



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-4499/1
MES:jld

2017 SENATE BILL 493

October 27, 2017 - Introduced by Senator SHILLING, cosponsored by Representative DOYLE. Referred to Committee on Economic Development, Commerce and Local Government.

1 **AN ACT** *to amend* 66.1113 (2) (a) and 66.1113 (2) (b); and *to create* 66.1113 (2)
2 (k) of the statutes; **relating to:** authorizing La Crosse County to become a
3 premier resort area.

Analysis by the Legislative Reference Bureau

This bill allows La Crosse County to become a premier resort area notwithstanding the fact that it does not meet the generally applicable requirement that at least 40 percent of the equalized assessed value of the taxable property within a political subdivision be used by tourism-related retailers (the 40 percent requirement). "Tourism-related retailers" is defined as certain retailers who are classified in the standard industrial classification manual that is published by the U.S. Office of Management and Budget. The statutory definition includes 21 retailers who are so classified, including variety stores, dairy product stores, gasoline service stations, eating places, drinking places, and hotels and motels.

Currently, a number of cities and villages are authorized to enact an ordinance or adopt a resolution to become a premier resort area notwithstanding the fact that none of these cities or villages meet the 40 percent requirement. Current law requires that the ordinance or resolution must be approved by a two-thirds vote of the members of the governing body who are present when the vote is taken. As is the case with the villages of Sister Bay, Ephraim, and Stockholm, and the city of Rhinelander, the premier resort area tax may not take effect in La Crosse County unless it is approved in a referendum of the electors.

A premier resort area may impose a tax at a rate of 0.5 percent of the gross receipts from the sale, lease, or rental of goods or services that are subject to the

SENATE BILL 493

general sales and use tax and are sold by tourism-related retailers. Under current law, the proceeds of the tax may be used only to pay for infrastructure expenses within the jurisdiction of the premier resort area. The definition of “infrastructure expenses” includes the costs of purchasing, constructing, or improving parking lots; transportation facilities, including roads and bridges; sewer and water facilities; recreational facilities; exposition center facilities; fire fighting equipment; and police vehicles.

Under this bill, if La Crosse County imposes a premier resort area tax, the proceeds may be used only for transportation expenses within the county, such as the construction, reconstruction, and improvement of highways, including bridges. No amount of the tax proceeds may be used to pay for mass transit. Also under the bill, a county may not impose the tax unless it spends or commits to spend at least the same amount of revenue generated by taxes and used for highway improvements and maintenance that it generated and spent for those purposes in the year before the year in which the tax is first imposed.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 66.1113 (2) (a) of the statutes is amended to read:

2 66.1113 (2) (a) The governing body of a political subdivision, by a two-thirds
3 vote of the members of the governing body who are present when the vote is taken,
4 may enact an ordinance or adopt a resolution declaring itself to be a premier resort
5 area if, except as provided in pars. (e), (f), (g), (h), (i), and (j), and (k), at least 40
6 percent of the equalized assessed value of the taxable property within such political
7 subdivision is used by tourism-related retailers.

8 **SECTION 2.** 66.1113 (2) (b) of the statutes is amended to read:

9 66.1113 (2) (b) Subject to pars. (g), (h), (i), and (j), and (k), a political subdivision
10 that is a premier resort area may impose the tax under s. 77.994.

11 **SECTION 3.** 66.1113 (2) (k) of the statutes is created to read:

12 66.1113 (2) (k) 1. La Crosse County may enact an ordinance or adopt a
13 resolution declaring itself to be a premier resort area under par. (a) even if less than

SENATE BILL 493

1 40 percent of the equalized assessed value of the taxable property within the county
2 is used by tourism-related retailers. The county may not impose the tax authorized
3 under par. (b) unless the county board adopts a resolution proclaiming its intent to
4 impose the tax and the resolution is approved by a majority of the electors in the
5 county voting on the resolution at a referendum, to be held at the first spring primary
6 or election or partisan primary or general election following by at least 70 days the
7 date of adoption of the resolution.

8 2. Notwithstanding par. (d), if an ordinance enacted or resolution adopted as
9 described under subd. 1. takes effect, the proceeds of the tax may be used only to pay
10 for transportation expenses within the county, such as construction, reconstruction,
11 and improvement of highways, including bridges. No amount of the tax proceeds
12 may be used to pay for mass transit. Seventy-five percent of the proceeds shall be
13 spent to benefit county highways and the county board may distribute the remaining
14 25 percent of the proceeds to cities, villages, and towns that are located entirely or
15 predominantly within the county to be used for transportation expenses within those
16 jurisdictions. In each fiscal year after the ordinance takes effect, the county may not
17 impose the tax unless it spends or commits to spend at least the same amount of
18 revenue generated by county-levied taxes that are dedicated to highway
19 improvements and maintenance that it spent from that source and for those
20 purposes during the fiscal year before the fiscal year in which the county first
21 imposes the tax authorized under this paragraph.

SECTION 4. Effective date.

22
23 (1) This act takes effect on the first day of the calendar quarter beginning at
24 least 120 days after publication.

25 (END)