

Ninety-First Regular Session

WEDNESDAY, July 27, 1994

The chief clerk makes the following entries under the above date.

COMMITTEE REPORTS

The committee on Human Resources, Labor, Tourism, Veterans and Military Affairs reports and recommends:

McCALLUM, LAURIE R., of Madison, as a member of the Personnel Commission, to serve for the term ending March 1, 1999.

Confirmation:

Ayes, 4 -- Senators Zien, Lasee, Drzewiecki and Decker;

Noes, 1 -- Senator Breske.

David A. Zien
Chair

PETITIONS AND COMMUNICATIONS

State of Wisconsin
Legislative Audit Bureau

July 21, 1994

To the Honorable the Legislature:

We have completed a financial audit of the Wisconsin Gaming Commission to meet our audit requirements under s. 13.94(1)(em), Wis. Stats. Prior to the creation of the Commission on October 1, 1992, we conducted separate audits of the Lottery Board and the Racing Board. This is the first financial audit combining Lottery, Racing, Indian Gaming, and Charitable Gaming activities. We have issued unqualified opinions as to the fair presentation of the Commission's fiscal year (FY) 1992-93 financial statements.

During FY 1992-93, the Wisconsin Lottery continued to experience an increase in ticket sales and provided almost \$200 million for property tax relief. However, the rate of growth in sales is slowing, and if present trends continue, the amount of the average annual Lottery Tax Credit will stabilize at about \$120.

If FY 1992-93, pari-mutuel greyhound racing provided \$7.6 million in tax revenues to the State's General Fund and \$775,000 to various programs such as county and district fair aids. However, public interest and participation in pari-mutuel racing appears to have peaked, and racing revenues have been declining significantly. Legislative action was recently required to appropriate general purpose revenue for programs that had previously been funded with pari-mutuel racing revenue. We recommend the statutes be amended to eliminate the requirement that pari-mutuel tax revenues be used to support non-racing related programs.

The oversight responsibilities required by the tribal-state compacts and the dramatic expansion of the number of casinos operating in Wisconsin have strained the

resources of the Office of Indian Gaming. The compacts limit the amount of funding the State can collect from the Tribes for administration to \$350,000 annually, which is less than the cost of providing the oversight. Further, because the initial Gaming Commission budget approved by the Legislature did not include an appropriation for Indian Gaming and subsequent budgets did not provide funding for overhead costs, we estimate that by the end of the 1993-95 biennium over \$446,000 in Lottery program funds will be used to pay Indian Gaming costs. We recommend that the Lottery program be fully reimbursed for these costs.

We appreciate the courtesy and cooperation extended to us by staff of the Gaming Commission during our audit. The Commission's response is Appendix VI.

Sincerely,
Dale Cattanach
State Auditor

SENATE CLEARINGHOUSE ORDERS

The committee on Education reports and recommends:

Senate Clearinghouse Rule 94-35

Relating to distant education projects.
No action taken.

Barbara Lorman
Chair

The committee on Financial Institutions and Cultural Affairs reports and recommends:

Senate Clearinghouse Rule 94-79

Relating to establishing individual investor financial suitability standards.
No action taken.

Alberta Darling
Chair

The committee on Human Resources, Labor, Tourism, Veterans and Military Affairs reports and recommends:

Senate Clearinghouse Rule 94-49

Relating to mines, pits and quarries.
No action taken.

Senate Clearinghouse Rule 94-50

Relating to explosive materials.
No action taken.

Senate Clearinghouse Rule 94-61

Relating to the renewal of plumbing licenses and continuing educational requirements.
No action taken.

David A. Zien
Chair

JOURNAL OF THE SENATE [July 27, 1994]

Senate Clearinghouse Rule 94-52

Relating to controlled substances.

Submitted by Controlled Substances Board.

Report received from agency, July 21, 1994.

Referred to committee on Health, Human Services and Aging, July 27, 1994.

Senate Clearinghouse Rule 94-63

Relating to the establishment of a refuge on Duck creek, Brown county.

Submitted by Department of Natural Resources.

Report received from agency, July 26, 1994.

Referred to committee on Environment and Energy, July 27, 1994.

Senate Clearinghouse Rule 94-96

Relating to the administration of the forest crop law and the managed forest law.

Submitted by Department of Natural Resources.

Report received from agency, July 26, 1994.

Referred to committee on Environment and Energy, July 27, 1994.