

Wisconsin Division of Gaming

2022-2023
ANNUAL REPORT



INTEGRITY | ACCOUNTABILITY | INNOVATION | CUSTOMER FOCUS

DIVISION OF GAMING

Report Highlights	3
Message from the Administrator	4
Organizational Structure	6

OFFICE OF CHARITABLE GAMING (OCG) 7

Budget	8
Bingo	9
Raffles	11

OFFICE OF INDIAN GAMING AND REGULATORY COMPLIANCE (OIGRC) 13

Compacted Nations with Class III Gaming Facilities	14
Class III Gaming Locations	15
Budget	16
Gaming Revenue Sharing	17
Revenue Audit Program	20
Compliance Audit Program	21
Vendor Certification	22

CONTACT INFORMATION 24

Report Highlights

(STATE FISCAL YEAR 2023 TOTALS)

TOTAL CLASS III GAMING REVENUE SHARING PAYMENTS

\$65,905,682

TOTAL PAYMENTS BY NATIVE NATIONS TO LOCAL GOVERNMENTS

\$6,865,826

TOTAL RAFFLE REVENUE

\$310,073

TOTAL BINGO REVENUE

\$256,205

Message from the Administrator



John Dillett
ADMINISTRATOR

On behalf of the State of Wisconsin Department of Administration Division of Gaming, we are proud to present our 2022-23 Annual Report. This report shows the regulatory activities of the Division and the overall performance of the legalized gaming industry in the state during the past year.

The Division's 2018-2022 report showed the impact of the COVID-19 pandemic on the Wisconsin gaming industry and our operations. This report shows that the robust recovery reported at that time has slowed slightly, but increases in gaming revenue and the number of licenses issued have continued through the past year.

Overall, gaming revenue continued the upward trend of post-pandemic growth that began in 2021 and continued during 2023, with the most significant gains continuing to be seen in gaming revenue reported by the Native gaming operations. Aggregate gaming revenue for the Native Nation fiscal year ended September 30, 2023 exceeded \$1.27 billion, an increase of 17% over 2022.

Continued revenue gains were seen in the charitable gaming area as well. Total program revenue for charitable gaming in the state fiscal year ended June 30, 2023 increased 19% over 2022 to \$568,302. The total number of raffle licenses issued increased nearly 10% in 2023, and now exceed the numbers prior to the pandemic.

Internally, the agency continued to meet our goals for auditing, licensing, and stakeholder outreach in 2023. Our Office of Indian Gaming and Regulatory Compliance (OIGRC) completed 34 audits of gaming operations during 2022-23 and issued 22 new and renewal vendor certificates, including investigations of over 250 individual applications. In the state fiscal year ended June 30, 2023, the Office of Charitable Gaming (OCG) issued over 250 bingo licenses and granted raffle licenses to over 12,000 organizations.

The 2023 Native Nation fiscal year was the first to include significant data regarding the newly authorized event wagering activities in the state. Four sports book operations opened in the state in 2023 and initial data has exceeded our projections for this new wagering activity. We expect to include a full summary of sports wagering activity in the state in the next Annual Report once a full year of sports wagering data becomes available.

The Division began the year with some ambitious goals. Our goals included the following major initiatives that were completed during the 2023 fiscal year:

- Office Move – Based on our successful implementation of telework for a large percentage of our staff, in 2022 we developed a plan to reduce office space. The move to the updated and consolidated Division of Gaming office space was completed in April 2023. The Division is just beginning to enjoy the benefits of the new space, including operational cost reductions of up to 50%, more collaboration space and increased employee morale resulting from a more modern and open workspace.
- Vendor Certification Improvements – The vendor certification area has long been a leader in paperless submission and has not accepted paper application filings since 2008. In 2023, we continued to reduce the use of paper and our environmental impact by requiring electronic submission of fingerprints and requiring electronic payment of application fees.

As we begin a new calendar year, the Division is looking forward to an ambitious slate of new goals for 2024. These goals include a number of efforts to improve our service to stakeholders and introduce exciting enhancements to our website.

In early 2024, we will be introducing real time licensing duration information on our website, both for the charitable and vendor certification areas. Beginning in 2024 and continuing through 2025, online tutorials will be made available to assist applicants in completing all gaming and application forms. By 2026 we plan to migrate 100% of our application forms into a seamless online portal that will include the ability to notarize documents remotely.

As this report indicates, the Wisconsin gaming industry continues to grow and is a robust part of Wisconsin's overall economy. The Division of Gaming looks forward to working with our Native Nation partners, charitable organizations, license holders and all of our stakeholders to continue to protect the integrity of this important industry in 2024 and beyond.

Organizational Structure

The Division of Gaming is a regulatory agency under the Wisconsin Department of Administration (DOA), the agency responsible for administrative functions of state government. In addition to Gaming, there are 13 divisions under DOA purview, all reporting to the DOA Secretary.

The structure of DOA can be viewed [here](#). The Division of Gaming currently has 20.5 authorized positions allocated over two bureaus, the Office of Indian Gaming and Regulatory Compliance (OIGRC) and the Office of Charitable Gaming (OCG). Three of these positions, including the Administrator are allocated across both of the bureaus, 5.5 positions are located within the OCG and the remaining 12.0 positions are allocated to the OIGRC.

Office of Charitable Gaming (OCG)

Amendments to the Wisconsin Constitution made charitable bingo games legal in 1973 and charitable raffles legal in 1977.

The Division of Gaming's Office of Charitable Gaming (OCG) is responsible for the licensing and regulation of raffles and bingos conducted by charitable organizations. Our regulatory responsibility is to protect the public interest and the integrity of games of chance played in the state.

Organizations must be granted a license each year by the OCG to conduct bingo or raffles.

2023 RESULTS

12,205
RAFFLE
LICENSES
ISSUED

263
BINGO
LICENSES
ISSUED

Budget

The OCG is entirely funded by program revenue. This includes license and permit fees paid by organizations conducting bingos and raffles, and taxes on bingo proceeds and equipment. The fact that licensing fees and tax rates have remained unchanged since 1989 while costs have continued to increase has impacted OCG's oversight of bingo and raffles in recent years. This underfunding was exacerbated by the significantly reduced program revenue received in 2020 and 2021.

	Charitable Raffle Budget Summary	
	2022	2023
Budgeted Appropriation	\$353,450	\$390,400
Expense	\$375,341	\$395,069
Difference	(\$21,891)	(\$4,669)

	Charitable Bingo Budget Summary	
	2022	2023
Budgeted Appropriation	\$230,050	\$252,500
Expense	\$239,687	\$254,016
Difference	(\$9,637)	(\$1,516)

Bingo

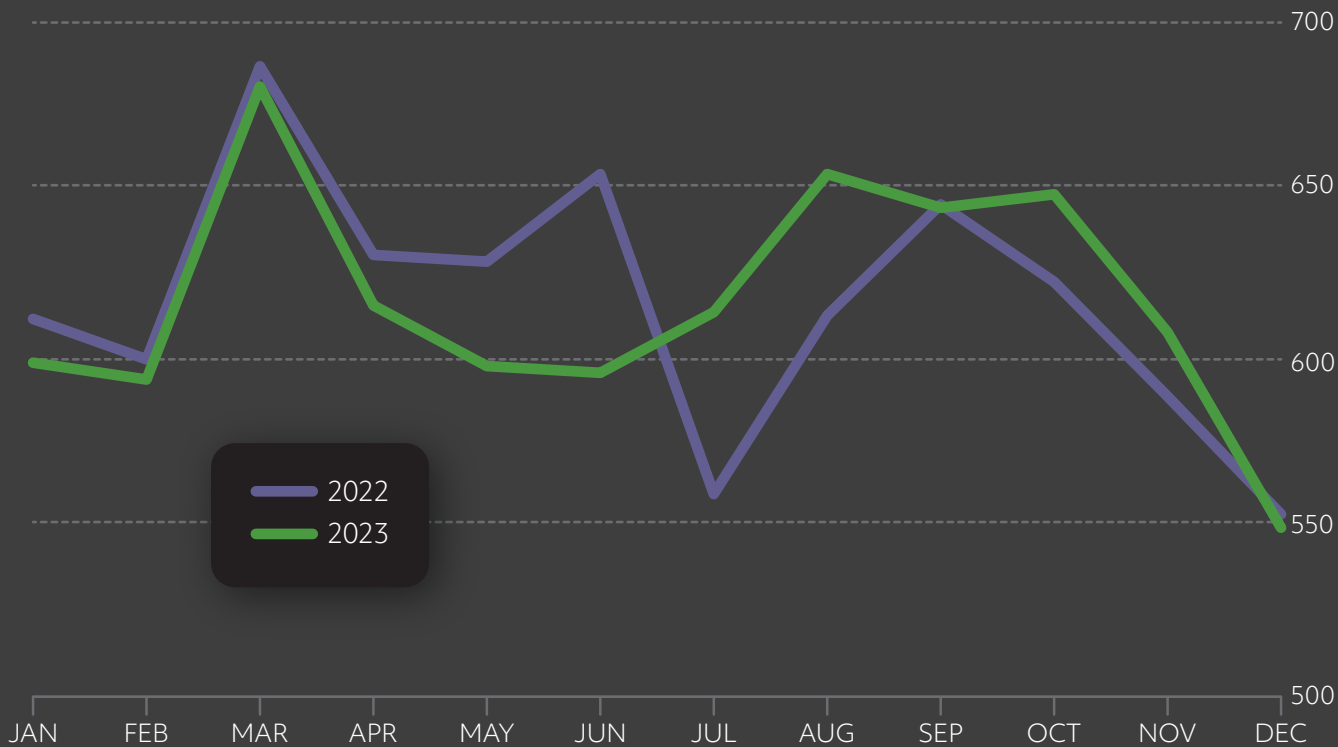
Religious, charitable, service, fraternal, and veterans' organizations, as well as any organizations for which contributions are deductible for state and federal income tax purposes, may be licensed to operate bingo-playing sessions in Wisconsin. With certain exceptions, eligible organizations must have been in existence for at least three years, have established funding sources, and have at least 15 members. More information on qualifying and applying for a bingo license can be found at [Wis. Stat. sec. 563.11](#).

The conduct of bingo in Wisconsin is governed by state statutory requirements. These can be found under [Wis. Stat. sec. 563.51](#) and include requirements that all profits from operations must be used for proper and legitimate expenditures, age limitations on who may play and other regulations regarding the conduct of bingo.

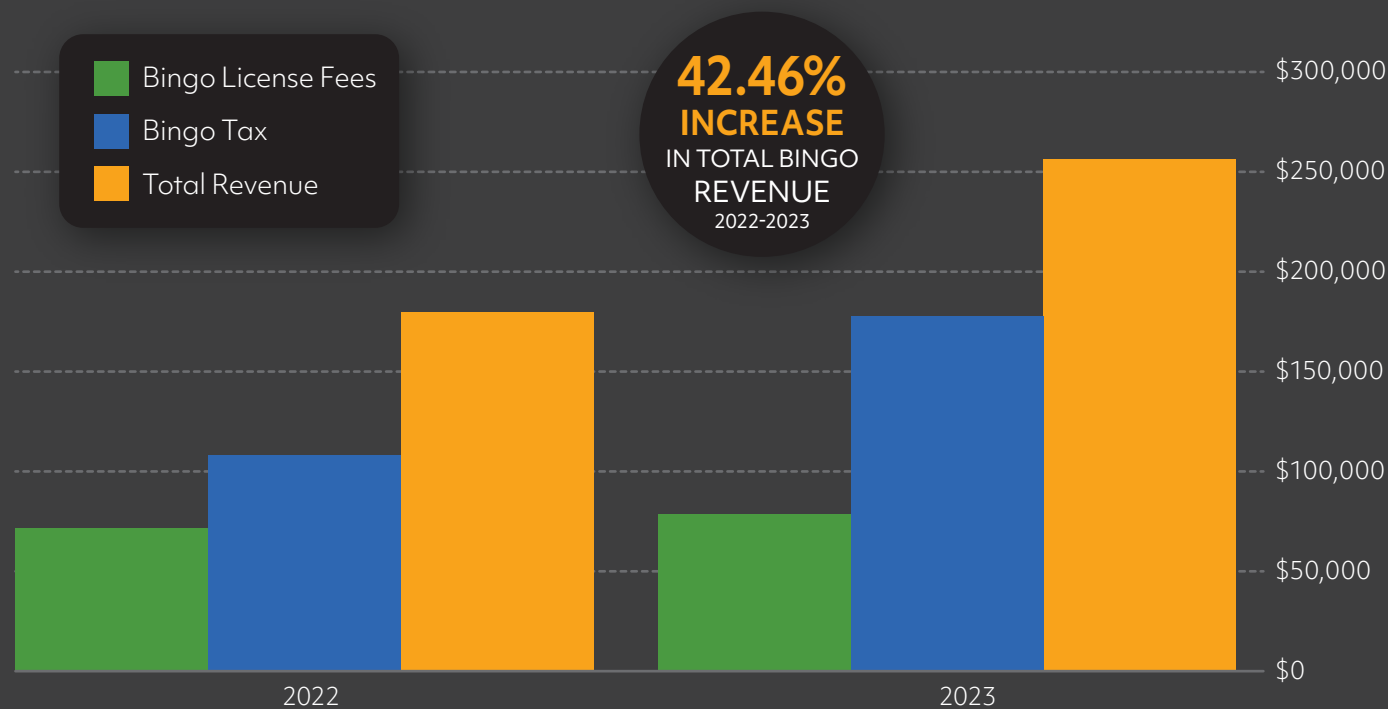
The Division has the authority to suspend or revoke bingo licenses for violation of rules regarding gameplay and posting of information. The OCG employs a part-time inspector whose sole duty is to randomly visit organizations during the conduct of bingo and evaluate compliance with the rules. The OCG also has a full-time employee that conducts regular audits of the records of licensed bingo organizations to ensure compliance with financial reporting requirements. The OCG reports suspected criminal activity, such as embezzlement of bingo funds, to local law enforcement or DOJ for investigation and further action. For more information, please see [Wis. Stat. Chap. 563, Subchapter VI](#).

Overall, the number of charitable bingo events and the number of bingo licenses issued by the OCG has been on a steady decline for the last 20 years. Prior to the pandemic, this trend had leveled off and there was a slight increase in bingo licenses issued in 2019. The pandemic had a profoundly negative effect on charitable bingo due to the social gathering restrictions and is not expected to fully recover to pre-pandemic levels. Total bingo occasions in 2023 were consistent with 2022 but remain about 22% less than the 2019 level. While the number of occasions remained the same as 2022, there was a significant increase in the bingo tax collected in 2023, likely due to increased revenue at larger bingo events.

CHARITABLE BINGO OCCASIONS BY MONTH, 2022-2023



BINGO OCCASION FEES & OCCUPATIONAL TAX PAID, 2022-2023



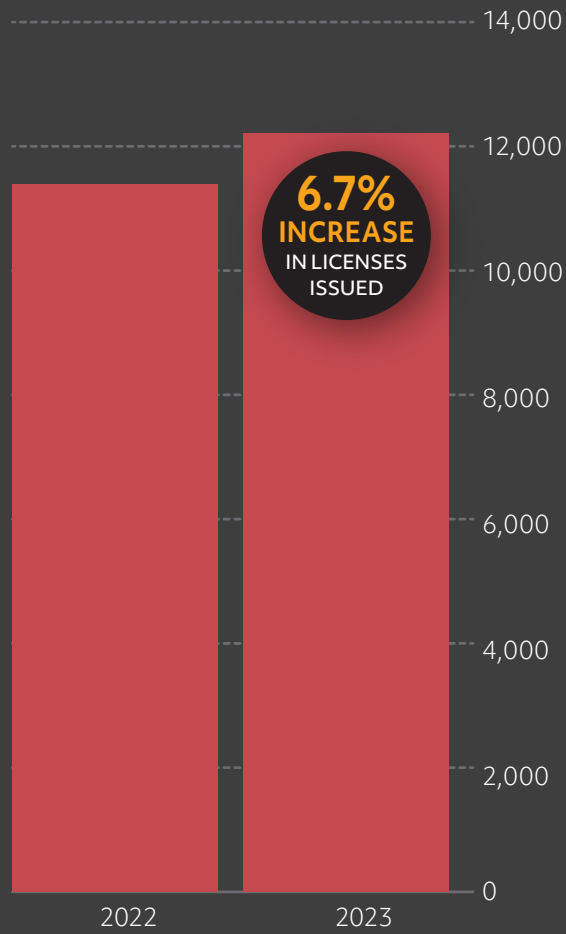
Raffles

Raffle licenses may be obtained by the same types of organizations eligible to obtain bingo licenses, but in the case of raffles, the organizations are required to have been in operation for only one year and their activities must be limited to the State of Wisconsin. A \$25 annual license fee allows an organization to conduct up to 365 raffles including duck races and one calendar raffle, which is a raffle in which multiple drawings are made on specified dates.

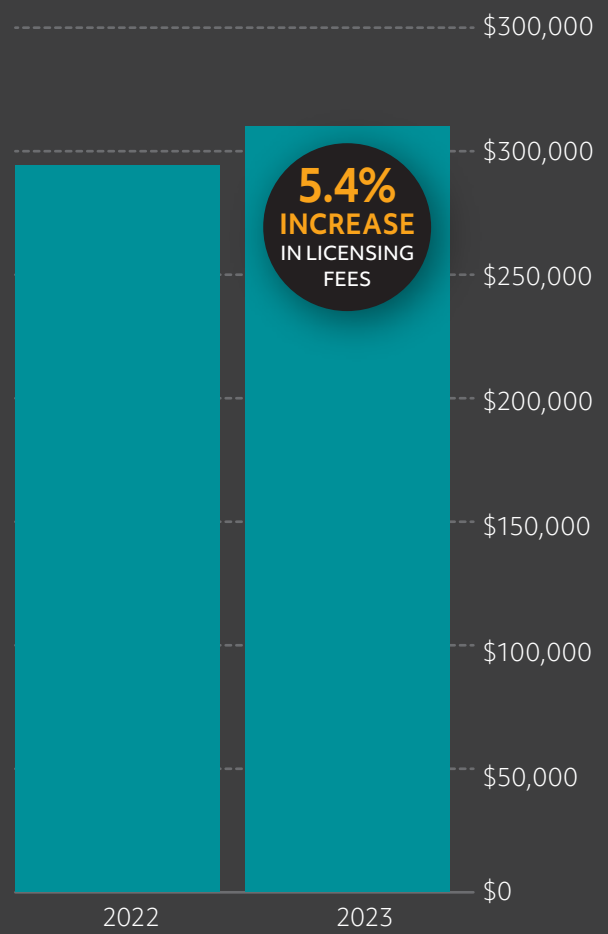
The OCG issues two types of raffle licenses, a Class A which allows raffle tickets to be sold before the day of the drawing and a Class B which requires ticket sales to be conducted only on the day of the drawing. All raffles conducted in the state must comply with the requirements of [Wis. Stat. Chap. 563, Subchapter VIII](#). The OCG conducts audits of organizations holding raffle licenses.

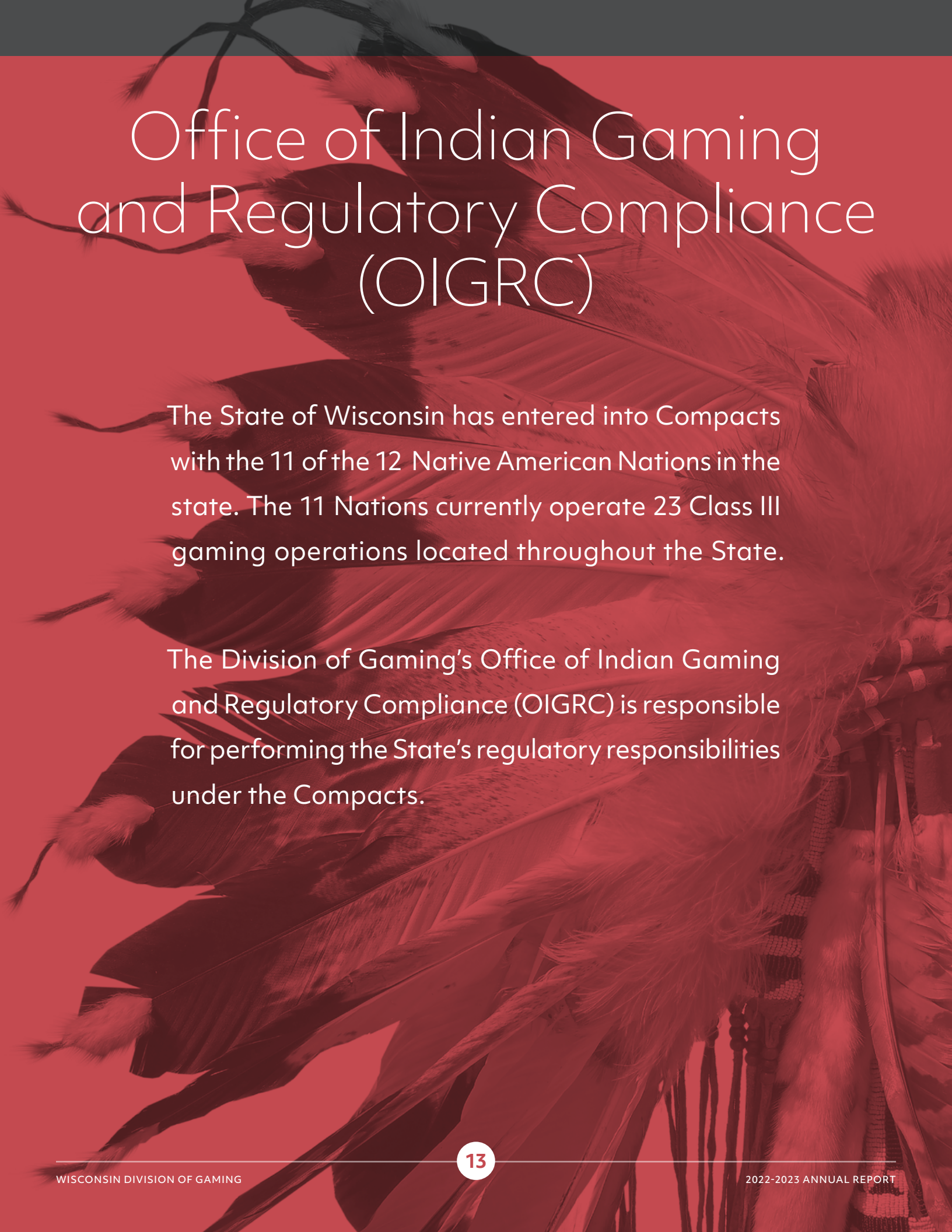
The number of raffle licenses issued has grown steadily over the past ten years as more charities take advantage of this popular way to raise funds. Like bingo, the social gathering restrictions caused by the pandemic limited the ability of the charities to raise funds through raffle events. Raffle licenses issued increased in 2023 and now exceed pre-pandemic levels.

RAFFLE LICENSES ISSUED, 2022-2023



RAFFLE LICENSING FEES COLLECTED, 2022-2023





Office of Indian Gaming and Regulatory Compliance (OIGRC)

The State of Wisconsin has entered into Compacts with the 11 of the 12 Native American Nations in the state. The 11 Nations currently operate 23 Class III gaming operations located throughout the State.

The Division of Gaming's Office of Indian Gaming and Regulatory Compliance (OIGRC) is responsible for performing the State's regulatory responsibilities under the Compacts.

Compacted Nations with Class III Gaming Facilities



Bad River Band of Lake Superior Chippewa Indians

- Bad River Casino



Forest County Potawatomi Community of Wisconsin

- Potawatomi Hotel & Casino
- Potawatomi Carter Casino



Ho-Chunk Nation

- Ho-Chunk Gaming Black River Falls
- Ho-Chunk Gaming Nekoosa
- Ho-Chunk Gaming Tomah
- Ho-Chunk Gaming Wisconsin Dells
- Ho-Chunk Gaming Wittenberg



Red Cliff Band of Lake Superior Chippewas

- Legendary Waters Resort and Casino



Lac Courte Oreilles Band of Lake Superior Chippewa Indians

- Sevenwinds Casino



Sokaogon Chippewa Community

- Mole Lake Casino



Lac du Flambeau Band of Lake Superior Chippewa Indians

- Lake of the Torches Resort Casino



Stockbridge-Munsee Community

- North Star Mohican Casino



Menominee Indian Tribe of Wisconsin

- Menominee Casino Resort
- The Thunderbird Mini Casino



St. Croix Chippewa Indians of Wisconsin

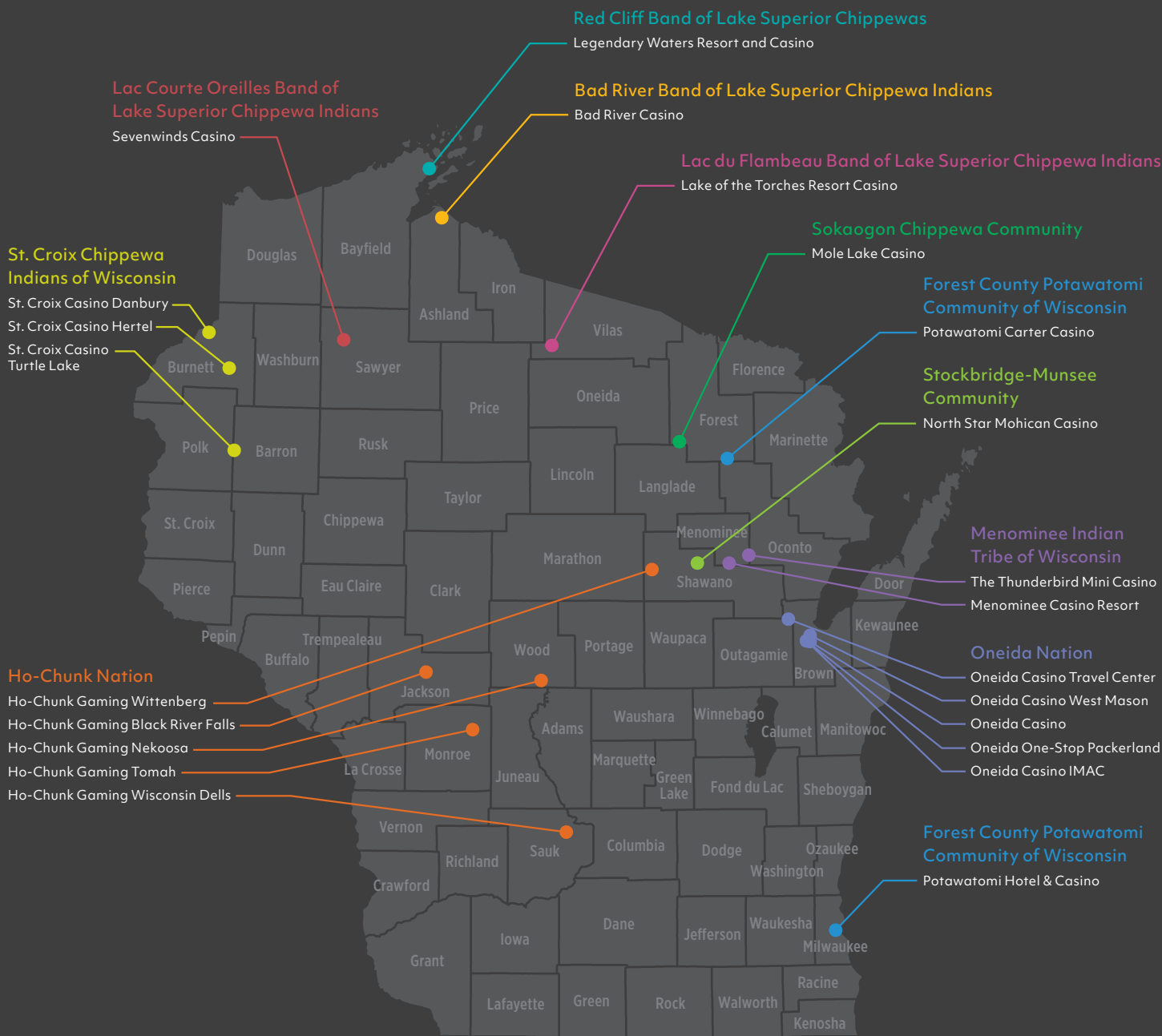
- St. Croix Casino Turtle Lake
- St. Croix Casino Danbury
- St. Croix Casino Hertel



Oneida Nation

- Oneida Casino
- Oneida Casino IMAC
- Oneida Casino West Mason
- Oneida Casino Travel Center
- Oneida One-Stop Packerland

Class III Gaming Locations



Budget

The OIGRC is funded entirely by program revenue. This includes revenue sharing payments pursuant to the Compacts and application fees paid by gaming-related vendors. The OIGRC budget increased by 2% in 2023.

	Indian Gaming Budget Summary	
	2022	2023
Budgeted Appropriation	\$1,958,108	\$2,000,400
Expense	\$1,722,926	\$1,784,341
Difference	\$235,182	\$216,059

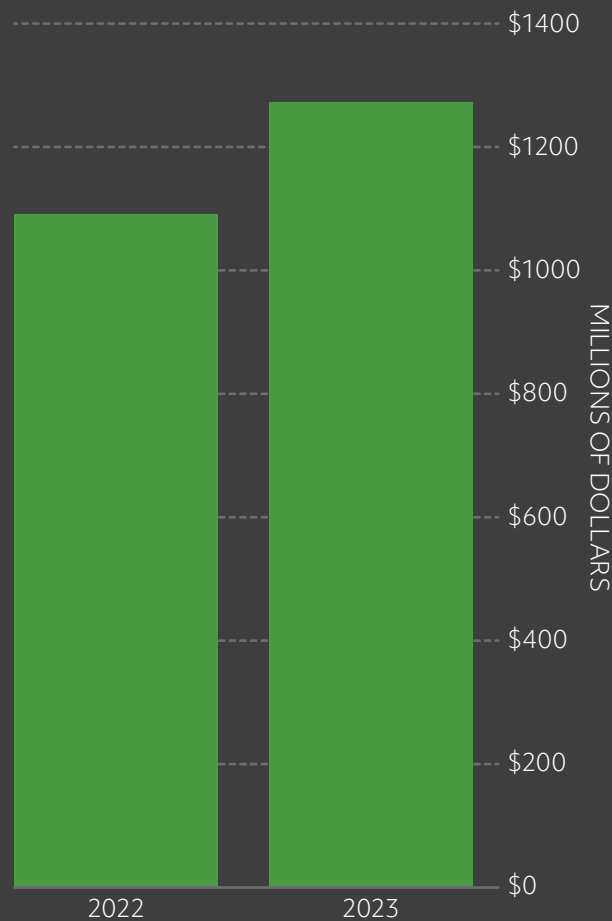
[Wis. Stat. sec. 569.03\(5\)](#) and the Compacts provide the Wisconsin Department of Justice (DOJ) a role in enforcement of statutes regarding illegal gambling activities. Pursuant to [Wis. Stat. sec. 569.06 and 20.455\(2\)\(gc\)](#), a portion of the gaming revenue shared with the state pursuant to the Compacts each year is utilized to provide funding to the DOJ for illegal gambling enforcement.

Class III Gaming Revenue Sharing

The Compacts with the Native Nations in the State of Wisconsin contain provisions that require the Nations to share a portion of Class III gaming revenue with the state. These provisions are unique to each Nation’s Compact. It is important to note that pursuant to the requirements of the Compacts, Class III gaming revenue data is not subject to public release except in the aggregate.

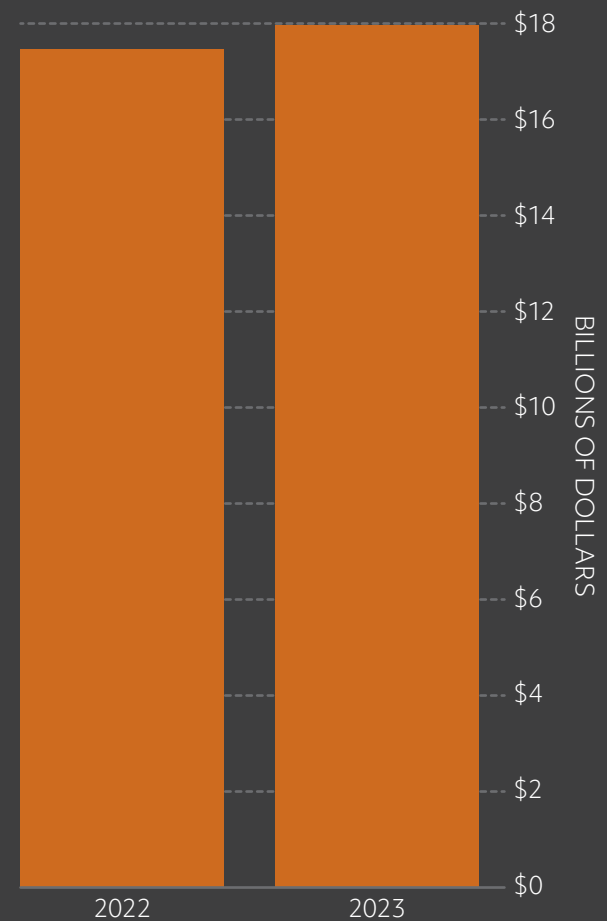
TOTAL AGGREGATE CLASS III NET WIN, 2022-2023

The total aggregate Class III gaming net win (total amount wagered less payouts) increased by 16.7% from 2022 to 2023.



TOTAL AGGREGATE CLASS III GAMING HANDLE, 2022-2023

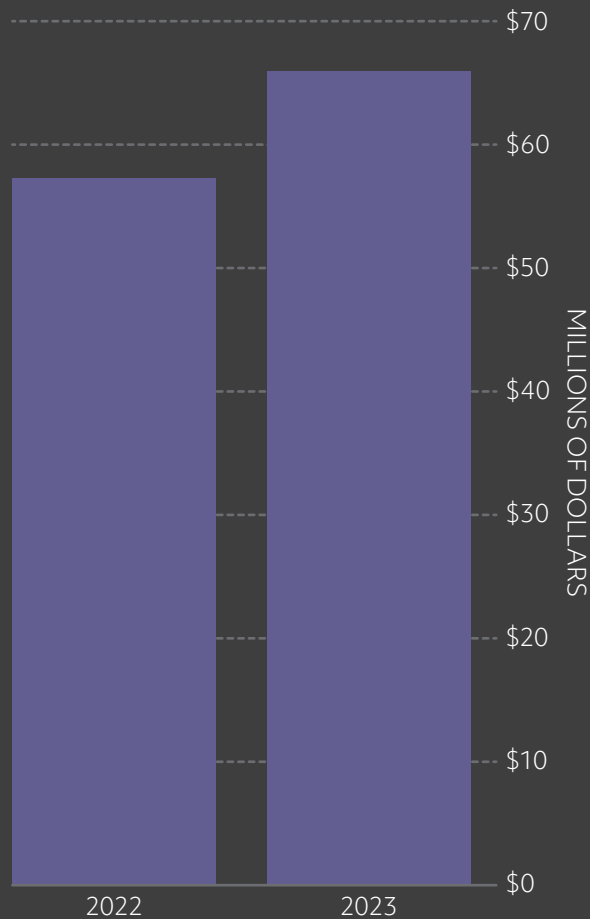
The total aggregate Class III gaming handle (total amount wagered) increased by 2.8% from 2022 to 2023.



The Compacts include provisions allowing the Nations to deduct payments made to local governments from the annual revenue sharing payments to the state. The specific provisions vary by Compact, but generally include payments for public works projects and projects involving education, transportation and public safety that benefit both the Native Nations and the residents of the State of Wisconsin. The payments to Wisconsin local governments by Wisconsin Native Nations under these provisions totaled \$6.8 million in 2023.

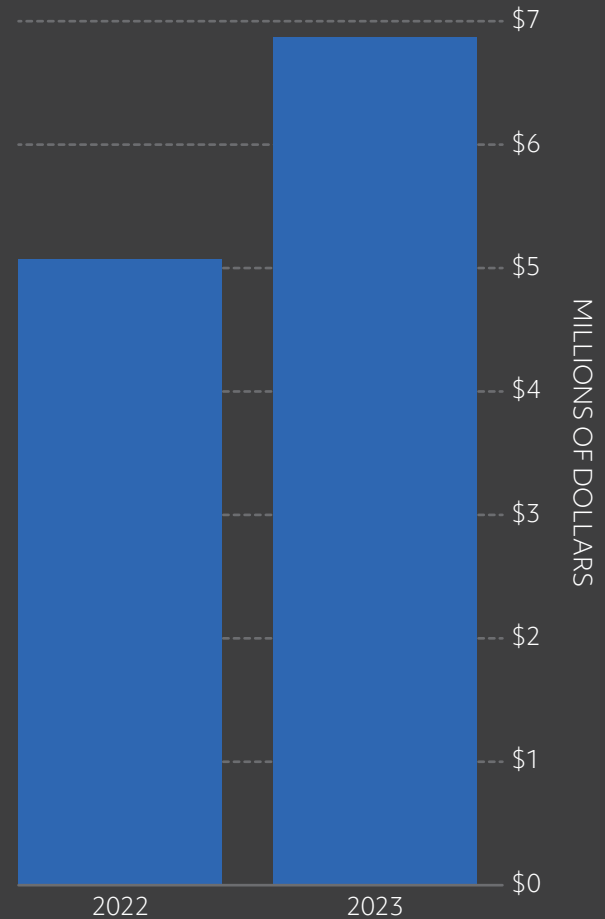
TOTAL CLASS III GAMING REVENUE SHARING PAYMENTS TO THE STATE, 2022-2023

The total aggregate revenue sharing payments to the state increased by 15% from 2022 to 2023.



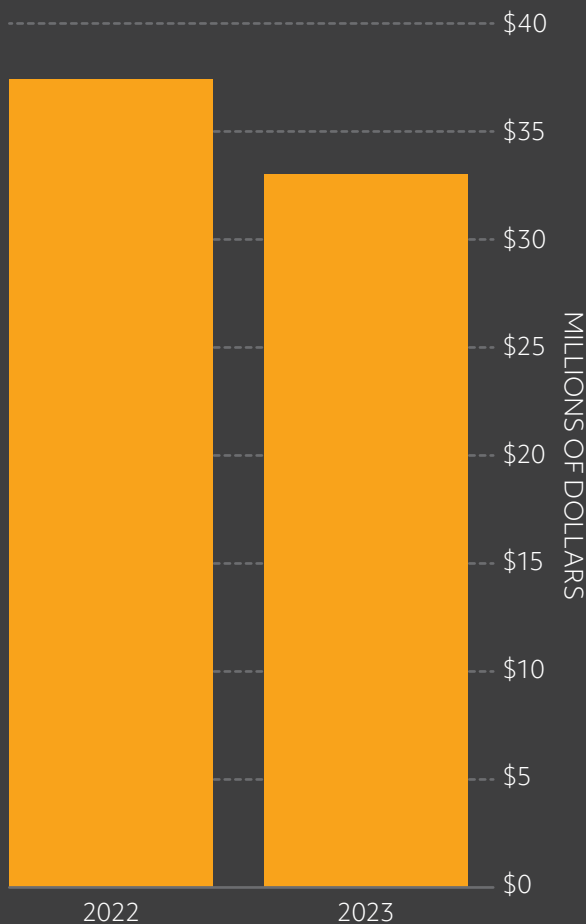
TOTAL AGGREGATE LOCAL GOVERNMENT PAYMENTS, 2022-2023

The total amount of payments made by Wisconsin Native Nations to units of local government increased by almost \$2 million in 2023.



Under [Wis. Stat. sec. 569.06](#), revenue sharing payments under the Compacts are credited to the appropriation accounts as defined in Chapter 20.06. Pursuant to the statutes, a portion of the revenue sharing payments made to the state are expended for economic development initiatives to benefit Native Nations in the state, support programs in counties in which the Nations are located and promote tourism within Wisconsin. In 2023 \$33 million was appropriated to 17 state agencies and 52 program areas pursuant to this chapter.

**PROGRAM APPROPRIATIONS,
2022-2023**



STATE AGENCIES RECEIVING GAMING REVENUE APPROPRIATIONS
Department of Administration
Department of Agriculture, Trade and Consumer Protection
Department of Children and Families
Department of Corrections
Department of Health Services
Higher Education Aids Board
Historical Society
Department of Justice
Kickapoo Valley Reserve Board
Department of Natural Resources
Department of Public Instruction
Department of Tourism
Department of Transportation
University of Wisconsin System
Department of Veterans Affairs
Wisconsin Technical College System Board
Department of Workforce Development

Revenue Audit Program

The OIGRC revenue audit program is responsible for ensuring the accuracy of the revenue data on which the Compact revenue sharing payments are based. Each gaming operation in the state is required to report daily revenue data to the OIGRC, which is then verified on a monthly basis. This information is utilized to conduct an annual audit to ensure that the revenue and resulting payment are accurate. This process has been used for over 17 years to verify over \$21 billion in revenue and \$950 million in state revenue sharing payments.

2023 RESULTS

**\$1.3
BILLION**
IN REVENUE
VERIFIED

**\$65
MILLION**
IN PAYMENTS
TO THE STATE
VERIFIED

Compliance Audit Program

Pursuant to the Compacts, the state and the Native Nations have a cooperative regulatory role. The OIGRC Compliance Audit Program serves to assist sovereign Native governments and their regulatory bodies in ensuring the compliance of their gaming operations with applicable regulations. This is accomplished through the conduct of regular compliance audits. The OIGRC conducts a compliance audit at each gaming operation in the state approximately every 18-24 months. These audits include a review of all areas of the gaming operation with a focus on testing of gaming device software, observation of table game play and review of daily revenue collection procedures. A total of 12 compliance audits have been conducted over the last year.

Wisconsin casino inventories stayed consistent with previous years in 2023. There are currently 13,981 slot machines and 146 table games in operation at the 23 Class III gaming facilities in the state.

Wagering on sporting events has now been authorized for five Wisconsin Nations. As of the end of the 2023 calendar year, four Native Nations are operating 108 sports wagering kiosks at their authorized gaming locations and one is also offering mobile sports wagering at authorized gaming locations.

2023 RESULTS



To assist in the required tracking of all gaming device shipments in and out of Wisconsin gaming operations, the OIGRC developed a Gaming Device Inventory System (GDIS) which enables the reporting of gaming device shipments by gaming operations and manufacturers.

Vendor Certification

Pursuant to the Compacts, providers of gaming-related products and services to Wisconsin gaming operations are required to obtain certification from the OIGRC prior to conducting business in excess of established thresholds. The vendor classification criteria is based on the Compact requirements and is posted on the Division's website [here](#).

Entities meeting the certification criteria are required to file applications on behalf of the company contracting with the gaming operation and personal applications for all of the corporation's officers, directors and individuals holding significant ownership in the company. The OIGRC also requires filing of short form criminal history disclosures from all individuals that access Wisconsin gaming facilities on behalf of a licensed entity, whether in person or remotely.

The OIGRC's four staff members in the vendor investigation area processed over 230 applications in 2022-2023, including background investigation of over 200 individuals and 22 corporate entities. All 45 entities that currently hold certificates are required to file applications upon appointment of new officers, directors and technicians and complete renewal applications for all individuals every two years. The current OIGRC vendor certification list is available [here](#).

2022-2023 RESULTS



213

INDIVIDUAL
APPLICATIONS
PROCESSED

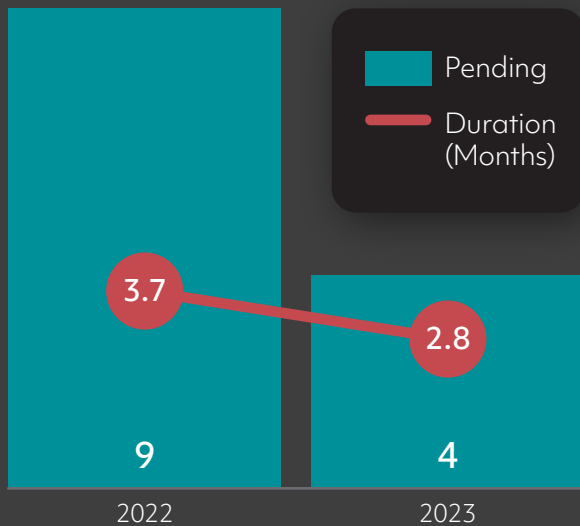


22

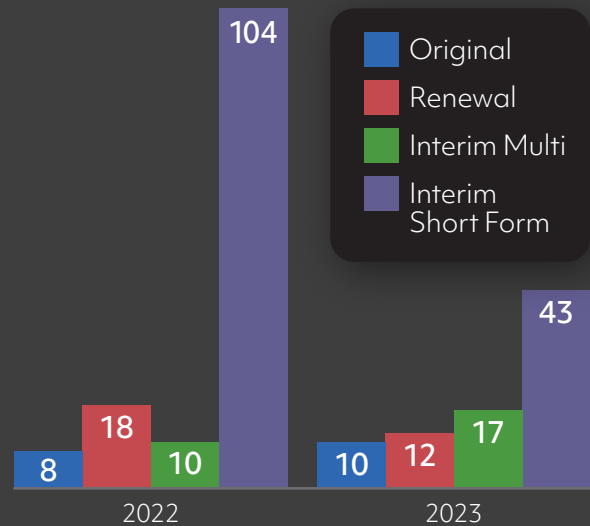
CORPORATE
APPLICATIONS
PROCESSED

The goal of the OIGRC investigative team is to conduct thorough and complete investigations in a timely and efficient manner. Investigations of corporate entities that have not previously filed in the state generally take longer to complete than those for companies applying for renewal certificates.

PENDING GAMING-RELATED CONTRACTOR APPLICATIONS, 2022-2023

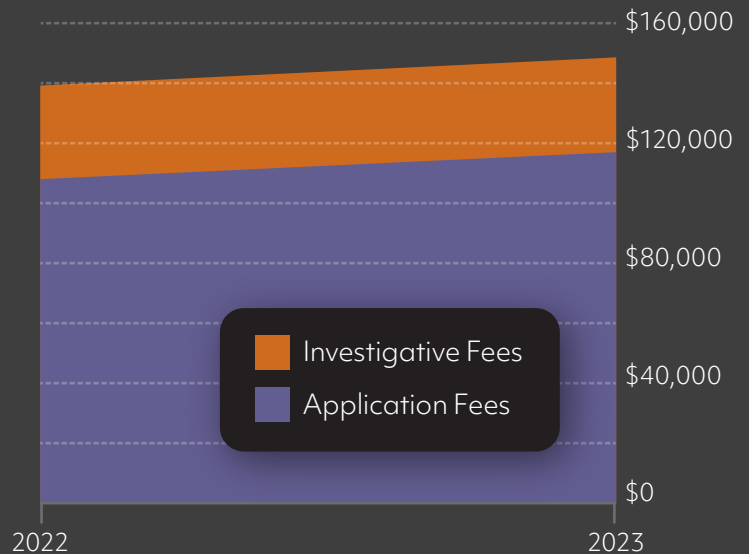


COMPLETED GAMING-RELATED CONTRACTOR APPLICATIONS, 2022-2023



The fee for initial filing of a gaming-related contractor application is based on the average cost of an investigation. The fee for new and renewal corporate applicants has remained at \$4,000 for over ten years with a slightly lower fee for entities headquartered in Wisconsin. An hourly rate of \$55 is charged against the initial fee and applicants are billed when costs exceed the initial fee. The increase in investigative fees in 2023 continues to show the impact of new vendors in the sports wagering area.

VENDOR FEES RECEIVED, 2022-2023



Contact Information

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Information and assistance regarding problem gambling may be obtained from the Wisconsin Council on Problem Gambling at

www.wi-problemgamblers.org

or 1-800-426-2535 24 hours a day.

Patrons may also request a self-ban at most Wisconsin gaming facilities to assist in preventing them from gambling at that location in the future.