



1999 ASSEMBLY BILL 892

March 20, 2000 - Introduced by Representatives GARD and ZIEGELBAUER. Referred to Special committee on The Renovation of Lambeau Field.

1 **AN ACT** *to renumber* 66.066 (5) and 77.707; *to amend* 13.94 (4) (a) 1., 13.94 (10),
2 16.70 (14), 18.03 (5s), 19.42 (13) (a), 19.59 (1) (a), 19.59 (1) (g) 1. a., 25.50 (1) (d),
3 66.04 (2) (a) (intro.), 66.066 (1) (a), 66.066 (1) (c), 66.067, 66.30 (1) (a), 77.705
4 (title), 77.71, 77.76 (3m), 77.76 (4), 779.14 (1m) (d) 2. b. and 779.14 (1m) (d) 3.;
5 and *to create* 20.395 (1) (gv), 20.566 (1) (ge), 20.835 (4) (ge), 20.867 (5), 24.61
6 (2) (a) 8., 25.17 (3) (b) 11., 66.04 (2) (a) 3q., 66.066 (5) (b), 77.706, 77.707 (2), 77.76
7 (3p), 85.62, 219.09 (1) (d), subchapter IV of chapter 229 [precedes 229.820] and
8 779.14 (4) of the statutes; **relating to:** creating a local professional football
9 stadium district; giving a local professional football stadium district the
10 authority to issue bonds; making a state moral obligation pledge with respect
11 to bonds issued by a local professional football stadium district; giving a local
12 professional football stadium district the authority to impose a sales tax and a

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- 1 use tax; state aid for transportation facilities associated with a professional
2 football team’s home stadium; and making appropriations.
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*Analysis by the Legislative Reference Bureau***CREATION AND DISSOLUTION OF A DISTRICT**

This bill creates a professional football stadium district, which is a special purpose district, in each county with a population of more than 150,000 that includes the principal site of an existing or to be constructed league-approved home stadium for a professional football team that is a member of a league of teams that have home stadiums in at least ten states and a collective average attendance for all league members of at least 40,000 per game over the five years immediately preceding the year in which a district 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 and the political subdivisions within its jurisdiction. Under the bill, a district’s jurisdiction remains fixed even if population or attendance figures subsequently decline below the minimums described. A district does not have jurisdiction over any relocated stadium, whether or not the stadium is approved by the league.

In connection with football stadium facilities, the powers of a district include the construction, maintenance, management and acquisition of the football stadium and facilities; the issuance of bonds and imposition of a sales tax and a use tax to finance the stadium 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. Before the taxes imposed by a district may take effect, however, the district’s action must be approved in a referendum. A district may also set standards governing the use of, and the conduct within, the stadium and facilities, and may set and collect fees for the use of the facilities or for the right to purchase admission to events at the stadium. Unless it is not feasible to do so, the bill requires a district to enter into a contract with a professional football team, or a subsidiary or affiliate of the team, that requires the team or its subsidiary or affiliate to acquire and construct football stadium facilities that are part of any facilities that the district leases to the team or its subsidiary, whether or not the football stadium facilities are financed by a district.

The district is governed by a board that consists of two persons appointed by the governor, two persons appointed by the chief elected official of the most populous city within the district’s jurisdiction, two persons appointed by the chief elected official of the county in which the football stadium is located and, if such a situation exists, one person appointed by the chief elected official of each city, village or town (municipality) within the district’s jurisdiction, other than the most populous city within the district’s jurisdiction, that has a boundary at the time of the district’s creation that is contiguous to a boundary of the site of the football stadium.

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

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dissolved, its property must be transferred to the municipalities and county in the district's jurisdiction in proportions determined by the secretary of administration, based on the contributions of each municipality and county to the development or improvement of the football stadium facilities.

Under the bill, a municipality or county within the district's jurisdiction may make grants or loans, or lease or transfer property, to a district; expend public funds to subsidize a district; or borrow money to fund grants, loans or subsidies to a district. With the consent of a district, such a municipality or county may also establish and collect fees or other charges applicable only to a football stadium for the right to purchase admission to events at the stadium.

BONDING

This bill grants a district the power to issue revenue bonds for purchasing, acquiring, leasing, constructing, extending, adding to, improving, conducting, controlling, operating or managing a local professional football stadium district. Under the bill, the bonds issued by the district may be secured by the district's interest in any football stadium facilities, by income from these facilities, by proceeds of bonds issued by the district and by other amounts placed in a special redemption fund and investment earnings on such amounts, including any taxes that the district is authorized to impose. The bill specifically provides that the district may not pledge its full faith and credit on the bonds and that the bonds are not a general obligation liability of the district.

The bill authorizes a district to establish a special debt service reserve fund, subject to certain findings of the secretary of administration. The special debt service reserve fund is significant, because if there are insufficient moneys in the special debt service reserve fund to meet the special debt service reserve fund requirement established in the bill, the legislature expresses its expectation and aspiration that, if certain conditions are met, the legislature would appropriate state moneys to the district in the amount necessary to restore the moneys in the 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". The special debt service requirement is determined in the bond resolution authorizing the issuance of bonds.

In order to create a special debt service reserve fund backed up by the state moral obligation pledge, however, the secretary of administration must find that the bond proceeds will be used for purposes related to the football stadium facilities; 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; that the amount of all bonds that would be secured by all special debt service reserve funds of the district will not exceed \$160,000,000; and that the bonds, other than refunding bonds, will be issued no later than December 31, 2004.

In addition to creating a state moral obligation pledge to 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, the bill provides that the state pledges that it will not limit or alter the rights vested in a district under

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the bill before the district has fully performed its contracts and has fully met and discharged its bonds.

Finally, the bill contains provisions authorizing certain state and local government funds and certain regulated financial institutions to invest in bonds issued by the district; 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; and limits the personal liability of members of a district's board of directors with respect to the issuance of bonds.

PROVISION OF FINANCIAL SERVICES

This bill permits the building commission, upon request of a district, to serve as a financial consultant to the district for the purpose of assisting with and coordinating the issuance of bonds by the district.

FINANCE

This bill permits the legislative audit bureau to audit the records of a district. Under the bill, the joint legislative audit committee may review a district's performance.

ETHICS

Members of a district board are subject to the statutory code of ethics for local public officials. In addition, board members are subject to other standards of conduct that apply to state public officials. However, like other local public officials, district board members are not subject to periodic reporting requirements.

APPLICABILITY OF OTHER LAWS

Numerous laws that currently apply to special purpose districts and local units of government apply to a local professional football district, including, among others:

1. The district is subject to laws requiring, with certain exceptions, public notice of and access to meetings of the district board and public access to the district's records.
2. The district is subject to worker's compensation, unemployment insurance, state minimum wage and hour and family and medical leave laws.
3. The district is subject to the law requiring the payment of prevailing wages on local government public works projects.
4. The district is governed by laws regulating municipal administrative procedures and rights.
5. The district is subject to laws restricting employers from testing employes and prospective employes for human immunodeficiency virus (HIV) or an antibody to HIV.
6. The district is subject to the tort and antitrust liability limitation that currently applies to actions brought against local governmental units of \$50,000 per occurrence, and persons attempting to sue the district are subject to a requirement to file notice of their claims within 120 days of their occurrence.
7. The professional football stadium and related facilities of the district are exempt from the property tax.
8. The district is subject to laws regulating buildings and safety.

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9. The district may exercise eminent domain powers for public purposes, upon a showing of necessity.

10. Purchases made by the district, other than purchases of building materials, are subject to the sales tax and use tax and the property of the district is subject to special assessment levies.

Under the bill, the district may participate in:

1. The state public employe retirement plan and state-administered plans for deferred compensation, health care benefits and disability and survivor benefits.

2. The local government property insurance fund.

The bill provides that the district is not subject to laws regulating generally the ways in which funds of local governments may be invested.

The bill also provides that the district may:

1. Contract with municipalities and federally recognized Indian tribes and bands in this state for the receipt or furnishing of services or the joint exercise of powers or duties.

2. Participate in the state-operated local government pooled-investment fund.

Under the bill, the assets and liabilities of a district are not assets or liabilities of the county in which the district is located.

TAXATION

Under the bill, a local professional football stadium district may adopt a resolution to impose a sales tax and a use tax at a rate of no more than 0.5% on the sale or use of tangible personal property or services in the district subject to approval by the electors of a district at a referendum. The referendum may be held at any regularly scheduled primary or other election, or at a special election. The date of the referendum is determined by the county board of the county in which a district is located. The district tax revenue may be used only for purposes related to football stadium facilities. Under the bill, generally, the sales tax and use tax imposed by the district may not be collected after the district has retired its bonds related to the football stadium facilities and after reserve funds are adequately funded.

LIENS

Current law provides certain protections to persons who provide labor and materials for a construction project. For example, a person who works on an improvement to privately owned land generally has a lien on all interests in the land (construction lien). However, under current law, a construction lien may not be filed against property owned by a public entity. Thus, in the case of a public construction project, a person who works on the project generally has a lien on money owing to the prime contractor, with certain exceptions. Furthermore, current law contains a bonding requirement, under which certain public construction contracts must include a provision requiring the prime contractor to provide or obtain a payment and performance bond or other payment assurance. In the case of a public construction contract with a local government entity, a bonding requirement applies to any contract exceeding \$50,000.

This bill exempts a public construction contract with a district from any applicable bonding requirement.

ASSEMBLY BILL 892**TRANSPORTATION AIDS**

The bill authorizes the department of transportation (DOT) to make aid payments to a local professional football stadium district for the development, construction, reconstruction or improvement of bridges, highways, parking lots, garages, transportation facilities or other functionally related or auxiliary facilities or structures associated with any home stadium of a professional football team, and creates a continuing appropriation in the segregated transportation fund for this purpose. The bill does not appropriate any money for the purpose of DOT making such aid payments. Continuing appropriations are expendable until fully depleted or repealed by subsequent action of the legislature.

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.** 13.94 (4) (a) 1. of the statutes, as affected by 1999 Wisconsin Act 9,
2 is amended to read:
3 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
4 credentialing board, commission, independent agency, council or office in the
5 executive branch of state government; all bodies created by the legislature in the
6 legislative or judicial branch of state government; any public body corporate and
7 politic created by the legislature including specifically a professional baseball park
8 district, a local professional football stadium district and a family care district
9 created under s. 46.2895; every Wisconsin works agency under subch. III of ch. 49;
10 every provider of medical assistance under subch. IV of ch. 49; technical college
11 district boards; development zones designated under s. 560.71; every county
12 department under s. 51.42 or 51.437; every nonprofit corporation or cooperative to
13 which moneys are specifically appropriated by state law; and every corporation,
14 institution, association or other organization which receives more than 50% of its

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1 annual budget from appropriations made by state law, including subgrantee or
2 subcontractor recipients of such funds.

3 **SECTION 2.** 13.94 (10) of the statutes is amended to read:

4 13.94 (10) FINANCIAL STATUS OF ~~LOCAL~~ CERTAIN PROFESSIONAL BASEBALL-PARK
5 SPORTS DISTRICTS. As promptly as possible following the end of each state fiscal
6 biennium in which there are outstanding bonds or notes issued by a local
7 professional baseball park district created under subch. III of ch. 229 that are subject
8 to s. 229.74 (7) or by a local professional football stadium district created under
9 subch. IV of ch. 229 that are subject to s. 229.830 (7), the legislative audit bureau
10 shall submit a report to the cochairpersons of the joint committee on finance
11 concerning the financial status of that district.

12 **SECTION 3.** 16.70 (14) of the statutes is amended to read:

13 16.70 (14) "State" does not include a district created under subch. II ~~or~~, III or
14 IV of ch. 229.

15 **SECTION 4.** 18.03 (5s) of the statutes is amended to read:

16 18.03 (5s) Upon the request of a local professional baseball park district
17 created under subch. III of ch. 229 or a local professional football stadium district
18 created under subch. IV of ch. 229, the commission may serve as financial consultant
19 to assist and coordinate the issuance of the bonds of a district.

20 **SECTION 5.** 19.42 (13) (a) of the statutes is amended to read:

21 19.42 (13) (a) All positions to which individuals are regularly appointed by the
22 governor, except the position of trustee of any private higher educational institution
23 receiving state appropriations ~~and~~, the position of member of the district board of a
24 local professional baseball park district created under subch. III of ch. 229 and the

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1 position of member of the district board of a local professional football stadium
2 district created under subch. IV of ch. 229.

3 **SECTION 6.** 19.59 (1) (a) of the statutes is amended to read:

4 19.59 (1) (a) No local public official may use his or her public position or office
5 to obtain financial gain or anything of substantial value for the private benefit of
6 himself or herself or his or her immediate family, or for an organization with which
7 he or she is associated. A violation of this paragraph includes the acceptance of free
8 or discounted admissions to a professional baseball or football game by a member of
9 the district board of a local professional baseball park district created under subch.
10 III of ch. 229 or a local professional football stadium district created under subch. IV
11 of ch. 229. This paragraph does not prohibit a local public official from using the title
12 or prestige of his or her office to obtain campaign contributions that are permitted
13 and reported as required by ch. 11.

14 **SECTION 7.** 19.59 (1) (g) 1. a. of the statutes is amended to read:

15 19.59 (1) (g) 1. a. "District" means a local professional baseball park district
16 created under subch. III of ch. 229 or a local professional football stadium district
17 created under subch. IV of ch. 229.

18 **SECTION 8.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
19 the following amounts for the purposes indicated:

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| 1 | | | | 1999-00 | 2000-01 |
|----|--------------------|--|-------|---------|---------|
| 2 | 20.395 | Transportation, department of | | | |
| 3 | (1) | AIDS | | | |
| 4 | (gv) | Transportation aids to local pro- | | | |
| 5 | | fessional football stadium dis- | | | |
| 6 | | tricts | SEG C | -0- | -0- |
| 7 | 20.566 | Revenue, department of | | | |
| 8 | (1) | COLLECTION OF TAXES | | | |
| 9 | (ge) | Administration of local profes- | | | |
| 10 | | sional football stadium district | | | |
| 11 | | taxes | PR A | -0- | -0- |
| 12 | SECTION 9. | 20.395 (1) (gv) of the statutes is created to read: | | | |
| 13 | | 20.395 (1) (gv) <i>Transportation aids to local professional football stadium</i> | | | |
| 14 | | <i>districts.</i> As a continuing appropriation, the amounts in the schedule for | | | |
| 15 | | transportation aids to local professional football stadium districts under s. 85.62. | | | |
| 16 | SECTION 10. | 20.566 (1) (ge) of the statutes is created to read: | | | |
| 17 | | 20.566 (1) (ge) <i>Administration of local professional football stadium district</i> | | | |
| 18 | | <i>taxes.</i> From the moneys transferred from the appropriation account under s. 20.835 | | | |
| 19 | | (4) (ge), the amounts in the schedule for administering the special district taxes | | | |
| 20 | | imposed under s. 77.706 by a local professional football stadium district created | | | |
| 21 | | under subch. IV of ch. 229. | | | |
| 22 | SECTION 11. | 20.835 (4) (ge) of the statutes is created to read: | | | |
| 23 | | 20.835 (4) (ge) <i>Local professional football stadium district taxes.</i> All moneys | | | |
| 24 | | received from the taxes imposed under s. 77.706, for the purpose of distribution to | | | |

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1 the special districts that adopt a resolution imposing taxes under subch. V of ch. 77,
2 and for the purpose of financing a local professional football stadium district, except
3 that, of those tax revenues collected under subch. V of ch. 77, 1.5% shall be credited
4 to the appropriation account under s. 20.566 (1) (ge).

5 **SECTION 12.** 20.867 (5) of the statutes is created to read:

6 20.867 (5) SERVICES TO NONSTATE GOVERNMENTAL UNITS. (g) *Financial consulting*
7 *services.* All moneys received from local professional football stadium districts for
8 financial consulting services provided under s. 18.03 (5s), to be used to provide those
9 services.

10 **SECTION 13.** 24.61 (2) (a) 8. of the statutes is created to read:

11 24.61 (2) (a) 8. Bonds issued by a local professional football stadium district
12 created under subch. IV of ch. 229.

13 **SECTION 14.** 25.17 (3) (b) 11. of the statutes is created to read:

14 25.17 (3) (b) 11. Bonds issued by a local professional football stadium district
15 created under subch. IV of ch. 229.

16 **SECTION 15.** 25.50 (1) (d) of the statutes, as affected by 1999 Wisconsin Act 9,
17 is amended to read:

18 25.50 (1) (d) “Local government” means any county, town, village, city, power
19 district, sewerage district, drainage district, town sanitary district, public inland
20 lake protection and rehabilitation district, local professional baseball park district
21 created under subch. III of ch. 229, family care district under s. 46.2895, local
22 professional football stadium district created under subch. IV of ch. 229, public
23 library system, school district or technical college district in this state, any
24 commission, committee, board or officer of any governmental subdivision of this

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1 state, any court of this state, other than the court of appeals or the supreme court,
2 or any authority created under s. 231.02, 233.02 or 234.02.

3 **SECTION 16.** 66.04 (2) (a) (intro.) of the statutes is amended to read:

4 66.04 (2) (a) (intro.) Any county, city, village, town, school district, drainage
5 district, technical college district or other governing board, as defined by s. 34.01 (1),
6 other than a local professional football stadium district board created under subch.
7 IV of ch. 229, may invest any of its funds not immediately needed in any of the
8 following:

9 **SECTION 17.** 66.04 (2) (a) 3q. of the statutes is created to read:

10 66.04 (2) (a) 3q. Bonds issued by a local professional football stadium district
11 created under subch. IV of ch. 229.

12 **SECTION 18.** 66.066 (1) (a) of the statutes is amended to read:

13 66.066 (1) (a) "Municipality" means any city, village, town, county, commission
14 created by contract under s. 66.30, public inland lake protection and rehabilitation
15 district established under s. 33.23, 33.235 or 33.24, metropolitan sewerage district
16 created under ss. 66.20 to 66.26 or 66.88 to 66.918, town sanitary district under
17 subch. IX of ch. 60, a local professional baseball park district created under subch.
18 III of ch. 229, a local professional football stadium district created under subch. IV
19 of ch. 229 or a municipal water district or power district under ch. 198 and any other
20 public or quasi-public corporation, officer, board or other public body empowered to
21 borrow money and issue obligations to repay the same out of revenues.
22 "Municipality" does not include the state or a local exposition district created under
23 subch. II of ch. 229.

24 **SECTION 19.** 66.066 (1) (c) of the statutes is amended to read:

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1 66.066 (1) (c) “Revenue” means all moneys received from any source by a public
2 utility and all rentals and fees and, in the case of a local professional baseball park
3 district created under subch. III of ch. 229 includes tax revenues deposited into a
4 special fund under s. 229.685 and payments made into a special debt service reserve
5 fund under s. 229.74 and, in the case of a local professional football stadium district
6 created under subch. IV of ch. 229 includes tax revenues deposited into a special fund
7 under s. 229.825 and payments made into a special debt service reserve fund under
8 s. 229.830.

9 **SECTION 20.** 66.066 (5) of the statutes is renumbered 66.066 (5) (a).

10 **SECTION 21.** 66.066 (5) (b) of the statutes is created to read:

11 66.066 (5) (b) Revenue bonds issued by a local professional football stadium
12 district created under subch. IV of ch. 229 are subject to the provisions in ss. 229.829
13 to 229.834.

14 **SECTION 22.** 66.067 of the statutes is amended to read:

15 **66.067 Public works projects.** For financing purposes, garbage
16 incinerators, toll bridges, swimming pools, tennis courts, parks, playgrounds, golf
17 links, bathing beaches, bathhouses, street lighting, city halls, village halls, town
18 halls, courthouses, jails, schools, cooperative educational service agencies, hospitals,
19 homes for the aged or indigent, child care centers, as defined in s. 231.01 (3c),
20 regional projects, waste collection and disposal operations, systems of sewerage,
21 local professional baseball park facilities, local professional football stadium
22 facilities and any and all other necessary public works projects undertaken by any
23 municipality are public utilities within the meaning of s. 66.066.

24 **SECTION 23.** 66.30 (1) (a) of the statutes, as affected by 1999 Wisconsin Act 9,
25 is amended to read:

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1 66.30 (1) (a) In this section “municipality” means the state or any department
2 or agency thereof, or any city, village, town, county, school district, public library
3 system, public inland lake protection and rehabilitation district, sanitary district,
4 farm drainage district, metropolitan sewerage district, sewer utility district, solid
5 waste management system created under s. 59.70 (2), local exposition district
6 created under subch. II of ch. 229, local professional baseball park district created
7 under subch. III of ch. 229, local professional football stadium district created under
8 subch. IV of ch. 229, family care district under s. 46.2895, water utility district,
9 mosquito control district, municipal electric company, county or city transit
10 commission, commission created by contract under this section, taxation district or
11 regional planning commission.

12 **SECTION 24.** 77.705 (title) of the statutes is amended to read:

13 **77.705** (title) **Adoption by resolution; baseball park district.**

14 **SECTION 25.** 77.706 of the statutes is created to read:

15 **77.706 Adoption by resolution; football stadium district.** A local
16 professional football stadium district created under subch. IV of ch. 229, by
17 resolution under s. 229.824 (15), may impose a sales tax and a use tax under this
18 subchapter at a rate of no more than 0.5% of the gross receipts or sales price. Those
19 taxes may be imposed only in their entirety. The imposition of the taxes under this
20 section shall be effective on the first day of the first month that begins 30 days after
21 the approval of the resolution by the electors in the district’s jurisdiction under s.
22 229.824 (15).

23 **SECTION 26.** 77.707 of the statutes is renumbered 77.707 (1).

24 **SECTION 27.** 77.707 (2) of the statutes is created to read:

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1 77.707 (2) Retailers and the department of revenue may not collect a tax under
2 s. 77.706 for any local professional football stadium district created under subch. IV
3 of ch. 229 after the calendar quarter during which the local professional football
4 stadium district board makes a certification to the department of revenue under s.
5 229.825 (2), except that the department of revenue may collect from retailers taxes
6 that accrued before that calendar quarter and fees, interest and penalties that relate
7 to those taxes.

8 **SECTION 28.** 77.71 of the statutes is amended to read:

9 **77.71 Imposition of county and special district sales and use taxes.**

10 Whenever a county sales and use tax ordinance is adopted under s. 77.70 or a special
11 district resolution is adopted under s. 77.705 or 77.706, the following taxes are
12 imposed:

13 (1) For the privilege of selling, leasing or renting tangible personal property
14 and for the privilege of selling, performing or furnishing services a sales tax is
15 imposed upon retailers at the rate of 0.5% in the case of a county tax or at the rate
16 under s. 77.705 or 77.706 in the case of a special district tax of the gross receipts from
17 the sale, lease or rental of tangible personal property, except property taxed under
18 sub. (4), sold, leased or rented at retail in the county or special district or from selling,
19 performing or furnishing services described under s. 77.52 (2) in the county or special
20 district.

21 (2) An excise tax is imposed at the rate of 0.5% in the case of a county tax or
22 at the rate under s. 77.705 or 77.706 in the case of a special district tax of the sales
23 price upon every person storing, using or otherwise consuming in the county or
24 special district tangible personal property or services if the property or service is
25 subject to the state use tax under s. 77.53, except that a receipt indicating that the

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1 tax under sub. (1), (3) or (4) has been paid relieves the buyer of liability for the tax
2 under this subsection and except that if the buyer has paid a similar local tax in
3 another state on a purchase of the same property or services that tax shall be credited
4 against the tax under this subsection and except that for motor vehicles that are used
5 for a purpose in addition to retention, demonstration or display while held for sale
6 in the regular course of business by a dealer the tax under this subsection is imposed
7 not on the sales price but on the amount under s. 77.53 (1m).

8 (3) An excise tax is imposed upon a contractor engaged in construction
9 activities within the county or special district, at the rate of 0.5% in the case of a
10 county tax or at the rate under s. 77.705 or 77.706 in the case of a special district tax
11 of the sales price of tangible personal property that is used in constructing, altering,
12 repairing or improving real property and that becomes a component part of real
13 property in that county or special district, unless the contractor has paid the sales
14 tax of a county in the case of a county tax or of a special district in the case of a special
15 district tax in this state on that property, and except that if the buyer has paid a
16 similar local sales tax in another state on a purchase of the same property that tax
17 shall be credited against the tax under this subsection.

18 (4) An excise tax is imposed at the rate of 0.5% in the case of a county tax or
19 at the rate under s. 77.705 or 77.706 in the case of a special district tax of the sales
20 price upon every person storing, using or otherwise consuming a motor vehicle, boat,
21 snowmobile, mobile home not exceeding 45 feet in length, trailer, semitrailer,
22 all-terrain vehicle or aircraft, if that property must be registered or titled with this
23 state and if that property is to be customarily kept in a county that has in effect an
24 ordinance under s. 77.70 or in a special district that has in effect a resolution under
25 s. 77.705 or 77.706, except that if the buyer has paid a similar local sales tax in

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1 another state on a purchase of the same property that tax shall be credited against
2 the tax under this subsection.

3 **SECTION 29.** 77.76 (3m) of the statutes is amended to read:

4 77.76 (3m) From the appropriation under s. 20.835 (4) (gb) the department, for
5 the first 2 years of collection, shall distribute 97% of the ~~special district~~ taxes
6 reported for each ~~special~~ local professional baseball park district that has imposed
7 taxes under this subchapter, minus the ~~special~~ district portion of the retailers'
8 discounts, to the ~~special~~ local professional baseball park district no later than the end
9 of the 3rd month following the end of the calendar quarter in which such amounts
10 were reported. From the appropriation under s. 20.835 (4) (gb) the department, after
11 the first 2 years of collection, shall distribute 98.5% of the ~~special district~~ taxes
12 reported for each ~~special~~ local professional baseball park district that has imposed
13 taxes under this subchapter, minus the ~~special~~ district portion of the retailers'
14 discount, to the ~~special~~ local professional baseball park district no later than the end
15 of the 3rd month following the end of the calendar quarter in which such amounts
16 were reported. At the time of distribution the department shall indicate the taxes
17 reported by each taxpayer. In this subsection, the "special district portion of the
18 retailers' discount" is the amount determined by multiplying the total retailers'
19 discount by a fraction the numerator of which is the gross ~~special~~ local professional
20 baseball park district sales and use taxes payable and the denominator of which is
21 the sum of the gross state and ~~special~~ local professional baseball park district sales
22 and use taxes payable. The ~~special~~ local professional baseball park district taxes
23 distributed shall be increased or decreased to reflect subsequent refunds, audit
24 adjustments and all other adjustments of the ~~special~~ local professional baseball park
25 district taxes previously distributed. Interest paid on refunds of ~~special~~ local

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1 professional baseball park district sales and use taxes shall be paid from the
2 appropriation under s. 20.835 (4) (gb) at the rate paid by this state under s. 77.60 (1)
3 (a). Any special local professional baseball park district receiving a report under this
4 subsection is subject to the duties of confidentiality to which the department of
5 revenue is subject under s. 77.61 (5).

6 **SECTION 30.** 77.76 (3p) of the statutes is created to read:

7 77.76 (3p) From the appropriation under s. 20.835 (4) (ge) the department of
8 revenue shall distribute 98.5% of the taxes reported for each local professional
9 football stadium district that has imposed taxes under this subchapter, minus the
10 district portion of the retailers' discount, to the local professional football stadium
11 district no later than the end of the 3rd month following the end of the calendar
12 quarter in which such amounts were reported. At the time of distribution the
13 department of revenue shall indicate the taxes reported by each taxpayer. In this
14 subsection, the "district portion of the retailers' discount" is the amount determined
15 by multiplying the total retailers' discount by a fraction the numerator of which is
16 the gross local professional football stadium district sales and use taxes payable and
17 the denominator of which is the sum of the gross state and local professional football
18 stadium district sales and use taxes payable. The local professional football stadium
19 district taxes distributed shall be increased or decreased to reflect subsequent
20 refunds, audit adjustments and all other adjustments of the local professional
21 football stadium district taxes previously distributed. Interest paid on refunds of
22 local professional football stadium district sales and use taxes shall be paid from the
23 appropriation under s. 20.835 (4) (ge) at the rate paid by this state under s. 77.60 (1)
24 (a). Any local professional football stadium district receiving a report under this

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1 subsection is subject to the duties of confidentiality to which the department of
2 revenue is subject under s. 77.61 (5).

3 **SECTION 31.** 77.76 (4) of the statutes, as affected by 1999 Wisconsin Act 9, is
4 amended to read:

5 77.76 (4) There shall be retained by the state 1.5% of the taxes collected for
6 taxes imposed by special districts under s. ss. 77.705 and 77.706 and 1.75% of the
7 taxes collected for taxes imposed by counties under s. 77.70 to cover costs incurred
8 by the state in administering, enforcing and collecting the tax. All interest and
9 penalties collected shall be deposited and retained by this state in the general fund.

10 **SECTION 32.** 85.62 of the statutes is created to read:

11 **85.62 Aid to local professional football stadium districts.** The
12 department may make aid payments from the appropriation under s. 20.395 (1) (gv)
13 to a local professional football stadium district created under subch. IV of ch. 229 for
14 the development, construction, reconstruction or improvement of bridges, highways,
15 parking lots, garages, transportation facilities or other functionally related or
16 auxiliary facilities or structures associated with a football stadium, as defined in s.
17 229.821 (6).

18 **SECTION 33.** 219.09 (1) (d) of the statutes is created to read:

19 219.09 (1) (d) A local professional football stadium district created under
20 subch. IV of ch. 229.

21 **SECTION 34.** Subchapter IV of chapter 229 [precedes 229.820] of the statutes
22 is created to read:

23 **CHAPTER 229**

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SUBCHAPTER IV

LOCAL PROFESSIONAL

FOOTBALL STADIUM DISTRICTS

1
2
3
4 **229.820 Legislative declaration.** (1) The legislature determines that the
5 provision of assistance by state agencies to a district under this subchapter, any
6 appropriation of funds to a district under this subchapter and the moral obligation
7 pledge under s. 229.830 (7) serve a statewide public purpose by assisting the
8 development of professional football stadium facilities in the state for providing
9 recreation, by encouraging economic development and tourism, by reducing
10 unemployment and by bringing needed capital into the state for the benefit and
11 welfare of people throughout the state. The legislature determines that the taxes
12 that may be imposed by a district under subch. V of ch. 77 are special taxes that are
13 generated apart from any direct annual tax on taxable property.

14 (2) The legislature determines that a district serves a public purpose in the
15 district's jurisdiction by providing recreation, by encouraging economic development
16 and tourism, by reducing unemployment and by bringing needed capital into the
17 district's jurisdiction for the benefit of people in the district's jurisdiction.

18 **229.821 Definitions.** In this subchapter:

19 (1) "Bond" means any bond, note or other obligation issued under s. 66.066 by
20 a district.

21 (2) "Bond resolution" means a resolution of the district board authorizing the
22 issuance of, or providing terms and conditions related to, bonds and includes, where
23 appropriate, any trust agreement, trust indenture, indenture of mortgage or deed of
24 trust providing terms and conditions for bonds.

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1 **(3)** “Chief elected official” means the mayor of a city or, if the city is organized
2 under subch. I of ch. 64, the president of the council of that city, the village president
3 of a village, the town board chair of a town or the county executive of a county or, if
4 the county does not have a county executive, the chairperson of the county board of
5 supervisors.

6 **(4)** “District” means a special purpose district created under this subchapter.

7 **(5)** “District board” means the governing board of a district.

8 **(6)** “Football stadium” means a stadium that is principally used as the home
9 stadium of a professional football team described in s. 229.823 at the time that a
10 district is created, or if no home stadium exists at the time that a district is created,
11 “football stadium” means a stadium that includes the site of a proposed home
12 stadium of such a team.

13 **(7)** “Football stadium facilities” means football stadium property, tangible or
14 intangible, including spectator seating of all types, practice facilities, parking lots
15 and structures, garages, restaurants, parks, concession facilities, entertainment
16 facilities, facilities for the display or sale of memorabilia, transportation facilities,
17 and other functionally related or auxiliary facilities or structures.

18 **(8)** “Home stadium” means a stadium approved as provided in s. 229.823.

19 **(9)** “Members-elect” means those members of the governing body of a
20 municipality or county, at a particular time, who have been duly elected or appointed
21 for a current regular or unexpired term and whose service has not terminated by
22 death, resignation or removal from office.

23 **(10)** “Municipality” means a city, village or town.

24 **(11)** “Political subdivision” means a city, village, town or county.

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1 **(12)** “Related party” means a corporation or business entity that is owned,
2 controlled or operated by, or under common control with, a professional football team.

3 **229.822 Creation and organization.** **(1)** There is created, for each
4 jurisdiction under s. 229.823, a special district that is a local governmental unit, that
5 is a body corporate and politic, that is separate and distinct from, and independent
6 of, the state and the political subdivisions within its jurisdiction, that has the powers
7 under s. 229.824 and the name of which includes “Professional Football Stadium
8 District”.

9 **(2)** A district is governed by its district board. Subject to sub. (3), the district
10 board shall consist of the following members:

11 (a) Two persons appointed by the governor. At least one of the persons
12 appointed by the governor shall reside within the county in which the football
13 stadium is located. A person appointed under this paragraph may take his or her
14 seat immediately upon appointment and qualification, subject to confirmation or
15 rejection by the senate.

16 (b) Two persons appointed by the chief elected official of the most populous city
17 located wholly or partly within the jurisdiction of a district. A person appointed
18 under this paragraph may take his or her seat immediately upon appointment and
19 qualification, subject to confirmation or rejection by a majority of the members-elect
20 of the common council or council.

21 (c) Two persons appointed by the chief elected official of the county in which the
22 football stadium is located. A person appointed under this paragraph may take his
23 or her seat immediately upon appointment and qualification, subject to confirmation
24 or rejection by a majority of the members-elect of the county board.

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1 (d) One person appointed by the chief elected official of any municipality
2 located wholly or partly within the jurisdiction of the district, other than the most
3 populous city located wholly or partly within the jurisdiction of the district, that has
4 a boundary at the time of creation of the district that is contiguous to a boundary of
5 the site of the football stadium. A person appointed under this paragraph may take
6 his or her seat immediately upon appointment and qualification, subject to
7 confirmation or rejection by a majority of the members-elect of the governing body
8 of the municipality.

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

20 (4) The governor shall select the chairperson of the district board, and the
21 district board shall elect from its membership a vice chairperson, a secretary and a
22 treasurer. A majority of the current membership of the district board constitutes a
23 quorum to do business. The district may take action based on the affirmative vote
24 of a majority of those members of the district board who are present at a meeting of
25 the district board.

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

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

6 (7) The district board shall name the district, and the name shall include
7 "Professional Football Stadium District".

8 **229.823 Jurisdiction.** A district's jurisdiction is any county with a population
9 at the date of the district's creation of more than 150,000 that includes the principal
10 site of a stadium that is home to a professional football team, that is a member of a
11 league of professional football teams that have home stadiums in at least 10 states
12 and a collective average attendance for all league members of at least 40,000 persons
13 per game over the 5 years immediately preceding the year in which a district is
14 created, and that is approved by that league for use as a home stadium for that
15 professional football team. Once created, the district's jurisdiction remains fixed
16 even if population or attendance figures subsequently decline below the minimums
17 described in this section.

18 **229.824 Powers of a district.** A district has all of the powers necessary or
19 convenient to carry out the purposes and provisions of this subchapter. In addition
20 to all other powers granted by this subchapter, a district may do all of the following:

21 (1) Adopt bylaws to govern the district's activities, subject to this subchapter.

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

23 (3) Maintain an office.

24 (4) In connection with football stadium facilities:

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1 (a) Acquire, construct, equip, maintain, improve, operate and manage the
2 football stadium facilities as a revenue-generating enterprise, or engage other
3 persons to do these things.

4 (b) Acquire; lease, as lessor or lessee; use; transfer; or accept transfers of
5 property.

6 (c) Improve, maintain and repair property, and fund reserves for maintenance,
7 depreciation and capital improvements.

8 (d) Enter into contracts, subject to such standards as may be established by the
9 district board. The district board may award any such contract for any combination
10 or division of work it designates and may consider any factors in awarding a contract,
11 including price, time for completion of work and qualifications and past performance
12 of a contractor.

13 (e) Grant concessions.

14 (f) Sell or otherwise dispose of unneeded or unwanted property.

15 **(5)** Employ personnel, and fix and regulate their compensation; and provide,
16 either directly or subject to an agreement under s. 66.30 as a participant in a benefit
17 plan of another governmental entity, any employee benefits, including an employee
18 pension plan.

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

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

23 **(8)** Issue revenue bonds under s. 66.066, subject to ss. 229.829 to 229.834, and
24 enter into agreements related to the issuance of bonds, including liquidity and credit
25 facilities, remarketing agreements, insurance policies, guaranty agreements, letter

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1 of credit or reimbursement agreements, indexing agreements, interest exchange
2 agreements and currency exchange agreements.

3 (9) Maintain funds and invest the funds in any investment that the district
4 board considers appropriate.

5 (10) Promote, advertise and publicize its football stadium facilities and related
6 activities.

7 (11) Set standards governing the use of, and the conduct within, its football
8 stadium facilities in order to promote public safety and convenience and to maintain
9 order.

10 (12) Establish and collect fees or other charges for the use of its football
11 stadium facilities or for services rendered by the district.

12 (13) Establish and collect fees or other charges for the right to purchase
13 admission to events at the football stadium if the proceeds from any amount that is
14 collected under this subsection are used for purposes related to football stadium
15 facilities.

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

18 (15) Impose, by the adoption of a resolution, the taxes under subch. V of ch. 77,
19 except that the taxes imposed by the resolution may not take effect until the
20 resolution is approved by a majority of the electors in the district's jurisdiction voting
21 on the resolution at a referendum, to be held on a date specified by the county board
22 not earlier than 45 days nor later than one year after adoption of the resolution. The
23 referendum may be held at any spring or general election or any spring or September
24 primary, or at a special election called by the county board for that purpose. A district
25 may not levy any taxes that are not expressly authorized under subch. V of ch. 77.

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1 If a district board adopts a resolution that imposes taxes and the resolution is
2 approved by the electors, the district shall deliver a certified copy of the resolution
3 to the secretary of revenue at least 30 days before its effective date.

4 (16) Accept gifts, loans and other aid.

5 (17) Administer the receipt of revenues, and oversee the payment of bonds
6 issued by the district.

7 (18) Adopt and alter an official seal.

8 **229.825 Special fund tax revenues.** (1) The district board shall maintain
9 a special fund into which it deposits only the revenue received from the department
10 of revenue, that is derived from the taxes imposed under subch. V of ch. 77, and may
11 use this revenue only for purposes related to football stadium facilities.

12 (2) If the district board determines that the revenues in the special fund under
13 this section exceed current debt service and operating expenses for the operation of
14 football stadium facilities, the district board shall apply the excess first to fund a
15 reserve or reserves for maintenance costs, depreciation and capital improvements,
16 and 2nd, when the reserve or reserves are adequately funded to meet the obligations
17 of the district, to retire bonds issued for purposes related to football stadium
18 facilities, and any bonds issued to fund or refund those bonds, prior to their maturity.
19 As soon as practicable after the retirement of all bonds issued for purposes related
20 to football stadium facilities and all bonds issued to fund or refund those bonds and
21 after funding a reserve or reserves for maintenance costs and capital improvements
22 sufficiently to meet any maintenance, depreciation or capital improvement
23 obligations between the district and any professional football team using football
24 stadium facilities constructed under this subchapter as a home stadium, the district
25 board shall make a certification to the department of revenue to that effect.

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1 **229.826 Powers granted to a municipality or county.** In addition to any
2 powers that it may otherwise have, a county or municipality located wholly or partly
3 within a district's jurisdiction may do any of the following:

4 (1) Make grants or loans to a district upon terms that the county or
5 municipality considers appropriate.

6 (2) Expend public funds to subsidize a district.

7 (3) Borrow money under ss. 67.04 and 67.12 (12) for football stadium facilities
8 or to fund grants, loans or subsidies to a district.

9 (4) Lease or transfer property to a district upon terms that the county or
10 municipality considers appropriate.

11 (5) With the consent of a district, establish and collect fees or other charges
12 applicable only to a football stadium for the right to purchase admission to events at
13 the stadium, if the proceeds from any amount that is collected under this subsection
14 are used for purposes related to football stadium facilities.

15 **229.827 Contracting.** Unless a district board determines that it is not
16 feasible to do so, the district shall enter into a contract with a professional football
17 team, as described in s. 229.823, or a related party, that requires the team or related
18 party to acquire and construct football stadium facilities that are part of any facilities
19 that are leased by the district to the team or to a related party, without regard to
20 whether the football stadium facilities are financed by the district.

21 **229.828 Dissolution of a district.** Subject to providing for the payment of
22 its bonds, including interest on the bonds, and the performance of its other
23 contractual obligations, a district may be dissolved by the action of the district board.
24 If the district is dissolved, the property of the district shall be transferred to the
25 political subdivisions that compose the district's jurisdiction in such proportions as

1 the secretary of administration determines fairly and reasonably represent the
2 contributions of each political subdivision to the development or improvement of the
3 football stadium facilities.

4 **229.829 Issuance and negotiability of bonds. (1) NEGOTIABILITY.** All bonds
5 are negotiable for all purposes, notwithstanding their payment from a limited
6 source.

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

10 **(3) NO PERSONAL LIABILITY.** Neither the members of the district board nor any
11 person executing the bonds is liable personally on the bonds or subject to any
12 personal liability or accountability by reason of the issuance of the bonds, unless the
13 personal liability or accountability is the result of wilful misconduct.

14 **229.830 Special debt service reserve funds for moral obligation pledge.**
15 **(1) DESIGNATION OF SPECIAL DEBT SERVICE RESERVE FUNDS.** A district may designate one
16 or more accounts in funds created under s. 66.066 (2) (e) as special debt service
17 reserve funds, if, prior to each issuance of bonds to be secured by each special debt
18 service reserve fund, the secretary of administration determines that all of the
19 following conditions are met with respect to the bonds:

20 (a) *Purpose.* The proceeds of the bonds, other than refunding bonds, will be
21 used for purposes related to football stadium facilities.

22 (b) *Feasibility.* The proceeds of bonds, other than refunding bonds, will be used
23 for feasible projects and there is a reasonable likelihood that the bonds will be repaid
24 without the necessity of drawing on funds in the special debt service reserve fund
25 that secures the bonds. The secretary of administration may make the

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1 determinations required under this paragraph only after considering all of the
2 following:

3 1. Whether a pledge of the tax revenues of the district is made under the bond
4 resolution.

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

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

9 4. The proposed interest rates of the bonds and the resulting cash-flow
10 requirements.

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

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

16 7. Whether the district has agreed that the department of administration will
17 have direct and immediate access, at any time and without notice, to all records of
18 the district.

19 (c) *Limit on bonds issued backed by moral obligation pledge.* The principal
20 amount of all bonds, other than refunding bonds, that would be secured by all special
21 debt service reserve funds of the district under this section will not exceed
22 \$160,000,000 at any one time outstanding.

23 (d) *Date of issuance.* The bonds, other than refunding bonds, will be issued no
24 later than December 31, 2004.

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

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

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

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

13 (g) *Financial reports.* The district has agreed to provide to the department of
14 administration, the legislative fiscal bureau and the legislative audit bureau all
15 financial reports of the district and all regular monthly statements of any trustee of
16 the bonds on a direct and ongoing basis.

17 **(2) PAYMENT OF FUNDS INTO A SPECIAL DEBT SERVICE RESERVE FUND.** A district shall
18 pay into any special debt service reserve fund of the district any moneys appropriated
19 and made available by the state for the purposes of the special debt service reserve
20 fund, any proceeds of a sale of bonds to the extent provided in the bond resolution
21 authorizing the issuance of the bonds and any other moneys that are made available
22 to the district for the purpose of the special debt service reserve fund from any other
23 source.

24 **(3) USE OF MONEYS IN THE SPECIAL DEBT SERVICE RESERVE FUND.** All moneys held
25 in any special debt service reserve fund of a district, except as otherwise specifically

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1 provided, shall be used, as required, solely for the payment of the principal of bonds
2 secured in whole or in part by the special debt service reserve fund, the making of
3 sinking fund payments with respect to these bonds, the purchase or redemption of
4 these bonds, the payment of interest on these bonds or the payment of any
5 redemption premium required to be paid when these bonds are redeemed prior to
6 maturity. If moneys in a special debt service reserve fund at any time are less than
7 the special debt service reserve fund requirement under sub. (5) for the special debt
8 service reserve fund, the district may not use these moneys for any optional purchase
9 or optional redemption of the bonds. Any income or interest earned by, or increment
10 to, any special debt service reserve fund due to the investment of moneys in the
11 special debt service reserve fund may be transferred by the district to other funds or
12 accounts of the district to the extent that the transfer does not reduce the amount of
13 the special debt service reserve fund below the special debt service reserve fund
14 requirement under sub. (5) for the special debt service reserve fund.

15 **(4) LIMITATION ON BONDS SECURED BY A SPECIAL DEBT SERVICE RESERVE FUND.** A
16 district shall accumulate in each special debt service reserve fund an amount equal
17 to the special debt service reserve fund requirement under sub. (5) for the special
18 debt service reserve fund. A district may not at any time issue bonds secured in whole
19 or in part by a special debt service reserve fund if upon the issuance of these bonds
20 the amount in the special debt service reserve fund will be less than the special debt
21 service reserve fund requirement under sub. (5) for the special debt service reserve
22 fund.

23 **(5) SPECIAL DEBT SERVICE RESERVE FUND REQUIREMENT.** The special debt service
24 reserve fund requirement for a special debt service reserve fund, as of any particular
25 date of computation, is equal to an amount of money, as provided in the bond

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1 resolution authorizing the bonds with respect to which the special debt service
2 reserve fund is established, that may not exceed the maximum annual debt service
3 on the bonds of the district for the fiscal year in which the computation is made or
4 any future fiscal year of the district secured in whole or in part by that special debt
5 service reserve fund. In computing the annual debt service for any fiscal year, bonds
6 deemed to have been paid in accordance with the defeasance provisions of the bond
7 resolution authorizing the issuance of the bonds shall not be included in bonds
8 outstanding on the date of computation. The annual debt service for any fiscal year
9 is the amount of money equal to the aggregate of all of the following calculated on the
10 assumption that the bonds will, after the date of computation, cease to be
11 outstanding by reason, but only by reason, of the payment of bonds when due, and
12 the payment when due, and application in accordance with the bond resolution
13 authorizing those bonds, of all of the sinking fund payments payable at or after the
14 date of computation:

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

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

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

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1 **(6) VALUATION OF SECURITIES.** In computing the amount of a special debt service
2 reserve fund for the purposes of this section, securities in which all or a portion of the
3 special debt service reserve fund is invested shall be valued at par, or, if purchased
4 at less than par, at their cost to the district.

5 **(7) STATE MORAL OBLIGATION PLEDGE.** If at any time of valuation the special debt
6 service reserve fund requirement under sub. (5) for a special debt service reserve
7 fund exceeds the amount of moneys in the special debt service reserve fund, the
8 district board shall certify to the secretary of administration, the governor, the joint
9 committee on finance and the governing body of the county in the district the amount
10 necessary to restore the special debt service reserve fund to an amount equal to the
11 special debt service reserve fund requirement under sub. (5) for the special debt
12 service reserve fund. If this certification is received by the secretary of
13 administration in an even-numbered year prior to the completion of the budget
14 compilation under s. 16.43, the secretary shall include the certified amount in the
15 budget compilation. In any case, the joint committee on finance shall introduce in
16 either house, in bill form, an appropriation of the amount so certified to the
17 appropriate special debt service reserve fund of the district. Recognizing its moral
18 obligation to do so, the legislature hereby expresses its expectation and aspiration
19 that, if ever called upon to do so, it shall make this appropriation.

20 **(8) INFORMATION TO JOINT COMMITTEE ON FINANCE.** The district shall provide to
21 the cochairpersons of the joint committee on finance information concerning the
22 district's projected cashflows and security features underlying each issuance of
23 bonds under this subchapter.

24 **229.831 Bonds not public debt.** (1) The state and the county and
25 municipalities located wholly or partly within the district's jurisdiction are not liable

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1 on bonds and the bonds are not a debt of the state or the county or any municipality
2 located wholly or partly within the district. All bonds shall contain a statement to
3 this effect on the face of the bond. A bond issue does not, directly or indirectly or
4 contingently, obligate the state or a political subdivision of the state to levy any tax
5 or make any appropriation for payment of the bonds.

6 (2) Nothing in this subchapter authorizes a district to create a debt of the state
7 or the county or any municipality located wholly or partly within the district's
8 jurisdiction, and all bonds issued by a district are payable, and shall state that they
9 are payable, solely from the funds pledged for their payment in accordance with the
10 bond resolution authorizing their issuance or in any trust indenture or mortgage or
11 deed of trust executed as security for the bonds. Neither the state nor the county or
12 any such municipality is liable for the payment of the principal of or interest on a
13 bond or for the performance of any pledge, mortgage, obligation or agreement that
14 may be undertaken by a district. The breach of any pledge, mortgage, obligation or
15 agreement undertaken by a district does not impose pecuniary liability upon the
16 state or the county or any such municipality in the district's jurisdiction or a charge
17 upon its general credit or against its taxing power.

18 (3) Bonds issued by the district may be secured only by the district's interest
19 in any football stadium facilities, by income from these facilities, by proceeds of bonds
20 issued by the district and by other amounts placed in a special redemption fund and
21 investment earnings on such amounts, including any taxes imposed by the district
22 under subch. V of ch. 77. The district may not pledge its full faith and credit on the
23 bonds and the bonds are not a general obligation liability of the district.

24 **229.832 State pledge.** The state pledges to and agrees with the bondholders,
25 and persons that enter into contracts with a district under this subchapter, that the

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1 state will not limit or alter the rights and powers vested in a district by this
2 subchapter, including the rights and powers under s. 229.824 (15), before the district
3 has fully met and discharged the bonds, and any interest due on the bonds, and has
4 fully performed its contracts, unless adequate provision is made by law for the
5 protection of the bondholders or those entering into contracts with a district.

6 **229.833 Trust funds.** All moneys received under this subchapter, whether as
7 proceeds from the sale of bonds or from any other source, are trust funds to be held
8 and applied solely as provided in this subchapter. Any officer with whom, or any
9 bank or trust company with which, those moneys are deposited shall act as trustee
10 of those moneys and shall hold and apply the moneys for the purposes of this
11 subchapter, subject to this subchapter and the bond resolution authorizing issuance
12 of the bonds.

13 **229.834 Budgets; rates and charges; audit.** A district shall adopt a
14 calendar year as its fiscal year for accounting purposes. The district board shall
15 annually prepare a budget for the district. Rates and other charges received by the
16 district shall be used for the general expenses and capital expenditures of the district
17 and to pay interest, amortization, and retirement charges on bonds. A district shall
18 maintain an accounting system in accordance with generally accepted accounting
19 principles and shall have its financial statements and debt covenants audited
20 annually by an independent certified public accountant.

21 **SECTION 35.** 779.14 (1m) (d) 2. b. of the statutes is amended to read:

22 779.14 (1m) (d) 2. b. The Except as provided in sub. (4), the contract shall
23 require the prime contractor to provide a payment and performance bond meeting
24 the requirements of par. (e), unless the public body authorized to enter into the
25 contract allows the prime contractor to substitute a different payment assurance for

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1 the payment and performance bond. The public body may allow a prime contractor
2 to substitute a different payment and performance assurance for the payment and
3 performance bond only if the substituted payment and performance assurance is for
4 an amount at least equal to the contract price and is in the form of a bond, an
5 irrevocable letter of credit or an escrow account acceptable to the public body. The
6 public body shall establish written standards under this subd. 2. b. governing when
7 a different payment and performance assurance may be substituted for a payment
8 and performance bond under par. (e).

9 **SECTION 36.** 779.14 (1m) (d) 3. of the statutes is amended to read:

10 779.14 (1m) (d) 3. ~~In~~ Except as provided in sub. (4), in the case of a contract with
11 a contract price exceeding \$100,000, as indexed under sub. (1s), the contract shall
12 require the prime contractor to obtain a payment and performance bond meeting the
13 requirements under par. (e).

14 **SECTION 37.** 779.14 (4) of the statutes is created to read:

15 779.14 (4) BONDING EXEMPTION. A contract with a local professional football
16 stadium district under subch. IV of ch. 229 is not required under sub. (1m) (d) 2. b.
17 or 3. to include a provision requiring the prime contractor to provide or obtain a
18 payment and performance bond or other payment assurance.

19 (END)