



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2005 Senate Bill 19

Senate Amendment 1

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Currently, a local professional baseball park district (district) may collect sales and use taxes from the sale of tangible personal property and services in the district. This authority to collect taxes ends after the calendar quarter in which the district certifies to the Department of Revenue (DOR) that the district has retired all of its bonds.

Senate Bill 19 places a sunset of December 31, 2014 on the authority of the district to collect these taxes. The bill also provides that the revenue from the taxes must be used exclusively for purposes that are directly related to the operation of baseball park facilities and debt retirement. The Legislative Audit Bureau must biennially conduct a financial audit of the district.

Senate Amendment 1 adds the following provisions to the bill:

- The district board shall not pledge revenues derived from the taxes to any bonds *issued after the effective date of this bill*, except to bonds to *fund or refund* obligations to which revenues derived from these taxes have been pledged prior to the effective date of this bill.
- Bonds to fund or refund obligations to which revenues derived from the taxes have been pledged prior to the effective date of this bill may not be issued to *extend the life of bonds issued prior* to the effective date of this bill.
- Revenues derived from the taxes may only be used to provide liquidity and credit facilities, remarketing agreements, insurance policies, guaranty agreements, letters of credit or reimbursement agreements, indexing agreements, interest exchange agreements, and currency exchange agreements in connection with previously issued bonds to which the tax revenues have been pledged for as long as such bonds are outstanding or have not been defeased.

- The district board must prepare a plan of finance identifying the earliest possible date on which all bonds to which revenues derived from the taxes have been pledged can be repaid, tendered, or defeased. The plan must be submitted to the Legislature, DOR, and the Department of Administration by January 31, 2007.

Legislative History

The Senate Committee on Job Creation, Economic Development and Consumer Affairs held a public hearing on the bill on March 31, 2005. On May 27, 2005, the committee took executive action on the bill, and adopted Senate Amendment 1 by a vote of Ayes, 5; Noes, 0, and recommended passage of the bill, as amended, by a vote of Ayes, 5; Noes, 0.

LR:jal:tlu