state costs of regulation of Indian gaming under Indian gaming compacts; (b) payments by Indian gaming vendors and persons proposing to be Indian gaming vendors as reimbursement for state costs of certification and background investigations; (c) tribal reimbursement for state costs of gaming services and assistance provided by the state at the request of a tribe; and (d) tribal payments pursuant to the Indian gaming compacts.

2. The first draw on tribal gaming receipts is to the following appropriations: (a) a DOA general program operations appropriation relating to Indian gaming regulation under the compacts (\$1,996,300 PR in 2018-19); (b) a Department of Justice (DOJ) Indian gaming law enforcement appropriation (\$165,800 PR in 2018-19); and (c) an amount necessary to make all of the transfers specified under the DOA Indian gaming receipts appropriation to other state programs (\$25,334,200 PR in 2018-19). Tribal gaming receipts remaining after these allocations are made are credited to the general fund.

3. The agreements between the state and most of the tribes that operate gaming facilities, including the agreement between the state and the Oneida Tribe, include ancillary memoranda of understanding (MOUs) related to government-to-government matters. In most cases, these MOUs specify that tribal gaming revenues, other than payments made to reimburse the state for the costs of regulating gaming and to reimburse DOA and the Department of Justice for the cost of providing services and assistance, should be used for the following four purposes: (a) economic development initiatives to benefit tribes and/or American Indians within Wisconsin; (b) economic development initiatives in regions around casinos; (c) promotion of tourism within the state; and (d) support of programs and services of the county in which the tribe is located.

4. Tribal gaming revenue was provided to finance UW-Green Bay programming from 2001-02 to 2016-17. Most of the tribal gaming revenue was used to fund costs related to men's basketball games, with the remainder being used to support women's basketball and men's and women's soccer games. The allocation was provided to an appropriation in DOA and then deposited in the UW System's program revenue appropriation for funds transferred from other state agencies.

5. During 2017-19 biennial budget deliberations, the Governor recommended deleting the appropriation for UW-Green Bay. The Joint Committee on Finance and the Legislature voted to delete the Governor's provision and restore funding of \$247,500 PR per year. The Governor subsequently vetoed funding for the appropriation under 2017 Act 59.

6. In June, 2018, the Chairman of the Oneida Nation requested that the Governor and Legislature restore the use of tribal gaming revenues for UW-Green Bay programming. According to the request, funds would be used to support the University's Doctorate of Education in First Nations Education, created in 2018. The doctoral program is an applied degree that trains individuals working in education, cultural revitalization, community organizations, human service, and government to address problems in their communities and generate knowledge about First Nations. A cohort of 21 students began the program in September, 2018.

7. Funds would also be used to support the Education Center for First Nations Studies at UW-Green Bay. Under 1989 Act 31, all public school districts and pre-service education programs are required to provide instruction on tribal history, culture, and sovereignty. The center provides resources to support First Nations education and teacher training programs, as required under Act 31. In addition, the center currently coordinates two programs for First Nations youth. Under the Doctoral Project First Nations Youth Requirement, doctoral students work with tribal youth to implement a community-based project to address community needs. Under the First Nations K-12 Tutor/Mentor Field Program, UW-Green Bay students tutor and mentor First Nations students in Green Bay Area Public Schools, Ashwaubenon School System, and the West DePere School District. In addition, the

center plans to offer a Seven Generations of Native Voices Campus Program, which would allow middle school youth to attend programming on campus to learn about First Nations from college undergraduates, academic scholars, and oral traditional elder scholars. The center also plans to provide academic advising and support services for First Nations students, including an orientation program prior to the start of students' first semester.

8. The Doctorate of Education in First Nations Education and the Education Center for First Nations Studies are currently funded through a combination of PR (from tuition fees) and GPR (from the UW System's general program operations appropriation).

9. According to the request, the Oneida Nation and UW-Green Bay have agreed to allocate \$247,500 annually as follows: (a) \$59,500 to provide compensation for a First Nations student advisor; (b) \$43,500 to provide compensation for 75% of a cultural resource specialist position; (c) \$42,400 to provide compensation for 50% of a doctoral faculty position; (d) \$32,000 for tuition scholarships for eight students; (e) \$30,600 for student dissertation fellowships for eight students; (f) \$25,500 to provide First Nations youth programs; and (g) \$14,000 to provide for the participation of oral traditional elder scholars. In addition, the request indicates that the Oneida Nation plans to author a report prior to each biennium on the status of the program to assist with oversight and ensure that implementation is in accordance with the approved use of funds.

10. It could be argued that the requested use of tribal gaming revenues would be consistent with the MOUs regarding the use of tribal gaming revenues in that projects would benefit tribal members and be developed in collaboration with First Nations governments and communities. Further, given that one of the tribes that generates tribal gaming revenues has requested funds, the Committee may wish to again provide \$247,500 PR annually. [Alternative 1]

11. Tribal gaming revenues that are not allocated to state agencies are deposited in the state's general fund. If the Committee were to restore funding from tribal gaming revenues for UW-Green Bay programming, the year-end balance of the state's general fund would be reduced by the same amount. Therefore, the Committee could decide to modify the Governor's proposal to instead provide \$165,200 PR annually for UW-Green Bay programs while increasing the amount available for the general fund by \$82,300 annually compared to the bill. [Alternative 2] Under this alternative, the University indicates that it would prioritize allocations and services as follows: (a) \$59,500 to provide compensation for a First Nations student advisor; (b) \$39,900 to provide partial compensation for a doctoral faculty position; (c) \$30,600 for student dissertation fellowships for eight students; (d) \$25,500 to provide First Nations youth programs; and (e) \$9,700 to provide for the participation of oral traditional elder scholars at a reduced level.

12. Given that providing tribal gaming funds to the University would reduce the amount of revenues available for deposit to the general fund, the Committee may determine that the current level of allocation is appropriate. Therefore, the Committee could decide to take no action. [Alternative 3] The University indicates that, if funding were not provided, it would not be able to provide proposed services, including the Seven Generations youth program, the doctoral faculty position, the First Nations student advisor position, the First Nations youth program coordinator, the First Nations cultural resource specialist, and student scholarships. In addition, the University indicates that, under this alternative, it would be more difficult to sustain current services, such as the First Nations youth

programs and the participation of oral traditional elder scholars.

**ALTERNATIVES**

1. Approve the Governor's recommendation to provide \$247,500 PR annually to UW-Green Bay to support the Education Doctorate in First Nations Education and the Education Center for First Nations Studies.

ALT 1	Change to Base		Change to Bill	
	Revenue	Funding	Revenue	Funding
PR		\$495,000		\$0
GPR-Tribal	-\$495,000		\$0	

2. Modify the proposal to provide \$165,200 PR annually to UW Green Bay to support the Education Doctorate in First Nations Education and the Education Center for First Nations Studies.

ALT 2	Change to Base		Change to Bill	
	Revenue	Funding	Revenue	Funding
PR		\$330,400		-\$164,600
GPR-Tribal	-\$330,400		\$164,600	

3. Take no action regarding the restoration of tribal gaming funds to UW-Green Bay.

ALT 3	Change to Base		Change to Bill	
	Revenue	Funding	Revenue	Funding
PR		\$0		-\$495,000
GPR-Tribal	\$0		\$495,000	

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