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# Wisconsin Legislative Council

## AMENDMENT MEMO

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**2019 Assembly Bill 167**

**Assembly Amendment 1**

### 2019 ASSEMBLY BILL 167

Under subch. II of chapter 229, Stats., a local exposition district may be created by adoption of an enabling resolution by a sponsoring municipality. Once created, a local exposition district outside a first class city is governed by a six-member board, appointed by the chief executive of the sponsoring municipality and confirmed by the governing body of the municipality. Board members must meet certain qualifications as either public officials, or private sector members with experience in the hotel industry, food and beverage industry, and general private sector experience. The jurisdictional area of the local exposition district is the area of the sponsoring municipality.

A local exposition district's primary purpose is the construction and operation of an exposition center, defined as facilities used primarily for conventions, expositions, trade shows, musical or dramatic events, or other cultural events but not primarily for recreation or sporting activities. A district may issue bonds and pledge its operational and taxation revenues toward its debt service.

Under current law, statutes permit a local exposition district to impose a room tax, local food and beverage tax, and rental car tax if the district's sponsoring municipality adopts a qualifying resolution. Practically, however, the requirements of the qualifying resolution limit imposition of these taxes to Milwaukee's local exposition district.

Generally, **2019 Assembly Bill 167** authorizes creation of a local exposition district in the City of Superior in the same manner as prescribed under current law, with the additional requirement of passage of a referendum in the city, but recognizing a 2016 Douglas County referendum as satisfying the requirement.

Additionally, the bill redefines the qualifications of an exposition center constructed in the city, permitting use of facilities for sporting tournaments and adding the requirement that the facilities are intended to be used by transient tourists and to generate tourism activity including paid overnight stays and purchases at establishments where the hotel tax is imposed.

Notwithstanding the limits on local exposition district taxation authority under current law, 2019 Assembly Bill 167 would allow a local exposition district in the City of Superior to impose a room tax of up to 2 percent in addition to room taxes imposed directly by the city, and would also allow a local exposition district in the city to impose the local food and beverage tax. The bill would prohibit the local exposition district from imposing a rental car tax.

The bill also directs a district created by the City of Superior to contract with a local tourism entity, as defined under the room tax law, to promote, advertise, and publicize its exposition center, exposition center facilities, and related activities.

## **ASSEMBLY AMENDMENT 1**

Assembly Amendment 1 limits the total amount of bonds that may be issued by the district to approximately \$20 million, directs the local exposition district to dissolve upon providing for the payment of its bonds and performance of other contractual obligations, and requires the passage of a new, city referendum prior to creation of a local exposition district.

## **BILL HISTORY**

2019 Assembly Bill 167 was introduced by Representative Milroy and others on April 15, 2019. On October 23, 2019, Representative Milroy offered Assembly Amendment 1 to Assembly Bill 167. On October 30, 2019, the Assembly Committee on Ways and Means recommended adoption of Assembly Amendment 1 on a vote of Ayes, 10; Noes, 0; and recommended passage of Assembly Bill 167, as amended, on a vote of Ayes, 8; Noes, 2.

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