



September 1995 Special Session

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 1**

September 22, 1995 - Offered by COMMITTEE ON FINANCE.

1 **AN ACT to repeal** 71.05 (1) (d) (title) and 71.05 (1) (e) (title); **to renumber and**
2 **amend** 71.05 (1) (c), 71.05 (1) (d) and 71.05 (1) (e); **to amend** 13.94 (4) (a) 1.,
3 16.70 (14), 19.42 (13) (a), 19.59 (1) (a), 20.505 (1) (ka), 20.505 (1) (kc), 20.835 (4)
4 (g), 25.50 (1) (d), 66.066 (1) (a), 66.066 (1) (c), 66.067, 66.30 (1) (a), 71.26 (1) (bm),
5 71.36 (1m), chapter 77 (title), subchapter V (title) of chapter 77 [precedes 77.70],
6 77.71 (intro.) and (1), 77.71 (2), 77.71 (3) and (4), 77.73, 77.75, 77.76 (1), 77.76
7 (2), 77.77, 77.78, 234.65 (1) (c) and 234.65 (6) (b); and **to create** 13.94 (10), 16.82
8 (6), 16.82 (7), 16.854, 18.03 (5s), 19.59 (1) (g), 20.566 (1) (gd), 20.835 (4) (gb),
9 24.61 (2) (a) 7., 25.17 (3) (b) 10., 66.04 (2) (a) 3p., 66.066 (5), 71.05 (1) (c) 4., 71.26
10 (1m) (g), 71.45 (1t) (g), 77.705, 77.707, 77.76 (3m), 219.09 (1) (c), subchapter III
11 of chapter 229 [precedes 229.64], 234.65 (1) (h), 234.65 (1) (hm), 234.65 (8) to
12 (10) and 704.31 (3) of the statutes; **relating to:** creating a local professional
13 baseball park district in certain jurisdictions; giving a local professional
14 baseball park district the authority to issue bonds and granting income tax
15 exemptions for interest income on bonds issued by the district; making a state
16 moral obligation pledge with respect to bonds issued by a local professional

1 baseball park district; giving a local professional baseball park district the
2 authority to impose a sales tax and a use tax; creating an income and franchise
3 tax exemption for a local professional baseball park district; creating an
4 exception for a local professional baseball park district from certain
5 landlord-tenant provisions; increasing a limitation on certain economic
6 development bonding by the Wisconsin Housing and Economic Development
7 Authority; making appropriations; and providing a penalty.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

8 **SECTION 1.** 13.94 (4) (a) 1. of the statutes is amended to read:

9 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
10 credentialing board, commission, independent agency, council or office in the
11 executive branch of state government; all bodies created by the legislature in the
12 legislative or judicial branch of state government; any public body corporate and
13 politic created by the legislature including specifically a professional baseball park
14 district; every provider of medical assistance under ch. 49; technical college district
15 boards; development zones designated under s. 560.71; every county department
16 under s. 51.42 or 51.437; every nonprofit corporation or cooperative to which moneys
17 are specifically appropriated by state law; and every corporation, institution,
18 association or other organization which receives more than 50% of its annual budget
19 from appropriations made by state law, including subgrantee or subcontractor
20 recipients of such funds.

21 **SECTION 2.** 13.94 (10) of the statutes is created to read:

22 13.94 (10) FINANCIAL STATUS OF LOCAL PROFESSIONAL BASEBALL PARK DISTRICTS.

23 As promptly as possible following the end of each state fiscal biennium in which there

1 are outstanding bonds or notes issued by a local professional baseball park district
2 created under subch. III of ch. 229 that are subject to s. 229.74 (7), the legislative
3 audit bureau shall submit a report to the cochairpersons of the joint committee on
4 finance concerning the financial status of that district.

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

6 16.70 (14) “State” does not include a district created under subch. II or III of
7 ch. 229.

8 **SECTION 4.** 16.82 (6) of the statutes is created to read:

9 16.82 (6) May provide any services to a local professional baseball park district
10 created under subch. III of ch. 229, for compensation to be agreed upon between the
11 department and the district, if the district has entered into a lease agreement with
12 the department under sub. (7). No order or contract to provide any such services is
13 subject to s. 16.705, 16.75 (1) to (5) and (8) to (10), 16.752, 16.754 or 16.765.

14 **SECTION 5.** 16.82 (7) of the statutes is created to read:

15 16.82 (7) May enter into a lease agreement with a local professional baseball
16 park district created under subch. III of ch. 229 for the lease of land or other property
17 granted to the state and especially dedicated by the grant to use for a professional
18 baseball park. The lease agreement may be for such rental payments and for such
19 term as the secretary determines.

20 **SECTION 6.** 16.854 of the statutes is created to read:

21 **16.854 Services provided to professional baseball park districts. (1)**

22 In this section:

23 (a) “Minority business” has the meaning given in s. 560.036 (1) (e).

24 (b) “Minority group member” has the meaning given in s. 560.036 (1) (f).

1 (c) “Women’s business” means a sole proprietorship, partnership, joint venture
2 or corporation that is at least 51% owned, controlled and actively managed by
3 women.

4 (2) The department may, upon request of any local professional baseball park
5 district, if the district has entered into a lease agreement with the department under
6 s. 16.82 (7), take charge of and supervise engineering or architectural services or
7 construction work, as defined in s. 16.87, performed by, or for, the district for
8 compensation to be agreed upon between the department and the district. In
9 connection with such services or work, the department may furnish engineering,
10 architectural, project management and other building construction services
11 whenever requisitions therefor are presented to the department by the district. If
12 the district has entered into a lease agreement with the department under s. 16.82
13 (7), the department may also assist the district, upon request of the district, in letting
14 contracts for engineering, architectural or construction work authorized by law and
15 in supervising the work done thereunder. The department may award any such
16 contract for any combination or division of work it designates and may consider any
17 factors in awarding a contract including price, time for completion of work and the
18 qualifications and past performance of a contractor. In awarding contracts under
19 this section for the construction of baseball park facilities, as defined in s. 229.65 (1),
20 the department shall ensure that any person who is awarded a contract agrees, as
21 a condition to receiving the contract, that his or her goal shall be to attempt to ensure
22 that at least 25% of the employees hired because of the contract will be minority group
23 members and at least 5% of the employees hired because of the contract will be women.
24 It shall also be a goal of the department to attempt to ensure that at least 25% of the
25 aggregate dollar value of contracts awarded for the construction of such facilities in

1 the following areas are awarded to minority businesses and at least 5% of the
2 aggregate dollar value of contracts awarded for the construction of such facilities in
3 the following areas are awarded to women's businesses:

4 (a) Contracts for the construction of baseball park facilities.

5 (b) Contracts for professional services related to the construction of baseball
6 park facilities.

7 (c) Contracts for the development of baseball park facilities.

8 **(3)** It shall be a goal of the department, with regard to each of the contracts
9 described under sub. (2) (a), (b) and (c), to award at least 25% of the dollar value of
10 such contracts to minority businesses and at least 5% of the dollar value of such
11 contracts to women's businesses. Sections 16.85, 16.855 and 16.87 do not apply to
12 services provided or contracted by the department under this section.

13 **SECTION 7.** 18.03 (5s) of the statutes is created to read:

14 18.03 **(5s)** Upon the request of a local professional baseball park district
15 created under subch. III of ch. 229, the commission may serve as financial consultant
16 to assist and coordinate the issuance of the bonds of a district.

17 **SECTION 8.** 19.42 (13) (a) of the statutes is amended to read:

18 19.42 **(13)** (a) All positions to which individuals are regularly appointed by the
19 governor, except the position of trustee of any private higher educational institution
20 receiving state appropriations and the position of member of the district board of a
21 local professional baseball park district created under subch. III of ch. 229.

22 **SECTION 9.** 19.59 (1) (a) of the statutes is amended to read:

23 19.59 **(1)** (a) No local public official may use his or her public position or office
24 to obtain financial gain or anything of substantial value for the private benefit of
25 himself or herself or his or her immediate family, or for an organization with which

1 he or she is associated. A violation of this paragraph includes the acceptance of free
2 or discounted admissions to a professional baseball game by a member of the district
3 board of a local professional baseball park district created under subch. III of ch. 229.

4 This paragraph does not prohibit a local public official from using the title or prestige
5 of his or her office to obtain campaign contributions that are permitted and reported
6 as required by ch. 11.

7 **SECTION 10.** 19.59 (1) (g) of the statutes is created to read:

8 19.59 (1) (g) 1. In this paragraph:

9 a. “District” means a local professional baseball park district created under
10 subch. III of ch. 229.

11 b. “District board member” means a member of the district board of a district.

12 2. No district board member may accept or retain any transportation, lodging,
13 meals, food or beverage, or reimbursement therefor, except in accordance with this
14 paragraph.

15 3. A district board member may receive and retain reimbursement or payment
16 of actual and reasonable expenses for a published work or for the presentation of a
17 talk or participation in a meeting related to processes, proposals and issues affecting
18 a district if the payment or reimbursement is paid or arranged by the organizer of
19 the event or the publisher of the work.

20 4. A district board member may receive and retain anything of value if the
21 activity or occasion for which it is given is unrelated to the member’s use of the time,
22 facilities, services or supplies of the district not generally available to all residents
23 of the district and the member can show by clear and convincing evidence that the
24 payment or reimbursement was unrelated to and did not arise from the recipient’s

1 holding or having held a public office and was paid for a purpose unrelated to the
2 purposes specified in subd. (3).

3 5. A district board member may receive and retain from the district or on behalf
4 of the district transportation, lodging, meals, food or beverage, or reimbursement
5 therefor or payment or reimbursement of actual and reasonable costs that the
6 member can show by clear and convincing evidence were incurred or received on
7 behalf of the district and primarily for the benefit of the district and not primarily
8 for the private benefit of the member or any other person.

9 6. No district board member may intentionally use or disclose information
10 gained in the course of or by reason of his or her official position or activities in any
11 way that could result in the receipt of anything of value for himself or herself, for his
12 or her immediate family, or for any other person, if the information has not been
13 communicated to the public or is not public information.

14 7. No district board member may use or attempt to use the position held by the
15 member to influence or gain unlawful benefits, advantages or privileges personally
16 or for others.

17 8. No district board member, member of a district board member's immediate
18 family, nor any organization with which the district board member or a member of
19 the district board member's immediate family owns or controls at least 10% of the
20 outstanding equity, voting rights, or outstanding indebtedness may enter into any
21 contract or lease involving a payment or payments of more than \$3,000 within a
22 12-month period, in whole or in part derived from district funds unless the district
23 board member has first made written disclosure of the nature and extent of such
24 relationship or interest to the ethics board and to the district. Any contract or lease
25 entered into in violation of this subdivision may be voided by the district in an action

1 commenced within 3 years of the date on which the ethics board, or the district, knew
2 or should have known that a violation of this subdivision had occurred. This
3 subdivision does not affect the application of s. 946.13.

4 9. No former district board member, for 12 months following the date on which
5 he or she ceases to be a district board member, may, for compensation, on behalf of
6 any person other than a governmental entity, make any formal or informal
7 appearance before, or negotiate with, any officer or employe of the district with which
8 he or she was associated as a district board member within 12 months prior to the
9 date on which he or she ceased to be a district board member.

10 10. No former district board member, for 12 months following the date on which
11 he or she ceases to be a district board member, may, for compensation, on behalf of
12 any person other than a governmental entity, make any formal or informal
13 appearance before, or negotiate with, any officer or employe of a district with which
14 he or she was associated as a district board member in connection with any judicial
15 or quasi-judicial proceeding, application, contract, claim, or charge which might give
16 rise to a judicial or quasi-judicial proceeding which was under the former member's
17 responsibility as a district board member within 12 months prior to the date on which
18 he or she ceased to be a member.

19 11. No former district board member may, for compensation, act on behalf of
20 any party other than the district with which he or she was associated as a district
21 board member in connection with any judicial or quasi-judicial proceeding,
22 application, contract, claim, or charge which might give rise to a judicial or
23 quasi-judicial proceeding in which the former member participated personally and
24 substantially as a district board member.

1 **SECTION 11.** 20.005 (3) (schedule) of the statutes: at the appropriate place,
2 insert the following amounts for the purposes indicated:

				1995-96	1996-97
3					
4	20.566	Revenue, department of			
5	(1)	COLLECTION OF TAXES			
6	(gd)	Administration of special district			
7	taxes	PR	A	-0-	-0-

8 **SECTION 12.** 20.505 (1) (ka) of the statutes, as affected by 1995 Wisconsin Act
9 27, is amended to read:

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

20 **SECTION 13.** 20.505 (1) (kc) of the statutes, as affected by 1995 Wisconsin Act
21 27, is amended to read:

22 20.505 (1) (kc) *Capital planning and building construction services.* The
23 amounts in the schedule to provide capital planning services under s. 13.48 (5) and
24 building construction services under subch. V of ch. 16 on behalf of state agencies *and*

1 local professional baseball park districts created under subch. III of ch. 229. The
2 secretary of administration may credit moneys received for the provision of building
3 construction and capital planning services on behalf of state agencies and such
4 districts to this appropriation account.

5 **SECTION 14.** 20.566 (1) (gd) of the statutes is created to read:

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

10 **SECTION 15.** 20.835 (4) (g) of the statutes is amended to read:

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

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

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

24 **SECTION 17.** 24.61 (2) (a) 7. of the statutes is created to read:

1 24.61 (2) (a) 7. Bonds issued by a local professional baseball park district
2 created under subch. III of ch. 229.

3 **SECTION 18.** 25.17 (3) (b) 10. of the statutes is created to read:

4 25.17 (3) (b) 10. Bonds issued by a local professional baseball park district
5 created under subch. III of ch. 229.

6 **SECTION 19.** 25.50 (1) (d) of the statutes, as affected by 1995 Wisconsin Act 27,
7 is amended to read:

8 25.50 (1) (d) “Local government” means any county, town, village, city, power
9 district, sewerage district, drainage district, town sanitary district, public inland
10 lake protection and rehabilitation district, local professional baseball park district
11 created under subch. III of ch. 229, public library system, school district or technical
12 college district in this state, any commission, committee, board or officer of any
13 governmental subdivision of this state, any court of this state, other than the court
14 of appeals or the supreme court, or any authority created under s. 231.02, 233.02 or
15 234.02.

16 **SECTION 20.** 66.04 (2) (a) 3p. of the statutes is created to read:

17 66.04 (2) (a) 3p. Bonds issued by a local professional baseball park district
18 created under subch. III of ch. 229.

19 **SECTION 21.** 66.066 (1) (a) of the statutes is amended to read:

20 66.066 (1) (a) “Municipality” means any city, village, town, county, commission
21 created by contract under s. 66.30, public inland lake protection and rehabilitation
22 district established under s. 33.23, 33.235 or 33.24, metropolitan sewerage district
23 created under ss. 66.20 to 66.26 or 66.88 to 66.918, town sanitary district under
24 subch. IX of ch. 60, a local professional baseball park district created under subch.
25 III of ch. 229 or a municipal water district or power district under ch. 198 and any

1 other public or quasi-public corporation, officer, board or other public body
2 empowered to borrow money and issue obligations to repay the same out of revenues.
3 “Municipality” does not include the state or a local exposition district under
4 subch. II of ch. 229.

5 **SECTION 22.** 66.066 (1) (c) of the statutes is amended to read:

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

11 **SECTION 23.** 66.066 (5) of the statutes is created to read:

12 66.066 (5) Revenue bonds issued by a local professional baseball park district
13 created under subch. III of ch. 229 are subject to the provisions in ss. 229.72 to 229.81.

14 **SECTION 24.** 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, regional projects, waste collection and disposal
20 operations, systems of sewerage, local professional baseball park facilities and any
21 and all other necessary public works projects undertaken by any municipality are
22 public utilities within the meaning of s. 66.066.

23 **SECTION 25.** 66.30 (1) (a) of the statutes is amended to read:

24 66.30 (1) (a) In this section “municipality” means the state or any department
25 or agency thereof, or any city, village, town, county, school district, public library

1 system, public inland lake protection and rehabilitation district, sanitary district,
2 farm drainage district, metropolitan sewerage district, sewer utility district, solid
3 waste management system created under s. 59.07 (135), local exposition district
4 created under subch. II of ch. 229, local professional baseball park district created
5 under subch. III of ch. 229, water utility district, mosquito control district, municipal
6 electric company, county or city transit commission, commission created by contract
7 under this section, taxation district or regional planning commission.

8 **SECTION 26.** 71.05 (1) (c) of the statutes is renumbered 71.05 (1) (c) (intro.) and
9 amended to read:

10 71.05 (1) (c) *Certain interest income.* (intro.) Interest received on bonds or
11 notes issued by the any of the following:

12 1. The Wisconsin housing and economic development authority under s.
13 234.65, if the bonds are used to fund an economic development loan to finance
14 construction, renovation or development of property that would be exempt under s.
15 70.11 (36).

16 **SECTION 27.** 71.05 (1) (c) 4. of the statutes is created to read:

17 71.05 (1) (c) 4. A local professional baseball park district created under subch.
18 III of ch. 229.

19 **SECTION 28.** 71.05 (1) (d) (title) of the statutes is repealed.

20 **SECTION 29.** 71.05 (1) (d) of the statutes is renumbered 71.05 (1) (c) 2. and
21 amended to read:

22 71.05 (1) (c) 2. ~~Interest received on bonds issued by the~~ The Wisconsin housing
23 and economic development authority, if the bonds are to fund a loan under s. 234.935.

24 **SECTION 30.** 71.05 (1) (e) (title) of the statutes is repealed.

1 **SECTION 31.** 71.05 (1) (e) of the statutes is renumbered 71.05 (1) (c) 3. and
2 amended to read:

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

5 **SECTION 32.** 71.26 (1) (bm) of the statutes is amended to read:

6 71.26 (1) (bm) (title) *Certain local districts.* Income of a local exposition district
7 created under subch. II of ch. 229 or a local professional baseball park district created
8 under subch. III of ch. 229.

9 **SECTION 33.** 71.26 (1m) (g) of the statutes is created to read:

10 71.26 (1m) (g) Those issued under s. 66.066 by a local professional baseball
11 park district.

12 **SECTION 34.** 71.36 (1m) of the statutes, as affected by 1995 Wisconsin Act 27,
13 is amended to read:

14 71.36 (1m) A tax-option corporation may deduct from its net income all
15 amounts included in the Wisconsin adjusted gross income of its shareholders, the
16 capital gain deduction under s. 71.05 (6) (b) 9. and all amounts not taxable to
17 nonresident shareholders under ss. 71.04 (1) and (4) to (9) and 71.362. For purposes
18 of this subsection, interest on federal obligations, obligations issued under s. 66.066
19 by a local professional baseball park district, obligations issued under ss. 66.40,
20 66.431 and 66.4325, obligations issued under s. 234.65 to fund an economic
21 development loan to finance construction, renovation or development of property
22 that would be exempt under s. 70.11 (36) and obligations issued under subch. II of
23 ch. 229 is not included in shareholders' income. The proportionate share of the net
24 loss of a tax-option corporation shall be attributed and made available to
25 shareholders on a Wisconsin basis but subject to the limitation and carry-over rules

1 as prescribed by section 1366 (d) of the internal revenue code. Net operating losses
2 of the corporation to the extent attributed or made available to a shareholder may
3 not be used by the corporation for further tax benefit. For purposes of computing the
4 Wisconsin adjusted gross income of shareholders, tax-option items shall be reported
5 by the shareholders and those tax-option items, including capital gains and losses,
6 shall retain the character they would have if attributed to the corporation, including
7 their character as business income. In computing the tax liability of a shareholder,
8 no credit against gross tax that would be available to the tax-option corporation if
9 it were a nontax-option corporation may be claimed.

10 **SECTION 35.** 71.45 (1t) (g) of the statutes is created to read:

11 71.45 (1t) (g) Those issued under s. 66.066 by a local professional baseball park
12 district.

13 **SECTION 36.** Chapter 77 (title) of the statutes is amended to read:

14 **CHAPTER 77**

15 **TAXATION OF FOREST CROPLANDS;**

16 **REAL ESTATE TRANSFER FEES;**

17 **SALES AND USE TAXES;**

18 **COUNTY AND SPECIAL DISTRICT**

19 **SALES AND USE TAXES;**

20 **MANAGED FOREST LAND;**

21 **TEMPORARY RECYCLING SURCHARGE;**

22 **LOCAL FOOD AND BEVERAGE TAX;**

23 **LOCAL RENTAL CAR TAX**

24 **SECTION 37.** Subchapter V (title) of chapter 77 [precedes 77.70] of the statutes
25 is amended to read:

1 **(1)** For the privilege of selling, leasing or renting tangible personal property
2 and for the privilege of selling, performing or furnishing services a sales tax is
3 imposed upon retailers at the rate of 0.5% in the case of a county tax or at the rate
4 under s. 77.705 in the case of a special district tax of the gross receipts from the sale,
5 lease or rental of tangible personal property, except property taxed under sub. (4),
6 sold, leased or rented at retail in the county or special district or from selling,
7 performing or furnishing services described under s. 77.52 (2) in the county or special
8 district.

9 **SECTION 41.** 77.71 (2) of the statutes, as affected by 1995 Wisconsin Act 27, is
10 amended to read:

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

23 **SECTION 42.** 77.71 (3) and (4) of the statutes are amended to read:

24 77.71 **(3)** An excise tax is imposed upon a contractor engaged in construction
25 activities within the county or special district, at the rate of 0.5% in the case of a

1 county tax or at the rate under s. 77.705 in the case of a special district tax of the sales
2 price of tangible personal property that is used in constructing, altering, repairing
3 or improving real property and that becomes a component part of real property in
4 that county or special district, unless the contractor has paid the sales tax of a county
5 in the case of a county tax or of a special district in the case of a special district tax
6 in this state on that property, and except that if the buyer has paid a similar local
7 sales tax in another state on a purchase of the same property that tax shall be
8 credited against the tax under this subsection.

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

19 **SECTION 43.** 77.73 of the statutes is amended to read:

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

1 **(2)** Counties and special districts do not have jurisdiction to impose the tax
2 under s. 77.71 (2) in regard to tangible personal property purchased in a sale that is
3 consummated in another county or special district in this state that does not have
4 in effect an ordinance or resolution imposing the taxes under this subchapter and
5 later brought by the buyer into the county or special district that has imposed a tax
6 under s. 77.71 (2).

7 **SECTION 44.** 77.75 of the statutes is amended to read:

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

14 **SECTION 45.** 77.76 (1) of the statutes is amended to read:

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

21 **SECTION 46.** 77.76 (2) of the statutes is amended to read:

22 **77.76 (2)** Judicial and administrative review of departmental determinations
23 shall be as provided in subch. III for state sales and use taxes, and no county or
24 special district may intervene in any matter related to the levy, enforcement and
25 collection of the taxes under this subchapter.

1 **SECTION 47.** 77.76 (3m) of the statutes is created to read:

2 77.76 (3m) From the appropriation under s. 20.835 (4) (gb) the department, for
3 the first 2 years of collection, shall distribute 97% of the special district taxes
4 reported for each special district that has imposed taxes under this subchapter,
5 minus the special district portion of the retailers' discounts, to the special district no
6 later than the end of the 3rd month following the end of the calendar quarter in which
7 such amounts were reported. From the appropriation under s. 20.835 (4) (gb) the
8 department, after the first 2 years of collection, shall distribute 98.5% of the special
9 district taxes reported for each special district that has imposed taxes under this
10 subchapter, minus the special district portion of the retailers' discount, to the special
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 shall indicate the taxes reported by each taxpayer. In this subsection,
14 the "special district portion of the retailers' discount" is the amount determined by
15 multiplying the total retailers' discount by a fraction the numerator of which is the
16 gross special district sales and use taxes payable and the denominator of which is the
17 sum of the gross state and special district sales and use taxes payable. The special
18 district taxes distributed shall be increased or decreased to reflect subsequent
19 refunds, audit adjustments and all other adjustments of the special district taxes
20 previously distributed. Interest paid on refunds of special district sales and use taxes
21 shall be paid from the appropriation under s. 20.835 (4) (gb) at the rate paid by this
22 state under s. 77.60 (1) (a). Any special district receiving a report under this
23 subsection is subject to the duties of confidentiality to which the department of
24 revenue is subject under s. 77.61 (5).

25 **SECTION 48.** 77.77 of the statutes is amended to read:

1 **77.77 Transitional provisions.** (1) The gross receipts from services subject
2 to the tax under s. 77.52 (2) are not subject to the ~~county taxes~~ under this subchapter,
3 and the incremental amount of tax caused by a rate increase applicable to those
4 services is not due, if those services are billed to the customer and paid for before the
5 effective date of the county ordinance, special district resolution or rate increase,
6 whether the service is furnished to the customer before or after that date.

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

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

22 **SECTION 49.** 77.78 of the statutes is amended to read:

23 **77.78 Registration.** No motor vehicle, boat, snowmobile, mobile home not
24 exceeding 45 feet in length, trailer, semitrailer, all-terrain vehicle or aircraft that is
25 required to be registered by this state may be registered or titled by this state unless

1 the registrant files a sales and use tax report and pays the county tax and special
2 district tax at the time of registering or titling to the state agency that registers or
3 titles the property. That state agency shall transmit those tax revenues to the
4 department of revenue.

5 **SECTION 50.** 219.09 (1) (c) of the statutes is created to read:

6 219.09 (1) (c) A local professional baseball park district created under subch.
7 III of ch. 229.

8 **SECTION 51.** Subchapter III of chapter 229 [precedes 229.64] of the statutes is
9 created to read:

10 **CHAPTER 229**

11 **SUBCHAPTER III**

12 **LOCAL PROFESSIONAL**

13 **BASEBALL PARK DISTRICTS**

14 **229.64 Legislative declaration.** The legislature determines that the
15 provision of assistance by state agencies to a district under this subchapter, any
16 appropriation of funds to a district under this subchapter and the moral obligation
17 pledge under s. 229.74 (7) serve a statewide public purpose by assisting the
18 development of a professional baseball park in the state for providing recreation, by
19 encouraging economic development and tourism, by reducing unemployment and by
20 bringing needed capital into the state for the benefit and welfare of people
21 throughout the state. The legislature determines that the taxes that may be imposed
22 by a district under subch. V of ch. 77 are special taxes that are generated apart from
23 any direct annual tax on taxable property.

24 **229.65 Definitions.** In this subchapter:

1 (1) “Baseball park facilities” means property, tangible or intangible, owned in
2 whole or in substantial part, operated or leased by a district that is principally for
3 professional baseball including parking lots, garages, restaurants, parks, concession
4 facilities, entertainment facilities and transportation facilities, and other
5 functionally related or auxiliary facilities or structures.

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

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

12 (4) “Chief executive officer” means the county executive of a county or, if the
13 county does not have a county executive, the chairperson of the county board of
14 supervisors.

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

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

17 **229.66 Creation and organization.** (1) There is created, for each
18 jurisdiction under s. 229.67, a special district that is a local governmental unit, that
19 is a body corporate and politic, that is separate and distinct from, and independent
20 of, the state, that has the powers under s. 229.68 and the name of which includes
21 “Professional Baseball Park District”.

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

1 (a) Seven persons appointed by the governor, 2 of whom reside within the
2 largest county within the jurisdiction of the district, and, of the remaining
3 appointees, at least one of whom resides within each of the other counties that are
4 within the jurisdiction of the district. A person appointed under this paragraph may
5 take his or her seat immediately upon appointment, subject to confirmation or
6 rejection by the senate. At least one person appointed under this paragraph shall
7 be a minority group member, as defined in s. 560.036 (1) (f).

8 (b) One person appointed by the chief executive officer of the most populous
9 county within the jurisdiction of a district, who shall serve at the pleasure of the chief
10 executive officer. A person appointed under this paragraph may take his or her seat
11 immediately upon appointment, subject to confirmation or rejection by a majority of
12 the members–elect of the county board.

13 (c) One person appointed by the chief executive officer of the 2nd most populous
14 county within the jurisdiction of a district, who shall serve at the pleasure of the chief
15 executive officer, except that in single–county jurisdictions the person under this
16 paragraph shall be appointed by the chief executive officer of that county and serve
17 at the chief executive officer’s pleasure. A person appointed under this paragraph
18 may take his or her seat immediately upon appointment, subject to confirmation or
19 rejection by a majority of the members–elect of the county board.

20 (d) One person appointed by the chief executive officer of the 3rd most populous
21 county within the jurisdiction of a district, who shall serve at the pleasure of the chief
22 executive officer, except that in single–county jurisdictions the person under this
23 paragraph shall be appointed by the chief executive officer of that county and serve
24 at the chief executive officer’s pleasure. A person appointed under this paragraph

1 may take his or her seat immediately upon appointment, subject to confirmation or
2 rejection by a majority of the members-elect of the county board.

3 (e) One person appointed by the chief executive officer of the 4th most populous
4 county within the jurisdiction of a district, who shall serve at the pleasure of the chief
5 executive officer, except that in single-county jurisdictions the person under this
6 paragraph shall be appointed by the chief executive officer of that county and serve
7 at the chief executive officer's pleasure. A person appointed under this paragraph
8 may take his or her seat immediately upon appointment, subject to confirmation or
9 rejection by a majority of the members-elect of the county board.

10 (f) One person appointed by the chief executive officer of the 5th most populous
11 county within the jurisdiction of a district, who shall serve at the pleasure of the chief
12 executive officer, except that in single-county jurisdictions the person under this
13 paragraph shall be appointed by the chief executive officer of that county and serve
14 at the chief executive officer's pleasure. A person appointed under this paragraph
15 may take his or her seat immediately upon appointment, subject to confirmation or
16 rejection by a majority of the members-elect of the county board.

17 (g) One person appointed by the mayor of the most populous city within the
18 jurisdiction of a district, who shall serve at the pleasure of the mayor. A person
19 appointed under this paragraph may take his or her seat immediately upon
20 appointment, subject to confirmation or rejection by a majority of the members-elect
21 of the common council.

22 **(3)** Upon appointment under sub. (2), the appointing authorities shall certify
23 the appointees to the secretary of administration. The terms of office of 3 of the
24 persons appointed under sub. (2) (a) shall be 2 years, and the terms of office of 4 of
25 the persons appointed under sub. (2) (a) shall be 4 years, except that for the initial

1 appointments for a newly created district the initial terms shall expire on July 1 of
2 the 2nd year beginning after creation of a district for persons appointed to 2-year
3 terms, and the initial terms shall expire on July 1 of the 4th year beginning after
4 creation of a district for persons appointed to 4-year terms. Persons appointed under
5 sub. (2) (a) may be removed from the district board before the expiration of their
6 terms by the appointing authority but only for cause, as defined in s. 17.16 (2).
7 Vacancies for persons appointed under sub. (2) (a) shall be filled by the appointing
8 authority who appointed the person whose office is vacant. A person appointed to
9 fill a vacancy under sub. (2) (a) shall serve for the remainder of the term to which he
10 or she is appointed. All of the appointing authorities shall ensure, to the greatest
11 extent possible, that the membership of the board is diverse with respect to race.

12 (4) The district board shall elect from its membership a chairperson, a vice
13 chairperson, a secretary and a treasurer. A majority of the current membership of
14 the district board constitutes a quorum to do business. The district may take action
15 based on the affirmative vote of a majority of those directors who are present at a
16 meeting of the district board.

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

19 (6) Upon the appointment and qualification of a majority of the members of a
20 district board, the district board may exercise the powers and duties of a district
21 board under this subchapter.

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

23 **229.67 Jurisdiction.** A district's jurisdiction is any county with a population
24 of more than 500,000 and all counties that are contiguous to that county, unless any
25 of the contiguous counties are already included in a district, in which case the

1 district’s jurisdiction shall consist solely of the county with the population of more
2 than 500,000. Once a county is included in a district’s jurisdiction the county
3 remains in the district until the district is dissolved under s. 229.71. In this section,
4 “contiguous” includes a county that touches another county only at a corner.

5 **229.68 Powers of a district.** A district has all of the powers necessary or
6 convenient to carry out the purposes and provisions of this subchapter. In addition
7 to all other powers granted by this subchapter, a district may do all of the following:

8 (1) Adopt and alter an official seal.

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

10 (3) Maintain an office.

11 (4) In connection with baseball park facilities:

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

15 (b) Acquire; lease, as lessor or lessee; use; or transfer property; except that the
16 district may not enter into any lease that does not receive the affirmative vote of at
17 least 8 members of the district board.

18 (c) Improve real property.

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

24 (e) Grant concessions.

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

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

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

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

11 **(8)** Issue revenue bonds under s. 66.066, subject to ss. 229.72 to 229.79, and
12 enter into agreements related to the issuance of bonds, including liquidity and credit
13 facilities, remarketing agreements, insurance policies, guaranty agreements, letter
14 of credit or reimbursement agreements, indexing agreements, interest exchange
15 agreements and currency exchange agreements, except that the district may issue
16 bonds under this subsection only if all of the following conditions are met:

17 (a) At least 8 members of the district board vote in favor of issuing bonds.

18 (b) A majority of the members of the district board determines, based on the
19 best available information, that the total cost of the initial construction of baseball
20 park facilities does not exceed \$250,000,000.

21 (c) A majority of the members of the district board determines that the district's
22 lease arrangement with the professional baseball team franchise that uses baseball
23 park facilities constructed under this subchapter as its home facilities incorporates
24 a term of at least 30 years.

1 (d) If the issuance is subject to the pledge under s. 229.74 (7), the joint
2 committee on finance approves the issuance.

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

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

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

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

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

15 **(15)** Impose, by the adoption of a resolution, the taxes under subch. V of ch. 77.
16 A district may not levy any taxes that are not expressly authorized under subch. V
17 of ch. 77 and that do not receive the affirmative vote of at least 8 members of the
18 district board. If a district adopts a resolution which imposes taxes, it shall deliver
19 a certified copy of the resolution to the secretary of revenue at least 30 days before
20 its effective date.

21 **(16)** Accept gifts, loans and other aid, which may be used only for the following
22 purposes:

23 (a) Retiring the bonds used to construct the baseball park facilities.

24 (b) Maintaining the baseball park facilities.

25 (c) Operating the baseball park facilities.

1 (d) Making capital improvements to the baseball park facilities

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

4 **229.682 Special provisions. (1) GIFTS AND DONATIONS.** The district board
5 shall explore and consider ways to solicit and encourage gifts and donations for the
6 construction of baseball park facilities and, to the extent feasible, implement means
7 to solicit such gifts and donations.

8 (2) PREVAILING WAGES. The construction of a baseball park facility that is
9 financed in whole or in part by a district is subject to s. 66.293.

10 **229.685 Special fund tax revenues. (1)** The district board shall maintain
11 a special fund into which it deposits only the revenue received from the department
12 of revenue, that is derived from the taxes imposed under subch. V of ch. 77, and may
13 use this revenue only for purposes related to baseball park facilities.

14 (2) If the district board determines that the revenues in the special fund under
15 this section exceed current operating expenses for the operation of baseball park
16 facilities, the district board shall apply the excess to either fund a fund for
17 maintenance costs and capital improvements or to retire bonds issued for the initial
18 construction of baseball park facilities, and any bonds issued to fund or refund those
19 bonds, prior to their maturity. As soon as practicable after the retirement of all bonds
20 issued for the initial construction of baseball park facilities and all bonds issued to
21 fund or refund those bonds and after funding a fund for maintenance costs and
22 capital improvements sufficiently to meet any maintenance or capital improvement
23 obligations between the district and any professional baseball team using baseball
24 park 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.

1 **229.69 Powers granted to a city or a county in a district.** In addition to
2 any powers that it may otherwise have, a city or a county within a district’s
3 jurisdiction may do any of the following:

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

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

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

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

11 **229.70 Minority contracting goals.** (1) In this section:

12 (a) “Minority business” has the meaning given in s. 560.036 (1) (e).

13 (b) “Minority group member” has the meaning given in s. 560.036 (1) (f).

14 (c) “Women’s business” means a sole proprietorship, partnership, joint venture
15 or corporation that is at least 51% owned, controlled and actively managed by
16 women.

17 (2) The district shall ensure that, for construction work and professional
18 services contracts, a person who is awarded such a contract by a district shall agree,
19 as a condition to receiving the contract, that his or her goal shall be to attempt to
20 ensure that at least 25% of the employes hired because of the contract will be
21 minority group members and at least 5% of the employes hired because of the
22 contract will be women if the contract is for the construction of any part of baseball
23 park facilities.

24 (3) It shall be a goal of the district to attempt to ensure that at least 25% of the
25 aggregate dollar value of contracts awarded by the district in the following areas

1 shall be awarded to minority businesses and at least 5% of the aggregate dollar value
2 of contracts awarded by the district in the following areas shall be awarded to
3 women's businesses:

4 (a) Contracts for the construction of baseball park facilities.

5 (b) Contracts for professional services related to the construction of baseball
6 park facilities.

7 (c) Contracts for the development of baseball park facilities.

8 (4) It shall be a goal of a district, with regard to each of the contracts described
9 under sub. (3) (a), (b) and (c), to award at least 25% of the dollar value of such
10 contracts to minority businesses and at least 5% of the dollar value of such contracts
11 to women's businesses.

12 (5) (a) The district shall hire an independent person to monitor the district's
13 compliance with minority contracting goals under subs. (2), (3) and (4) and the
14 department of administration's compliance with minority contracting goals under s.
15 16.854 (2) and (3). The person hired shall have previous experience working with
16 minority group members. The district shall develop a mechanism to receive regular
17 reports from the person hired with respect to the results of the person's studies of
18 compliance with minority contracting goals.

19 (b) If the district or a contractor is unable to meet the goals under sub. (2), (3)
20 or (4), the person hired under par. (a) shall assess whether the district or contractor
21 made a good faith effort to reach the goals. In determining whether a good faith effort
22 was made to meet the goals, the person hired shall consider all of the following:

23 1. The supply of eligible minority businesses and women's businesses that have
24 the financial capacity, technical capacity and previous experience in the areas in
25 which contracts were awarded.

1 2. The competing demands for the services provided by eligible minority
2 businesses and women's businesses, as described in subd. 1., in areas in which
3 contracts were awarded.

4 3. The extent to which the district or contractors advertised for and
5 aggressively solicited bids from eligible minority businesses and women's
6 businesses, as described in subd. 1., and the extent to which eligible minority
7 businesses and women's businesses submitted bids.

8 **(6)** The district shall solicit from major league baseball its minority hiring goals
9 in connection with the operation of baseball stadiums and its minority contracting
10 goals in connection with vending contractors at baseball stadiums.

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

17 **229.72 Issuance and negotiability of bonds. (1m) NEGOTIABILITY.** All
18 bonds are negotiable for all purposes, notwithstanding their payment from a limited
19 source.

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

23 **(6) LIABILITY.** Neither the members of the district board nor any person
24 executing the bonds is liable personally on the bonds or subject to any personal

1 liability or accountability by reason of the issuance of the bonds, unless the personal
2 liability or accountability is the result of wilful misconduct.

3 **229.74 Special debt service reserve funds. (1) DESIGNATION OF SPECIAL**
4 **DEBT SERVICE RESERVE FUNDS.** A district may designate one or more accounts in funds
5 created under s. 66.066 (2) (e) as special debt service reserve funds, if, prior to each
6 issuance of bonds to be secured by the special debt service reserve fund, the secretary
7 of administration determines that all of the following conditions are met with respect
8 to the bonds:

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

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

17 1. Whether a pledge of the tax revenues of the district is made under the bond
18 resolution.

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

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

23 4. The proposed interest rates of the bonds and the resulting cash-flow
24 requirements.

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

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

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

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

15 1. To make a deposit into a special debt service reserve fund.

16 2. To pay issuance costs of bonds secured by a special debt service reserve fund.

17 3. To pay capitalized interest costs on bonds secured by a special debt service
18 reserve fund.

19 4. To pay any original issue discount.

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

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

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

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

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

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

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

20 **(3) USE OF MONEYS IN THE SPECIAL DEBT SERVICE RESERVE FUND.** All moneys held
21 in any special debt service reserve fund of a district, except as otherwise specifically
22 provided, shall be used, as required, solely for the payment of the principal of bonds
23 secured in whole or in part by the special debt service reserve fund, the making of
24 sinking fund payments with respect to these bonds, the purchase or redemption of
25 these bonds, the payment of interest on these bonds or the payment of any

1 redemption premium required to be paid when these bonds are redeemed prior to
2 maturity. If moneys in a special debt service reserve fund at any time are less than
3 the special debt service reserve fund requirement under sub. (5) for the special debt
4 service reserve fund, the district may not use these moneys for any optional purchase
5 or optional redemption of the bonds. Any income or interest earned by, or increment
6 to, any special debt service reserve fund due to the investment of moneys in the
7 special debt service reserve fund may be transferred by the district to other funds or
8 accounts of the district to the extent that the transfer does not reduce the amount of
9 the special debt service reserve fund below the special debt service reserve fund
10 requirement under sub. (5) for the special debt service reserve fund.

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

19 **(5) SPECIAL DEBT SERVICE RESERVE FUND REQUIREMENT.** The special debt service
20 reserve fund requirement for a special debt service reserve fund, as of any particular
21 date of computation, is equal to an amount of money, as provided in the bond
22 resolution authorizing the bonds with respect to which the special debt service
23 reserve fund is established, that may not exceed the maximum annual debt service
24 on the bonds of the district for that fiscal year or any future fiscal year of the district
25 secured in whole or in part by that special debt service reserve fund. In computing

1 the annual debt service for any fiscal year, bonds deemed to have been paid in
2 accordance with the defeasance provisions of the bond resolution authorizing the
3 issuance of the bonds shall not be included in bonds outstanding on such date of
4 computation. The annual debt service for any fiscal year is the amount of money
5 equal to the aggregate of all of the following calculated on the assumption that the
6 bonds will, after the date of computation, cease to be outstanding by reason, but only
7 by reason, of the payment of bonds when due, and the payment when due, and
8 application in accordance with the bond resolution authorizing those bonds, of all of
9 the sinking fund payments payable at or after the date of computation:

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

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

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

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

24 **(7) STATE MORAL OBLIGATION PLEDGE.** If at any time of valuation the special debt
25 service reserve fund requirement under sub. (5) for a special debt service reserve

1 fund exceeds the amount of moneys in the special debt service reserve fund, the
2 district board shall certify to the secretary of administration, the governor, the joint
3 committee on finance and the governing body of each county in the district the
4 amount necessary to restore the special debt service reserve fund to an amount equal
5 to the special debt service reserve fund requirement under sub. (5) for the special
6 debt service reserve fund. If this certification is received by the secretary of
7 administration in an even-numbered year prior to the completion of the budget
8 compilation under s. 16.43, the secretary shall include the certified amount in the
9 budget compilation. In any case, the joint committee on finance shall introduce in
10 either house, in bill form, an appropriation of the amount so certified to the
11 appropriate special debt service reserve fund of the district. Recognizing its moral
12 obligation to do so, the legislature hereby expresses its expectation and aspiration
13 that, if ever called upon to do so, it shall make this appropriation. This subsection
14 applies only with respect to bonds the issuance of which has been approved by the
15 joint committee on finance.

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

20 **229.75 Bonds not public debt. (1)** The state and each county in the district's
21 jurisdiction are not liable on bonds and the bonds are not a debt of the state or either
22 county in the district. All bonds shall contain a statement to this effect on the face
23 of the bond. A bond issue does not, directly or indirectly or contingently, obligate the
24 state or a political subdivision of the state to levy any tax or make any appropriation
25 for payment of the bonds.

1 **(2)** Nothing in this subchapter authorizes a district to create a debt of the state
2 or a county in the district’s jurisdiction, and all bonds issued by a district are payable,
3 and shall state that they are payable, solely from the funds pledged for their payment
4 in accordance with the bond resolution authorizing their issuance or in any trust
5 indenture or mortgage or deed of trust executed as security for the bonds. The state
6 and each county in the district’s jurisdiction are not liable for the payment of the
7 principal of or interest on a bond or for the performance of any pledge, mortgage,
8 obligation or agreement that may be undertaken by a district. The breach of any
9 pledge, mortgage, obligation or agreement undertaken by a district does not impose
10 pecuniary liability upon the state or a county in the district’s jurisdiction or a charge
11 upon its general credit or against its taxing power.

12 **(3)** Bonds issued by the district shall be secured only by the district’s interest
13 in any baseball park facilities, including any interest in a lease with the department
14 of administration under s. 16.82 (7); by income from these facilities; by proceeds of
15 bonds issued by the district and other amounts placed in a special redemption fund
16 and investment earnings on such amounts; and by the taxes imposed by the district
17 under subch. V of ch. 77. The district may not pledge its full faith and credit on the
18 bonds and the bonds are not a liability of the district.

19 **229.76 State pledge.** The state pledges to and agrees with the bondholders,
20 and persons that enter into contracts with a district under this subchapter, that the
21 state will not limit or alter the rights and powers vested in a district by this
22 subchapter, including the rights and powers under s. 229.68 (15), before the district
23 has fully met and discharged the bonds, and any interest due on the bonds, and has
24 fully performed its contracts, unless adequate provision is made by law for the
25 protection of the bondholders or those entering into contracts with a district.

1 **229.77 Trust funds.** All moneys received under this subchapter, whether as
2 proceeds from the sale of bonds or from any other source, are trust funds to be held
3 and applied solely as provided in this subchapter. Any officer with whom, or any
4 bank or trust company with which, those moneys are deposited shall act as trustee
5 of those moneys and shall hold and apply the moneys for the purposes of this
6 subchapter, subject to this subchapter and the bond resolution authorizing issuance
7 of the bonds.

8 **229.79 Budgets; rates and charges; audit.** A district shall adopt a calendar
9 year as its fiscal year for accounting purposes. The district board shall annually
10 prepare a budget for the district. Rates and other charges received by the district
11 shall be used for the general expenses and capital expenditures of the district and
12 to pay interest, amortization, and retirement charges on bonds. A district shall
13 maintain an accounting system in accordance with generally accepted accounting
14 principles and shall have its financial statements and debt covenants audited
15 annually by an independent certified public accountant.

16 **229.81 Assistance by state agencies. (1) DEFINITION.** In this section, "state
17 agency" has the meaning given in s. 20.001 (1).

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

21 **SECTION 52.** 234.65 (1) (c) of the statutes is amended to read:

22 234.65 (1) (c) The authority may not issue more than \$200,000,000 in aggregate
23 principal amount of bonds and notes under this section, excluding bonds or notes
24 secured by a capital reserve fund pursuant to sub. (6) (am) and excluding bonds and
25 notes issued to refund outstanding bonds or notes issued under this section.

1 **SECTION 53.** 234.65 (1) (h) of the statutes is created to read:

2 234.65 (1) (h) Bonds and notes issued by the authority to finance an economic
3 development loan for a project described under s. 234.01 (4n) (d) are not general
4 obligations of the authority.

5 **SECTION 54.** 234.65 (1) (hm) of the statutes is created to read:

6 234.65 (1) (hm) The authority may not make a loan under this section for an
7 economic development project described under s. 234.01 (4n) (d) to any professional
8 athletic team unless the team first obtains all approvals necessary to grant an
9 enforceable lien on the franchise as security for the loan and unless the team first
10 grants the lien as security for the loan.

11 **SECTION 55.** 234.65 (6) (b) of the statutes is amended to read:

12 234.65 (6) (b) ~~The~~ Except as provided in sub. (8), the authority may issue bonds
13 and notes secured by a capital reserve fund pursuant to par. (am) in an aggregate
14 principal amount not exceeding ~~\$35,000,000~~ \$50,000,000 plus such additional
15 amount as the authority considers necessary or desirable to fund a deposit into the
16 capital reserve fund to pay costs of issuing the bonds and notes or to pay capitalized
17 interest on the bonds and notes.

18 **SECTION 56.** 234.65 (8) to (10) of the statutes are created to read:

19 234.65 (8) The authority shall not issue bonds or notes under this section to
20 finance the construction of baseball park facilities, as defined in s. 229.65 (1), in
21 relation to any single professional baseball park in an aggregate principal amount
22 exceeding \$50,000,000, excluding bonds and notes issued to fund a deposit into the
23 capital reserve fund, to pay costs of issuing the bonds and notes or to pay capitalized
24 interest on the bonds and notes.

