

1999 DRAFTING REQUEST

Bill

Received: **11/05/1999**

Received By: **traderc**

Wanted: **As time permits**

Identical to LRB:

For: **Tony Staskunas (608) 266-0620**

By/Representing:

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

Drafter: **traderc**

May Contact:

Alt. Drafters: **kuesejt**

Subject: **Agriculture - miscellaneous
State Government - miscellaneous**

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

State fair park governance

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> |
|--------------|-----------------------|-----------------------|-----------------------|----------------|----------------------------|-----------------|-------------------|
| /P1 | traderc 12/27/1999 | gilfokm 12/27/1999 | hhagen 12/27/1999 | _____ | lrb_docadmin 12/27/1999 | | |
| /P2 | traderc 01/28/2000 | gilfokm 02/01/2000 | martykr 02/02/2000 | _____ | lrb_docadmin 02/02/2000 | | S&L |
| /1 | traderc 02/04/2000 | gilfokm 02/04/2000 | martykr 02/04/2000 | _____ | lrb_docadmin 02/04/2000 | lrb_docadmin | S&L 02/04/2000 |

FE Sent For:

<END>

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2/29/00

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| /P2 | traderc 01/28/2000 | gilfokm 02/01/2000 | martykr 02/02/2000 | _____ | lrb_docadmin 02/02/2000 | | S&L |

FE Sent For:

1-2-4-2000
kmg
V m 2/4
Self 2/4
<END>

Please
Jacket
for
Assembly

1999 DRAFTING REQUEST

Bill

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FE Sent For: *1/2-2-1-2000 kmg* *km 3/2* *JG km 2/2*

 <END>

1999 DRAFTING REQUEST

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| 1? | traderc | 1/1-12-27-99 King | 12/27 | 12/27 | | | |

FE Sent For:

<END>

11/5/99

Jeff Kuesel

I received this drafting request from Tony this morning and am sending it to you because you have drafted some State Fair Park legislation in the past.

If you are not the appropriate drafter for any or all of this proposal

please forward it to
the correct attorney.

Thank you,

Adrienne Ramirez

Memorandum

To: Legislative Reference Bureau
From: Tony Staskunas
Date: November 4, 1999
Re: Wisconsin State Fair Park – Bill Drafts

I am submitting to you for drafting instructions for several bills pertaining to Wisconsin State Fair Park. I will set forth below the details of each individual bill. In some cases, you may determine that it is possible, or preferable to combine several ideas into one bill rather than drafting separate bills. Where you feel it is more appropriate to do so, please draft the bill accordingly.

A. Wisconsin State Fair Park Operations

- 1) Restructure the Wisconsin State Fair Park Board. The Fair Park Board will now consist of 13 members. The board will be comprised as follows:
 - a) Two assembly members (1 from each party) and two senate members (1 from each party), to be appointed by the senate majority leader, the senate minority leader, the speaker of the assembly and the minority leader of the assembly. These appointments will “sunset” five years after their initial appointment;
 - b) The Secretary of Agriculture and Secretary of Tourism, as *ex-officio* non-voting members;
 - c) Five members representing private businesses to represent five different areas of expertise: food & beverage, two members with general business experience, one member with agricultural industry experience, and one with marketing experience;

November 4, 1999

- d) one member representing education, particularly rural agriculture education;
- e) one resident of the City of West Allis to be recommended by the City of West Allis Mayor.

The Governor will appoint the Chairman of the Wisconsin State Fair Park Board from one of the seven citizen members.

- 2) Restructure and allow the Wisconsin State Fair Park Board to be run as a Chapter 181 Non-Profit Corporation.
- 3) Allow the Wisconsin State Fair Park, as a Chapter 181 Not for Profit Corporation, to make an election to become a 501C3 Tax Exempt Corporation.

B. Financial

- 1) Move the Wisconsin State Fair Park Budget outside the State Biennial Budget Process and provide for independent budgeting of the Fair Park;
- 2) Provide for an Annual Audit of the Wisconsin State Fair Park Budget;
- 3) Provide that the Wisconsin State Fair Park Budget will recognize depreciation and amortization within the State Fair Park Accounting Methods;
- 4) Move the Wisconsin State Fair Park Purchasing from outside of the State of Wisconsin Purchasing Guidelines and Requirements;
- 5) Restructure to give the Wisconsin State Fair Park Board the power to have authority to make decisions on State Fair Park generated revenues, expenditures, debt financing and their annual budget. These powers, perhaps, can be enumerated as part of the Chapter 181 Corporate Powers.

C. Miscellaneous

- 1) Provide that all bidding and purchasing is to be handled under the direction and control of the Wisconsin State Fair Park Board, and is not to be controlled by any state agency.
- 2) Provide that the Wisconsin State Fair Park Board make contract with the State Building Commission and/or Department of Administration, if beneficial to provide services.
- 3) Provide that the Wisconsin State Fair Park Board will report directly to the Governor and that the Wisconsin State Fair Park shall become an independent

November 4, 1999

and separate state agency and is not under the control or direction of any state agencies, including Department of Administration, Department of Tourism, Department of Agriculture, and Building Commission.

- 4) Provide that the statutes will allow a representative of the Department of Administration-Division of Facility Management to serve as a member of the Bid Review Team created by the Wisconsin State Fair Park Board to review bids for major construction projects.
- 5) With respect to the Wisconsin State Fair Park Board, provide that all current members of the Wisconsin State Fair Park Board must reapply in order to be appointed to the new board.



ANTHONY J. STASKUNAS

STATE REPRESENTATIVE • 15TH ASSEMBLY DISTRICT

MEMORANDUM

December 20, 1999

To: Rebecca Tradewell, Legislative Reference Bureau

From: Representative Anthony Staskunas

Re: State Fair Park

When we spoke last week you asked if there was any particular model in the state statutes that you could look at in restructuring State Fair Park. The model that I would like you to follow in forming the new corporation structure is Chapter 232 of the Statutes pertaining to the Bradley Center.

Thank you.

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State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-3933/P1

RCT: /:....
hmcg

Very soon

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

WPAO - I seem to have exported this instead of checking it out. Now, I can't check it back in (keep getting error messages) so I'm afraid it will have to be retyped. The Note should be OK.

Note

1 AN ACT *Gen. Cat.* relating to: the state fair park board, authorizing the creation of a
2 private corporation to provide management services for state fair park and
3 making an appropriation.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

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

- 4 SECTION 1. 13.94 (1) (dm) of the statutes is created to read:
- 5 13.94 (1) (dm) Annually, perform a financial audit of the state fair park board
- 6 and of any private corporation with which the board contracts under s. 42.01 (4) (b).
- 7 SECTION 2. 15.07 (1) (a) 8. of the statutes is created to read:
- 8 15.07 (1) (a) 8. ~~the~~ members of the state fair park board appointed under s.
- 9 15.93 (1) (a) and (b) shall be appointed as provided in those provisions.
- 10 SECTION 3. 15.07 (1) (b) 15m. of the statutes is repealed.

1 **SECTION 4.** 15.07 (2) (h) of the statutes is created to read:

2 15.07 (2) (h) The chairperson of the state fair park board shall be designated
3 annually by the governor from among the members appointed under s. 15.93 (1) (c),
4 (d) and (e).

5 **SECTION 5.** 15.445 (4) of the statutes is repealed.

6 **SECTION 6.** 15.93 of the statutes is created to read:

7 **15.93 State fair park board. (1) CREATION.** There is created a state fair park
8 board consisting of the following members:

9 (a) Two representatives to the assembly, one appointed by the speaker of the
10 assembly and one appointed by the minority leader of the assembly.

11 (b) Two senators, one appointed by the majority leader of the senate and one
12 appointed by the minority leader of the senate.

13 (c) Five members representing business, ~~two~~² of whom have general business
14 experience, one of whom has experience with food and beverage businesses, one of
15 whom has experience in agriculture and one of whom has marketing experience.

16 (d) One member representing rural education.

17 (e) One resident of the city of West Allis, recommended by the mayor of West
18 Allis.

19 (f) The secretary of agriculture, trade and consumer protection and the
20 secretary of tourism, as nonvoting members.

21 **(2) TERMS.** The members of the state fair park board under sub. (1) (c) to (e)
22 shall be appointed for 5-year terms.

23 **SECTION 7.** 20.190 (1) (h) of the statutes is amended to read:

24 20.190 (1) (h) *State fair operations.* ~~The amounts in the schedule for general~~
25 ~~program operations and for the grant program~~ under s. 12.12. All moneys received

1 by the state fair park board for or on account of the state fair, state fair park or other
2 events and all moncys received from any lease of the Olympic Ice Training Center
3 under s. 42.11 (3) ~~shall be credited to this appropriation to be used for general~~
4 program operations and for the grant program under s. 42.12. The unencumbered
5 balance of this appropriation on June 30 of each year shall be transferred to the
6 appropriation under par. (i).

7 History: 1989 a. 219 ss. 6 to 10; 1991 a. 39, 269; 1995 a. 27; 1997 a. 27.

8 **SECTION 8.** 42.01 (4) of the statutes is created to read:

9 42.01 (4) (a) The state fair park board may organize a nonstock corporation
10 under ch. 181 for the purposes of raising funds to support the operation of state fair
11 park and providing services for the management of state fair park. If the board
12 organizes a corporation under this paragraph, it shall organize the corporation so
13 that the corporation is exempt from taxation under the section 501 of the internal
revenue code.

14 (b) If the state fair park board organizes a corporation under par. (a), it shall
15 enter into a contract with the corporation under which the corporation provides
16 services for the management of state fair park.

17 **SECTION 9.** 42.06 of the statutes is repealed.

18 **SECTION 10.** 42.105 (1) of the statutes is renumbered 42.105.

19 **SECTION 11.** 42.105 (2) of the statutes is repealed.

20

(END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3933/P1dn

RCT:.....

King

Rep. Staskunas:

* This is a preliminary version of a draft to change the governance of state fair park. The draft changes the make-up of ~~the~~ state fair park board (SFPB) and makes SFPB an independent agency. The draft authorizes SFPB to create a private nonprofit corporation to raise funds and provide management services for the park. The draft requires the legislative audit bureau to (annually) audit SFPB and the private corporation ~~and repeals s. 42.06~~. Please let me know if you did not intend the audit to be performed by the audit bureau.

*repeals
s. 42.06
and*

* The draft ~~also~~ changes the SFPB program revenue/appropriation into a program revenue continuing appropriation, which gives ~~the board~~ ^{annual} SFPB more flexibility by eliminating the dollar limit (set in each state budget) on the amount of revenue that the board may expend in a fiscal year. Any money that is received by a state agency must be appropriated by the legislature in order to be expended because of Art. VIII, section 7 of the Wisconsin Constitution. However, any funds that would be received by the private corporation and expended by that corporation without being turned over to SFPB would not come into the state treasury and would not be subject to the state budget process. Note also that any purchasing done by the private corporation would not be covered by the laws relating to state purchasing.

state

state

* There are several reasons that this draft retains SFPB as a state agency rather than providing only a private corporation to operate state fair park. Under current law, SFPB has rule-making authority and police powers. I do not believe that rule-making authority could be delegated to an entity that is not a state agency. I am not certain whether police powers may be delegated to an entity that is not state agency. It would be possible to eliminate rule making related to ~~the~~ state fair park. It would also be possible to have private security personnel regulated under s. 440.26, rather than a state fair park police department, provide security for the park. However, the authority of an entity providing private security is more limited than the authority of a law enforcement agency. If you wish to consider delegating police power to a private entity, I will do more research on the issue.

public

Under current law, state debt has been issued to fund facilities at State Fair Park (see ss. 20.190 (1) (c), (d), (i) and (j) and 20.866 (2) (zx), (zy) and (zz)). I do not think that this debt could be transferred to an entity that is not a state agency. The draft may need to contain language ensuring ~~the~~ sufficient funds are received by SFPB to pay the

that

debt service on the program revenue supported debt that has been issued for improvements at State Fair Park. It may be helpful to discuss this issue with individuals from DOA's capital finance office at some point. Note also, that current law authorizes SFPB to award an annual grant to the city of West Allis. This would seem to be a function to be performed by a state agency, although it might be possible to require a corporation to make payments to the city.

You might wish to continue to have the state fund any future construction at state fair park. A private entity would be unable to obtain financing at as low a rate as the state can secure. There are some specific provisions in current law relating to construction at State Fair Park. Please review ss. 13.48 (12) (b) 2. and (13) (b) and 13.488 (7) to determine whether you want to make any changes in those provisions.

XI

The Wisconsin Constitution prohibits the creation of corporations by special act, Art. I, section 1, and prohibits the Legislature from enacting any special or private laws granting corporate powers or privileges, except to cities, Art. IV, section 31 (7). These provisions limit the ability of the legislature to create corporations that have characteristics that differ from the characteristics of any other corporation created under ch. 180 or 181. The Bradley Center legislation, ch. 232, was enacted in 1985 and it is my understanding that the Bradley Center Sports and Entertainment Corporation never became functional. It seems possible that a court would find that ch. 232 violates the Constitution's provisions concerning corporations. If you wish to create an entity that is public and has special powers or obligations, the existing model that we know will stand constitutional challenge is the authority, such as the Wisconsin Housing and Economic Development Authority. A draft creating an authority or similar public entity must address many issues about the applicability of laws that generally apply to governmental entities. The Bradley Center legislation failed to address many of these issues.

* As we discussed briefly over the telephone, the legislature may impose significant requirements on a private corporation by providing state funding to the corporation contingent on the corporation doing certain things. The Medical College of Wisconsin ^{offer to} is a good example of this approach. See ^{to} s. 39.155. Of course, the legislature must provide sufficient funds for the corporation to make it worth complying with the requirements. If you wish to provide GPR to the private corporation, please let me know how much you wish to provide and what conditions you would want to place on the receipt of the funds.

Section 42.11 authorizes SFPB to enter into a lease with a private nonprofit corporation to operate and maintain the Olympic ice training center. Do you want the draft to make any changes relating to this provision? If there is currently a lease, there may be constitutional limits on the changes that may be made before the lease expires. Also, please review the rest of ch. 42 to identify any other changes that you might wish to make.

Please note that this draft does not contain any provisions relating to the employees of SFPB. The budget act (Act 9) placed all of the employees in the unclassified service.

Please contact me with any questions or redraft instructions. I will continue to research the issues raised by your proposal and to draft the items from your drafting instructions that are not yet included in this draft.

A handwritten mark consisting of several overlapping, curved lines, possibly a stylized signature or initials.Handwritten initials or a signature, appearing to be 'RCT' in a cursive style.

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

LRB-3933/P1dn
RCT:kmg:hmh

December 27, 1999

Representative Staskunas:

This is a preliminary version of a draft to change the governance of State Fair Park. The draft changes the makeup of state fair park board (SFPB) and makes SFPB an independent agency. The draft authorizes SFPB to create a private nonprofit corporation to raise funds and provide management services for the park. The draft repeals s. 42.06 and requires the legislative audit bureau to audit annually SFPB and the private corporation. Please let me know if you did not intend the audit to be performed by the audit bureau.

Any money that is received by a state agency must be appropriated by the legislature in order to be expended because of Art. VIII, section 7 of the Wisconsin Constitution. However, any funds that would be received by the private corporation and expended by that corporation without being turned over to SFPB would not come into the state treasury and would not be subject to the state budget process. The draft changes the SFPB program revenue annual appropriation into a program revenue continuing appropriation, which gives SFPB more flexibility by eliminating the dollar limit (set in each state budget) on the amount of revenue that the board may expend in a fiscal year. Note also that any purchasing done by the private corporation would not be covered by the laws relating to state purchasing.

There are several reasons that this draft retains SFPB as a state agency rather than providing only a private corporation to operate State Fair Park. Under current law, SFPB has rule-making authority and police powers. I do not believe that rule-making authority could be delegated to an entity that is not a state agency. I am not certain whether police powers may be delegated to an entity that is not state agency. It would be possible to eliminate rule making related to State Fair Park. It would also be possible to have private security personnel regulated under s. 440.26, rather than a State Fair Park police department, provide security for the park. However, the authority of an entity providing private security is more limited than the authority of a public law enforcement agency. If you wish to consider delegating police power to a private entity, I will do more research on the issue.

Under current law, state debt has been issued to fund facilities at State Fair Park (see ss. 20.190 (1) (c), (d), (i) and (j) and 20.866 (2) (zx), (zy) and (zz)). I do not think that this debt could be transferred to an entity that is not a state agency. The draft may need to contain language ensuring that sufficient funds are received by SFPB to pay the debt

service on the program revenue supported debt that has been issued for improvements at State Fair Park. It may be helpful to discuss this issue with individuals from DOA's capital finance office at some point. Note, also, that current law authorizes SFPB to award an annual grant to the city of West Allis. This would seem to be a function to be performed by a state agency, although it might be possible to require a corporation to make payments to the city.

You might wish to continue to have the state fund any future construction at State Fair Park. A private entity would be unable to obtain financing at as low a rate as the state can secure. There are some specific provisions in current law relating to construction at State Fair Park. Please review ss. 13.48 (12) (b) 2. and (13) (b) and 13.488 (7) to determine whether you want to make any changes in those provisions.

The Wisconsin Constitution prohibits the creation of corporations by special act, Art. XI, section 1, and prohibits the legislature from enacting any special or private laws granting corporate powers or privileges, except to cities, Art. IV, section 31 (7). These provisions limit the ability of the legislature to create corporations that have characteristics that differ from the characteristics of any other corporation created under ch. 180 or 181. The Bradley Center legislation, ch. 232, was enacted in 1985 and it is my understanding that the Bradley Center Sports and Entertainment Corporation never became functional. It seems possible that a court would find that ch. 232 violates the constitution's provisions concerning corporations. If you wish to create an entity that is public and has special powers or obligations, the existing model that we know will stand constitutional challenge is the authority, such as the Wisconsin Housing and Economic Development Authority. A draft creating an authority or similar public entity must address many issues about the applicability of laws that generally apply to governmental entities. The Bradley Center legislation failed to address many of these issues.

As we discussed briefly over the telephone, the legislature may impose significant requirements on a private corporation by providing state funding to the corporation contingent on the corporation doing certain things. The Medical College of Wisconsin is a good example of this approach. See s. 39.155. Of course, the legislature must offer to provide sufficient funds to the corporation to make it worth complying with the requirements. If you wish to provide GPR to the private corporation, please let me know how much you wish to provide and what conditions you would want to place on the receipt of the funds.

Section 42.11 authorizes SFPB to enter into a lease with a private nonprofit corporation to operate and maintain the Olympic ice training center. Do you want the draft to make any changes relating to this provision? If there is currently a lease, there may be constitutional limits on the changes that may be made before the lease expires. Also, please review the rest of ch. 42 to identify any other changes that you might wish to make.

Please note that this draft does not contain any provisions relating to the employees of SFPB. The budget act (Act 9) placed all of the employees in the unclassified service.

Please contact me with any questions or redraft instructions. I will continue to research the issues raised by your proposal and to draft the items from your drafting instructions that are not yet included in this draft.

Rebecca C. Tradewell
Managing Attorney
Phone: (608) 266-7290
E-mail: Becky.Tradewell@legis.state.wi.us



ANTHONY J. STASKUNAS

STATE REPRESENTATIVE • 15TH ASSEMBLY DISTRICT

Memorandum

To: Rebecca C. Tradewell
From: Tony Staskunas
Date: January 17, 2000
Re: LRB-3933

The first draft of the State Fair Legislation is excellent. I believe that the approach you have taken with respect to the Not-For-Profit Corporation is much more preferable to the Chapter 232 approach, which I suggested, for the reasons set forth in your drafter's note. The following are some requested changes and/or additions to the legislation. I have also attached a separate document which raises several questions regarding this legislation.

- 1) Page 3, Lines 9-15 to be revised:

“The State Fair Park Board may organize Non-Stock Corporations under Chapter 181 for the purposes of raising funds and to provide support for the operation, management, and development of State Fair Park. If the Board organizes a corporation or corporations under this paragraph, it shall organize the corporation so that the corporation is exempt from taxation under Section 501 of the Internal Revenue Code.”

Intent: The intent of this change is to make the purpose of the Chapter 181 corporation as broad as possible and to allow the corporation broad authority and power with respect to State Fair Park.

- 2) Similar changes on Page 3, Lines 16-18 as set forth in Paragraph 1 of these instructions.

- 3) Page 3, Lines 1-8:

“All monies received by the State Fair Park Board for or on account of the State Fair, State Fair Park or other events and all monies received from any Lease of the Olympic Ice Training Center under Section 42.11(3) shall be used to support the operation,

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January 17, 2000

management, and development of State Fair Park and for the Grant Program under Section 42.12. The unencumbered balance of this appropriation on June 30th of each year shall be transferred to the appropriation under Part I.”

- √4) *Drafter's Note:* Last Paragraph, Page 1:

I do envision that State Fair Park would continue to be responsible for the State Debt issued to fund facilities at State Fair Park. The draft should contain language stating that sufficient funds are to be received by State Fair Park to pay the debt service on the funding that has been provided to State Fair Park.

- √5) Section 42.12(1).

Remove the \$35,000.00 cap on the Grant to be awarded to the City of West Allis.

- √6) Wisconsin State Fair Park and the Chapter 181 Corporation to be created will be free from Building Commission oversight and not subject to Building Commission approval for construction at State Fair Park. Therefore, please do the following:

- a) Change Section 13.48(12)(b)(2) to the following:

“A facility constructed by or for the State Fair Park Board.”

- b) Delete Section 13.48(7), Wis. Stats.

- c) Section 13.48~~(7)~~⁸, Wis. Stats.:

Please confirm that State Fair Park funding requests as they pertain to construction of new buildings and other requests for funding are constrained to the biennial budget process.

- √7) Delete Section 42.09(1), Wis. Stats.

- √8) Create Section 42.106 as follows:

“The State Fair Park Board may enter into a memorandum of understanding with the Department of Administration and the Building Commission to coordinate the activities of the State Fair Park Board and that Department.

- √9) Delete Section 42.105(2), Wis. Stats.



ANTHONY J. STASKUNAS

STATE REPRESENTATIVE • 15TH ASSEMBLY DISTRICT

Memorandum

To: Rebecca C. Tradewell
From: Tony Staskunas
Date: January 17, 2000
Re: LRB-3933

These are some additional questions regarding the State Fair Park Legislation and the intent of the Legislation:

- 1) How will the transition from the current State Fair Park Board to the newly constituted State Fair Park Board be handled?
- 2) I understand from your Drafter's Note that the State cannot fund a private Chapter 181 Corporation, but that the State can fund State Fair Park as an independent State Agency. How do you envision funds being transferred from the State Fair Park Board to the Independent Corporation created to run State Fair?
- 3) In Paragraph 1, Page 2 of your Drafter's Note, you inquired regarding continuing to have the State fund any future construction at State Fair Park. Yes, I do envision the State continuing to fund future construction at State Fair Park. I have attempted to eliminate any oversight and approval of construction by the Building Commission. With these changes, can State bonding still be used for such construction? Perhaps it would be the State Agency, State Fair Park, actually obtaining the financing in order to obtain the lowest rate possible as opposed to the independent Chapter 181 Corporation obtaining the financing for construction.
- 4) Under this Legislation, could the State Fair Park Board or the private Chapter 181 Corporation enter into a long-term lease for the construction and operation of a new building with a private company, who wish to build and operate such a building on State Fair Park grounds?

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January 18, 2000

- 5) Under this Draft, will the employees continue to be State of Wisconsin employees? The State Budget placed all of the Wisconsin State Fair Park employees in the unclassified service. In the future, will it be possible for the private Chapter 181 Corporation to actually be the employer? Could the State Fair Park Board transfer the necessary funds received through the State Budget Process to the independent Chapter 181 Corporation in order to pay the employees?
- 6) Could the current Draft of the Legislation allow current State Employees to transfer from State of Wisconsin employee to employment by the independent Chapter 181 corporation?
- 7) Under this Draft, will the State Fair Park Board and/or the independent Chapter 181 Corporation have the ability to obtain and use private financing?

Tradewell, Becky

From: Tradewell, Becky
Sent: Thursday, January 20, 2000 4:02 PM
To: Staskunas, Tony
Subject: State Fair Park Legislation

Representative Staskunas:

Your memorandum of January 17 poses several questions about the State Fair Park draft, LRB-3933/P1. This message is in response to those questions.

1. You ask how the transition from the current State Fair Park Board (SFPB) to the new SFPB would be handled. I intended to add, in the next version of the draft, a provision stating that the current members of SFPB remain on the Board until a majority of the members provided for in the draft are appointed and qualify, as well as a provision establishing terms for the new members that expire at different times so that the terms are staggered. I need to know from you what effective date or dates you want for your State Fair Park Proposal. You might want to choose a specified number of months after the legislation is signed or a date certain, as long as the date certain is far enough in the future that it will not pass before the bill is signed and gives enough time to prepare for the changes.
2. You ask how I envision funds being transferred from the SFPB to the corporation. The state may provide funds to a private corporation. What it may not do is create a corporation by special act. The SFPB could provide funds to the corporation from its program revenue appropriation, s. 20.190 (1) (h), to be used for the operation (and so forth) of state fair park. No change would be necessary in the draft to allow that. It seems to me that if the corporation is essentially operating the park, some of the revenues generated by operating the park would likely go directly to the corporation and never reach the SFPB. If you want to provide state general purpose revenues to the SFPB, which could be used by the SFPB directly or be provided by SFPB to the corporation, I will need to know how much money you want to provide and what kinds of strings you would want to attach to the money (e.g., whether you would want to limit the purposes for which the funds could be spent or place certain requirements on the corporation as a condition of receiving the money).
3. Jeff Kuesel is working on language to eliminate Building Commission oversight of construction at State Fair Park. I believe that it would be the SFPB that would obtain state financing in the future.
4. I believe that the legislation can authorize SFPB to enter into a long-term lease with a private company that wishes to build and operate a building at State Fair Park.
5. and 6. As currently drafted, the employees of SFPB continue to be state employees. Also, under the draft, the corporation could employ individuals. The SFPB could pay the corporation for the services that the corporation provided and the corporation could use that money to pay its employees or, as I mentioned in point 2 above, the corporation could receive revenues from operating State Fair Park directly and use those revenues to pay its employees. I need to discuss with Jeff Kuesel what limitations, if any, s. 16.705 would place on the ability of SFPB to have services provided by employees of the corporation rather than employees of SFPB.

The SFPB could lay off employees without any special language in this draft or the draft could reduce the number of employees authorized for the SFPB. The employees that are covered by s. 42.035, created by the budget, would have certain reinstatement rights with the State. The draft does not provide for transferring current SFPB employees to the corporation, although I suppose that the SFPB and the corporation could agree to that. Otherwise, it would be possible to require the corporation to accept current SFPB employees as a condition of receiving any state general purpose revenues that you wish to offer. Any employee of the corporation would not be a state employee and would, therefore, not be eligible for the benefits that state employees receive. I am not certain that State Fair Park police officers could be employed by the corporation and still have the police powers that they now have.

7. I believe that the corporation could obtain and use private financing. If you want to know also whether SFPB could do so, I will need to look into that, though I am not sure why a state agency would want to do so.

Please contact me with any additional questions and with any additional provisions that you wish to include in the draft.

Rebecca Tradewell
Managing attorney
Legislative Reference Bureau
266-7290

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

LRB-3933/P2dn
RCT&JTK.....

Kmg

Representative Staskunas:

This is a second preliminary draft of your state fair park proposal. It includes the changes that you requested in your memorandum dated January 17, 2000. I have also added transitional provisions for the board. The draft contains a six-month delayed effective date. Please let me know if you would prefer a different effective date.

As I explained in my e-mail message of January 20, this draft does not change the status of employees of the state fair park board. The draft does not provide for transferring state fair park board employees to the private corporation. However, the corporation would have the authority to employ individuals. Individuals employed by the corporation would not be state employees and, therefore, not be eligible for state benefits. Section 16.705 would apply if the state fair park board wished to have the corporation ~~can~~ provide services that are now provided by state employees. I am not certain that it would be possible to have the state fair park board employees who make up the state fair park police force ~~transfer~~ to the corporation and still have the police powers that they now have. *(transferred)*

Please let me know if you want to add anything to the draft or to make any other changes. When you are satisfied with the draft, we will convert it to a version that may be introduced.

and would have to be taken into consideration

Rebecca C. Tradewell
Managing Attorney
Phone: (608) 266-7290
E-mail: Becky.Tradewell@legis.state.wi.us

Under this draft, state fair park building projects are no longer subject to review and approval by the building commission. The projects are also no longer subject to enumeration by the legislature in the authorized state building program (as currently required for projects costing more than \$500,000), but financing and bonding for the projects remain subject to legislative review and approval. The building commission continues to include the projects in the capital budget report so that the legislature will

is

have the projects before it when it reviews the financing and bonding. Supervision of these projects by DOA is limited to technical review to ensure that the buildings, structures or facilities are constructed in accordance with applicable codes, so that state liability and maintenance costs will be minimized. State bonding procedures are not affected by the bill. Currently, all state bonding (whether for capital or noncapital purposes) is handled exclusively by the building commission, the DOA capital finance office and the state's bond counsel (currently, Quarles and Brady). These procedures are complex and it is not very feasible to interpose another party into this process.

As an alternative to this procedure, under proposed s. ~~4210.04~~^{42.09(3)}, the state fair park board may permit a private person to construct a building, structure or facility in the state fair park. This would entail higher financing costs than state construction, but if the private person is able to absorb these costs and still pay the same net rental for lease of the building, structure or facility that the board would realize from a state-owned building, structure or facility, this procedure might be workable. The state generally does not use private financing for state construction because state bonding is cheaper. However, a private corporation, whether incorporated under ch. 181 or otherwise, would be required to obtain private financing for any construction work done by the corporation.

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778



State of Wisconsin
1999 - 2000 LEGISLATURE
SO ON

LRB-3933/P 2
RCL/kmg:hmh



imr

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Note

regenerate

1 AN ACT to repeal 15.07 (1) (b) 15m., 15.445 (4), 42.06 and 42.105 (2); to
2 renumber 42.105 (1); to amend 20.190 (1) (h); and to create 13.94 (1) (dm),
3 15.07 (1)(a) 8., 15.07 (2) (h), 15.93 and 42.01 (4) of the statutes; relating to: the
4 state fair park board, authorizing the creation of a private corporation to
5 provide support management services for the state fair park and making an appropriation.

construction and leasing of buildings, structures and facilities at the state fair park

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

Analysis insert 1
Analysis insert 2

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

Insert A

6 SECTION 1. 13.94 (1) (dm) of the statutes is created to read:
7 13.94 (1) (dm) Annually, perform a financial audit of the state fair park board
8 and of any private corporation with which the board contracts under s. 42.01 (4) (b).
9 SECTION 2. 15.07 (1) (a) 8. of the statutes is created to read:
10 15.07 (1) (a) 8. Members of the state fair park board appointed under s. 15.93
11 (1) (a) and (b) shall be appointed as provided in those provisions.

Section #. RP; 13.488(?)

✓
Analysis insert I, p.1

Under current law, the state fair park board (SF~~FB~~FB) is attached to the department of tourism. SF~~FB~~FB consists of five members appointed for five-year terms, the secretary of agriculture, trade and consumer protection, or his or her designee, and the secretary of tourism, or his or her designee.

This bill makes SF~~FB~~FB an independent agency consisting of two representatives to the assembly, two senators, five members representing business, one member representing rural education, ^{and} one resident of the city of West Allis. The secretary of agriculture, trade and consumer protection and the secretary of tourism serve as nonvoting members.

This bill authorizes SF~~FB~~FB to organize private, nonprofit corporations to raise funds and provide support for the operation, management and development

Analysis insert 1, p. 2
of state fair park.

Analysis insert 2

Currently, proposed state building projects costing more than \$100,000 are subject to review and approval by the building commission. The commission transmits its biennial recommendations to the legislature concerning the projects that it recommends for construction, together with the methods of financing those projects recommended by the commission. Projects costing more than \$500,000 must be enumerated by law in the authorized state building program before they may proceed. All state construction contracts, except highway contracts, are subject to approval of the secretary of administration and if any contract is in the amount of more than \$30,000, it must have the approval of the governor. The department of administration (DOA) has responsibility for the engineering, design and management of construction with respect to all state construction projects, except highway projects. If a state board has authority to permit a privately owned and operated facility to be constructed on state-owned land, the board must obtain the approval of the building commission before granting such permission.

This bill eliminates the current requirement for approval of the building commission for projects costing more than \$100,000 involving a building, structure or facility to be constructed for ~~the state fair park board~~. The bill also eliminates the current requirement for enumeration in the authorized state building program of projects for ~~the state fair park board~~ costing more than \$500,000. The bill does not alter other current procedures for legislative approval of financing for state fair park building projects, including approval of any state bonding authority. However, the bill eliminates all requirements for approval of construction contracts for any such projects by the secretary of administration and governor. Under the bill, DOA is directed to adopt architectural and engineering designs proposed by ~~the state fair park board~~ for any projects to be constructed for ~~the board~~, if the designs and specifications conform to applicable laws, rules, codes and regulations. Finally, the bill eliminates the current requirement for ~~the state fair park board~~ to obtain the approval of the building commission before granting permission for a privately owned or operated facility to be constructed for ~~the board~~ on state-owned land.

Currently, ~~the state fair park board~~ does not have authority to permit a private person to construct or operate a building, structure or facility in the state fair park, except that ~~the board~~ may enter into a lease with a private nonprofit corporation to operate the Olympic Ice Training Center. This bill grants to ~~the board~~ the authority to permit a private person to construct or operate a building, structure or facility in the state fair park under a lease agreement with ~~the board~~.

Current law requires SFPB to annually award a grant of not more than \$35,000 to the city of West Allis to provide traffic and crowd control services related to events held at state fair park if the city meets certain conditions. This bill eliminates the \$35,000 limit on the amount of that grant.

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3933/P2inJTK
RCT&JTK.....

Inserts A to D
Analysis met 2
Insert A ✓

SECTION 1. 13.48 (6) of the statutes is amended to read:

13.48 (6) REVIEW OF PROJECTS. All reports submitted as provided by sub. (4) shall be reviewed by the building commission, which shall make its report as soon after November 20 as is possible. Such report shall include specific recommendations and establish priorities for the next 3 biennia from among all projects submitted which the building commission deems essential and shall recommend additional appropriations if necessary for the execution thereof. The building commission shall include in the report any projects proposed by the state fair park board, together with the method of financing proposed for those projects by the board, without recommendation. The building commission shall include in its report an appraisal and recommendation of available and alternative methods of financing buildings for the use of state agencies and shall file copies of its report with the governor-elect.

SECTION 2. 13.48 (7) of the statutes, as affected by 1999 Wisconsin Act 9, is amended to read:

13.48 (7) BIENNIAL RECOMMENDATIONS. The building commission shall prepare and formally adopt recommendations for the long-range state building program on a biennial basis. The building commission shall include in its report any projects proposed by the state fair park board, together with the method of financing those projects proposed by the board, without recommendation. Unless a later date is requested by the building commission and approved by the joint committee on finance, the building commission shall, no later than the first Tuesday in April of each odd-numbered year, transmit the report prepared by the department of

5/12/99
S. W. J. S.



administration under s. 16.40 (20) and the commission's recommendations for the succeeding fiscal biennium that require legislative approval to the joint committee on finance in the form of proposed legislation prepared in proper form.

SECTION 3. 13.48 (10) (b) 5. of the statutes is created to read:

13.48 (10) (b) 5. Contracts for construction of any building, structure or facility for the state fair park board.

SECTION 4. 13.48 (12) (b) 2. of the statutes is amended to read:

13.48 (12) (b) 2. A facility constructed by or for the state fair park board, ~~if the cost of constructing the facility does not exceed the amount specified in sub. (3).~~

↓
end
insert A

SECTION 5. 16.85 (1) of the statutes is amended to read:

16.85 (1) To take charge of and supervise all engineering or architectural services or construction work as defined in s. 16.87 performed by, or for, the state, or any department, board, institution, commission or officer thereof, including nonprofit-sharing corporations organized for the purpose of assisting the state in the construction and acquisition of new buildings or improvements and additions to existing buildings as contemplated under ss. 13.488, 36.09 and 36.11, except the engineering, architectural and construction work of the department of transportation, the engineering service performed by the department of commerce, department of revenue, public service commission, department of health and family services and other departments, boards and commissions when the service is not related to the maintenance, construction and planning of the physical properties of the state, and energy efficiency projects of the energy efficiency program under s. 16.847. The department shall adopt the architectural and engineering design proposed by the state fair park board for any project to be constucted for the board, if the design and specifications conform to applicable laws, rules, codes and

Insert
B

↓

regulations. The department shall not authorize construction work for any state office facility in the city of Madison after May 11, 1990, unless the department first provides suitable space for a day care center primarily for use by children of state employes.

SECTION 6. 16.85 (6) of the statutes is amended to read:

16.85 (6) To approve the appointment of a principal engineer or architect for departments, boards and commissions and when such continuous service is needed. No such engineer or architect shall be employed without the written approval of the secretary. This subsection does not apply to the state fair park board.

SECTION 7. 16.87 (5) of the statutes is created to read:

16.87 (5) ~~This section does not apply to contracts for construction work to be performed for the state fair park board.~~ ^{Subsections (1) to (4) do} The secretary shall prepare and sign contracts for construction work to be performed for the state fair park board in accordance with the approved specifications for the work.

end
insert B

SECTION 8. 20.924 (3) of the statutes is created to read:

20.924 (3) Subsection (1) (a) and (b) ^{do} not apply to the acquisition of land for, or the construction, repair, remodeling or improvement of ^{any} building, structure ^{or} facility for the state fair park board.

Insert
C

SECTION 9. 42.09 (3) of the statutes is created to read:

42.09 (3) The state fair park board may permit a private person to construct ~~or operate~~ a building, structure or facility in the state fair park under a lease agreement with the board. ~~This subsection does not apply to a lease authorized under~~

Insert
D

~~s. 42.11 (3).~~

end insert D

Insert
3-19, p. 1

Section # CR; 42.01 (5)

42.01^b (5) The state fair park board shall ensure that it receives sufficient revenues from the operation of state fair park to make the payments^s required under s. 20.190 (1) (j).^{j ✓}



INset 3-19, p. 2

Section #. 42.04 of the statutes is amended to read:

The state fair park board
may provide for

42.04 Private operation and leasing. ~~Nothing in this chapter shall prevent~~ the operation and leasing of any facilities by private entrepreneurs, except that the state, ^{fair park board} shall reserve the use of state fair park facilities for a sufficient period of time every year for purposes of conducting an annual state fair. This section does not apply to a lease authorized under s. 42.11(3). ✓

History: 1989 a. 219 s. 26; Stats. 1989 s. 42.04.

Section # RP; 42.09(1) ✓

✓
Insert 3-21, p.1

Section #. CR; 42.106

① 42.106 state fair park board, building commission

② and department of administration. The state fair park

board may enter into a memorandum of understanding
with the department of administration and the building

commission to coordinate the activities of the

board, the department and the commission.



Insert 3-21, p. 2

Section #. 42.12 (1) of the statutes is amended to read:

* 42.12 (1) Beginning on July 1, 1992, in each fiscal year, the state fair park board may award a grant, ~~not to exceed \$35,000,~~ to the city of West Allis to be used to provide crowd and traffic control services related to events held at the state fair park, including events associated with the Olympic Ice Training Center under s. 42.11.

History: 1991 a. 269.



1999

Insert 3-21, p. 3

Nonstat File Sequence: **AAA**

LRB _____/____

_____:_____:____

NONSTAT SESSLAW

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → nonstat

For the budget action phrase, execute: create → action: → *NS: → 91XX

For a subsection, execute: create → text: → *NS: → sub

For a paragraph, execute: create → text: → *NS: → par

For a subdivision, execute: create → text: → *NS: → subd

For a subdivision paragraph, execute: create → text: → *NS: → subpar

2. Nonstatutory subunits are numbered automatically if "(#1)", "(#a)", etc., is filled in. Below, for the budget, fill in the 9100 department code; and fill in "____" or "()" only if a "frozen" number is needed.

SECTION # 91 Nonstatutory provisions ...

(#1) MM State fair park board membership.....

~~Off~~ (a) Notwithstanding section 15.93 of the statute, ^{as created by this act,} the terms of the members of the state fair park board appointed under section 15.445 (4), 1997 stats., ^{who are serving on} expire on ^{the effective date of} ~~the effective date~~ ^{this subsection} of this subsection paragraph or on ^{the day on which a majority of the} ~~total~~ ^{who are initially} members of the board appointed under section 15.93 (a) (a) to (e) of the statute, as created by this act, ^{and qualified} are appointed, ^{whichever is later.}

comma

(b) Notwithstanding the length of terms specified in section 15.93 (1) ~~(c) to (e)~~ ⁽²⁾ of the statutes, as created by this act, the governor shall appoint the initial members of the ^{section 15.93(1)(c) to (e)} board under ~~these provisions~~ for the following terms:

1. One member under section 15.93(1)(c) of the statute, as created by this act, for a term expiring ~~in~~ ^{on} May 1, 2001.

2. One member under section 15.93(1)(c) of the statute, as created by this act, for a term expiring on May ~~31~~ ¹ 2002.

3. One member under section 15.93(1)(c) of the statute, as created by this act, for a term expiring on May 1, 2003.

4. The member under section 15.93(1)(d) ^{of the statute, as created by this act,} and one member under section 15.93(1)(c) of the statute, as created by this act, for terms expiring on May 1, 2004.

5. The member under section 15.93(1)(e) of the

statute, as created by this act, and one member under
section 15.93(1) (c) of the statute, as created by this act,
for terms expiring on May 1, 2005.

1999

Nonstat File Sequence: **FFF**

LRB _____/____

Insert 3-21, p. 6

EFFECTIVE DATE

1. In the component bar: For the action phrase, execute: ... **create** → **action:** → *NS: → **effdate**
For the text, execute: **create** → **text:** → *NS: → **effdateA**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "____" or "()" only if a "frozen" number is needed.

SECTION # _____ . Effective date.

(#1) *None* This act takes effect
 on *the first day of the 7th month beginning after publication.*.....

1. In the component bar: For the action phrase, execute: .. **create** → **action:** → *NS: → **effdateE**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "____" or "()" only if a "frozen" number is needed.

SECTION # _____ . Effective dates;

..... This act takes effect on the day after publication, except as follows:
 (#1) () The treatment of
 sections
 of the statutes takes effect on

1. In the component bar: For the budget action phrase, execute:.. **create** → **action:** → *NS: → **94XX**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the **9400** department code; and fill in "()" only if a "frozen" number is needed.

SECTION 94 _____ . Effective dates;

.....
 (#1) () The treatment of
 sections
 of the statutes takes effect on

end of insert 3-21

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3933/P2dn
RCT&JTK:kmg:km

February 2, 2000

Representative Staskunas:

This is a second preliminary draft of your state fair park proposal. It includes the changes that you requested in your memorandum dated January 17, 2000. I have also added transitional provisions for the board. The draft contains a six-month delayed effective date. Please let me know if you would prefer a different effective date.

As I explained in my e-mail message of January 20, this draft does not change the status of employees of the state fair park board. The draft does not provide for transferring state fair park board employees to the private corporation. However, the corporation would have the authority to employ individuals. Individuals employed by the corporation would not be state employees and, therefore, would not be eligible for state benefits. Section 16.705 would apply and would have to be taken into consideration if the state fair park board wished to have the corporation provide services that are now provided by state employees. I am not certain that it would be possible to have the state fair park board employees who make up the state fair park police force transferred to the corporation and still have the police powers that they now have.

Please let me know if you want to add anything to the draft or to make any other changes. When you are satisfied with the draft, we will convert it to a version that may be introduced.

Rebecca C. Tradewell
Managing Attorney
Phone: (608) 266-7290
E-mail: Becky.Tradewell@legis.state.wi.us

Under this draft, state fair park building projects are no longer subject to review and approval by the building commission. The projects are also no longer subject to enumeration by the legislature in the authorized state building program (as is currently required for projects costing more than \$500,000), but financing and bonding for the projects remain subject to legislative review and approval. The building

commission continues to include the projects in the capital budget report so that the legislature will have the projects before it when it reviews the financing and bonding. Supervision of these projects by DOA is limited to technical review to ensure that the buildings, structures or facilities are constructed in accordance with applicable codes, so that state liability and maintenance costs will be minimized. State bonding procedures are not affected by the bill. Currently, all state bonding (whether for capital or noncapital purposes) is handled exclusively by the building commission, the DOA capital finance office and the state's bond counsel (currently, Quarles and Brady). These procedures are complex and it is not very feasible to interpose another party into this process.

As an alternative to this procedure, under proposed s. 42.09 (3), the state fair park board may permit a private person to construct a building, structure or facility in the state fair park. This would entail higher financing costs than state construction, but if the private person is able to absorb these costs and still pay the same net rental for lease of the building, structure or facility that the board would realize from a state-owned building, structure or facility, this procedure might be workable. The state generally does not use private financing for state construction because state bonding is cheaper. However, a private corporation, whether incorporated under ch. 181 or otherwise, would be required to obtain private financing for any construction work done by the corporation.

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-3933/221
RCT&JTK:kmg:km

Monday (2/7)

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

only changes on
this page

1 *Sen. Cat.* AN ACT to *repeal* 13.488 (7), 15.07 (1) (b) 15m., 15.445 (4), 42.06, 42.09 (1) and
 2 42.105 (2); to *renumber* 42.105 (1); to *amend* 13.48 (6), 13.48 (7), 13.48 (12)
 3 (b) 2., 16.85 (1), 16.85 (6), 20.190 (1) (h), 42.04 and 42.12 (1); and to *create* 13.48
 4 (10) (b) 5., 13.94 (1) (dm), 15.07 (1) (a) 8., 15.07 (2) (h), 15.93, 16.87 (5), 20.924
 5 (3), 42.01 (4), 42.01 (5), 42.09 (3) and 42.106 of the statutes; **relating to:** the
 6 state fair park board, authorizing the creation of private corporations to provide
 7 support for the state fair park, construction and leasing of buildings, structures
 8 and facilities at the state fair park, and making an appropriation.

Analysis by the Legislative Reference Bureau

Under current law, the state fair park board (SFPB) is attached to the department of tourism. SFPB consists of five members appointed for five-year terms, the secretary of agriculture, trade and consumer protection, or his or her designee, and the secretary of tourism, or his or her designee.

This bill makes SFPB an independent agency consisting of two representatives to the assembly, two senators, five members representing business, one member representing rural education and one resident of the city of West Allis. The secretary of agriculture, trade and consumer protection and the secretary of tourism serve as nonvoting members.

This bill authorizes SFPB to organize private, nonprofit corporations to raise funds and provide support for the operation, management and development of state fair park.

Currently, proposed state building projects costing more than \$100,000 are subject to review and approval by the building commission. The commission transmits its biennial recommendations to the legislature concerning the projects that it recommends for construction, together with the methods of financing those projects recommended by the commission. Projects costing more than \$500,000 must be enumerated by law in the authorized state building program before they may proceed. All state construction contracts, except highway contracts, are subject to approval of the secretary of administration and, if any contract is in the amount of more than \$30,000, it must have the approval of the governor. The department of administration (DOA) has responsibility for the engineering, design and management of construction with respect to all state construction projects, except highway projects. If a state board has authority to permit a privately owned and operated facility to be constructed on state-owned land, the board must obtain the approval of the building commission before granting such permission.

This bill eliminates the current requirement for approval of the building commission for projects costing more than \$100,000 involving a building, structure or facility to be constructed for SFPB. The bill also eliminates the current requirement for enumeration in the authorized state building program of projects for SFPB costing more than \$500,000. The bill does not alter other current procedures for legislative approval of financing for state fair park building projects, including approval of any state bonding authority. However, the bill eliminates all requirements for approval of construction contracts for any such projects by the secretary of administration and governor. Under the bill, DOA is directed to adopt architectural and engineering designs proposed by SFPB for any projects to be constructed for SFPB, if the designs and specifications conform to applicable laws, rules, codes and regulations. Finally, the bill eliminates the current requirement for SFPB to obtain the approval of the building commission before granting permission for a privately owned or operated facility to be constructed for SFPB on state-owned land.

Currently, SFPB does not have authority to permit a private person to construct or operate a building, structure or facility in the state fair park, except that SFPB may enter into a lease with a private nonprofit corporation to operate the Olympic Ice Training Center. This bill grants to SFPB the authority to permit a private person to construct or operate a building, structure or facility in the state fair park under a lease agreement with SFPB.

Current law requires SFPB to annually award a grant of not more than \$35,000 to the city of West Allis to provide traffic and crowd control services related to events held at state fair park if the city meets certain conditions. This bill eliminates the \$35,000 limit on the amount of that grant.

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.** 13.48 (6) of the statutes is amended to read:

2 **13.48 (6) REVIEW OF PROJECTS.** All reports submitted as provided by sub. (4)
3 shall be reviewed by the building commission, which shall make its report as soon
4 after November 20 as is possible. Such report shall include specific
5 recommendations and establish priorities for the next 3 biennia from among all
6 projects submitted which the building commission deems essential and shall
7 recommend additional appropriations if necessary for the execution thereof. The
8 building commission shall include in the report any projects proposed by the state
9 fair park board, together with the method of financing proposed for those projects by
10 the board, without recommendation. The building commission shall include in its
11 report an appraisal and recommendation of available and alternative methods of
12 financing buildings for the use of state agencies and shall file copies of its report with
13 the governor-elect.

14 **SECTION 2.** 13.48 (7) of the statutes, as affected by 1999 Wisconsin Act 9, is
15 amended to read:

16 **13.48 (7) BIENNIAL RECOMMENDATIONS.** The building commission shall prepare
17 and formally adopt recommendations for the long-range state building program on
18 a biennial basis. The building commission shall include in its report any projects
19 proposed by the state fair park board, together with the method of financing those
20 projects proposed by the board, without recommendation. Unless a later date is
21 requested by the building commission and approved by the joint committee on

1 finance, the building commission shall, no later than the first Tuesday in April of
2 each odd-numbered year, transmit the report prepared by the department of
3 administration under s. 16.40 (20) and the commission's recommendations for the
4 succeeding fiscal biennium that require legislative approval to the joint committee
5 on finance in the form of proposed legislation prepared in proper form.

6 **SECTION 3.** 13.48 (10) (b) 5. of the statutes is created to read:

7 13.48 (10) (b) 5. Contracts for construction of any building, structure or facility
8 for the state fair park board.

9 **SECTION 4.** 13.48 (12) (b) 2. of the statutes is amended to read:

10 13.48 (12) (b) 2. A facility constructed by or for the state fair park board, if the
11 cost of constructing the facility does not exceed the amount specified in sub. (3).

12 **SECTION 5.** 13.488 (7) of the statutes is repealed.

13 **SECTION 6.** 13.94 (1) (dm) of the statutes is created to read:

14 13.94 (1) (dm) Annually, perform a financial audit of the state fair park board
15 and of any private corporation with which the board contracts under s. 42.01 (4) (b).

16 **SECTION 7.** 15.07 (1) (a) 8. of the statutes is created to read:

17 15.07 (1) (a) 8. Members of the state fair park board appointed under s. 15.93
18 (1) (a) and (b) shall be appointed as provided in those provisions.

19 **SECTION 8.** 15.07 (1) (b) 15m. of the statutes is repealed.

20 **SECTION 9.** 15.07 (2) (h) of the statutes is created to read:

21 15.07 (2) (h) The chairperson of the state fair park board shall be designated
22 annually by the governor from among the members appointed under s. 15.93 (1) (c),
23 (d) and (e).

24 **SECTION 10.** 15.445 (4) of the statutes is repealed.

25 **SECTION 11.** 15.93 of the statutes is created to read:

1 **15.93 State fair park board.** (1) CREATION. There is created a state fair park
2 board consisting of the following members:

3 (a) Two representatives to the assembly, one appointed by the speaker of the
4 assembly and one appointed by the minority leader of the assembly.

5 (b) Two senators, one appointed by the majority leader of the senate and one
6 appointed by the minority leader of the senate.

7 (c) Five members representing business, 2 of whom have general business
8 experience, one of whom has experience with food and beverage businesses, one of
9 whom has experience in agriculture and one of whom has marketing experience.

10 (d) One member representing rural education.

11 (e) One resident of the city of West Allis, recommended by the mayor of West
12 Allis.

13 (f) The secretary of agriculture, trade and consumer protection and the
14 secretary of tourism, as nonvoting members.

15 (2) TERMS. The members of the state fair park board under sub. (1) (c) to (e)
16 shall be appointed for 5-year terms.

17 **SECTION 12.** 16.85 (1) of the statutes is amended to read:

18 16.85 (1) To take charge of and supervise all engineering or architectural
19 services or construction work as defined in s. 16.87 performed by, or for, the state, or
20 any department, board, institution, commission or officer thereof, including
21 nonprofit-sharing corporations organized for the purpose of assisting the state in the
22 construction and acquisition of new buildings or improvements and additions to
23 existing buildings as contemplated under ss. 13.488, 36.09 and 36.11, except the
24 engineering, architectural and construction work of the department of
25 transportation, the engineering service performed by the department of commerce,

1 department of revenue, public service commission, department of health and family
2 services and other departments, boards and commissions when the service is not
3 related to the maintenance, construction and planning of the physical properties of
4 the state, and energy efficiency projects of the energy efficiency program under s.
5 16.847. The department shall adopt the architectural and engineering design
6 proposed by the state fair park board for any project to be constructed for the board,
7 if the design and specifications conform to applicable laws, rules, codes and
8 regulations. The department shall not authorize construction work for any state
9 office facility in the city of Madison after May 11, 1990, unless the department first
10 provides suitable space for a day care center primarily for use by children of state
11 employes.

12 **SECTION 13.** 16.85 (6) of the statutes is amended to read:

13 16.85 (6) To approve the appointment of a principal engineer or architect for
14 departments, boards and commissions and when such continuous service is needed.
15 No such engineer or architect shall be employed without the written approval of the
16 secretary. This subsection does not apply to the state fair park board.

17 **SECTION 14.** 16.87 (5) of the statutes is created to read:

18 16.87 (5) Subsections (1) to (4) do not apply to contracts for construction work
19 to be performed for the state fair park board. The secretary shall prepare and sign
20 contracts for construction work to be performed for the state fair park board in
21 accordance with the approved specifications for the work.

22 **SECTION 15.** 20.190 (1) (h) of the statutes is amended to read:

23 20.190 (1) (h) *State fair operations.* ~~The amounts in the schedule for general~~
24 ~~program operations and for the grant program under s. 42.12.~~ All moneys received
25 by the state fair park board for or on account of the state fair, state fair park or other

1 events and all moneys received from any lease of the Olympic Ice Training Center
2 under s. 42.11 (3) ~~shall be credited to this appropriation to be used to support the~~
3 operation, management and development of state fair park and for the grant
4 program under s. 42.12. The unencumbered balance of this appropriation on June
5 30 of each year shall be transferred to the appropriation under par. (i).

6 **SECTION 16.** 20.924 (3) of the statutes is created to read:

7 20.924 (3) Subsection (1) (a) and (b) does not apply to the acquisition of land
8 for, or the construction, repair, remodeling or improvement of, any building,
9 structure or facility for the state fair park board.

10 **SECTION 17.** 42.01 (4) of the statutes is created to read:

11 42.01 (4) (a) The state fair park board may organize a nonstock corporation
12 under ch. 181 for the purposes of raising funds and providing support for the
13 operation, management and development of state fair park. The board shall
14 organize any corporation organized under this paragraph so that the corporation is
15 exempt from taxation under the section 501 of the Internal Revenue Code.

16 (b) The state fair park board may enter into a contract with any corporation
17 that the board organizes under par. (a) under which the corporation raises funds or
18 provides support for the operation, management and development of state fair park.

19 **SECTION 18.** 42.01 (5) of the statutes is created to read:

20 42.01 (5) The state fair park board shall ensure that it receives sufficient
21 revenues from the operation of state fair park to make the payments required under
22 s. 20.190 (1) (j).

23 **SECTION 19.** 42.04 of the statutes is amended to read:

24 **42.04 Private operation and leasing.** ~~Nothing in this chapter shall prevent~~
25 The state fair park board may provide for the operation and leasing of any facilities

SECTION 19

1 by private entrepreneurs, except that the state fair park board shall reserve the use
2 of state fair park facilities for a sufficient period of time every year for purposes of
3 conducting an annual state fair. This section does not apply to a lease authorized
4 under s. 42.11 (3).

5 **SECTION 20.** 42.06 of the statutes is repealed.

6 **SECTION 21.** 42.09 (1) of the statutes is repealed.

7 **SECTION 22.** 42.09 (3) of the statutes is created to read:

8 42.09 (3) The state fair park board may permit a private person to construct
9 a building, structure or facility in the state fair park under a lease agreement with
10 the board.

11 **SECTION 23.** 42.105 (1) of the statutes is renumbered 42.105.

12 **SECTION 24.** 42.105 (2) of the statutes is repealed.

13 **SECTION 25.** 42.106 of the statutes is created to read:

14 **42.106 State fair park board, building commission and department of**
15 **administration.** The state fair park board may enter into a memorandum of
16 understanding with the department of administration and the building commission
17 to coordinate the activities of the board, the department and the commission.

18 **SECTION 26.** 42.12 (1) of the statutes is amended to read:

19 42.12 (1) Beginning on July 1, 1992, in each fiscal year, the state fair park board
20 may award a grant, ~~not to exceed \$35,000,~~ to the city of West Allis to be used to
21 provide crowd and traffic control services related to events held at the state fair park,
22 including events associated with the Olympic Ice Training Center under s. 42.11.

23 **SECTION 27. Nonstatutory provisions.**

24 (1) STATE FAIR PARK BOARD MEMBERSHIP.

1 (a) Notwithstanding section 15.93 of the statutes, as created by this act, the
2 terms of the members of the state fair park board appointed under section 15.445 (4),
3 1997 stats., who are serving on the effective date of this paragraph expire on the
4 effective date of this paragraph or on the day on which a majority of the members of
5 the board who are initially appointed under section 15.93 (1) (a) to (e) of the statutes,
6 as created by this act, are appointed and qualified, whichever is later.

7 (b) Notwithstanding the length of terms specified in section 15.93 (2) of the
8 statutes, as created by this act, the governor shall appoint the initial members of the
9 board under section 15.93 (1) (c) to (e) of the statutes, as created by this act, for the
10 following terms:

11 1. One member under section 15.93 (1) (c) of the statutes, as created by this act,
12 for a term expiring on May 1, 2001.

13 2. One member under section 15.93 (1) (c) of the statutes, as created by this act,
14 for a term expiring on May 1, 2002.

15 3. One member under section 15.93 (1) (c) of the statutes, as created by this act,
16 for a term expiring on May 1, 2003.

17 4. The member under section 15.93 (1) (d) of the statutes, as created by this act,
18 and one member under section 15.93 (1) (c) of the statutes, as created by this act, for
19 terms expiring on May 1, 2004.

20 5. The member under section 15.93 (1) (e) of the statutes, as created by this act,
21 and one member under section 15.93 (1) (c) of the statutes, as created by this act, for
22 terms expiring on May 1, 2005.

23 **SECTION 28. Effective date.**

Williams, Landon

To: Ramirez, Adrienne
Subject: 99-3933/1 per your request



99-3933/1

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