

2001 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-SB55)

Received: **06/21/2001**

Received By: **shoveme**

Wanted: **As time permits**

Identical to LRB:

For: **Spencer Black (608) 266-7521**

By/Representing: **Susan McMurray**

This file may be shown to any legislator: **NO**

Drafter: **shoveme**

May Contact:

Addl. Drafters: **jkreye
isagerro**

Subject: **Munis - miscellaneous
Counties - miscellaneous
State Finance - miscellaneous**

Extra Copies: **RAC**

Submit via email: **YES**

Requester's email: **Rep.Black@legis.state.wi.us**

Pre Topic:

No specific pre topic given

Topic:

CN75: Re-direct funds from the tax relief fund tax credit to property tax relief

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	shoveme 06/29/2001	wjackson 06/29/2001	pgreensl 06/29/2001	_____	lrb_docadmin 06/29/2001	lrb_docadmin 06/29/2001	

FE Sent For:

<END>

2001 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB144)

Received: 06/21/2001

Received By: shoveme

Wanted: As time permits

Identical to LRB:

For: Spencer Black (608) 266-7521

By/Representing: Susan McMurray

This file may be shown to any legislator: NO

Drafter: shoveme

May Contact:

Addl. Drafters: JKUTSR

Subject: Munis - miscellaneous
Counties - miscellaneous
State Finance - miscellaneous

Extra Copies: RAC

Submit via email: YES

Requester's email: Rep.Black@legis.state.wi.us

Pre Topic:

No specific pre topic given

Topic:

CN75: Re-direct funds from the tax relief fund tax credit to property tax relief

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	shoveme		6/29 PS	6/29 PS			

FE Sent For:

<END>

Assembly Democrat Budget Amendment Requests

Request Number: 75
(not LRB number)

Agency: General Fund

Description: Re-direct any funds for the Tax Relief Fund tax credit program to property tax relief

Attachments:

Cost (if known):

Contact person: Susan McMurray, 266-7521, Representative Black's Office

Can this be
done?
are there
constitutional
implications?

mes?

2001

Date (time) needed _____

LRB b. 14761.1

**ADC CAUCUS BUDGET AMENDMENT
[ONLY FOR CAUCUS]**

MESSESR ^{JK} : WLj : _____

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 2001 SENATE BILL 55**

D-NOTE

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

At the locations indicated, amend the substitute amendment as follows:

✓ #. Page ⁴⁷....., line ⁴.....: delete ~~tax relief~~ [ⓑ] and substitute "lottery" [ⓐ] [ⓑ]

✓ #. Page ⁴⁸....., line ⁷.....: delete "tax relief" and substitute "lottery" [ⓐ]

✓ #. Page ⁴²⁵....., line ².....: delete ~~tax relief~~ [ⓑ] and substitute [ⓐ] "lottery" [ⓑ]

✓ #. Page ⁴²⁵....., line ³.....: delete "tax relief" and substitute "lottery" [ⓐ]

✓ #. Page ⁴²⁵....., line ⁶.....: delete lines 6 to 9 [ⓐ]

✓ #. Page ⁴⁶⁹....., line ¹.....: delete lines 1 and 2 [ⓐ]

2001

Date (time) needed _____

LRB b ⁶ 14781 /

**ADC CAUCUS BUDGET AMENDMENT
[ONLY FOR CAUCUS]**

MES ~~IR~~ WLJ: _____

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 2001 SENATE BILL 55**

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

At the locations indicated, amend the substitute amendment as follows:

↓ #. Page 473, line 15: delete lines 15 to 180

INS A →

↓ #. Page 736, line 12: delete lines 12 to 240

↓ #. Page 737, line 1: delete line 1 to 250

↓ #. Page 738, line 1: delete that line0

↓ #. Page 1405, line 22: delete lines 22 to 250

↓ #. Page 1406, line 1: delete lines 1 and 20

(END)



State of Wisconsin
2001 - 2002 LEGISLATURE

GJK
LRBb1476/1
MES&ISR.....

ASSEMBLY AMENDMENT ,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2001 ASSEMBLY BILL 144

At the locations indicated, amend the substitute amendment as follows:

INS-A

* A. Page 476, line 10: after that line insert:

“SECTION 1141u. 25.75 (1) (c) (intro.) of the statutes is amended to read:

25.75 (1) (c) (intro.) “Lottery proceeds” means the sum of the remainder of the gross lottery revenues and the amount transferred by the secretary of administration under s. 16.518 (4), after deducting all of the following:

History: 1987 a. 119, 399; 1989 a. 31, 336; 1991 a. 39, 225, 269; 1993 a. 16; 1995 a. 27; 1997 a. 27; 1999 a. 5, 9.

SECTION 1141ue. 25.75 (2) of the statutes is amended to read:

25.75 (2) CREATION. There is created a separate nonlapsible trust fund known as the lottery fund, to consist of gross lottery revenues received by the department of revenue and moneys transferred to the lottery fund under ss. 20.455 (2) (g) and

20.505 (8) (am), (g) and (jm) and moneys transferred to the lottery fund under s.
20.876 (1)."

History: 1987 a. 119, 399; 1989 a. 31, 336; 1991 a. 39, 225, 269; 1993 a. 16; 1995 a. 27; 1997 a. 27; 1999 a. 5, 9.

(END)
00 INSA

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

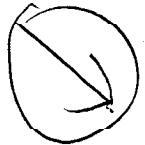
LRBb1476/1dn
MES&JK&ISR...../.....

Wlj

Susan McMurray:

This bill yanks the tax relief fund tax credit and transfers the funds that would have funded that credit to the lottery fund, thus providing additional property tax relief.

Please note, however, that this amendment raises a constitutional issue as to



DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1888/1dn
KJL&JK/jlg:mrc

~~October 2, 1999~~

MES

ISR

MS

Please note that this amendment raises ~~two~~ constitutional issues. The first issue is whether the constitution prohibits the use of general program revenue to pay for general program operations and other related costs of the lottery. Article IV, section 24 (6) (a), of the constitution requires that the net proceeds of the lottery be used for property tax relief. It is unclear what the term "net proceeds" means. A court may find that the term "net proceeds" means gross lottery revenues less lottery prizes and other costs associated with the lottery such as general program operations and vendor fees and thus the use of general program revenues is unconstitutional.

MS 9/1

The second issue is whether the moneys transferred from the general fund to the lottery fund may be used toward payment of the lottery and gaming credit as it is currently distributed. Under current law, the lottery and gaming credit is paid from the net proceeds of the lottery. Under article IV, section 24 (6) (a), of the constitution, these net lottery proceeds are not subject to the Uniformity Clause of article VIII, section 1, of the constitution. All other state funds distributed for property tax relief are subject to the uniformity requirement.

It is unclear whether general program revenue transferred to the lottery fund may be considered net proceeds of the lottery. A court may find that the general program revenue transferred under this amendment does not qualify as net proceeds of the lottery and thus is subject to the Uniformity Clause. As the lottery and gaming credit is not distributed uniformly under current law, if a court held that the general program revenue is subject to the Uniformity Clause, using the ~~\$200 million of general program revenue~~ toward payment of the lottery and gaming credit would be unconstitutional.

Please review this amendment carefully to make sure it achieves your intent. If you have any questions, please feel free to contact ~~me~~ us.

money transferred from the general fund

~~Ivy G. Sager-Rosenthal
Legislative Attorney
Phone: (608) 261-4455
E-mail: Ivy.Sager-Rosenthal@legis.state.wi.us~~

MES

Joseph T. Kreye
Legislative Attorney
Phone: (608) 266-2263
E-mail: Joseph.Kreye@legis.state.wi.us

ISR

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb1476/1dn
MES&JK&ISR:wlj:pg

June 29, 2001

Susan McMurray:

This bill yanks the tax relief fund tax credit and transfers the funds that would have funded that credit to the lottery fund, thus providing additional property tax relief.

Please note, however, that this amendment raises a constitutional issue as to whether the moneys transferred from the general fund to the lottery fund may be used toward payment of the lottery and gaming credit as it is currently distributed. Under current law, the lottery and gaming credit is paid from the net proceeds of the lottery. Under article IV, section 24 (6) (a), of the constitution, these net lottery proceeds are not subject to the Uniformity Clause of article VIII, section 1, of the constitution. All other state funds distributed for property tax relief are subject to the uniformity requirement.

It is unclear whether general program revenue transferred to the lottery fund may be considered net proceeds of the lottery. A court may find that the general program revenue transferred under this amendment does not qualify as net proceeds of the lottery and thus is subject to the Uniformity Clause. As the lottery and gaming credit is not distributed uniformly under current law, if a court held that the general program revenue is subject to the Uniformity Clause, using the money transferred from the general fund toward payment of the lottery and gaming credit would be unconstitutional.

Please review this amendment carefully to make sure it achieves your intent. If you have any questions, please feel free to contact us.

Marc E. Shovers
Senior Legislative Attorney
Phone: (608) 266-0129
E-mail: marc.shovers@legis.state.wi.us

Joseph T. Kreye
Legislative Attorney
Phone: (608) 266-2263
E-mail: joseph.kreye@legis.state.wi.us

Ivy G. Sager-Rosenthal
Legislative Attorney
Phone: (608) 261-4455
E-mail: ivy.sager-rosenthal@legis.state.wi.us