



1997 SENATE BILL 105

March 4, 1997 - Introduced by Senators WINEKE, PLACHE, CLAUSING, WIRCH, SHIBILSKI, DECKER and MOEN, cosponsored by Representatives REYNOLDS, RYBA, R. POTTER, BALDWIN, LA FAVE, GRONEMUS, TRAVIS, VANDER LOOP, HANSON, R. YOUNG and TURNER. Referred to Committee on Economic Development, Housing and Government Operations.

1 **AN ACT to renumber and amend** 229.685 (1); and **to create** 229.685 (1) (a), (b)
2 and (c) of the statutes; **relating to:** use of taxes levied by a local professional
3 baseball park district.

Analysis by the Legislative Reference Bureau

Under current law, a local professional baseball park district (district) may impose a sales tax and a use tax at a rate of no more than 0.1% of the gross receipts or sales price. The district board is required to maintain a special fund for these tax revenues and may use these tax revenues only for purposes related to baseball park facilities. If the district board determines that the revenues in the special fund exceed current operating expenses for the operation of baseball park facilities, the district board must apply the excess to fund a capital improvements and maintenance fund or to retire bonds issued by the district ahead of schedule.

This bill creates some additional restrictions on the use of tax revenues by a district. Under the bill, tax revenues can be used only to pay debt service on \$160,000,000 in bonds, to pay other current operating expenses and to fund a capital improvements and maintenance fund. The \$160,000,000 limit on district bonding funded with tax revenue includes the full proceeds of each bond issuance, other than refunding bonds, made by the district, even if, at the time that the calculation is made, the principal on the bonds has been fully or partially paid or the bonds have been refunded. In general terms, refunding bonds are bonds issued to fund the early retirement of bonds issued at a higher interest rate. The bill also provides that the district may not use tax revenues for lease payments on long-term leases of baseball park facilities.

