

**2019 DRAFTING REQUEST**

**Assembly Substitute Amendment (ASA-AB73)**

For: **Robert Wittke (608) 266-0731** Drafter: **mshovers**  
 By: **Scott Grosz, Leg. Council** Secondary Drafters: **jkreye**  
 Date: **5/13/2019** May Contact:  
 Same as LRB:

Submit via email: **YES**  
 Requester's email: **Rep.Wittke@legis.wisconsin.gov**  
 Carbon copy (CC) to: **eric.mueller@legis.wisconsin.gov**  
**Erika.Lunder@legis.wisconsin.gov**

**Pre Topic:**

No specific pre topic given

**Topic:**

Local professional baseball park district, sales and use tax, technical changes

**Instructions:**

Based on AB 73, LRB 2241, but delete section 3; items 1, 2, and 4 from LRB a0189; AA 1

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 5/14/2019	dwalker 5/14/2019			
/P1	jkreye 5/20/2019	csicilia 5/21/2019	dwalker 5/14/2019		
/P2	jkreye 5/21/2019	csicilia 5/21/2019	mbarman 5/21/2019		
/P3			mbarman 5/21/2019		
/1				lparisi	

Vers.    Drafted

Reviewed

Submitted

Jacketed  
5/21/2019

Required

FE Sent For:

<END>



State of Wisconsin  
2019 - 2020 LEGISLATURE

50034/P1  
LRB-2241/J  
MES&JK:cde  
Pmk  
Kjs

ASA

to **2019 ASSEMBLY BILL 73**

March 7, 2019 - Introduced by Representatives WITTKÉ, HUTTON, NYGREN, KERKMAN, ZAMARRIPA, SINICKI, SANFELIPPO, MURPHY, SORTWELL, KUGLITSCH, NEYLON, BRANDTJEN, HORLACHER, DUCHOW, RAMPTHUN, WICHGERS, TUSLER, PLUMER and DITTRICH, cosponsored by Senators WANGGAARD, CARPENTER, STROEBEL, WIRCH, NASS, L. TAYLOR, TIFFANY, PETROWSKI, LARSON, DARLING and RINGHAND. Referred to Committee on Ways and Means.

Today  
5-19  
bill/inst

Jm

legislative

- 1 **AN ACT to amend** 77.707 (1), 229.68 (intro.) and 229.685 (2); and **to create**
- 2 229.682 (9) of the statutes; **relating to:** ~~lease terms and~~ the imposition of sales
- 3 and use taxes related to a local professional baseball park district. *and oversight of such a district*

**Analysis by the Legislative Reference Bureau**

(district)

Currently a local professional baseball park district may impose a sales tax and a use tax within the area of its jurisdiction, and a district may issue revenue bonds if the district board determines that the district's lease with a professional baseball team franchise that uses the district's baseball facilities is for a term of at least 30 years. Generally, the sales and use taxes may not be imposed and collected after the district pays off the bonds issued to construct the stadium and funds a special maintenance and capital improvements fund.

Under this bill, the sales and use taxes may not be collected, generally, after ~~December 31, 2019~~. Also under the bill, any lease between the district and the baseball team that uses the facilities must extend for at least the same number of years during which the sales and use tax is collected. The bill also specifies that the district board may not incur any new obligations after June 30, 2019, if the obligation could not be paid once the sales and use tax is no longer collected.

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

March 31, 2020

INS  
ANL  
MES

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

**ASSEMBLY BILL 73**

**SECTION 1**

**SECTION 1.** 77.707 (1) of the statutes is amended to read:

77.707 (1) Retailers and the department of revenue may not collect a tax under s. 77.705 for any local professional baseball park district created under subch. III of ch. 229 after the last day of the calendar quarter ~~that is at least 120 days from the date on which the local professional baseball park district board makes a certification to the department of revenue under s. 229.685 (2) ending on December 31, 2019,~~ <sup>March 31, 2020</sup> except that the department of revenue may collect from retailers taxes that accrued before the day after the last day of that calendar quarter and fees, interest and penalties that relate to those taxes. <sup>FNS 2-9 not</sup>

**SECTION 2.** 229.68 (intro.) of the statutes is amended to read:

**229.68 Powers of a district.** (intro.) A district has all of the powers necessary or convenient to carry out the purposes and provisions of this subchapter, except that it may not incur any new obligations after June 30, 2019, if such an obligation could not be paid out of the district's revenues or assets once the tax under s. 77.707 (1) is no longer collected. In addition to all other powers granted by this subchapter, a district may do all of the following:

**SECTION 3.** 229.682 (9) of the statutes is created to read:

~~229.682 (9) LEASE PROVISIONS. Notwithstanding the lease provisions described in s. 229.68 (8) (c), any such lease between the district and the professional baseball team franchise that uses baseball park facilities constructed under this subchapter as its home facilities must extend for at least the same number of years during which the sales tax and a use tax imposed under s. 77.705 is collected.~~

**SECTION 4.** 229.685 (2) of the statutes is amended to read:

229.685 (2) If the district board determines that the revenues in the special fund under this section exceed current operating expenses for the operation of

IN 2-10

INS 2-22

**ASSEMBLY BILL 73**

1 baseball park facilities, the district board shall apply the excess to either fund a fund  
2 for maintenance costs and capital improvements or to retire bonds issued for the  
3 initial construction of baseball park facilities, and any bonds issued to fund or refund  
4 those bonds, prior to their maturity. ~~As soon as practicable after the retirement of~~  
5 ~~all bonds issued for the initial construction of baseball park facilities and all bonds~~  
6 ~~issued to fund or refund those bonds and after funding a fund for maintenance costs~~  
7 ~~and capital improvements sufficiently to meet any maintenance or capital~~  
8 ~~improvement obligations between the district and any professional baseball team~~  
9 ~~using baseball park facilities constructed under this subchapter as a home stadium,~~  
10 ~~the district board shall make a certification to the department of revenue and the~~  
11 ~~department of transportation to that effect.~~

12

(END)

JWS  
3-11



ASSEMBLY AMENDMENT 1,  
TO ASSEMBLY BILL 73

March 19, 2019 - Offered by Representative WITTKER.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 2, line 9: after "taxes." insert "Except as provided under s. 77.60 (9),  
3 the department of revenue may not issue any assessment nor act on any claim for a  
4 refund or any claim for an adjustment under s. 77.585 after the end of the calendar  
5 year that is 4 years after the year in which a local professional baseball park district  
6 tax has terminated."

7 **2.** Page 2, line 9: after that line insert:

8 "~~SECTION 1m.~~ 77.76 (3m) of the statutes is amended to read:  
9 77.76 (3m) From the appropriation under s. 20.835 (4) (gb) the department, for  
10 the first 2 years of collection, shall distribute 97 percent of the taxes reported for each  
11 local professional baseball park district that has imposed taxes under this  
12 subchapter, minus the district portion of the retailers' discounts, to the local  
13 professional baseball park district no later than the end of the 3rd month following

INS  
2-9

INS  
2-10  
P. 103

INS  
2-10  
2023

1 the end of the calendar quarter in which such amounts were reported. From the  
2 appropriation under s. 20.835 (4) (gb) the department, after the first 2 years of  
3 collection, shall distribute 98.5 percent of the taxes reported for each local  
4 professional baseball park district that has imposed taxes under this subchapter,  
5 minus the district portion of the retailers' discount, to the local professional baseball  
6 park district no later than the end of the 3rd month following the end of the calendar  
7 quarter in which such amounts were reported. At the time of distribution the  
8 department shall indicate the taxes reported by each taxpayer. In this subsection,  
9 the "district portion of the retailers' discount" is the amount determined by  
10 multiplying the total retailers' discount by a fraction the numerator of which is the  
11 gross local professional baseball park district sales and use taxes payable and the  
12 denominator of which is the sum of the gross state and local professional baseball  
13 park district sales and use taxes payable. The local professional baseball park  
14 district taxes distributed shall be increased or decreased to reflect subsequent  
15 refunds, audit adjustments and all other adjustments of the local professional  
16 baseball park district taxes previously distributed. Interest paid on refunds of local  
17 professional baseball park district sales and use taxes shall be paid from the  
18 appropriation under s. 20.835 (4) (gb) at the rate paid by this state under s. 77.60 (1)  
19 (a). After receiving notice from the department of revenue, a local professional  
20 baseball park district shall reimburse the department for the amount by which any  
21 refunds, including interest, of the local professional baseball park district sales and  
22 use taxes that the department pays or allows in a reporting period exceeds the  
23 amount of the local professional baseball park district's sales and use taxes otherwise  
24 payable to the local professional baseball park district under this subsection for the  
25 same or subsequent reporting period. Any local professional baseball park district

INS  
2-10/13  
P. 30/13

receiving a report under this subsection is subject to the duties of confidentiality to which the department of revenue is subject under s. 77.61 (5) and (6).<sup>3</sup>

2

3

**3.** Page 2, line 22: after that line insert:

4

**SECTION 3m.** 229.685 (1) of the statutes is amended to read:

5

229.685 (1) The district board shall maintain a special fund into which it deposits only the revenue received from the department of revenue, that is derived from the taxes imposed under subch. V of ch. 77, and may use this revenue only for purposes related to baseball park facilities and for the purposes specified in s. 77.76 (3m).

6

7

8

9

10

(END)

INS  
2-22





State of Wisconsin  
2019 - 2020 LEGISLATURE

LRBa0189/P2  
MES&JK:ahe&amn

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION  
ASSEMBLY AMENDMENT ,  
TO ASSEMBLY BILL 73**

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 2, line 6: delete "December".

3 **2.** Page 2, line 7: delete "31, 2019" and substitute "March 31, 2020".

4 **3.** Page 2, line 9: after that line insert:

5 "**SECTION 1m.** 77.76 (6) of the statutes is created to read:

6 77.76 (6) (a) If the local professional baseball park district receives from the  
7 department any of the taxes imposed by or collected for the district under s. 77.705  
8 from April 1, 2020, to September 30, 2020, excluding taxes reported to the  
9 department before April 1, 2020, that the department paid to the district, the district  
10 shall return those taxes to the department, in the manner prescribed by the  
11 department, so that the department may distribute the taxes based on the tax  
12 revenues derived from each county that is part of the district.

1 (b) The department shall distribute, as provided under par. (a), the taxes  
 2 imposed by or collected for the district under s. 77.705 from April 1, 2020, to  
 3 September 30, 2020, including the amounts returned under par. (a), no later than  
 4 December 31, 2020. The department shall distribute, as provided under par. (a), any  
 5 additional amounts collected for the district under s. 77.705 after September 30,  
 6 2020, including interest, penalties, and amounts due as a result of an audit  
 7 determination, annually beginning on October 1, 2021, and on October 1 of each year  
 8 thereafter.

9 (c) Subsection (3m), as it relates to calculating the distribution from the  
 10 appropriation under s. 20.835 (4) (gb), applies to calculating the distribution from  
 11 that appropriation under this subsection. Interest paid on refunds of local  
 12 professional baseball park district sales and use taxes issued by the department on  
 13 or after April 1, 2020, shall reduce the amounts distributed under this subsection.”.

14 **4.** Page 3, line 11: after that line insert:

15 **“SECTION 4m. Nonstatutory provisions.**

16 (1) OVERSIGHT. Not later than January 31, 2020, the local professional baseball  
 17 park district board shall report in writing to the joint committee on finance regarding  
 18 the district’s financial position as of December 31, 2019. The report shall specify  
 19 whether the district board believes it will be able to pay off all of its bonds as  
 20 described in s. 229.685 (2) and meet all of its other statutory and contractual  
 21 obligations if it does not collect a tax under s. 77.705 after the date specified in s.  
 22 77.707 (1). If the district board reports that it believes it will not have sufficient  
 23 revenues to meet all of its obligations as described in this subsection by the time it  
 24 will not be able to collect the tax under s. 77.707 (1), the legislative audit bureau shall

*INS*  
*3-11*  
*P. 10/20*

INS  
35  
6.2012

1  
2  
3  
4  
5

conduct a financial audit of the district to evaluate when the district will have sufficient revenues to meet all of its obligations. The audit bureau shall submit that audit report in writing to the joint committee on finance no later than February 29, 2020."

(END)

2019-2020 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRBs0034/?ins  
MES&JK:...

INS ANL-MES

The bill <sup>also</sup> contains an oversight provision for the district. Under the bill, by January 31, 2020, the district must provide the Joint Committee on Finance with a written report specifying whether the district board believes it will be able to pay off its bonds and meet its other obligations by March 31, 2020, the date after which the district may no longer collect the sales and use tax. If the district board does not believe that it will be able to meet its obligations, the legislative audit bureau must conduct a financial audit of the district to determine when the district will have sufficient revenues to do so. The audit bureau must provide the report to JCF by February 29, 2020.

board

by that date

LAB

meet its obligations

meet them.

5-20-19



S 0039/P1 - to AB73

from Scott Gray

1) New provision in ch 229 - prohibit incurring costs for signage related to change in naming rights  
- expense now considered discretionary

2) Add back some type of certification that may be made before 3-31-20 - district should have option to certify before  
see also s 0189 for disbursement language  
break language for disbursements after the cert date or the March 2020 date

3) "claw back" language on p 2, lines 9-12

↳ district see this as a contingent liability

allow DOR to offset \$ paid to district after the effective date

- DOR retains enough \$ to pay refund for 4 years (DOR estimate)

- at some point, remainder paid out to the counties



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRBs0034/P1  
MES&JK:cjs

P2  
stays

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**  
**ASSEMBLY SUBSTITUTE AMENDMENT ,**  
**TO ASSEMBLY BILL 73**

in Mon 5-20

due Tues 5-21

re gen

1 **AN ACT to amend** 77.707 (1), 77.76 (3m), 229.68 (intro.), 229.685 (1) and 229.685  
2 (2) of the statutes; **relating to:** the imposition of sales and use taxes related to  
3 a local professional baseball park district and legislative oversight of such a  
4 district.

sales and use  
the tax ~~terminates~~ is no longer collected

**Analysis by the Legislative Reference Bureau**

Currently a local professional baseball park district (district) may impose a sales tax and a use tax within the area of its jurisdiction, and a district may issue revenue bonds if the district board determines that the district's lease with a professional baseball team franchise that uses the district's baseball facilities is for a term of at least 30 years. Generally, the sales and use taxes may not be imposed and collected after the district pays off the bonds issued to construct a stadium and funds a special maintenance and capital improvements fund.

Under this bill, the sales and use taxes may not be collected, generally, after March 31, 2020. The bill also specifies that the district board may not incur any new obligations after June 30, 2019, if the obligation could not be paid once the sales and use tax is no longer collected.

The bill also contains an oversight provision for the district. Under the bill, by January 31, 2020, the district board must provide the Joint Committee on Finance

Insert A-1

Insert A-2

with a a written report specifying whether the district board believes it will be able to pay off its bonds and meet its other obligations by March 31, 2020, the date after which the district may no longer collect the sales and use tax. If the district board does not believe that it will be able to meet its obligations by that date, the Legislative Audit Bureau must conduct a financial audit of the district to determine when the district will have sufficient revenues to meet them. The LAB must provide the report to JCF by February 29, 2020.

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

**SECTION 1.** 77.707 (1) of the statutes is amended to read:

77.707 (1) Retailers and the department of revenue may not collect a tax under s. 77.705 for any local professional baseball park district created under subch. III of ch. 229 after the last day of the calendar quarter ~~that is at least 120 days from the date on which the local professional baseball park district board makes a certification to the department of revenue under s. 229.685 (2) ending on March 31, 2020,~~ except that the department of revenue may collect from retailers taxes that accrued before the day after the last day of that calendar quarter and fees, interest and penalties that relate to those taxes. Except as provided under s. 77.60 (9), the department of revenue may not issue any assessment nor act on any claim for a refund or any claim for an adjustment under s. 77.585 after the end of the calendar year that is 4 years after the year in which a local professional baseball park district tax has terminated.

**SECTION 2.** 77.76 (3m) of the statutes is amended to read:

77.76 (3m) From the appropriation under s. 20.835 (4) (gb) the department, for the first 2 years of collection, shall distribute 97 percent of the taxes reported for each local professional baseball park district that has imposed taxes under this subchapter, minus the district portion of the retailers' discounts, to the local

Amend  
2-13

9

e

1 professional baseball park district no later than the end of the 3rd month following  
2 the end of the calendar quarter in which such amounts were reported. From the  
3 appropriation under s. 20.835 (4) (gb) the department, after the first 2 years of  
4 collection, shall distribute 98.5 percent of the taxes reported for each local  
5 professional baseball park district that has imposed taxes under this subchapter,  
6 minus the district portion of the retailers' discount, to the local professional baseball  
7 park district no later than the end of the 3rd month following the end of the calendar  
8 quarter in which such amounts were reported. At the time of distribution the  
9 department shall indicate the taxes reported by each taxpayer. In this subsection,  
10 the "district portion of the retailers' discount" is the amount determined by  
11 multiplying the total retailers' discount by a fraction the numerator of which is the  
12 gross local professional baseball park district sales and use taxes payable and the  
13 denominator of which is the sum of the gross state and local professional baseball  
14 park district sales and use taxes payable. The local professional baseball park  
15 district taxes distributed shall be increased or decreased to reflect subsequent  
16 refunds, audit adjustments and all other adjustments of the local professional  
17 baseball park district taxes previously distributed. Interest paid on refunds of local  
18 professional baseball park district sales and use taxes shall be paid from the  
19 appropriation under s. 20.835 (4) (gb) at the rate paid by this state under s. 77.60 (1)  
20 (a). After receiving notice from the department of revenue, a local professional  
21 baseball park district shall reimburse the department for the amount by which any  
22 refunds, including interest, of the local professional baseball park district sales and  
23 use taxes that the department pays or allows in a reporting period exceeds the  
24 amount of the local professional baseball park district's sales and use taxes otherwise  
25 payable to the local professional baseball park district under this subsection for the



Insert  
4-3

1 same or subsequent reporting period. Any local professional baseball park district  
2 receiving a report under this subsection is subject to the duties of confidentiality to  
3 which the department of revenue is subject under s. 77.61 (5) and (6).

4 **SECTION 3.** 229.68 (intro.) of the statutes is amended to read:

5 **229.68 Powers of a district.** (intro.) A district has all of the powers necessary  
6 or convenient to carry out the purposes and provisions of this subchapter, except that  
7 it may not incur any new obligations after June 30, 2019, if such an obligation could  
8 not be paid out of the district's revenues or assets once the tax under s. 77.707 (1) is  
9 no longer collected. In addition to all other powers granted by this subchapter, a  
10 district may do all of the following: *Insert 4-9*

Insert  
4-7

11 **SECTION 4.** 229.685 (1) of the statutes is amended to read:

12 229.685 (1) The district board shall maintain a special fund into which it  
13 deposits only the revenue received from the department of revenue, that is derived  
14 from the taxes imposed under subch. V of ch. 77, and may use this revenue only for  
15 purposes related to baseball park facilities and for the purposes specified in s. 77.76  
16 (3m).

17 **SECTION 5.** 229.685 (2) of the statutes is amended to read:

18 229.685 (2) If the district board determines that the revenues in the special  
19 fund under this section exceed current operating expenses for the operation of  
20 baseball park facilities, the district board shall apply the excess to either fund a fund  
21 for maintenance costs and capital improvements or to retire bonds issued for the  
22 initial construction of baseball park facilities, and any bonds issued to fund or refund  
23 those bonds, prior to their maturity. As soon as practicable after the retirement of  
24 all bonds issued for the initial construction of baseball park facilities and all bonds  
25 issued to fund or refund those bonds and after funding a fund for maintenance costs

6

1 ~~and capital improvements sufficiently to meet any maintenance or capital~~  
 2 ~~improvement obligations between the district and any professional baseball team~~  
 3 ~~using baseball park facilities constructed under this subchapter as a home stadium,~~  
 4 ~~the district board shall make a certification to the department of revenue and the~~  
 5 ~~department of transportation to that effect.~~

6 **SECTION 6. Nonstatutory provisions.**

7 (1) OVERSIGHT. Not later than January 31, 2020, the local professional baseball  
 8 park district board shall report in writing to the joint committee on finance regarding  
 9 the district's financial position as of December 31, 2019. The report shall specify  
 10 whether the district board believes it will be able to pay off all of its bonds as  
 11 described in s. 229.685 (2) and meet all of its other statutory and contractual  
 12 obligations if it does not collect a tax under s. 77.705 after the date specified in s.

13 77.707 (1) If the district board reports that it believes it will not have sufficient  
 14 revenues to meet all of its obligations as described in this subsection by the time it  
 15 will not be able to collect the tax under s. 77.707 (1), the legislative audit bureau shall  
 16 conduct a financial audit of the district to evaluate when the district will have  
 17 sufficient revenues to meet all of its obligations. The audit bureau shall submit that  
 18 audit report in writing to the joint committee on finance no later than February 29,  
 19 2020.

20 (END)

March 31, 2020

2019-2020 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRBs0034/P1ins  
MES&JK:cjs

Insert A - 1

or after the date on which the district board certifies that the district has paid off the bonds and established its special fund, whichever is earlier

Insert A - 2

The bill also prohibits the district board from incurring any costs or obligations for signage related to a change in naming rights for the baseball park facilities.

Insert 2 - 13

1 SECTION 1. 77.707 (1) of the statutes is amended to read:

2 77.707 (1) Retailers and the department of revenue may not collect a tax under  
3 s. 77.705 for any local professional baseball park district created under subch. III of  
4 ch. 229 after the last day of the calendar quarter that is at least 120 days from the  
5 date on which the local professional baseball park district board makes a  
6 certification to the department of revenue under s. 229.685 (2) or after March 31,  
7 2020, whichever is earlier, except that the department of revenue may collect from  
8 retailers taxes that accrued before the day after the last day of that calendar quarter  
9 and fees, interest and penalties that relate to those taxes. Except as provided under  
10 s. 77.60 (9), the department of revenue may not issue any assessment nor act on any  
11 claim for a refund or any claim for an adjustment under s. 77.585 after the end of the  
12 calendar year that is 4 years after the year in which a local professional baseball park  
13 district tax has terminated. The department of revenue shall estimate the amount  
14 of the refunds, including interest, that the department may need to pay during that  
15 4-year period and retain that amount from the taxes collected for the district after  
16 the termination date. Any amount that remains after the payment of refunds shall

terminations date.

1 be distributed to the counties based on the tax revenues derived from each county  
2 that is part of the district.

History: 1995 a. 56; 1999 a. 167; 2009 a. 2.

**Insert 4 - 3**

3 **SECTION 2.** 77.76 (6) of the statutes is created to read:

4 77.76 (6) (a) If the local professional baseball park district receives from the  
5 department any of the taxes imposed by or collected for the district under s. 77.705  
6 for the 6-month <sup>period</sup> following the termination date under s. 77.707 (1), excluding taxes  
7 reported to the department before the termination date, that the department paid  
8 to the district, the district shall return those taxes to the department, in the manner  
9 prescribed by the department, so that the department may distribute the taxes based  
10 on the tax revenues derived from each county that is part of the district.

11 (b) The department shall distribute, as provided under par. (a), the taxes  
12 imposed by or collected for the district under s. 77.705 for the 6-month <sup>period</sup> following the  
13 termination date under s. 77.707 (1), including the amounts returned under par. (a),  
14 no later than the date that is 8 months after the termination date. The department  
15 shall distribute, as provided under par. (a), any additional amounts collected for the  
16 district under s. 77.705 after the date that is 6 months after the termination date,  
17 including interest, penalties, and amounts due as a result of an audit determination,  
18 annually beginning on the first day of the first month that is 7 months after the  
19 termination date, and on the first day of that month in each year thereafter.

20 (c) Subsection (3m), as it relates to calculating the distribution from the  
21 appropriation under s. 20.835 (4) (gb), applies to calculating the distribution from  
22 that appropriation under this subsection.

**Insert 4 - 7**

1 the date on which the district may no longer collect the tax under s. 77.707 (1)

**Insert 4 - 9**

2 The district may not incur costs or any obligations for signage related to a  
3 change in naming rights for the baseball park facilities.



PLAN

## Kreye, Joseph

---

**From:** Rep.Wittke  
**Sent:** Tuesday, May 21, 2019 12:27 PM  
**To:** Kreye, Joseph  
**Cc:** Grosz, Scott  
**Subject:** Modification to LRB s0034/P2

**Importance:** High

Joe,

Please make the following addition to the draft. We would like to designate monies returned to the counties from whom it was collected in the following manner:

In both Section 1 and 2 of the draft

- Counties shall establish a segregated fund
- Counties may use monies for economic development, parks and recreation, public safety or property tax relief.

Let me know if you have questions, or Scott Grosz can speak to this change as well.

Thank you.

***Terri S. Griffiths***

Office of Rep. Robert Wittke  
62<sup>nd</sup> Assembly District  
412 North, State Capitol  
(608) 266-0731

*NOTE: Emails sent to and from this account may be subject to open records requests and should not be considered private.*



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRBs0034/P2  
MES&JK:cjs

P3  
stays

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**  
**ASSEMBLY SUBSTITUTE AMENDMENT,**  
**TO ASSEMBLY BILL 73**

Today  
Tier 5-21  
insert  
Beer Cat

1 **AN ACT to amend** 77.707 (1) and 229.68 (intro.); and **to create** 77.76 (6) of the  
2 statutes; **relating to:** the imposition of sales and use taxes related to a local  
3 professional baseball park district and legislative oversight of such a district.

***Analysis by the Legislative Reference Bureau***

Currently a local professional baseball park district (district) may impose a sales tax and a use tax within the area of its jurisdiction, and a district may issue revenue bonds if the district board determines that the district's lease with a professional baseball team franchise that uses the district's baseball facilities is for a term of at least 30 years. Generally, the sales and use taxes may not be imposed and collected after the district pays off the bonds issued to construct a stadium and funds a special maintenance and capital improvements fund.

Under this bill, the sales and use taxes may not be collected, generally, after March 31, 2020, or after the date on which the district board certifies that the district has paid off the bonds and established its special fund, whichever is earlier. The bill also specifies that the district board may not incur any new obligations after the sales and use tax is no longer collected, if the obligation could not be paid once the sales and use tax is no longer collected. The bill also prohibits the district board from incurring any costs or obligations for signage related to a change in naming rights for the baseball park facilities.

The bill also contains an oversight provision for the district. Under the bill, by January 31, 2020, the district board must provide the Joint Committee on Finance with a written report specifying whether the district board believes it will be able to pay off its bonds and meet its other obligations by March 31, 2020, the date after which the district may no longer collect the sales and use tax. If the district board does not believe that it will be able to meet its obligations by that date, the Legislative Audit Bureau must conduct a financial audit of the district to determine when the district will have sufficient revenues to meet them. The LAB must provide the report to JCF by February 29, 2020.

---

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

1           **SECTION 1.** 77.707 (1) of the statutes is amended to read:

2           77.707 (1) Retailers and the department of revenue may not collect a tax under  
3 s. 77.705 for any local professional baseball park district created under subch. III of  
4 ch. 229 after the last day of the calendar quarter that is at least 120 days from the  
5 date on which the local professional baseball park district board makes a  
6 certification to the department of revenue under s. 229.685 (2) or after March 31,  
7 2020, whichever is earlier, except that the department of revenue may collect from  
8 retailers taxes that accrued before the day after the last day of that calendar quarter  
9 termination date and fees, interest and penalties that relate to those taxes. Except  
10 as provided under s. 77.60 (9), the department of revenue may not issue any  
11 assessment nor act on any claim for a refund or any claim for an adjustment under  
12 s. 77.585 after the end of the calendar year that is 4 years after the year in which a  
13 local professional baseball park district tax has terminated. The department of  
14 revenue shall estimate the amount of the refunds, including interest, that the  
15 department may need to pay during that 4-year period and retain that amount from  
16 the taxes collected for the district after the termination date. Any amount that



1 remains after the payment of refunds shall be distributed to the counties based on  
2 the tax revenues derived from each county that is part of the district.

3 **SECTION 2.** 77.76 (6) of the statutes is created to read:

4 77.76 (6) (a) If the local professional baseball park district receives from the  
5 department any of the taxes imposed by or collected for the district under s. 77.705  
6 for the 6-month period following the termination date under s. 77.707 (1), excluding  
7 taxes reported to the department before the termination date, that the department  
8 paid to the district, the district shall return those taxes to the department, in the  
9 manner prescribed by the department, so that the department may distribute the  
10 taxes based on the tax revenues derived from each county that is part of the district.

11 (b) The department shall distribute, as provided under par. (a), the taxes  
12 imposed by or collected for the district under s. 77.705 for the 6-month period  
13 following the termination date under s. 77.707 (1), including the amounts returned  
14 under par. (a), no later than the date that is 8 months after the termination date.  
15 The department shall distribute, as provided under par. (a), any additional amounts  
16 collected for the district under s. 77.705 after the date that is 6 months after the  
17 termination date, including interest, penalties, and amounts due as a result of an  
18 audit determination, annually beginning on the first day of the first month that is  
19 7 months after the termination date, and on the first day of that month in each year  
20 thereafter.

Insert  
3-20

21 **SECTION 3.** 229.68 (intro.) of the statutes is amended to read:

22 **229.68 Powers of a district.** (intro.) A district has all of the powers necessary  
23 or convenient to carry out the purposes and provisions of this subchapter, except that  
24 it may not incur any new obligations after the date on which the district may no  
25 longer collect the tax under s. 77.707 (1), if such an obligation could not be paid out

1 of the district's revenues or assets once the tax under s. 77.707 (1) is no longer  
2 collected. The district may not incur costs or any obligations for signage related to  
3 a change in naming rights for the baseball park facilities. In addition to all other  
4 powers granted by this subchapter, a district may do all of the following:

5 **SECTION 4. Nonstatutory provisions.**

6 (1) OVERSIGHT. Not later than January 31, 2020, the local professional baseball  
7 park district board shall report in writing to the joint committee on finance regarding  
8 the district's financial position as of December 31, 2019. The report shall specify  
9 whether the district board believes it will be able to pay off all of its bonds as  
10 described in s. 229.685 (2) and meet all of its other statutory and contractual  
11 obligations if it does not collect a tax under s. 77.705 after March 31, 2020. If the  
12 district board reports that it believes it will not have sufficient revenues to meet all  
13 of its obligations as described in this subsection by the time it will not be able to  
14 collect the tax under s. 77.707 (1), the legislative audit bureau shall conduct a  
15 financial audit of the district to evaluate when the district will have sufficient  
16 revenues to meet all of its obligations. The audit bureau shall submit that audit  
17 report in writing to the joint committee on finance no later than February 29, 2020.

18 (END)

**2019-2020 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRBs0034/P2ins  
MES&JK:cjs

**Insert 3 - 20**

1           (c) Each county that receives revenue under s. 77.707 (1) and pars. (a) and (b)  
2 shall deposit the revenue into a segregated account established and controlled by the  
3 county to use only for property tax relief, public safety, parks and recreation, or  
4 economic development.

## Kreye, Joseph

---

**From:** Rep.Wittke  
**Sent:** Tuesday, May 21, 2019 1:54 PM  
**To:** Kreye, Joseph  
**Subject:** RE: Draft review: LRB s0034/P3

Let's make this one the /1 for introduction please. We are good to go! Thank you.

### *Terri S. Griffiths*

Office of Rep. Robert Wittke  
62<sup>nd</sup> Assembly District  
412 North, State Capitol  
(608) 266-0731

*NOTE: Emails sent to and from this account may be subject to open records requests and should not be considered private.*

---

**From:** LRB.Legal <lrblegal@legis.wisconsin.gov>  
**Sent:** Tuesday, May 21, 2019 1:16 PM  
**To:** Rep.Wittke <Rep.Wittke@legis.wisconsin.gov>  
**Subject:** Draft review: LRB s0034/P3

**Following is the PDF version of draft LRB s0034/P3.**



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRBs0034/P3  
MES&JK:cjs

11

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION  
ASSEMBLY SUBSTITUTE AMENDMENT ,  
TO ASSEMBLY BILL 73**

*NO  
changes*

1 **AN ACT** *to amend* 77.707 (1) and 229.68 (intro.); and *to create* 77.76 (6) of the  
2 statutes; **relating to:** the imposition of sales and use taxes related to a local  
3 professional baseball park district and legislative oversight of such a district.

---

***Analysis by the Legislative Reference Bureau***

Currently a local professional baseball park district (district) may impose a sales tax and a use tax within the area of its jurisdiction, and a district may issue revenue bonds if the district board determines that the district's lease with a professional baseball team franchise that uses the district's baseball facilities is for a term of at least 30 years. Generally, the sales and use taxes may not be imposed and collected after the district pays off the bonds issued to construct a stadium and funds a special maintenance and capital improvements fund.

Under this bill, the sales and use taxes may not be collected, generally, after March 31, 2020, or after the date on which the district board certifies that the district has paid off the bonds and established its special fund, whichever is earlier. The bill also specifies that the district board may not incur any new obligations after the sales and use tax is no longer collected, if the obligation could not be paid once the sales and use tax is no longer collected. The bill also prohibits the district board from incurring any costs or obligations for signage related to a change in naming rights for the baseball park facilities.

