



September 1995 Special Session

ASSEMBLY BILL 1

September 5, 1995 - Introduced by COMMITTEE ON ASSEMBLY ORGANIZATION, by request of Governor Tommy G. Thompson. Referred to Joint survey committee on Tax Exemptions.

1 **AN ACT to repeal** 16.40 (15m), 20.505 (1) (fm), 71.05 (1) (d) (title) and 71.05 (1)
2 (e) (title); **to renumber and amend** 71.05 (1) (c), 71.05 (1) (d) and 71.05 (1) (e);
3 **to amend** 13.48 (14) (d) 4., 16.70 (14), 19.42 (13) (a), 20.505 (1) (ka), 20.505 (1)
4 (kc), 20.835 (4) (g), 25.50 (1) (d), 66.066 (1) (a), 66.066 (1) (c), 66.067, 66.30 (1)
5 (a), 66.75 (1m) (a), 66.75 (2) (intro.), (a), (c) and (d), 66.75 (3), 71.26 (1) (bm),
6 71.36 (1m), chapter 77 (title), subchapter V (title) of chapter 77 [precedes 77.70],
7 77.71 (intro.) and (1), 77.71 (2), 77.71 (3) and (4), 77.73, 77.75, 77.76 (1), 77.76
8 (2), 77.77, 77.78, 234.65 (1) (c) and 234.65 (6) (b); **to repeal and recreate**
9 20.005 (3) (schedule); and **to create** 13.48 (14) (d) 5., 16.40 (15m), 16.82 (6),
10 16.82 (7), 16.854, 18.03 (5s), 20.505 (1) (fm), 20.566 (1) (gd), 20.835 (4) (gb),
11 20.907 (1e), 24.61 (2) (a) 7., 25.17 (3) (b) 10., 66.04 (2) (a) 3p., 66.066 (5), 66.75
12 (1) (bm), 66.75 (1m) (em), 66.75 (1m) (fm), 71.05 (1) (c) 4., 71.26 (1m) (g), 71.45
13 (1t) (g), 77.705, 77.76 (3m), 219.09 (1) (c), subchapter III of chapter 229
14 [precedes 229.64] and 704.31 (3) of the statutes; **relating to:** creating a local
15 professional baseball park district in certain jurisdictions; giving a local
16 professional baseball park district the authority to issue bonds and granting
17 income tax exemptions for interest income on bonds issued by the district;

1 making a state moral obligation pledge with respect to bonds issued by a local
2 professional baseball park district; giving a local professional baseball park
3 district the authority to impose a room tax, a sales tax and a use tax; creating
4 an income and franchise tax exemption for a local professional baseball park
5 district; creating an exception for a local professional baseball park district
6 from certain landlord-tenant provisions; authorizing state expenditures for
7 state highway rehabilitation; increasing a limitation on certain economic
8 development bonding by the Wisconsin Housing and Economic Development
9 Authority; making appropriations; and providing a penalty.

Analysis by the Legislative Reference Bureau

CREATION AND DISSOLUTION OF A DISTRICT

This bill creates a professional baseball park district, which is a special purpose district, in each county with a population of at least 500,000 (presently only Milwaukee County) and the most populous county that is contiguous to that county (in relation to Milwaukee County, presently Waukesha County) unless that county is already included in a district, in which case a single-county jurisdiction is created. A district is a local unit of government that is a body corporate and politic and that is separate and distinct from, and independent of, the state.

In connection with baseball park facilities, the powers of a district include the construction, maintenance, management and promotion of the baseball park and facilities; the issuance of bonds and imposition of taxes to finance the park and facilities; and the authority to enter into partnerships, joint ventures, common ownership or other arrangements with other persons to further the district's purposes. A district may also set standards governing the use of, and the conduct within, the park and facilities, and may set and collect fees for the use of the facilities.

The district is governed by a board that consists of 4 persons appointed by the governor, one person appointed by the chief executive officer of the more populous county within the district's jurisdiction, one person appointed by the chief executive officer of the less populous county in the jurisdiction and one person appointed by the mayor of the most populous city within the jurisdiction. In single-county districts, both county appointments are made by the chief executive officer of that single county.

Once a county is included within the jurisdiction of a district, the county remains in the district until the district is dissolved. A district may dissolve by action of the district board, subject to payment of the district's bonds and fulfillment of its other contractual obligations. If a district is dissolved, its property must be

transferred to the counties in the district's jurisdiction, based on the tax revenues derived from each county.

BONDING

This bill grants a district the power to issue bonds for purchasing, acquiring, leasing, constructing, extending, adding to, improving, conducting, controlling, operating or managing a public utility, which is defined to include a local professional baseball park. The district is generally subject to the provisions which govern revenue bonding of municipalities for public utilities. Under the bill, bonds issued by the district must be secured only by the district's interest in any baseball park facilities, including any interest in a lease with the department of administration, by income from these facilities, and by certain specified taxes that the district is authorized to levy. The district may not pledge its full faith and credit on the bonds and the bonds are not a liability of the district.

A district may designate one or more accounts as special debt service reserve funds, if, prior to each issuance of bonds to be secured by the special debt service reserve fund, the secretary of administration makes certain determinations. In order to create a special debt service reserve fund, the secretary must find that the bond proceeds must be used in connection with a baseball park facility that is used primarily to support the activities of a baseball park. The secretary must also find that there is a reasonable likelihood that the bonds will be repaid without the necessity of drawing on funds in the special debt service reserve fund and that the amount of all bonds that would be secured by all special debt service reserve funds of the district does not exceed \$160,000,000. This limit does not include refunding bonds or bonds whose proceeds are used to make a deposit into a special debt service reserve fund or to pay issuance costs or capitalized interest costs. The secretary must also find that the bonds, other than refunding bonds, will be issued no later than December 31, 2000.

The bill establishes a formula for calculating the special debt service reserve fund requirement for a special debt service reserve fund. If the special debt service reserve fund requirement for a special debt service reserve fund is not met, the bill expresses the legislature's expectation and aspiration that, if certain conditions are met, the legislature would appropriate to the district the funds necessary to restore the special debt service reserve fund to an amount equal to its special debt service reserve fund requirement. This expression of legislative expectation and aspiration has been referred to as a state moral obligation pledge. In addition to the state moral obligation pledge, under the bill the state pledges that it will not limit or alter the rights vested in a district under the bill before the district has fully performed its contracts and has fully met and discharged its bonds.

In addition to provisions regarding bond issuance and security, the bill contains a number of other provisions relating to bonds issued by a district. The bill also contains provisions authorizing certain state funds and certain regulated financial institutions to invest in bonds issued by the district. The bill provides that all moneys received by a district, including proceeds from the sale of bonds, are trust funds to be held and applied solely for the purposes provided in the bill, but limits the

personal liability of members of a district's board of directors with respect to the issuance of bonds.

Under current law, the Wisconsin Housing and Economic Development Authority (WHEDA) may issue bonds and notes for certain economic development projects involving sports and entertainment home stadiums in an amount not to exceed \$35,000,000 plus such additional amounts as WHEDA considers necessary or appropriate to fund a deposit into the capital reserve fund. The bill increases this amount to \$50,000,000 and also allows WHEDA to add, along with the capital reserve fund deposits, the costs of issuing the bonds or notes and capitalized interest.

Under current law, these economic development projects are included in determining compliance with an overall \$200,000,000 cap on WHEDA economic development loans. This bill amends this overall cap to exclude bonds issued for these economic development projects involving sports and entertainment home stadiums.

TAXATION AUTHORITY

The bill permits a district to impose a room tax on hotel and motel rooms within its jurisdiction in an amount not to exceed 1% of total room charges. The room tax may only be used for the district's debt service on its bond obligations. In general, the room tax may no longer be collected after the bonds, to which the proceeds of the tax are dedicated, are retired.

The bill also authorizes a district to impose a sales tax and a use tax at a rate of no more than 0.1%.

The bill exempts the income of a district from the income tax and the franchise tax, and it exempts the interest on a district's bonds from the income tax.

PROVISION OF SERVICES

The bill permits DOA to provide any services to a district, including engineering, design and building construction services, upon request of the district, for compensation agreed upon between DOA and the district, if the district has entered into an agreement with DOA for the lease of land or other property granted to the state, especially dedicated by the grant to use for a professional baseball park. Other state agencies may provide assistance to the district, if a lease with DOA has been entered into.

CONTRACTING

The bill provides that a local professional baseball park district may enter into contracts without limitation or restriction and, if the district has entered into an agreement with DOA for the lease of land or other property granted to the state, especially dedicated by the grant to use for a professional baseball park, the district may utilize the services of DOA to let contracts for engineering, architectural or construction work. Whether the district contracts independently or through DOA, the district is not subject to any state requirements for public notice of proposed contracts, competitive bidding, contractual service procurement procedures, preference for procurements from Wisconsin firms, preferences for purchases of American-made or recycled or recovered materials or preferences for purchases from the department of corrections or from handicapped work centers or nondiscrimination in contracting. A district and DOA are, however, directed to

attempt to ensure that at least 15% of the total dollar amount of any contracts let by the district in each state fiscal year for the initial construction of baseball park facilities is awarded to minority-owned businesses.

FINANCES

The bill appropriates \$300,000 in state general purpose revenue for DOA to provide a loan to a local professional baseball park district in the 1995-97 state fiscal biennium for initial operating costs of the district, upon such terms and conditions as the secretary of administration specifies. Any such loan must be repaid no later than June 30, 1997.

Under the bill, a local professional baseball park district is permitted to invest its moneys in the local government pooled-investment fund, which is managed by the state investment board.

HIGHWAY IMPROVEMENTS

The bill authorizes the state to expend \$211,103,700 in fiscal year 1995-96 and \$220,103,700 in fiscal year 1996-97 for highway improvements, of which not more than \$3,000,000 in fiscal year 1995-96 and not more than \$12,000,000 in fiscal year 1996-97 may be expended for state highway rehabilitation associated with the construction of a new baseball stadium to be used by the Milwaukee Brewers.

SALES OF SURPLUS STATE LAND AND GRANTS TO THE STATE

Currently, any sale of surplus state land having a fair market value of at least \$20,000 is subject to approval of the joint committee on finance. Unless otherwise provided, a grant of land or other property made to the state is valid only upon approval of the joint committee on finance. The bill provides that the building commission may sell or transfer surplus state land to a local professional baseball park district and DOA may accept a grant of land or other property to the state for purposes of use for a professional baseball park without approval of the joint committee on finance.

OPEN MEETINGS AND RECORDS, AUDITS, ETHICS

Laws requiring, with certain exceptions, open meetings of governmental bodies and public access to public records apply to a district. The legislative audit bureau is permitted to audit the records of a district. Members of the board of directors of a district are subject to the statutory code of ethics for local public officials.

OTHER

Current law provides that, if a tenant who is required to construct improvements exceeding \$50,000 at the tenant's own expense on land leased to the tenant under a lease with a term of 30 years or more defaults or breaches a condition of the lease, the landlord may commence an action to recover the property after a one-year redemption period free from all liens, claims or demands of the tenant in the same manner as a mortgage foreclosure except without a sale of the property. The bill creates an exception under that statute for leases to which a district is a party.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

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 (14) (d) 4. of the statutes is amended to read:

2 13.48 (14) (d) 4. If Except as provided in subd. 5., if the commission proposes
3 to sell or transfer a parcel of surplus land having a fair market value of at least
4 \$20,000, the commission shall notify the joint committee on finance in writing of its
5 proposed action. If the cochairpersons of the committee do not notify the commission
6 that the committee has scheduled a meeting for the purpose of reviewing the
7 proposed sale or transfer within 14 working days after the date of the commission's
8 notification, the parcel may be sold or transferred by the commission. If, within 14
9 working days after the date of the commission's notification, the cochairpersons of
10 the committee notify the commission that the committee has scheduled a meeting for
11 the purpose of reviewing the proposed sale or transfer, the parcel may be sold or
12 transferred under this subdivision only upon approval of the committee.

13 **SECTION 2.** 13.48 (14) (d) 5. of the statutes is created to read:

14 13.48 (14) (d) 5. The commission may sell or transfer a parcel of surplus land
15 to a local professional baseball park district created under subch. III of ch. 229
16 without notification or approval under subd. 4.

17 **SECTION 3.** 16.40 (15m) of the statutes is created to read:

18 16.40 (15m) LOAN TO LOCAL PROFESSIONAL BASEBALL PARK DISTRICT. From the
19 appropriation under s. 20.505 (1) (fm), provide a loan to any local professional
20 baseball park district created under subch. III of ch. 229, upon request of the district,

1 for initial operating costs of the district. Any loan made under this subsection shall
2 be made upon the terms and conditions that the secretary specifies, except that the
3 secretary shall require any loan made under this subsection to be repaid no later
4 than June 30, 1997.

5 **SECTION 4.** 16.40 (15m) of the statutes, as created by 1995 Wisconsin Act
6 (this act), is repealed.

7 **SECTION 5.** 16.70 (14) of the statutes is amended to read:

8 16.70 (14) "State" does not include a district created under subch. II or III of
9 ch. 229.

10 **SECTION 6.** 16.82 (6) of the statutes is created to read:

11 16.82 (6) May provide any services to a local professional baseball park district
12 created under subch. III of ch. 229, for compensation to be agreed upon between the
13 department and the district, if the district has entered into a lease agreement with
14 the department under sub. (7). No order or contract to provide any such services is
15 subject to s. 16.705, 16.75 (1) to (5) and (8) to (10), 16.752, 16.754 or 16.765.

16 **SECTION 7.** 16.82 (7) of the statutes is created to read:

17 16.82 (7) May enter into a lease agreement with a local professional baseball
18 park district created under subch. III of ch. 229 for the lease of land or other property
19 granted to the state and especially dedicated by the grant to use for a professional
20 baseball park. The lease agreement may be for such rental payments and for such
21 term as the secretary determines.

22 **SECTION 8.** 16.854 of the statutes is created to read:

23 **16.854 Services provided to professional baseball park districts.** The
24 department may, upon request of any local professional baseball park district, if the
25 district has entered into a lease agreement with the department under s. 16.82 (7),

1 take charge of and supervise engineering or architectural services or construction
2 work, as defined in s. 16.87, performed by, or for, the district for compensation to be
3 agreed upon between the department and the district. In connection with such
4 services or work, the department may furnish engineering, architectural, project
5 management and other building construction services whenever requisitions
6 therefor are presented to the department by the district. If the district has entered
7 into a lease agreement with the department under s. 16.82 (7), the department may
8 also assist the district, upon request of the district, in letting contracts for
9 engineering, architectural or construction work authorized by law and in
10 supervising the work done thereunder. The department may award any such
11 contract for any combination or division of work it designates and may consider any
12 factors in awarding a contract including price, time for completion of work and the
13 qualifications and past performance of a contractor. In awarding contracts under
14 this section for the initial construction of baseball park facilities, as defined in s.
15 229.65 (1), the department shall attempt to ensure that at least 15% of the total
16 amount expended under the contracts in each fiscal year is awarded to contractors
17 and subcontractors which are minority businesses, as defined in s. 16.75 (3m) (a).
18 Sections 16.85, 16.855 and 16.87 do not apply to services provided or contracted by
19 the department under this section.

20 **SECTION 9.** 18.03 (5s) of the statutes is created to read:

21 18.03 (5s) Upon the request of a local professional baseball park district
22 created under subch. III of ch. 229, the commission may serve as financial consultant
23 to assist and coordinate the issuance of the bonds of a district.

24 **SECTION 10.** 19.42 (13) (a) of the statutes is amended to read:

1 19.42 (13) (a) All positions to which individuals are regularly appointed by the
2 governor, except the position of trustee of any private higher educational institution
3 receiving state appropriations and the position of member of the district board of a
4 local professional baseball park district created under subch. III of ch. 229.

5 **SECTION 11.** 20.005 (3) (schedule) of the statutes, as it affects 20.395 (3) (cq) of
6 the statutes, is repealed and recreated to read:

				1995-96	1996-97
8	20.395	Transportation, department of			
9	(3)	STATE HIGHWAY FACILITIES			
10	(cq)	State highway rehabilitation,			
11		state funds	SEG C	211,103,700	220,103,700

12 **SECTION 12.** 20.005 (3) (schedule) of the statutes: at the appropriate place,
13 insert the following amounts for the purposes indicated:

				1995-96	1996-97
15	20.505	Administration, department of			
16	(1)	SUPERVISION AND MANAGEMENT			
17	(fm)	Loan to local professional base-			
18		ball park district	GPR B	300,000	-0-

19 **20.566 Revenue, department of**

20 (1) COLLECTION OF TAXES

21 (gd) Administration of special district
22 taxes

PR	A	-0-	-0-
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23 **SECTION 13.** 20.505 (1) (fm) of the statutes is created to read:

1 20.505 (1) (fm) *Loan to local professional baseball park district.* Biennially, the
2 amounts in the schedule to provide a loan to any local professional baseball park
3 district under s. 16.40 (15m). No moneys may be encumbered from this
4 appropriation after June 30, 1997.

5 **SECTION 14.** 20.505 (1) (fm) of the statutes, as created by 1995 Wisconsin Act
6 (this act), is repealed.

7 **SECTION 15.** 20.505 (1) (ka) of the statutes, as affected by 1995 Wisconsin Act
8 27, is amended to read:

9 20.505 (1) (ka) (title) *Materials and services to state agencies and certain*
10 *districts.* The amounts in the schedule to provide services primarily to state agencies
11 or local professional baseball park districts created under subch. III of ch. 229, other
12 than services specified in pars. (im), (is) and (kb) to (kr) and subs. (2) (k) and (5) (ka),
13 and to repurchase inventory items sold primarily to state agencies or such districts.
14 All moneys received from the provision of services primarily to state agencies and
15 such districts and from the sale of inventory items primarily to state agencies and
16 such districts, other than moneys received and disbursed under pars. (im), (is) and
17 (kb) to (kr) and subs. (2) (k) and (5) (ka), shall be credited to this appropriation
18 account.

19 **SECTION 16.** 20.505 (1) (kc) of the statutes, as affected by 1995 Wisconsin Act
20 27, is amended to read:

21 20.505 (1) (kc) *Capital planning and building construction services.* The
22 amounts in the schedule to provide capital planning services under s. 13.48 (5) and
23 building construction services under subch. V of ch. 16 on behalf of state agencies and
24 local professional baseball park districts created under subch. III of ch. 229. The
25 secretary of administration may credit moneys received for the provision of building

1 construction and capital planning services on behalf of state agencies and such
2 districts to this appropriation account.

3 **SECTION 17.** 20.566 (1) (gd) of the statutes is created to read:

4 20.566 (1) (gd) *Administration of special district taxes.* From the moneys
5 received from the appropriation account under s. 20.835 (4) (gb), the amounts in the
6 schedule for the purpose of administering the special district taxes imposed under
7 s. 77.705 by a district created under subch. III of ch. 229 and the room tax imposed
8 under s. 66.75 (1m) (a) by a district created under subch. III of ch. 229.

9 **SECTION 18.** 20.835 (4) (g) of the statutes is amended to read:

10 20.835 (4) (g) *County taxes.* All moneys received from the taxes imposed under
11 ~~subch. V of ch. 77~~ s. 77.70 for distribution to the counties that enact an ordinance
12 imposing taxes under that ~~subchapter~~ section and for interest payments on refunds
13 under s. 77.76 (3), except that 1.5% of those tax revenues collected under that
14 ~~subchapter~~ section shall be credited to the appropriation account under s. 20.566 (1)
15 (g).

16 **SECTION 19.** 20.835 (4) (gb) of the statutes is created to read:

17 20.835 (4) (gb) *Special district taxes.* All moneys received from the taxes
18 imposed under s. 77.705 and from taxes imposed by a local professional baseball park
19 district under s. 66.75 (1m) (a), for the purpose of distribution to the special districts
20 that adopt a resolution imposing taxes under subch. V of ch. 77 and under s. 66.75
21 (1m) (em), and for the purpose of financing a local professional baseball park district,
22 except that of those tax revenues collected under subch. V of ch. 77 3% for the first
23 2 years of collection and 1.5% thereafter shall be credited to the appropriation
24 account under s. 20.566 (1) (gd) and except that of those tax revenues collected under

1 s. 66.75 (1m) (em) 3% for the first 2 years of collection and 1.5% thereafter shall be
2 credited to the appropriation account under s. 20.566 (1) (gd).

3 **SECTION 20.** 20.907 (1e) of the statutes is created to read:

4 20.907 (1e) PROFESSIONAL BASEBALL PARKS. The department of administration
5 may accept a grant of land or other property to the state for purposes of use for a
6 professional baseball park. Upon acceptance, the grant is legal and valid and the
7 department shall execute and enforce the terms of the grant.

8 **SECTION 21.** 24.61 (2) (a) 7. of the statutes is created to read:

9 24.61 (2) (a) 7. Bonds issued by a local professional baseball park district
10 created under subch. III of ch. 229.

11 **SECTION 22.** 25.17 (3) (b) 10. of the statutes is created to read:

12 25.17 (3) (b) 10. Bonds issued by a local professional baseball park district
13 created under subch. III of ch. 229.

14 **SECTION 23.** 25.50 (1) (d) of the statutes, as affected by 1995 Wisconsin Act 27,
15 is amended to read:

16 25.50 (1) (d) "Local government" means any county, town, village, city, power
17 district, sewerage district, drainage district, town sanitary district, public inland
18 lake protection and rehabilitation district, local professional baseball park district
19 created under subch. III of ch. 229, public library system, school district or technical
20 college district in this state, any commission, committee, board or officer of any
21 governmental subdivision of this state, any court of this state, other than the court
22 of appeals or the supreme court, or any authority created under s. 231.02, 233.02 or
23 234.02.

24 **SECTION 24.** 66.04 (2) (a) 3p. of the statutes is created to read:

1 66.04 (2) (a) 3p. Bonds issued by a local professional baseball park district
2 created under subch. III of ch. 229.

3 **SECTION 25.** 66.066 (1) (a) of the statutes is amended to read:

4 66.066 (1) (a) “Municipality” means any city, village, town, county, commission
5 created by contract under s. 66.30, public inland lake protection and rehabilitation
6 district established under s. 33.23, 33.235 or 33.24, metropolitan sewerage district
7 created under ss. 66.20 to 66.26 or 66.88 to 66.918, town sanitary district under
8 subch. IX of ch. 60, a local professional baseball park district created under subch.
9 III of ch. 229 or a municipal water district or power district under ch. 198 and any
10 other public or quasi-public corporation, officer, board or other public body
11 empowered to borrow money and issue obligations to repay the same out of revenues.
12 “Municipality” does not include the state or a local exposition district created under
13 subch. II of ch. 229.

14 **SECTION 26.** 66.066 (1) (c) of the statutes is amended to read:

15 66.066 (1) (c) “Revenue” means all moneys received from any source by a public
16 utility and all rentals and fees and in the case of a local professional baseball park
17 district created under subch. III of ch. 229 includes tax revenues deposited into a
18 special fund under s. 229.685 and payments made into a special debt service reserve
19 fund under s. 229.74.

20 **SECTION 27.** 66.066 (5) of the statutes is created to read:

21 66.066 (5) Revenue bonds issued by a local professional baseball park district
22 created under subch. III of ch. 229 are subject to the provisions in ss. 229.72 to 229.81.

23 **SECTION 28.** 66.067 of the statutes is amended to read:

24 **66.067 Public works projects.** For financing purposes, garbage
25 incinerators, toll bridges, swimming pools, tennis courts, parks, playgrounds, golf

1 links, bathing beaches, bathhouses, street lighting, city halls, village halls, town
2 halls, courthouses, jails, schools, cooperative educational service agencies, hospitals,
3 homes for the aged or indigent, regional projects, waste collection and disposal
4 operations, systems of sewerage, local professional baseball park facilities and any
5 and all other necessary public works projects undertaken by any municipality are
6 public utilities within the meaning of s. 66.066.

7 **SECTION 29.** 66.30 (1) (a) of the statutes is amended to read:

8 66.30 (1) (a) In this section “municipality” means the state or any department
9 or agency thereof, or any city, village, town, county, school district, public library
10 system, public inland lake protection and rehabilitation district, sanitary district,
11 farm drainage district, metropolitan sewerage district, sewer utility district, solid
12 waste management system created under s. 59.07 (135), local exposition district
13 created under subch. II of ch. 229, local professional baseball park district created
14 under subch. III of ch. 229, water utility district, mosquito control district, municipal
15 electric company, county or city transit commission, commission created by contract
16 under this section, taxation district or regional planning commission.

17 **SECTION 30.** 66.75 (1) (bm) of the statutes is created to read:

18 66.75 (1) (bm) “Local professional baseball park district” has the meaning
19 given for “district” in s. 229.65 (5).

20 **SECTION 31.** 66.75 (1m) (a) of the statutes is amended to read:

21 66.75 (1m) (a) The governing body of a municipality may enact an ordinance,
22 and a district, under par. (e), and a local professional baseball park district, under
23 par. (em), may adopt a resolution, imposing a tax on the privilege of furnishing, at
24 retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel
25 operators and other persons furnishing accommodations that are available to the

1 public, irrespective of whether membership is required for use of the
2 accommodations. Any tax imposed under this paragraph is not subject to the
3 selective sales tax imposed by s. 77.52 (2) (a) 1. and may not be imposed on sales to
4 the federal government and persons listed under s. 77.54 (9a). Any tax imposed
5 under this paragraph by a municipality shall be paid to the municipality and may
6 be forwarded to a commission if one is created under par. (c), as provided in par. (d).
7 Except as provided in par. (am), any tax imposed under this paragraph by a
8 municipality may not exceed 8%. Except as provided in par. (am), if a tax greater
9 than 8% under this paragraph is in effect on May 13, 1994, the municipality imposing
10 the tax shall reduce the tax to 8%, effective on June 1, 1994.

11 **SECTION 32.** 66.75 (1m) (em) of the statutes is created to read:

12 66.75 (1m) (em) A local professional baseball park district may adopt a
13 resolution under s. 229.68 (15) imposing a room tax under par. (a) in an amount not
14 to exceed 1% of total room charges. The resolution shall be effective on the first day
15 of the first month that begins at least 30 days after the adoption of the resolution.
16 A room tax imposed by a local professional baseball park district under this
17 paragraph applies within the local professional baseball park district's jurisdiction,
18 as specified in s. 229.67.

19 **SECTION 33.** 66.75 (1m) (fm) of the statutes is created to read:

20 66.75 (1m) (fm) 1. The department of revenue shall administer the tax that is
21 imposed under par. (a) by a local professional baseball park district and may take any
22 action, conduct any proceeding and impose interest and penalties.

23 2. Sections 77.51 (14) (c), (f) and (j) and (14g), 77.52 (3), (4), (6) and (18), 77.58
24 (1) to (5) and (7), 77.59, 77.60, 77.61 (2), (5), (8), (9) and (12) to (14) and 77.62, as they

1 apply to the taxes under subch. III of ch. 77, apply to the tax described under subd.

2 1.

3 3. From the appropriation under s. 20.835 (4) (gb), the department of revenue,
4 for the first 2 years of collection, shall distribute 97% of the taxes collected under this
5 paragraph to the local professional baseball park district, no later than the end of the
6 month following the end of the calendar quarter in which the amounts were collected.

7 From the appropriation under s. 20.835 (4) (gb), the department of revenue, after the
8 first 2 years of collection, shall distribute 98.5% of the taxes collected under this
9 paragraph to the local professional baseball park district, no later than the end of the
10 month following the end of the calendar quarter in which the amounts were collected.

11 The taxes distributed shall be increased or decreased to reflect subsequent refunds,
12 audit adjustments and all other adjustments. Interest paid on refunds of the tax
13 under this paragraph shall be paid from the appropriation under s. 20.835 (4) (gb)
14 at the rate under s. 77.60 (1) (a). If the local professional baseball park district
15 receives a report along with a payment under this subdivision or subd. 2., the local
16 professional baseball park district is subject to the duties of confidentiality to which
17 the department of revenue is subject under s. 77.61 (5).

18 4. Hotels and motels and the department of revenue may not collect taxes under
19 this paragraph for any local professional baseball park district after the calendar
20 quarter during which all bonds issued by the local professional baseball park district
21 created under subch. III of ch. 229 during the first 60 months after the effective date
22 of this subdivision ... [revisor inserts date], and any bonds issued to fund or refund
23 those bonds, are retired or for more than 2 years if bonds have not been issued during
24 that time, except that the department may collect from hotels and motels taxes that

1 accrued before that calendar quarter, or before the end of that 2-year period, and
2 interest and penalties that relate to those taxes.

3 5. Persons who are subject to the tax under this subsection, if that tax is
4 administered by the department of revenue, shall register with the department. Any
5 person who is required to register, including any person authorized to act on behalf
6 of a person who is required to register, who fails to do so is guilty of a misdemeanor.

7 **SECTION 34.** 66.75 (2) (intro.), (a), (c) and (d) of the statutes are amended to
8 read:

9 66.75 (2) (intro.) As a means of enforcing the collection of any room tax imposed
10 by a municipality ~~or~~, a district or a local professional baseball park district under sub.
11 (1m), the municipality ~~or~~, district or local professional baseball park district may
12 exchange audit and other information with the department of revenue and may do
13 any of the following:

14 (a) Whenever the municipality ~~or~~, district or local professional baseball park
15 district has probable cause to believe that the correct amount of room tax has not
16 been assessed or that the tax return is not correct, inspect and audit the financial
17 records of any person subject to sub. (1m) pertaining to the furnishing of
18 accommodations to determine whether or not the correct amount of room tax is
19 assessed and whether or not any room tax return is correct.

20 (c) Determine the tax under sub. (1m) according to its best judgment if any
21 person required to make a return fails, neglects or refuses to do so for the amount,
22 in the manner and form and within the time prescribed by the municipality ~~or~~,
23 district or local professional baseball park district.

24 (d) Require each person who is subject to par. (c) to pay an amount of taxes that
25 the municipality ~~or~~, district or local professional baseball park district determines

1 to be due under par. (c) plus interest at the rate of 1% per month on the unpaid
2 balance. No refund or modification of the payment determined may be granted until
3 the person files a correct room tax return and permits the municipality ~~or~~ district
4 or local professional baseball park district to inspect and audit his or her financial
5 records under par. (a).

6 **SECTION 35.** 66.75 (3) of the statutes is amended to read:

7 66.75 (3) The municipality shall provide by ordinance and the district or local
8 professional baseball park district shall provide by resolution for the confidentiality
9 of information obtained under sub. (2) but shall provide exceptions for persons using
10 the information in the discharge of duties imposed by law or of the duties of their
11 office or by order of a court. The municipality ~~or~~ district or local professional baseball
12 park district may provide for the publishing of statistics classified so as not to
13 disclose the identity of particular returns. The municipality ~~or~~ district or local
14 professional baseball park district shall provide that persons violating ordinances or
15 resolutions enacted under this subsection may be required to forfeit not less than
16 \$100 nor more than \$500.

17 **SECTION 36.** 71.05 (1) (c) of the statutes is renumbered 71.05 (1) (c) (intro.) and
18 amended to read:

19 71.05 (1) (c) *Certain interest income.* (intro.) Interest received on bonds or
20 notes issued by the any of the following:

21 1. The Wisconsin housing and economic development authority under s.
22 234.65, if the bonds are used to fund an economic development loan to finance
23 construction, renovation or development of property that would be exempt under s.
24 70.11 (36).

25 **SECTION 37.** 71.05 (1) (c) 4. of the statutes is created to read:

1 71.05 (1) (c) 4. A local professional baseball park district created under subch.
2 III of ch. 229.

3 **SECTION 38.** 71.05 (1) (d) (title) of the statutes is repealed.

4 **SECTION 39.** 71.05 (1) (d) of the statutes is renumbered 71.05 (1) (c) 2. and
5 amended to read:

6 71.05 (1) (c) 2. ~~Interest received on bonds issued by the~~ The Wisconsin housing
7 and economic development authority, if the bonds are to fund a loan under s. 234.935.

8 **SECTION 40.** 71.05 (1) (e) (title) of the statutes is repealed.

9 **SECTION 41.** 71.05 (1) (e) of the statutes is renumbered 71.05 (1) (c) 3. and
10 amended to read:

11 71.05 (1) (c) 3. ~~Interest received on bonds issued by a~~ A local exposition district
12 created under subch. II of ch. 229.

13 **SECTION 42.** 71.26 (1) (bm) of the statutes is amended to read:

14 71.26 (1) (bm) (title) *Certain local districts*. Income of a local exposition district
15 created under subch. II of ch. 229 or a local professional baseball park district created
16 under subch. III of ch. 229.

17 **SECTION 43.** 71.26 (1m) (g) of the statutes is created to read:

18 71.26 (1m) (g) Those issued under subch. III of ch. 229.

19 **SECTION 44.** 71.36 (1m) of the statutes, as affected by 1995 Wisconsin Act 27,
20 is amended to read:

21 71.36 (1m) A tax-option corporation may deduct from its net income all
22 amounts included in the Wisconsin adjusted gross income of its shareholders, the
23 capital gain deduction under s. 71.05 (6) (b) 9. and all amounts not taxable to
24 nonresident shareholders under ss. 71.04 (1) and (4) to (9) and 71.362. For purposes
25 of this subsection, interest on federal obligations, obligations issued under ss. 66.40,

1 66.431 and 66.4325, obligations issued under s. 234.65 to fund an economic
2 development loan to finance construction, renovation or development of property
3 that would be exempt under s. 70.11 (36) and obligations issued under subch. II or
4 III of ch. 229 is not included in shareholders' income. The proportionate share of the
5 net loss of a tax-option corporation shall be attributed and made available to
6 shareholders on a Wisconsin basis but subject to the limitation and carry-over rules
7 as prescribed by section 1366 (d) of the internal revenue code. Net operating losses
8 of the corporation to the extent attributed or made available to a shareholder may
9 not be used by the corporation for further tax benefit. For purposes of computing the
10 Wisconsin adjusted gross income of shareholders, tax-option items shall be reported
11 by the shareholders and those tax-option items, including capital gains and losses,
12 shall retain the character they would have if attributed to the corporation, including
13 their character as business income. In computing the tax liability of a shareholder,
14 no credit against gross tax that would be available to the tax-option corporation if
15 it were a nontax-option corporation may be claimed.

16 **SECTION 45.** 71.45 (1t) (g) of the statutes is created to read:

17 71.45 (1t) (g) Those issued under subch. III of ch. 229.

18 **SECTION 46.** Chapter 77 (title) of the statutes is amended to read:

19 **CHAPTER 77**

20 **TAXATION OF FOREST CROPLANDS;**

21 **REAL ESTATE TRANSFER FEES;**

22 **SALES AND USE TAXES;**

23 **COUNTY AND SPECIAL DISTRICT**

24 **SALES AND USE TAXES;**

25 **MANAGED FOREST LAND;**

1 **TEMPORARY RECYCLING SURCHARGE;**
2 **LOCAL FOOD AND BEVERAGE TAX;**
3 **LOCAL RENTAL CAR TAX**

4 **SECTION 47.** Subchapter V (title) of chapter 77 [precedes 77.70] of the statutes
5 is amended to read:

6 **CHAPTER 77**
7 SUBCHAPTER V
8 **COUNTY AND SPECIAL DISTRICT**
9 **SALES AND USE TAXES**

10 **SECTION 48.** 77.705 of the statutes is created to read:

11 **77.705 Adoption by resolution.** A local professional baseball park district
12 created under subch. III of ch. 229, by resolution under s. 229.68 (15), may impose
13 a sales tax and a use tax under this subchapter at a rate of no more than 0.1% of the
14 gross receipts or sales price. Those taxes may be imposed only in their entirety. The
15 resolution shall be effective on the first day of the first month that begins at least 30
16 days after the adoption of the resolution.

17 **SECTION 49.** 77.71 (intro.) and (1) of the statutes are amended to read:

18 **77.71** (title) **Imposition of county and special district sales and use**
19 **taxes.** (intro.) Whenever a county sales and use tax ordinance is adopted under s.
20 77.70 or a special district resolution is adopted under s. 77.705, the following taxes
21 are imposed:

22 **(1)** For the privilege of selling, leasing or renting tangible personal property
23 and for the privilege of selling, performing or furnishing services a sales tax is
24 imposed upon retailers at the rate of 0.5% in the case of a county tax or at the rate
25 under s. 77.705 in the case of a special district tax of the gross receipts from the sale,

1 lease or rental of tangible personal property, except property taxed under sub. (4),
2 sold, leased or rented at retail in the county or special district or from selling,
3 performing or furnishing services described under s. 77.52 (2) in the county or special
4 district.

5 **SECTION 50.** 77.71 (2) of the statutes, as affected by 1995 Wisconsin Act 27, is
6 amended to read:

7 77.71 (2) An excise tax is imposed at the rate of 0.5% in the case of a county tax
8 or at the rate under s. 77.705 in the case of a special district tax of the sales price upon
9 every person storing, using or otherwise consuming in the county or special district
10 tangible personal property or services if the property or service is subject to the state
11 use tax under s. 77.53, except that a receipt indicating that the tax under sub. (1),
12 (3) or (4) has been paid relieves the buyer of liability for the tax under this subsection
13 and except that if the buyer has paid a similar local tax in another state on a purchase
14 of the same property or services that tax shall be credited against the tax under this
15 subsection and except that for motor vehicles that are used for a purpose in addition
16 to retention, demonstration or display while held for sale in the regular course of
17 business by a dealer the tax under this subsection is imposed not on the sales price
18 but on the amount under s. 77.53 (1m).

19 **SECTION 51.** 77.71 (3) and (4) of the statutes are amended to read:

20 77.71 (3) An excise tax is imposed upon a contractor engaged in construction
21 activities within the county or special district, at the rate of 0.5% in the case of a
22 county tax or at the rate under s. 77.705 in the case of a special district tax of the sales
23 price of tangible personal property that is used in constructing, altering, repairing
24 or improving real property and that becomes a component part of real property in
25 that county or special district, unless the contractor has paid the sales tax of a county

1 in the case of a county tax or of a special district in the case of a special district tax
2 in this state on that property, and except that if the buyer has paid a similar local
3 sales tax in another state on a purchase of the same property that tax shall be
4 credited against the tax under this subsection.

5 (4) An excise tax is imposed at the rate of 0.5% in the case of a county tax or
6 at the rate under s. 77.705 in the case of a special district tax of the sales price upon
7 every person storing, using or otherwise consuming a motor vehicle, boat,
8 snowmobile, mobile home not exceeding 45 feet in length, trailer, semitrailer,
9 all-terrain vehicle or aircraft, if that property must be registered or titled with this
10 state and if that property is to be customarily kept in a county that has in effect an
11 ordinance under s. 77.70 or in a special district that has in effect a resolution under
12 s. 77.705, except that if the buyer has paid a similar local sales tax in another state
13 on a purchase of the same property that tax shall be credited against the tax under
14 this subsection.

15 **SECTION 52.** 77.73 of the statutes is amended to read:

16 **77.73 Jurisdiction to tax.** (1) Retailers making deliveries in their
17 company-operated vehicles of tangible personal property, or of property on which
18 taxable services were performed, to purchasers in a county or special district are
19 doing business in that county or special district, and that county or special district
20 has jurisdiction to impose the taxes under this subchapter on them.

21 (2) Counties and special districts do not have jurisdiction to impose the tax
22 under s. 77.71 (2) in regard to tangible personal property purchased in a sale that is
23 consummated in another county or special district in this state that does not have
24 in effect an ordinance or resolution imposing the taxes under this subchapter and

1 later brought by the buyer into the county or special district that has imposed a tax
2 under s. 77.71 (2).

3 **SECTION 53.** 77.75 of the statutes is amended to read:

4 **77.75 Reports.** Every person subject to county or special district sales and use
5 taxes shall, for each reporting period, record that person's sales made in the ~~enacting~~
6 county or special district that has imposed those taxes separately from sales made
7 elsewhere in this state and report the measure of the county or special district sales
8 and use taxes and the tax due thereon separately to the department of revenue on
9 forms to be provided by the department.

10 **SECTION 54.** 77.76 (1) of the statutes is amended to read:

11 **77.76 (1)** The department of revenue shall have full power to levy, enforce and
12 collect county and special district sales and use taxes and may take any action,
13 conduct any proceeding, impose interest and penalties and in all respects proceed as
14 it is authorized to proceed for the taxes imposed by subch. III. The department of
15 transportation and the department of natural resources may administer the county
16 and special district sales and use taxes in regard to items under s. 77.61 (1).

17 **SECTION 55.** 77.76 (2) of the statutes is amended to read:

18 **77.76 (2)** Judicial and administrative review of departmental determinations
19 shall be as provided in subch. III for state sales and use taxes, and no county or
20 special district may intervene in any matter related to the levy, enforcement and
21 collection of the taxes under this subchapter.

22 **SECTION 56.** 77.76 (3m) of the statutes is created to read:

23 **77.76 (3m)** From the appropriation under s. 20.835 (4) (gb) the department, for
24 the first 2 years of collection, shall distribute 97% of the special district taxes
25 reported for each special district that has imposed taxes under this subchapter,

1 minus the special district portion of the retailers' discounts, to the special district no
2 later than the end of the 3rd month following the end of the calendar quarter in which
3 such amounts were reported. From the appropriation under s. 20.835 (4) (gb) the
4 department, after the first 2 years of collection, shall distribute 98.5% of the special
5 district taxes reported for each special district that has imposed taxes under this
6 subchapter, minus the special district portion of the retailers' discount, to the special
7 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 "special 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 special district sales and use taxes payable and the denominator of which is the
13 sum of the gross state and special district sales and use taxes payable. The special
14 district taxes distributed shall be increased or decreased to reflect subsequent
15 refunds, audit adjustments and all other adjustments of the special district taxes
16 previously distributed. Interest paid on refunds of special district sales and use taxes
17 shall be paid from the appropriation under s. 20.835 (4) (gb) at the rate paid by this
18 state under s. 77.60 (1) (a). Any special district receiving a report under this
19 subsection is subject to the duties of confidentiality to which the department of
20 revenue is subject under s. 77.61 (5).

21 **SECTION 57.** 77.77 of the statutes is amended to read:

22 **77.77 Transitional provisions. (1)** The gross receipts from services subject
23 to the tax under s. 77.52 (2) are not subject to the county taxes under this subchapter,
24 and the incremental amount of tax caused by a rate increase applicable to those
25 services is not due, if those services are billed to the customer and paid for before the

1 effective date of the county ordinance, special district resolution or rate increase,
2 whether the service is furnished to the customer before or after that date.

3 (2) Lease or rental receipts from tangible personal property that the lessor is
4 obligated to furnish at a fixed price under a contract entered into before the effective
5 date of a county ordinance or special district resolution are subject to the county taxes
6 under this subchapter on the effective date of the ordinance or resolution, as provided
7 for the state sales tax under s. 77.54 (18).

8 (3) The sale of building materials to contractors engaged in the business of
9 constructing, altering, repairing or improving real estate for others is not subject to
10 the county taxes under this subchapter, and the incremental amount of tax caused
11 by the rate increase applicable to those materials is not due, if the materials are
12 affixed and made a structural part of real estate, and the amount payable to the
13 contractor is fixed without regard to the costs incurred in performing a written
14 contract that was irrevocably entered into prior to the effective date of the county
15 ordinance, special district resolution or rate increase or that resulted from the
16 acceptance of a formal written bid accompanied by a bond or other performance
17 guaranty that was irrevocably submitted before that date.

18 **SECTION 58.** 77.78 of the statutes is amended to read:

19 **77.78 Registration.** No motor vehicle, boat, snowmobile, mobile home not
20 exceeding 45 feet in length, trailer, semitrailer, all-terrain vehicle or aircraft that is
21 required to be registered by this state may be registered or titled by this state unless
22 the registrant files a sales and use tax report and pays the county tax and special
23 district tax at the time of registering or titling to the state agency that registers or
24 titles the property. That state agency shall transmit those tax revenues to the
25 department of revenue.

1 (2) “Bond” means any bond, note or other obligation issued under s. 66.066 by
2 a district.

3 (3) “Bond resolution” means a resolution of the district board authorizing the
4 issuance of, or providing terms and conditions related to, bonds and includes, where
5 appropriate, any trust agreement, trust indenture, indenture of mortgage or deed of
6 trust providing terms and conditions for bonds.

7 (4) “Chief executive officer” means the county executive of a county or, if the
8 county does not have a county executive, the chairperson of the county board of
9 supervisors.

10 (5) “District” means a special district created under this subchapter.

11 (6) “District board” means the governing board of a district.

12 **229.66 Creation and organization.** (1) There is created, for each
13 jurisdiction under s. 229.67, a special district that is a local governmental unit, that
14 is a body corporate and politic, that is separate and distinct from, and independent
15 of, the state, that has the powers under s. 229.68 and the name of which includes
16 “Professional Baseball Park District”.

17 (2) A district is governed by its district board. The district board may adopt
18 bylaws to govern the district’s activities, subject to this subchapter. The district
19 board shall consist of the following members:

20 (a) Four persons appointed by the governor, at least 2 of whom reside within
21 the jurisdiction of the district.

22 (b) One person appointed by the chief executive officer of the more populous
23 county within the jurisdiction of a district, except that in single-county jurisdictions
24 the person under this paragraph shall be appointed by the chief executive officer of
25 that county.

1 (c) One person appointed by the chief executive officer of the less populous
2 county within the jurisdiction of a district, except that in single-county jurisdictions
3 the person under this paragraph shall be appointed by the chief executive officer of
4 that county.

5 (d) One person appointed by the mayor of the most populous city within the
6 jurisdiction of a district.

7 **(3)** Upon appointment under sub. (2), the appointing authorities shall certify
8 the appointees to the secretary of administration. The terms of office of the persons
9 appointed under sub. (2) shall be 4 years, except that for the initial appointments for
10 a newly created district the initial terms shall expire on July 1 of the 4th year
11 beginning after creation of a district. Persons appointed under sub. (2) may be
12 removed from the district board before the expiration of their terms by the
13 appointing authority but only for cause, as defined in s. 17.16 (2). Vacancies shall
14 be filled by the appointing authority who appointed the person whose office is vacant.
15 A person appointed to fill a vacancy shall serve for the remainder of the term to which
16 he or she is appointed.

17 **(4)** The district board shall elect from its membership a chairperson, a vice
18 chairperson, a secretary and a treasurer. A majority of the current membership of
19 the district board constitutes a quorum to do business. The district may take action
20 based on the affirmative vote of a majority of those directors who are present at a
21 meeting of the district board.

22 **(5)** The members of the district board shall be reimbursed for their actual and
23 necessary expenses incurred in the performance of their duties.

1 **(6)** Upon the appointment and qualification of a majority of the members of a
2 district board, the district board may exercise the powers and duties of a district
3 board under this subchapter.

4 **(7)** At its first meeting the district board shall name the district.

5 **229.67 Jurisdiction.** A district's jurisdiction is any county with a population
6 of more than 500,000 and the most populous county that is contiguous to that county,
7 unless the contiguous county is already included in a district, in which case the
8 district's jurisdiction shall consist solely of the county with the population of more
9 than 500,000. Once a county is included in a district's jurisdiction the county
10 remains in the district until the district is dissolved under s. 229.71.

11 **229.68 Powers of a district.** A district has all of the powers necessary or
12 convenient to carry out the purposes and provisions of this subchapter. In addition
13 to all other powers granted by this subchapter, a district may do all of the following:

14 **(1)** Adopt and alter an official seal.

15 **(2)** Sue and be sued in its own name, plead and be impleaded.

16 **(3)** Maintain an office.

17 **(4)** In connection with baseball park facilities:

18 (a) Acquire, construct, equip, maintain, improve, operate and manage the
19 baseball park facilities as a revenue-generating enterprise, or engage other persons
20 to do these things.

21 (b) Acquire; lease, as lessor or lessee; use; or transfer property.

22 (c) Improve real property.

23 (d) Enter into contracts, subject to such standards as may be established by the
24 district board. The district board may award any such contract for any combination
25 or division of work it designates and may consider any factors in awarding a contract,

1 including price, time for completion of work and qualifications and past performance
2 of a contractor.

3 (e) Grant concessions.

4 (f) Make a grant of land or other property to the state, especially dedicated by
5 the grant to use for a professional baseball park.

6 **(5)** Employ personnel, and fix and regulate their compensation; and provide,
7 either directly or subject to an agreement under s. 66.30 as a participant in a benefit
8 plan of another governmental entity, any employe benefits, including an employe
9 pension plan.

10 **(6)** Purchase insurance, establish and administer a plan of self-insurance or,
11 subject to an agreement with another governmental entity under s. 66.30,
12 participate in a governmental plan of insurance or self-insurance.

13 **(7)** Mortgage, pledge or otherwise encumber the district's property or funds.

14 **(8)** Issue revenue bonds under s. 66.066, subject to ss. 229.72 to 229.79, and
15 enter into agreements related to the issuance of bonds, including liquidity and credit
16 facilities, remarketing agreements, insurance policies, guaranty agreements, letter
17 of credit or reimbursement agreements, indexing agreements, interest exchange
18 agreements and currency exchange agreements.

19 **(9)** Maintain funds and invest the funds in any investment that the district
20 board considers appropriate.

21 **(11)** Promote, advertise and publicize its baseball park facilities and related
22 activities.

23 **(12)** Set standards governing the use of, and the conduct within, its baseball
24 park facilities in order to promote public safety and convenience and to maintain
25 order.

1 **(13)** Establish and collect fees, and establish shared revenue arrangements or
2 other charges for the use of its baseball park facilities or for services rendered by the
3 district.

4 **(14)** Enter into partnerships, joint ventures, common ownership or other
5 arrangements with other persons to further the district's purposes.

6 **(15)** Impose, by the adoption of a resolution, the taxes under s. 66.75 (1m) (a)
7 and (em) and subch. V of ch. 77. A district may not levy any taxes that are not
8 expressly authorized under s. 66.75 (1m) (a) and (em) and subch. V of ch. 77. If a
9 district adopts a resolution which imposes taxes, it shall deliver a certified copy of
10 the resolution to the secretary of revenue at least 30 days before its effective date.

11 **(16)** Accept gifts, loans and other aid.

12 **(17)** Administer the receipt of revenues, and oversee the payment of bonds
13 issued by the district.

14 **229.685 Special fund tax revenues.** The district board shall maintain a
15 special fund into which it deposits only the revenue received from the department
16 of revenue, that is derived from the taxes imposed under subch. V of ch. 77, and may
17 use this revenue only for purposes related to baseball park facilities.

18 **229.69 Powers granted to a city or a county in a district.** In addition to
19 any powers that it may otherwise have, a county within a district's jurisdiction may
20 do any of the following:

21 **(1)** Make grants or loans to a district upon terms that the city or county
22 considers appropriate.

23 **(2)** Expend public funds to subsidize a district.

24 **(3)** Borrow money under ss. 67.04 and 67.12 (12) for baseball park facilities or
25 to fund grants, loans or subsidies to a district.

1 **(4)** Grant land or other property to the state, especially dedicated by the grant
2 to use for a professional baseball park.

3 **229.70 Minority contracting goals.** A district shall attempt to ensure that
4 15% of the total amount expended under this subchapter for the initial construction
5 of baseball park facilities is paid to minority businesses, as defined in s. 16.75 (3m)
6 (a).

7 **229.71 Dissolution of a district.** Subject to providing for the payment of its
8 bonds, including interest on the bonds, and the performance of its other contractual
9 obligations, a district may be dissolved by the action of the district board. If the
10 district is dissolved, the property of the district shall be transferred to the counties
11 in the jurisdiction, based on the tax revenues derived from each county, as
12 determined by the secretary of administration.

13 **229.72 Issuance and negotiability of bonds. (1m) NEGOTIABILITY.** All
14 bonds are negotiable for all purposes, notwithstanding their payment from a limited
15 source.

16 **(2) EMPLOYMENT OF FINANCIAL CONSULTANT.** A district may retain the building
17 commission or any other person as its financial consultant to assist with and
18 coordinate the issuance of bonds.

19 **(6) LIABILITY.** Neither the members of the district board nor any person
20 executing the bonds is liable personally on the bonds or subject to any personal
21 liability or accountability by reason of the issuance of the bonds, unless the personal
22 liability or accountability is the result of wilful misconduct.

23 **229.74 Special debt service reserve funds. (1) DESIGNATION OF SPECIAL**
24 **DEBT SERVICE RESERVE FUNDS.** A district may designate one or more accounts in funds
25 created under s. 66.066 (2) (e) as special debt service reserve funds, if, prior to each

1 issuance of bonds to be secured by the special debt service reserve fund, the secretary
2 of administration determines that all of the following conditions are met with respect
3 to the bonds:

4 (a) *Purpose.* The proceeds of the bonds, other than refunding bonds, will be
5 used for baseball park facilities.

6 (b) *Feasibility.* The proceeds of bonds, other than refunding bonds, will be used
7 for feasible projects and there is a reasonable likelihood that the bonds will be repaid
8 without the necessity of drawing on funds in the special debt service reserve fund
9 that secures the bonds. The secretary of administration may make the
10 determinations required under this paragraph only after considering all of the
11 following:

12 1. Whether a pledge of the tax revenues of the district is made under the bond
13 resolution.

14 2. How the tax revenues of the district are pledged to the payment of the bonds.

15 3. Revenue projections for the project to be financed by the bonds, including tax
16 revenues, and the reasonableness of the assumptions on which these revenue
17 projections are based.

18 4. The proposed interest rates of the bonds and the resulting cash-flow
19 requirements.

20 5. The projected ratio of annual tax revenues to annual debt service of the
21 district, taking into account capitalized interest.

22 6. Whether an understanding exists providing for repayment by the district to
23 the state of all amounts appropriated to the special debt service reserve fund
24 pursuant to sub. (7).

1 7. Whether the district has agreed to provide the department of administration
2 with all financial reports of the district and all regular monthly statements of any
3 trustee of the bonds on a direct and ongoing basis.

4 8. Whether the district has agreed that the department of administration will
5 have direct and immediate access, at any time and without notice, to all records of
6 the district.

7 (c) *Limit on bonds issued.* The amount of all bonds, other than refunding bonds,
8 that would be secured by all special debt service reserve funds of the district will not
9 exceed \$160,000,000. In determining compliance with the limitation under this
10 paragraph, the secretary of administration need not include bonds that are secured
11 by a special debt service reserve fund to the extent that proceeds of the bonds are for
12 the following purposes:

- 13 1. To make a deposit into a special debt service reserve fund.
14 2. To pay issuance costs of bonds secured by a special debt service reserve fund.
15 3. To pay capitalized interest costs on bonds secured by a special debt service
16 reserve fund.
17 4. To pay any original issue discount.

18 (d) *Date of issuance.* The bonds, other than refunding bonds, will be issued no
19 later than December 31, 2000.

20 (e) *Refunding bonds.* All refunding bonds to be secured by the special debt
21 service reserve fund meet all of the following conditions:

22 1. The refunding bonds are to be issued to fund, refund or advance refund bonds
23 secured by a special debt service reserve fund.

24 2. The refunding of bonds by the refunding bonds will not adversely affect the
25 risk that the state will be called on to make a payment under sub. (7).

1 (f) *Approval of outstanding debt.* All outstanding debt of the district has been
2 reviewed and approved by the secretary of administration. In determining whether
3 to approve outstanding debt under this paragraph, the secretary may consider any
4 factor which the secretary determines to have a bearing on whether the state moral
5 obligation pledge under sub. (7) should be granted with respect to an issuance of
6 bonds.

7 **(2) PAYMENT OF FUNDS INTO A SPECIAL DEBT SERVICE RESERVE FUND.** A district shall
8 pay into any special debt service reserve fund of the district any moneys appropriated
9 and made available by the state for the purposes of the special debt service reserve
10 fund, any proceeds of a sale of bonds to the extent provided in the bond resolution
11 authorizing the issuance of the bonds and any other moneys that are made available
12 to the district for the purpose of the special debt service reserve fund from any other
13 source.

14 **(3) USE OF MONEYS IN THE SPECIAL DEBT SERVICE RESERVE FUND.** All moneys held
15 in any special debt service reserve fund of a district, except as otherwise specifically
16 provided, shall be used, as required, solely for the payment of the principal of bonds
17 secured in whole or in part by the special debt service reserve fund, the making of
18 sinking fund payments with respect to these bonds, the purchase or redemption of
19 these bonds, the payment of interest on these bonds or the payment of any
20 redemption premium required to be paid when these bonds are redeemed prior to
21 maturity. If moneys in a special debt service reserve fund at any time are less than
22 the special debt service reserve fund requirement under sub. (5) for the special debt
23 service reserve fund, the district may not use these moneys for any optional purchase
24 or optional redemption of the bonds. Any income or interest earned by, or increment
25 to, any special debt service reserve fund due to the investment of moneys in the

1 special debt service reserve fund may be transferred by the district to other funds or
2 accounts of the district to the extent that the transfer does not reduce the amount of
3 the special debt service reserve fund below the special debt service reserve fund
4 requirement under sub. (5) for the special debt service reserve fund.

5 (4) LIMITATION ON BONDS SECURED BY A SPECIAL DEBT SERVICE RESERVE FUND. A
6 district shall accumulate in each special debt service reserve fund an amount equal
7 to the special debt service reserve fund requirement under sub. (5) for the special
8 debt service reserve fund. A district may not at any time issue bonds secured in whole
9 or in part by a special debt service reserve fund if upon the issuance of these bonds
10 the amount in the special debt service reserve fund will be less than the special debt
11 service reserve fund requirement under sub. (5) for the special debt service reserve
12 fund.

13 (5) SPECIAL DEBT SERVICE RESERVE FUND REQUIREMENT. The special debt service
14 reserve fund requirement for a special debt service reserve fund, as of any particular
15 date of computation, is equal to an amount of money, as provided in the bond
16 resolution authorizing the bonds with respect to which the special debt service
17 reserve fund is established, that may not exceed the maximum annual debt service
18 on the bonds of the district for that fiscal year or any future fiscal year of the district
19 secured in whole or in part by that special debt service reserve fund. In computing
20 the annual debt service for any fiscal year, bonds deemed to have been paid in
21 accordance with the defeasance provisions of the bond resolution authorizing the
22 issuance of the bonds shall not be included in bonds outstanding on such date of
23 computation. The annual debt service for any fiscal year is the amount of money
24 equal to the aggregate of all of the following calculated on the assumption that the
25 bonds will, after the date of computation, cease to be outstanding by reason, but only

1 by reason, of the payment of bonds when due, and the payment when due, and
2 application in accordance with the bond resolution authorizing those bonds, of all of
3 the sinking fund payments payable at or after the date of computation:

4 (a) All interest payable during the fiscal year on all bonds that are secured in
5 whole or in part by the special debt service reserve fund and that are outstanding on
6 the date of computation.

7 (b) The principal amount of all of the bonds that are secured in whole or in part
8 by the special debt service reserve fund, are outstanding on the date of computation
9 and mature during the fiscal year.

10 (c) All amounts specified in bond resolutions of the district authorizing any of
11 the bonds that are secured in whole or in part by the special debt service reserve fund
12 to be payable during the fiscal year as a sinking fund payment with respect to any
13 of the bonds that mature after the fiscal year.

14 **(6) VALUATION OF SECURITIES.** In computing the amount of a special debt service
15 reserve fund for the purposes of this section, securities in which all or a portion of the
16 special debt service reserve fund is invested shall be valued periodically at their fair
17 market value.

18 **(7) STATE MORAL OBLIGATION PLEDGE.** If at any time of valuation the special debt
19 service reserve fund requirement under sub. (5) for a special debt service reserve
20 fund exceeds the amount of moneys in the special debt service reserve fund, the
21 district board shall certify to the secretary of administration, the governor, the joint
22 committee on finance and the governing body of each county in the district the
23 amount necessary to restore the special debt service reserve fund to an amount equal
24 to the special debt service reserve fund requirement under sub. (5) for the special
25 debt service reserve fund. If this certification is received by the secretary of

1 administration in an even-numbered year prior to the completion of the budget
2 compilation under s. 16.43, the secretary shall include the certified amount in the
3 budget compilation. In any case, the joint committee on finance shall introduce in
4 either house, in bill form, an appropriation of the amount so certified to the
5 appropriate special debt service reserve fund of the district. Recognizing its moral
6 obligation to do so, the legislature hereby expresses its expectation and aspiration
7 that, if ever called upon to do so, it shall make this appropriation.

8 **229.75 Bonds not public debt. (1)** The state and each county in the district's
9 jurisdiction are not liable on bonds and the bonds are not a debt of the state or either
10 county in the district. All bonds shall contain a statement to this effect on the face
11 of the bond. A bond issue does not, directly or indirectly or contingently, obligate the
12 state or a political subdivision of the state to levy any tax or make any appropriation
13 for payment of the bonds.

14 **(2)** Nothing in this subchapter authorizes a district to create a debt of the state
15 or a county in the district's jurisdiction, and all bonds issued by a district are payable,
16 and shall state that they are payable, solely from the funds pledged for their payment
17 in accordance with the bond resolution authorizing their issuance or in any trust
18 indenture or mortgage or deed of trust executed as security for the bonds. The state
19 and each county in the district's jurisdiction are not liable for the payment of the
20 principal of or interest on a bond or for the performance of any pledge, mortgage,
21 obligation or agreement that may be undertaken by a district. The breach of any
22 pledge, mortgage, obligation or agreement undertaken by a district does not impose
23 pecuniary liability upon the state or a county in the district's jurisdiction or a charge
24 upon its general credit or against its taxing power.

1 **(3)** Bonds issued by the district shall be secured only by the district's interest
2 in any baseball park facilities, including any interest in a lease with the department
3 of administration under s. 16.82 (7); by income from these facilities; by proceeds of
4 bonds issued by the district and other amounts placed in a special redemption fund
5 and investment earnings on such amounts; and by the taxes imposed by the district
6 under s. 66.75 (1m) (a) or (em) or under subch. V of ch. 77. The district may not pledge
7 its full faith and credit on the bonds and the bonds are not a liability of the district.

8 **229.76 State pledge.** The state pledges to and agrees with the bondholders,
9 and persons that enter into contracts with a district under this subchapter, that the
10 state will not limit or alter the rights and powers vested in a district by this
11 subchapter, including the rights and powers under s. 229.68 (15), before the district
12 has fully met and discharged the bonds, and any interest due on the bonds, and has
13 fully performed its contracts, unless adequate provision is made by law for the
14 protection of the bondholders or those entering into contracts with a district.

15 **229.77 Trust funds.** All moneys received under this subchapter, whether as
16 proceeds from the sale of bonds or from any other source, are trust funds to be held
17 and applied solely as provided in this subchapter. Any officer with whom, or any
18 bank or trust company with which, those moneys are deposited shall act as trustee
19 of those moneys and shall hold and apply the moneys for the purposes of this
20 subchapter, subject to this subchapter and the bond resolution authorizing issuance
21 of the bonds.

22 **229.79 Budgets; rates and charges; audit.** A district shall adopt a calendar
23 year as its fiscal year for accounting purposes. The district board shall annually
24 prepare a budget for the district. Rates and other charges received by the district
25 shall be used for the general expenses and capital expenditures of the district and

1 to pay interest, amortization, and retirement charges on bonds. A district shall
2 maintain an accounting system in accordance with generally accepted accounting
3 principles and shall have its financial statements and debt covenants audited
4 annually by an independent certified public accountant.

5 **229.81 Assistance by state agencies. (1) DEFINITION.** In this section, “state
6 agency” has the meaning given in s. 20.001 (1).

7 **(2) ASSISTANCE WITH RESPECT TO GRANTED LAND OR PROPERTY.** All state agencies
8 may provide assistance to a district if the district has entered into a lease agreement
9 with the department of administration under s. 16.82 (7).

10 **SECTION 61.** 234.65 (1) (c) of the statutes is amended to read:

11 234.65 **(1) (c)** The authority may not issue more than \$200,000,000 in aggregate
12 principal amount of bonds and notes under this section, excluding bonds or notes
13 secured by a capital reserve fund pursuant to sub. (6) (am) and excluding bonds and
14 notes issued to refund outstanding bonds or notes issued under this section.

15 **SECTION 62.** 234.65 (6) (b) of the statutes is amended to read:

16 234.65 **(6) (b)** The authority may issue bonds and notes secured by a capital
17 reserve fund pursuant to par. (am) in an aggregate principal amount not exceeding
18 ~~\$35,000,000~~ \$50,000,000 plus such additional amount as the authority considers
19 necessary or desirable to fund a deposit into the capital reserve fund to pay costs of
20 issuing the bonds and notes or to pay capitalized interest on the bonds and notes.

21 **SECTION 63.** 704.31 (3) of the statutes is created to read:

22 704.31 **(3)** This section does not apply to a lease to which a local professional
23 baseball park district created under subch. III of ch. 229 is a party.

24 **SECTION 64. Nonstatutory provisions.**

