



JERRY PETROWSKI

WISCONSIN STATE SENATOR

Senate Bill 106

Veterans Lottery Ticket and Tax Credit April 4, 2013

Good morning, Mr. Chairman and members of the committee. I would like to thank you for the opportunity to testify today on Senate Bill 106.

I have introduced this bill in an effort to provide a long-term funding solution for the Veterans Trust Fund administered by the state's Department of Veteran Affairs. The trust fund is currently the state's primary means of providing essential services to over 400,000 Wisconsin veterans and their families through a number of programs, including education, transportation, housing, employment, and health care assistance.

Unfortunately, the Veterans Trust Fund has encountered a number of financial issues over the last decade. Although 2011 Act 32 infused an additional \$5 million into the fund in order to maintain program operations, budget analysts projected the fund to reach insolvency by the first quarter of 2014.

Governor Walker's current budget solves this problem in the short term by adding an additional \$5.3 million to the trust fund. It is important, however, that we continue working to address the long-term concerns of the Veterans Trust Fund as the Legislature moves forward in consideration of the budget.

This bill directs the Department of Revenue (DOR) to create a veterans themed lottery game, the proceeds from which will be used to pay for the veterans and surviving spouses property tax credit. This is a refundable credit, and is treated as an appropriation from the general fund. Last year, almost 6,000 men and women claimed the credit for a total of nearly \$20 million.

In turn, the bill directs the money that would have been appropriated for the veterans and surviving spouses property tax credit from the general fund to the Veterans Trust Fund. Article IV of the state constitution mandates that all net proceeds of the lottery must be used for property tax relief. Structured in this way, I believe the bill does not violate Article IV and would be held constitutional.

Once again, thank you for being here, and if you have any questions, I would be happy to answer them now.

29TH SENATE DISTRICT