

1999 DRAFTING REQUEST

Bill

Received: **01/13/2000**

Received By: **shoveme**

Wanted: **As time permits**

Identical to LRB:

For: **John Gard (608) 266-2343**

By/Representing: **John Mathews**

This file may be shown to any legislator: NO

Drafter: **shoveme**

May Contact: **Foley & Lardner, John**
Mathews 258-4784;
Rick Weiss, (414)
297-5256

Alt. Drafters:

Subject: **Counties**
Munis - miscellaneous
Tax - miscellaneous
Tax - sales
Bonding - municipal
Bonding - state
State Government - miscellaneous

Extra Copies: **PEN**

Pre Topic:

No specific pre topic given

Topic:

Creation of special purpose district for professional football stadiums

Instructions:

See Attached. Special purpose district for the Packers, based on 1995 Act 56, the Brewers Bill.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Reauired</u>
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/P3	shoveme 01/28/2000	chananian 01/28/2000	jfrantze 0 1/28/2000	_____	lrb-docadmin 0 1/28/2000		S&L Tax
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champra
jkreye**

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Handwritten notes:
 /P4 MES 2/2/00
 /1 MES 2/2/00
 crmtt 2/2 /P4
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 2/2 Kjf/hh
 crmtt 2/2 Kjf 2/2
 Kjf/hh 2/2

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1 P3	MES	1/28/00					
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		cmH 1/29					

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Jo 1/28
g/ch
1/28

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TO:	PHONE:	FAX #:
Steve Miller (Legislative Reference Bureau)	608126%2175	608/264-8522

From: Richard A. Weiss
Sender's Direct Dial: 414/297-5756
Date: January 11, 2000
Client/Matter No: 060284/0107
User ID No: 0792

MESSAGE;

Re: Football Stadium Legislation

Attached is a revised draft of the proposed football stadium legislation. The attached draft has been marked to show the changes to Draft #1 dated 1/3/00.

Rick Weiss (414) 297-5756
Kathy (414) 297-5256

John Mathews
Kim 258-4784

If there are any problems with this transmission or if you have not received all of the pages, please call (414) 297-5444.

Operator: <u>KLPD</u>	Time Sent:	Return Original To: Rick Weiss - 35
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DRAFT #2
JANUARY 11, 2000

MARKED TO SHOW
CHANGES TO DRAFT #1
DATED 1/3/2000

DRAFT OF PROPOSED
FOOTBALL STADIUM
LEGISLATION

Rick Weiss
Foley & Lardner
(414) 297-5756

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

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

13.94(4)(a)1. Every state department, board, examining board, affiliated credentialing board, commission, independent agency, council or office in the executive branch of state government; all bodies created by the legislature in the legislative or judicial branch of state government; any public body corporate and politic created by the legislature including specifically a professional baseball park district and a professional football stadium district; every provider of medical assistance under ch. 49; technical college district boards; development zones designated under s. 560.71; every county department under s. 5 1.42 or 51.437; every nonprofit corporation or cooperative to which moneys are specifically appropriated by state law; and every corporation, institution, association or other organization which receives more than 50% of its annual budget from appropriations made by state law, including subgrantee or subcontractor recipients of such funds.

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

13.94(10) FINANCIAL STATUS OF ~~LOAN CERTAIN PROFESSIONAL BASEBALL PARK SPORTS~~ DISTRICTS. As promptly as possible following the end of each state fiscal biennium in which there are outstanding bonds or notes issued by a local professional baseball park district created under subch. III of ch. 229 that are subject to s. 229.74(7) or a local football stadium district created under ch. 237 that are subject to s. 237.11, the legislative audit bureau shall submit a report to the cochair-persons of the joint committee on finance concerning the financial status of that district.

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

16.70(14) "State" does not include a district created under ch. 237 or subch. II or III of ch. 229.

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

18.03(5s) Upon the request of a local professional football stadium district created under ch. 237 or a local professional baseball park district created under subch. III of ch. 229, the commission may serve as financial consultant to assist and coordinate the issuance of the bonds of a district.

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

19.42(13)(a) All positions to which individuals are regularly appointed by the governor, except the position of trustee of any private higher educational institution receiving state appropriations, the position of a member of the district board of a local professional football stadium district created under ch. 237, and the position of member of the district board of a local professional baseball park district created under subch. III of ch. 229.

DOA does not provide services as in ss. 16.82(6) + (7) & 16.854

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

19.59(1)(a) No local public official may use his or her public position or office to obtain financial **gain** or anything **of** substantial value for the private benefit of **himself** or herself or his or her immediate family, or for an organization with which he or she is associated. A violation of this paragraph includes **the** acceptance of free or discounted admissions to a professional football or baseball game by a member of the district board of a local professional football district created under ch. 237 or a local professional baseball park district created under subch. III of ch. 229. This paragraph does not prohibit a local public official **from** using the title or prestige of his or **her office** to obtain campaign contributions that are permitted and reported as required by ch. **II.**

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

a. "District" means a local professional football district created under ch. 237 or a local professional baseball park district created under subch. III of ch. 229.

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

1999-00 2000-01

20.566 Revenue, department of

(1) COLLECTION OF TAXES

(gd) Administration of special district taxes PR A **-0-** **-0-**

SECTION 9. **20.505(1)(ka)** of the statutes, as affected by **2000 Wisconsin Act ___**, is amended to read:

20.505(1)(ka) (title) *Materials and services to state agencies and certain districts.* The amounts in the schedule to provide **services** primarily to state agencies or local ~~professional baseball park~~ **districts created under ch. 237 or subch. III.** of ch. 229, other than services specified in pars. (im), (is) and (kb) to (kr) and subs. (2)(k) and **(5)(ka)**, and to repurchase inventory items sold primarily to state agencies or such districts. All moneys received **from** the provision of services primarily to state agencies and such districts and **from** the sale of inventory items primarily to state agencies and such districts, other than moneys received and disbursed under pars. (im), (is) and (kb) to (kr) subs. (2)(k) and **(5)(ka)**, shall be credited to this appropriation account.

Why have 2,
no DQA
services

SECTION 10. **20.505(1)(kc)** of the statutes, as affected by **2000 Wisconsin Act ___**, is amended to read:

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

may need

park districts created under ch. 237 or subch. III of ch. 229. The secretary of administration **may** credit moneys received for the provision of building construction and capital **planning** services on behalf of state agencies and such districts to this appropriation account.

SECTION 11. 20.566(1)(ge) of the statutes is created to read:

20.566(1)(ge) Administration of football district taxes. From the moneys received from the appropriation account under s. **20.835(4)(ge)**, the amounts in the schedule for the purpose of administering the special district taxes imposed under s. 77.706 by a district created under **ch. 237**.

SECTION 12. 20.835(4)(ge) of the statutes is created to read:

20.835(4)(ge) Special district taxes. All moneys received from the taxes imposed under s. 77.706 for **the** purpose of distribution to the special districts that adopt a resolution imposing taxes under subch. V of ch. 77, and for the purpose of financing a local professional football stadium district, except **that** of those tax revenues collected under subch. **V** of **ch. 77** _____% shall be credited to the appropriation account under s. **20.566(1)(ge)**.

SECTION 13. 24.61(2)(a)7. of the statutes is amended to read:

24.61(2)(a)7. Bonds issued by a local professional football stadium district created under ch. 237 or a local professional baseball park district created **under** subch. III of ch. 229.

SECTION 14. 25.17(3)(b)10. of the statutes is amended to read:

25.17(3)(b)10. Bonds **issued** by a local professional football stadium district created under ch. 237 or a local professional baseball park district created under subch. III of ch. 229.

SECTION 15. 25.50(1)(d) of the **statutes**, as affected by 2000 Wisconsin Act ____, is amended to read:

25.50(1)(d) "Local **government**" **means any** county, town, village, city, power district, sewerage district, drainage district, town sanitary district, public inland **lake** protection and rehabilitation- district, local professional baseball park district created under subch. III of ch. 229, local professional football stadium district created under ch. 237 or a public library system, school district or technical college district in this state, any commission, committee, board or officer of any **governmental** subdivision of this state, any court of this state, other **than** the court of appeals or the supreme court, or **any** authority created under s. 231.02, 233.02 or 234.02.

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

66.04(2)(a)3p. Bonds **issued** by a local professional football stadium district created under ch. 237 or a local professional baseball park district created under **subch. III** of **ch. 229**.

Create a new subd., D. 24.61(2)(a)8.
Create a new subd. -- 25.17(3)(b)11.

Create a new subd. 66.04(2)(a) 3p.

SECTION 17. **66.066(1)(a)** of the statutes is amended to read:

66.066(1)(a) "Municipality" means any city, village, town, county, commission created by contract under s. 66.30, public inland lake protection and rehabilitation district established under s. 33.23, 33.235 or 33.24, metropolitan sewerage district created under ss. 66.20 to 66.26 or 66.88 to 66.918, **town** sanitary district under subch. IX of ch. 60, a local professional baseball park district created under **subch. III** of ch. 229, a local Professional football stadium district created under ch. 237 or a municipal water district or power district under ch. 198 and any other public or quasi-public corporation, officer, board or other public body empowered to borrow money and issue obligations to repay the same out of revenues. "Municipality" does not include the state or a local exposition district created under subch. II of ch. 229.

SECTION 18. 66.066(l)(c) of the statutes is amended to read:

66.066(1)(c) "Revenue" means all moneys received from any source by a public utility and all rentals and fees and, in the case of a local professional football stadium district created under ch. 237 includes tax revenues deposited into a special fund under s. 237.06 and payments made into a special debt service reserve fund under s. 237.11, and in the case of a local professional baseball park district created under subch. III of ch. 229 includes tax revenues deposited into a special fund under s. 229.685 and payments made into a special debt service reserve fund under s. 229.74.

SECTION 19. **66.066(6)** of the statutes is created to read:

66.066(6) Revenue bonds issued by a local professional football stadium district created under ch. 237 are subject to the provisions in ss. 237.10 to 237.15.

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

66.067 Public works projects. For financing purposes, garbage incinerators, toll bridges, swimming pools, tennis courts, parks, playgrounds, golf links, bathing beaches, bathhouses, street lighting, city halls, village halls, town halls, courthouses, jails, schools, cooperative educational service agencies, hospitals, homes for the aged or indigent, **regional projects, waste collection and disposal operations, systems of sewerage, local professional football stadium facilities,** local professional **baseball** park facilities and any and all other necessary public works projects undertaken by any municipality are public utilities within the meaning of s. 66.066,

SECTION 21. **66.30(1)(a)** of the statutes is amended to read:

66.30(1)(a) In this section "municipality" means the state or any department or agency thereof, or any city, village, town, county, school district, public library system, public inland lake protection and **rehabilitation district,** sanitary district, **farm** drainage district, metropolitan sewerage district, sewer utility **district,** solid waste management system created under s. **59.07(135),** local exposition **district** created under subch. II of ch. 229, local Professional football stadium district created under ch. 237, local professional baseball park district created

under subch. III. of ch. 229, ~~water~~ utility district, mosquito control district, municipal electric company, county or city ~~transit~~ commission, commission created by contract under this section, taxation district or ~~regional~~ planning commission.

SECTION 22. 71.05(1)(c)5. of the statutes is created to read:

71.05(1)(c)5. A local professional football stadium district created under ch. 237.

SECTION 23. 71.26(1)(bm) of the statutes is amended to read:

71.26(1)(bm) (title) *Certain local districts.* Income of a local exposition district created under subch. 11 of ch. 229, a local professional football stadium district created under ch. 237 or a local professional baseball park district created under subch. III of **ch.** 229.

SECTION 24. 71.26(1m)(g) of the statutes is amended to read:

71.26(1m)(g) Those issued under s. 66.066 by a local professional football stadium district or a local professional baseball park district,

SECTION 25. 71.36(1m) of the statutes, as affected by 2000 Wisconsin Act ____, is amended to read:

71.36(1m) A tax-option corporation may deduct from its net income all amounts included in the Wisconsin adjusted gross income of its shareholders, the capital gain deduction under s. **71.05(6)(b)9.** and all amounts not taxable to nonresident shareholders under ss. **71.04(1)** and (4) to (9) and 71.362. For purposes of this subsection, interest on federal obligations, obligations issued under s. 66.066 by a local professional football stadium district or a local professional baseball park district, obligations issued under ss. 66.40, 66.431 and 66.4325, obligations issued under s. 234.65 to fund an economic development loan to finance construction, renovation or development of property that would be exempt under **s. 70.11(36)** and obligations issued under **subch.** II of ch. 229 is not included in shareholders' income. The proportionate share of the **net** loss of a tax-option corporation shall be attributed and made available to shareholders on a Wisconsin basis but subject to the limitation and carry-over rules as prescribed by section 1366(d). of the internal revenue code. Net operating losses of the corporation to the extent attributed or made available to a shareholder may not be used by the corporation for further tax benefit. For purposes of computing the Wisconsin adjusted gross income of shareholders, tax-option items shall be reported by the shareholders and those tax-option items, **including** capital gains and losses, shall retain the character they would have if attributed to the corporation, including their character as business income. In computing **the** tax liability of a shareholder, **no** credit against gross tax that would be available to the tax-option corporation if it *were* a ~~net~~ tax-option corporation may be claimed.

SECTION 26. 71.45(1t)(g) of the statutes is amended to read:

71.45(1t)(g) Those **issued** under s. 66.066 by a local professional football stadium district or a local professional baseball park district.

SECTION 27. **77.54(44)** of the statutes is created to read:

77.54(44) The **gross** receipts from the sale of and the storage, use or other consumption of the following property, services or rights related to a football stadium under **ch. 237**:

(a) parking or the provision of parking space for motor vehicles on **property** leased by a municipality or a **local** football district to the owner of a professional football team or **a related entity**;

(b) parking or the provision of parking space for motor vehicles on football game days on property required to be used for such purpose on such days pursuant to a contract between the owner of such property and a municipality or a local football district;

(c) a license or other right to purchase admission tickets to events at the football stadium **granted** by a municipality, a local football **district** or the owner of a professional football team or related party.

SECTION **28. 77.70** of the statutes is **amended** to read:

77.70 (title) Adoption by county ordinance. Any county desiring to impose county sales and use taxes under this subchapter may do so by the adoption of an ordinance, stating its purpose and referring to this ~~s.~~ chapter. The **county** sales and use taxes may be imposed only for the purpose of directly reducing the property tax levy and only in their entirety as provided in this subchapter. That ordinance shall be effective on the first day of October, provided that the ordinance shall not be effective in any county for any period during which the tax described in s. 77.706 shall be in effect., A certified copy of that ordinance shall be **delivered** to the secretary of revenue at least 120 days prior to its effective date. The repeal of any such ordinance shall be effective on December 31. A certified copy of a repeal ordinance shall be **delivered** to the secretary of revenue at least 60 days before the effective date of the repeal.

SECTION **29. 77.706** of the statutes is created to read:

77.706 (title) Adoption by Football District Resolution. A local professional football stadium district created under ch. 237, by resolution **under s. 237.05(14)**, may impose a sales tax **and** a use **tax** under this subchapter at a rate of no more than 0.5% of the gross receipts or sales price. Those taxes may be imposed only in their entirety. The imposition of the taxes shall be effective on the first day of the first month that begins at least 30 days after the adoption of **the** resolution and the **approval** by the electors **of the district's jurisdiction** at a referendum held on a date established pursuant to **s. 237.04(4)**.

SECTION **30. 77.708** of the statutes is created to read:

77.708 (title) Football District Resolution Sunset. Retailers and the department of revenue may not collect a tax, under s. 77.706 for any local professional **football stadium**

Are these items not taxable now?

NO - this is OK

Football stadiums are into definitions

Change OK

Does Brown Co. have a sales tax? does this mean if Dist imposes a sales tax, Brown Co. can't? what if Brown Co. acts before bill takes effect? supreme?

approval is of the tax not the juris,

district created under ch. 237 after the calendar **quarter** during which the local professional football stadium district board makes a certification to the department of revenue under s. **237.06(2)**, except that the department of revenue may collect **from** retailers taxes that accrued before that calendar quarter **and** fees, interest and penalties that relate to those taxes.

SECTION 31. 77.71 (intro.) and (1) of the statutes are amended to read:

77.71 (title) Imposition of county and special district sales and use taxes. (intro.) Whenever a county sales and use tax ordinance is adopted under s. **77.70** or a special district resolution is adopted under **s. 77.705** or s. 77.076, the following **taxes** are imposed:

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

SECTION 32. 77.71(2) of the statutes, as affected by 2000 **Wisconsin** Act ____, is amended to read:

77.71(2) An excise tax is imposed at the rate of 0.5 % in the case of a county tax or at the rate **under s. 77.705** or s. 77.706 in the case of a special district tax of the sales price upon every person storing, using or otherwise consuming in **the** county or special district tangible personal property or services if the property or service is subject to the scarce use tax under **s. 77.53**, except that a receipt indicating that the tax **under** sub. **(1)**, (3) or (4) has been paid relieves the buyer of liability for, the tax under this subsection and except that if the buyer has paid a similar local tax in another state on a purchase of the same property or services that tax shall be credited against the tax under this subsection and except that for motor vehicles **that** are used for a purpose in addition to retention, demonstration or display while held for sale in the regular course of business by a dealer the tax under this subsection is imposed not on the sales price but on the amount under s. **77.53(1m)**.

SECTION 33. 77.71(3) and (4) of the statutes are amended to read:

77.71(3) An excise tax is imposed upon a contractor engaged **in** construction activities within the county or special district, at the rate of 0.5% in the case of a county tax or at the rate under s. 77.705 or s. 77.706 in the case of a special district tax of the sales price of tangible personal property that is used in constructing, altering, repairing or improving real property and that becomes a component part of real property in that county or special district, **unless** the contractor has paid **the** sales tax of a county in the case of a county tax or of a special district in the case of a special district tax in this state on that property, and except that if the buyer **has** paid a similar local sales tax in **another** state on a purchase of the same property that tax shall be credited against the tax under this subsection.

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

SECTION 34. 77.76(3p) of the statutes is created to read:

77.76(3p) From the appropriation under s. **20.835(4)(ge)** the department shall distribute _____% of the special district taxes reported for each special district that has imposed taxes **under this** subchapter, minus the special district portion of the retailers' discount, to the special district no later than the end of the 3rd month following the end of the calendar quarter in which such amounts were reported. At the time of distribution the department shall indicate the taxes reported by each taxpayer. In this subsection, the "special district portion of the retailers' discount" is the amount determined by multiplying the total retailers' discount by a fraction the numerator of which is the gross special district sales and use taxes payable and the denominator of which is the sum of the gross state and special district sales and use taxes payable. The special district taxes distributed shall **be** increased or decreased to reflect subsequent refunds, audit adjustments and all other adjustments of the special district taxes previously distributed. Interest paid on **refunds** of special district sales and use taxes shall be paid from **the** appropriation under s. **20.835(4)(ge)** at the rate paid by this state under s. **77.60(1)(a)**. Any special district receiving a report under this subsection is subject to the duties of confidentiality to which the department of revenue is subject under s. **77.61(5)**.

SECTION 35. 219.09(1)(d) of the statutes is created to read:

219.09(1)(d) A local professional football stadium district created under ch. 237.

SECTION 36. Chapter 237 of the **statutes** is created to read:

CHAPTER 237
LOCAL PROFESSIONAL
FOOTBALL STADIUM DISTRICTS

237.01 Legislative declaration. (1) The legislature determines that the provision of assistance by state agencies **to a** district under this chapter, any appropriation of funds to a district under this chapter and **the** moral obligation pledge under s. 237.1 l(7) serve a statewide public purpose by assisting **the development** of a professional football stadium in the state for providing recreation, by encouraging economic development and tourism, by reducing unemployment and by bringing needed capital into the state for the benefit and welfare of people throughout the state. **The legislature** determines that the taxes that may **be** imposed by a

*CF; Subch. IV
of ch. 229*

P. 229, 820

district under **subch.** V of ch. **77** are special taxes that are generated apart **from** any direct annual tax on taxable property.

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

237.02 **Definitions.** In this subchapter:

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

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

(3) "Chief executive officer" means the county executive of a county or, if the **county** does not have a county **executive**, the chairperson of the county board of supervisors.

(4) "District" means a special district created under this chapter.

(5) "District board" means the governing board of a district,

(6) "Football stadium" means **property**, tangible or intangible, owned in whole or in substantial part, operated or leased by a district that is principally for professional football including practice facilities; **parking** lots and structures, garages, restaurants, parks, concession facilities, entertainment facilities, facilities for the display or sale of memorabilia, and transportation facilities, and other **functionally** related or auxiliary facilities or structures.

FB stadium" shld be just the actual stadium
monitors - o let MANI

237.03 Creation and organization. **(1)** There is created, for each jurisdiction under s. 237.04, a special district **that** is a local governmental unit, that is a body corporate and politic, that is separate and distinct from, and independent of, the **state** **and** the local units of government within its **jurisdiction** that has the powers **under** s. 237.05 and the name of which includes "Football Stadium District".

new, not in Act 56

(2) A district is governed by its district board. The district board may adopt bylaws to govern the district's activities, subject to this subchapter. Subject to sub. **(3)**, the district board shall consist of the following members:

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

Need to know at all times where this is

in Act 56, but...

(b) Two persons appointed by the mayor of the most populous city within the jurisdiction of a district or if **that** city is organized under **subch. I** of ch. 64, the president of **the council** of that city. A person appointed under this paragraph may take his or her seat immediately upon appointment and **qualification, subject to confirmation** or rejection by a majority of **the members-elect of the common council or council.**

meaning?

*from Act 56,
but what is meant?
if a def. based
on A. 59.001 (2m)?*

(c) **Two persons** appointed by the chief executive officer of the county in which the principal site of the football stadium is located. A person appointed under this paragraph may take hi or her seat immediately upon appointment and qualification, subject to confirmation or rejection by a majority of the members-elect of the county board.

(d) One person appointed by the **chief elected official** of each municipality **in** the jurisdiction of the district, **other than the most populous city** within the jurisdiction of the district, that has a **boundary at the time of creation** of the district contiguous to a boundary of the **site of the football stadium.** A person appointed under this paragraph may take his or her seat immediately upon appointment and qualification, subject to confirmation or rejection by a majority of the members-elect of the governing body of **the municipality.**

*I assume "muni"
means city, village
or town*

*defines -- see p. 66, 462(D)(a)
or s 229.41(4)*

This is the problem

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

why

*clear it up
so vacancies
serve for
remainder
of unexpired
term
why? to whom
appointed.*

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

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

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

(7) The district board shall name the district.

*change
2 deletions
OK*

ie stadium is
mil. that's moved
to another
county
Very messy
if stadium
is moved to
another
county
why?
v/ complex
& limiting

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237.04. Jurisdiction. A **district's jurisdiction is any county with** a population at the date of the district's creation of more than **200,000** that includes the 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 professional football teams** having home stadiums in at least ten states and a collective average attendance for all league members of at least 40,000 persons per game over the five calendar years immediately preceding the date of creation of the district. Once created, a district's jurisdiction remains fixed even if population or attendance figures subsequently decline below the specified minimums.

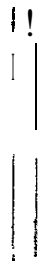
237.05 Powers of a district. A district has **all** of the powers necessary or convenient to carry out the purposes **and** provisions of this chapter. In addition to all other powers granted to it, a district may do all of the following:

- (1) Adopt and alter an official seal.
- (2) Sue and be sued in its own name, plead and be impleaded.
- (3) **Maintain an office.**
- (4) In **connection** with football stadium **facilities**:
 - (a) **Acquire**, construct, quip, maintain, improve, operate and manage the football stadium facilities as a revenue-generating enterprise, or engage other persons to do these things.
 - (b) Acquire, lease as lessor or lessee, use, transfer and accept transfers of property.
 - (c) Improve, **maintain** and repair property, and fund reserves for maintenance, **depreciation** and capital improvements.
 - (d) Enter into contracts, subject to such standards as may be established by the district board. The district board may award any such contract for any **combination** or division of work it designates and may consider any factors in awarding a contract, including price, time for completion of work and qualifications and past performance of a contractor.

diff from
Act 56

Not in
Act 56

- (e) Grant concessions.
- (f) Sell or otherwise dispose of unneeded or unwanted property.
- (5) Employ personnel. and fix an®ulate their compensation, and provide, either directly or subject to an agreement under s. 66.30 as a participant in a benefit plan of another governmental **entity**, any employe benefits, including an employe pension plan,



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

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

(8) Issue ^{(revenue) in Act 56} bonds under s. 66.066, subject to ss. 237.10 to 237.15, and enter into agreements related to the issuance of bonds, including liquidity and credit facilities, remarketing agreements, insurance policies, guaranty agreements, letter of credit or reimbursement agreements, indexing agreements, interest exchange agreements, and currency exchange agreements.

Act 56 contains conditions for bonding

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

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

(1X) Set standards governing the use of, and the conduct **within**, its football stadium facilities in order to promote public safety and convenience and to maintain order.

(12) Establish and collect fees [^] or other charges for the use of its football stadium facilities, or for the right to purchase tickets to events at the football stadium, or for services rendered by the district.

must clarify ownership issues

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

(14) Impose by the **adoption** of a resolution, the taxes under subch. V of ch. 77, provided that no such taxes shall be imposed **unless** the resolution of the district board shall be approved by a majority of the electors in the district's jurisdiction voting thereon at a **general or special election**. The referendum shall be held on a date fixed by the county board of the most populous county in the district's jurisdiction, and the question submitted shall be **whether the resolution of** the district board shall be or shall not be approved. **A district may not** levy any taxes that are not expressly authorized under subch. V of ch. 77. **If a district** adopts a resolution which imposes **taxes** [and the resolution is approved by the **electors**], the district shall deliver a certified copy of the resolution to the secretary of revenue at least 30 days **before** [the] **effective date** [of the taxes].

Change deletion & addition OK, but

diff from Act 56 why not in Act 56

JTK election issues *include spring elec & prim ★★ NOT in Act 56

(15) Accept gifts, loans **and** other aid.

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

NO "special provisions", as in p. 229.682

229,825

237.06 **Special fund tax revenues.**

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

(2) If the **district board** determines that the **revenues in the special fund** under this section exceed current **debt service and operating** expenses for the operation of football stadium facilities, the district board shall apply the **excess** **[first to fund a reserve or reserves for maintenance costs, depreciation and capital improvements, and second, when the reserves are adequately funded to meet the obligations of the district, to retire bonds issued for the football stadium facilities]** and any bonds issued to fund or refund **those bonds, prior to their maturity. As soon as practicable** after the retirement of all bonds **issued for the construction of football stadium facilities** and all bonds issued to fund or refund those bonds **and after funding** a reserve or reserves for maintenance costs and capital improvements sufficiently to meet any maintenance, depreciation or capital improvement obligations between the district and any professional football team using football stadium facilities constructed under this chapter as a home stadium, the district board shall make a certification to the department of revenue to that effect.

diff from Act 56
not in Act 56
(not in 56)

[initial construction from Act 56]
Act 56 [initial]

229,826

237.07 **Powers granted to county and municipalities.** In addition to any powers that it may otherwise have, any county or municipality within a district's jurisdiction may do any of the following:

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

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

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

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

(5) With the consent of a district, establish and collect **fees** or other charges applicable solely to a football stadium for the right to purchase tickets to events at the stadium.

const problems?

change New
changes large deletion title change + new insertion

ownership issues?

229,827 237.08 **Contracting.** If a district enters into a lease **with** a professional football team for the use of a football stadium and if the lease so provides, **the** professional football team or a related party may acquire and construct, in such manner as it deems **appropriate**, all or any portion of the football stadium improvements to be leased.

229,828 237.09 **Dissolution of a district.** Subject to providing for the payment of its bonds, including interest on the bonds, and the performance of its other contractual obligations, a

NO minority K goals

district may be dissolved by the action of the district board. If the district is dissolved & remaining **property** of the district shall be **transferred to** the **governmental** units composing the district's **jurisdiction** in such proportions as the secretary of administration determines fairly and reasonably represents their respective contributions to the development of the football stadium.]

diff from Act 56

diff from Act 56

220,829

237.10 Issuance of bonds.

(1) **Negotiability.** AU bonds are negotiable for all purposes, notwithstanding their payment from a limited source,

(2) **Employment of financial consultant.** A district may retain the building commission or any other person as its financial consultant to assist with and coordinate the issuance of bonds.

(3) **No personal liability.** Neither the members of the district board nor any person executing the bonds is liable personally on the bond or subject to any personal liability or accountability by **reason** of the issuance of the bonds, unless the personal liability or accountability is the result of wilful misconduct.

229,830

237.11 Special debt service reserve funds for moral obligation pledge.

(1) **Designation of special debt service reserve funds.** A district may designate one or more accounts in funds created under s. 66.066(2)(e) as special debt service reserve funds, if, prior to each issuance of bonds to be secured by the special debt service reserve fund, the secretary of administration determines that all of the following conditions are met with respect to the bonds:

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

(b) **Feasibility.** The proceeds of bonds, other than refunding bonds, will be used for feasible **projects** and 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 secures the bonds. **The secretary** of administration may **make** the determinations required under this paragraph only after considering all of the following:

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

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

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

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

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

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

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

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

(d) **Date of issuance.** The bonds, other than refunding bonds, that would be secured by all special debt service reserve funds of the district will be issued no later than December 31, **200_**.

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

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

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

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

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

(2) **Payment of funds into a special debt service reserve fund.** A district shall pay into any special debt service reserve fund of the district any moneys appropriated and made available by **the** state for **the** purposes of the special debt service reserve fund, any proceeds of a sale of bonds to the extent provided in **the** bond resolution authorizing the issuance of the bonds and any other moneys **that** are made available to the district for **the** purpose of **the** special debt service reserve fund **from** any other source.

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

(4) **Litigation on bonds secured by a special debt service reserve fund.** A district **shall** accumulate in **each** special debt service reserve **fund** an amount equal to the special debt service reserve fund requirement under sub. (5) for **the** special debt service reserve fund. A district may not at any time issue bonds secured in whole or in part by a special debt service reserve fund if upon the issuance of these bonds the amount in the special debt service reserve fund will be less than the special debt service reserve fund requirement under sub. (5) for the special debt service reserve fund.

(5) **Special debt service reserve fund requirement.** The special debt service reserve fund requirement for a special debt service reserve **fund**, as of any particular date of computation, is equal to an amount of money, as provided in the bond resolution authorizing the bonds **with** respect to which the special debt service reserve fund is established, **that** may not exceed the maximum **annual** debt service on the bonds of **the** district for **that** fiscal year or **any** future fiscal year of the **district** secured **in** whole or in part by that special debt service reserve **fund**. In computing the annual debt service for any fiscal year, bonds deemed to have been paid in accordance **with the defeasance** provisions of the bond resolution authorizing the issuance of the bonds **shall** not **be** included in bonds **outstanding** on such date of computation.

The annual **debt** service for any **fiscal** year is **the** amount of money equal to **the** aggregate of all of the *following* calculated on the assumption that the bonds **will**, after the date of computation, cease to be outstanding by reason, but only by reason, of the payment of bonds when due, and the payment when due, and application in accordance with the bond resolution authorizing those bonds, of all of the sinking fund payments payable at or after the date of computation:

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

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

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

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

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

(8) **Information to joint committee** on finance. The district shall provide to the cochairpersons of the joint **committee** on finance information concerning the district's projected cashflows and security features **underlying** each issuance of bonds under this chapter.

229,831 **237.12 Bonds not public debt.**

(1) The state and each county and municipality within the district's jurisdiction are not liable on bonds and the bonds are not a debt of the state or any county or municipality within **the** district. All bonds shall contain a statement to this effect on the face of the bond. A bond issue does not, directly or indirectly or contingently, obligate the state or a political subdivision of the state to levy any tax or make any appropriation for payment of the bonds.

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

(3) Bonds issued by the district may **be** secured only 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 the taxes imposed by the district under **subch. V** of ch. 77. The district may not pledge its full faith and credit on the bonds, **and** the bonds are not a general obligation liability of the district.

229,832 **237.13 State pledge.** **The** state pledges to and agrees with the bondholders, and persons that enter into contracts with a district under this chapter, that **the** state will not limit or alter the rights and powers vested in a district by this chapter, including the rights **and** powers under s. **237.05(14)**, before the district has fully met and discharged the bonds, and any interest due on the bonds, and has fully performed its contracts, unless adequate provision is made by law for the protection of the bondholders or those entering into contracts with a district.

229,833 **237.14 Trust funds.** All moneys received under **this** chapter, whether as proceeds from the sale of bonds or from any other source, are trust funds to be held and applied solely as provided in this chapter. Any **officer with** whom, or any bank or trust company with which, those moneys are deposited shall act as trustee of those moneys and shall hold and apply the moneys for the purposes of this chapter, subject to this chapter and the bond resolution authorizing issuance of **the** bonds.

229,834 **237.15 Budgets; rates and charges; audit.** A district shall adopt a calendar year as its fiscal year for accounting **purposes**. The **district** board shall annually prepare a budget for the district. Rates **and** other **charges** received **by the** district shall be used for the general expenses and capital expenditures of the **district** and to pay interest, amortization, and retirement charges

on bonds. A district shall ~~maintain an~~ accounting system in accordance with generally accepted accounting principles and shall have its financial statements and debt covenants audited annually by an ~~independent~~ certified public accountant.



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 in connection with a football stadium facility; 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 does not exceed \$XXXXX; and that the bonds, other than refunding bonds, will be issued no later than December 31, XXXX.

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 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 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.

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

SECTION 1. 24.61 (2) (a) 8. of the statutes is created to read:

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

SECTION 2. 25.17 (3) (b) 11. of the statutes is created to read:

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

SECTION 3. 25.50 (1) (d) of the statutes is amended to read:

25.50 (1) (d) "Local government" means any county, town, village, city, power district, sewerage district, drainage district, town sanitary district, public inland lake protection and rehabilitation district, local professional baseball park district created under subch. III of ch. 229, local professional football stadium district

plain → family care district under s. 46.2895,

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2-1-B

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as affected by 1999 Wisconsin Act 9

✓ ✓

1 created under subch. IV of ch. 229, public library system, school district or technical
 2 college district in this state, any commission, committee, board or officer of any
 3 governmental subdivision of this state, any court of this state, other than the court
 4 of appeals or the supreme court, or any authority created under s. 231.02, 233.02 or
 5 234.02.

History: 1975 c. 164; 1977 c. 29,187; 1979 c. 34 s. 2102 (46) (a); 197 c. 175 s. 53; 1981 c. 20, 93; 1983 a. 27 s. 2202 (45), (49); 1985 a. 29 s. 3202 (46); 1987 a. 27; 1989 a. 31, 159, 336; 1991 a. 33,39; 1993 a. 16, 399; 1995 a. 27, 56, 274.

6 **SECTION 4.** 66.04 (2) (a) 3q. of the statutes is created to read:

7 66.04 (2) (a) 3q. Bonds issued by a local professional football stadium district
 8 created under subch. IV of ch. 229.

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

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

History: 1973 c. 172; 1979 c. 268; 1981 c. 282; 1983 a. 24; 1983 a. 207 ss. 9 to 21.93 (1), (3); 1987 a. 197; 1991 a. 316; 1993 a. 263; 1995 a. 56, 216, 225, 378; 1997 a. 35.

21 **SECTION 6.** 66.066 (1) (c) of the statutes is amended to read:

22 66.066 (1) (c) "Revenue" means all moneys received from any source by a public
 23 utility and all rentals and fees and, in the case of a local professional baseball park
 24 district created under subch. III of ch. 229 includes tax revenues denosited into a

SECTION 6

1 special fund under s. 229.685 and payments made into a special debt service reserve
 2 fund under s. 229.74 and, in the case of a local professional football stadium district
 3 created under subch. IV of ch. 229 includes tax revenues denosited into a snecial fund
 4 under s. 229.825 and navments made into a snecial debt service reserve fund under
 5 s. 229.830.

History: 1973 c. 172; 1979 c. 268; 1981 c. 282; 1983 a. 24; 1983 a. 207 ss. 9 to 21.93 (1), (3); 1987 a. 197; 1991 a. 316; 1993 a. 263; 1995 a. 56, 216, 225, 378; 1997 a. 35.
 6 SECTION 7. 66.066 (5) of the statutes is renumbered 66.066(5) (a).

7 SECTION 8. 66.066 (5) (b) of the statutes is created to read:

8 66.066 (5) (b) Revenue bonds issued by a local professional football stadium
 9 district created under subch. IV of ch. 229 are subject to the provisions in ss. 229.829
 10 to 229.834.

11 SECTION 9. 66.067 of the statutes is amended to read:

12 66.067 **Public works projects.** For financing purposes, garbage
 13 incinerators, toll bridges, swimming pools, tennis courts, parks, playgrounds, golf
 14 links, bathing beaches, bathhouses, street lighting, city halls, village halls, town
 15 halls, courthouses, jails, schools, cooperative educational service agencies, hospitals,
 16 homes for the aged or indigent, child care centers, as defined in s. 231.01 (3c),
 17 regional projects, waste collection and disposal operations, systems of sewerage,
 18 local professional baseball park facilities, local professional football stadium
 19 facilities and any and all other necessary public works projects undertaken by any
 20 municipality are public utilities within the meaning of s. 66.066.

History: 1971 c.130; 1977 c. 391; 1979 c. 362; 1981 c. 282; 1981 c. 314 s. 146; 1983 a. 207; 1993 a. 246.490; 1995 a. 56; 1997 a. 27.
 21 SECTION 10. 66.30 (1) (a) of the statutes, as affected by 1999 Wisconsin Act 9,
 22 is amended to read:

23 66.30 (1) (a) In this section "municipality" means the state or any department
 24 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. 59.70 (2), local exposition district
 4 created under subch. II of ch. 229, local professional baseball park district created
 5 under subch. III of ch. 229, local professional football stadium district created under
 6 subch. IV of ch. 229, family care district under s. 46.2895, (added from Act 9) water
 7 utility district, mosquito control district, municipal electric company, county or city
 8 transit commission, commission created by contract under this section, taxation
 9 district or regional planning commission.

History: 1971 c.143, 152, 211; 1973 c.301; 1975 c. 123,228; 1977 c. 26 s. 75; 1977 c. 29 s. 1654 (8) (c); 1977 c. 418; 1979 c. 122; 1981 c. 20, 190, 247, 282, 390; 1983 a. 189 ss. 55,329 (17); 1983 a. 207; 1985 a. 29,225; 1987 a. 27.40 3, 1; 1989 a. 335; 1991 a. 39,316; 1993 a. 246, 263, 406; 1995 a. 27, 56, 201; 1997 a.27, 39.

10 **SECTION 11.** 71.05 (1) (c) 5. of the statutes is created to read:

11 71.05 (1) (c) 5. A local professional football stadium district created under
 12 subch. IV of ch. 229.

13 **SECTION 12.** 219.09 (1) (d) of the statutes is created to read:

14 219.09 (1) (d) A local professional football stadium district created under
 15 subch. IV of ch. 229.

16 **SECTION 13.** Subchapter IV of chapter 229 [precedes 229.8201 of the statutes
 17 is created to read:

18 **CHAPTER 229**

19 **SUBCHAPTER IV**

20 **LOCAL PROFESSIONAL**

21 **FOOTBALL STADIUM DISTRICTS**

22 **229.820 Legislative declaration. (1)** The legislature determines that the
 23 provision of assistance by state agencies to a district under this subchapter, any
 24 appropriation of funds to a district under this subchapter and the moral obligation

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JK
5-12

no 1

(added from Act 9)

SECTION 13

1 pledge under s. 229.830 (7) serve a statewide public purpose by assisting the
 2 development of a professional football stadium in the state for providing recreation,
 3 by encouraging economic development and tourism, by reducing unemployment and
 4 by bringing needed capital into the state for the benefit and welfare of people
 5 throughout the state. The legislature determines that the taxes that may be imposed
 6 by a district under subch. V of ch. 77 are special taxes that are generated apart from
 7 any direct annual tax on taxable property.

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

12 **229.821 Definitions.** In this subchapter:

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

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

19 (3) "Chief elected official" means the mayor of a city or, if the city is organized
 20 under subch. I of ch. 64, the president of the council of that city, the village president
 21 of a village, the town board chair of a town or the county executive of a county or, if
 22 the county does not have a county executive, the chairperson of the county board of
 23 supervisors.

****NOTE: Based on s. 229.41 (4), except for cite to president of the council for cities
 organized under subch. I of ch. 64 instead of city manager; "town board chair of a town"
 was added. The definition in the Foley draft only applied to counties.

✓

1 (4) "District" means a special district created under this subchapter.

2 (5) "District board" means the governing board of a district.

3 (6) "Football stadium" means that part of football stadium facilities that is
4 principally and currently used as a league-approved home stadium for professional
5 football games, except that if no league-approved home stadium exists at the time
6 that the district is created, "football stadium" means that part of football stadium
7 facilities that includes the site of a league-approved home stadium for professional
8 football games.

****NOTE: Please review this definition very carefully I believe that it ensures an
open class and specifies that if a ~~an~~ new football stadium is to be built in a county where
an existing stadium is currently located, "football stadium" means the stadium that is
actually being used. Does this definition meet your intent?

9 (7) "Football stadium facilities" means property, tangible or intangible, owned
10 in whole or in substantial part, operated or leased by a district that is principally for
11 professional football including practice facilities, parking lots and structures,
12 garages, restaurants, parks, concession facilities, entertainment facilities, facilities
13 for the display or sale of memorabilia, transportation facilities, and other
14 functionally related or auxiliary facilities or structures.

****NOTE: Modification of s. 229.65 (1).

15 (8) "~~Members-elect~~" means those members of the governing body of a
16 municipality or county, at a particular time, who have been duly elected or appointed
17 for a current regular or unexpired term and whose service has not terminated by
18 death, resignation or removal from office.

****NOTE: Based on s. 59.001 (2m).

19 (9) "Municipality" means a city, village or town.

20 (10) "Political subdivision" means a city, village, town or county

✓
1 (11) "Related party" means a corporation or business entity that is owned,
2 controlled or operated by a professional football team.

✓
****NOTE: This definition is based on the definition of "subsidiary" in s. 100.03 (1)
(zm). Is it OK?

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".

WFO please fix

9 (2) A district is governed by its district board. The district board may adopt
10 bylaws to govern the district's activities, subject to this subchapter. Subject to sub.

11 (3), the district board shall consist of the following members:

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

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

22 (c) Two persons appointed by the chief elected official of the county in which the
23 football stadium is located. A person appointed under this paragraph may take his

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

3 (d) One person appointed by the chief elected official of each municipality in the
4 jurisdiction of the district, other than the most populous city within the jurisdiction
5 of the district, that has a boundary at the time of creation of the district that is
6 contiguous to a boundary of the site of the football stadium. A person appointed
7 under this paragraph may take his or her seat immediately upon appointment and
8 qualification, subject to confirmation or rejection by a majority of the members-elect
9 of the governing body of the municipality. This paragraph does not apply if no
10 municipality has a boundary at the time of creation of the district that is contiguous
11 to a boundary of the site of the football stadium.

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

23

(4) The governor shall select the chairperson of the district board, and the
24 district board shall elect from its membership a vice chairperson, a secretary and a
25 treasurer. A majority of the current membership of the district board constitutes a

1 quorum to do business. The district may take action based on the affirmative vote
2 of a majority of those directors who are present at a meeting of the district board.

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

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

8 (7) The district board shall name the district.

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

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 and alter an official seal.

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:

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 & 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 employe benefits, including an employe
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

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 tickets
13 to events at the football stadium if the proceeds from any amount that is collected
14 under this subsection is used for a public purpose.

****NOTE: I separated your sub. (12) into 2 subsections so I could add the public
purpose language which we discussed during our January 14 meeting/teleconference. Is
this OK?

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

17 (15) Impose, by the adoption of a resolution, the taxes under subch. V of ch. 77,
18 except that the taxes imposed by the resolution may not take effect until the
19 resolution is approved by a majority of the electors in the district's jurisdiction voting
20 on the resolution at a general or spring election, or a special election, to be held on
21 a date specified by the county board not earlier than 45 days after the board's action.

22 The question submitted shall be substantially as follows: "Shall the resolution of the
23 Football Stadium District board that imposes the taxes authorized under subch

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V of ch 77 of the statutes be approved?" A district may not levy any taxes that are not expressly authorized under subch. V of ch. 77. If a district adopts a resolution which imposes taxes and the resolution is approved by the electors, the district shall deliver a certified copy of the resolution to the secretary of revenue at least 30 days before its effective date.

(16) Accept gifts, loans and other aid.

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

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

(2) If the district board determines that the revenues in the special fund under this section exceed current debt service and operating expenses for the operation of football stadium facilities, the district board shall apply the excess first to fund a reserve for maintenance costs, depreciation and capital improvements, and second, when the reserves are adequately funded, to retire bonds issued for the initial construction of football stadium facilities, and any bonds issued to fund or refund those bonds, prior to their maturity. As soon as practicable after the retirement of all bonds issued for the initial construction of football stadium facilities and all bonds issued to fund or refund those bonds and after funding a reserve for maintenance costs and capital improvements sufficiently to meet any maintenance, depreciation or capital improvement obligations between the district and any professional football team using football stadium facilities constructed under this subchapter as a home

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1 stadium, the district board shall make a certification to the department of revenue
2 to that effect.

****NOTE: This subsection contains some differences from 1995 Act 56. I inserted "initial construction" in the first sentence and "initial" in the second sentence. Is this OK, or were these words omitted intentionally? This subsection also contains a couple of other changes from Act 56: The bill adds "debt service and" before "operating expenses" in the first sentence and also contains some new language in relation to the "reserve" that may be created.

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

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

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

9 (3) Borrow money under ss. 67.04 and 67.12[✓] (12) for football stadium facilities
10 or to fund grants, loans or subsidies to a district.

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

****NOTE: Because municipalities and counties may already lease or transfer property, I don't think that sub. (4) is necessary. Do you still want it to remain in the bill?

13 (5) With the consent of a district, establish and collect fees or other charges
14 applicable only to a football stadium for the right to purchase tickets to events at the
15 stadium, if the proceeds from any amount that is collected under this subsection is[✓]
16 used for a public purpose.

****NOTE: I added the public purpose language which we discussed during our January 14 meeting/teleconference. Is this OK? See also s. 229.824[✓] (13).

17 **229.827 Contracting.** If a district enters into a lease with a professional
18 football team for the use of a football stadium and if the lease so provides, the

1 professional football team or a related party may acquire and construct all or any
2 portion of the football stadium improvements ~~which~~^{that} are to be leased.

3 **229.828 Dissolution of a district.** Subject to providing for the payment of
4 its bonds, including interest on the bonds, and the performance of its other
5 contractual obligations, a district may be dissolved by the action of the district board.
6 If the district is dissolved, the property of the district shall be transferred to the
7 political subdivisions that compose the district's jurisdiction in such proportions as
8 the secretary of administration determines fairly and reasonably represents the
9 contributions of each political subdivision to the development of the football stadium
10 facilities.

****NOTE: This section contains a few changes from the language you submitted.
Is it OK?

11 **229.829 Issuance of bonds. (1) NEGOTIABILITY.** All bonds are negotiable for
12 all purposes, notwithstanding their payment from a limited source.

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

16 (3) **No PERSONAL LIABILITY.** Neither the members of the district board nor any
17 person executing the bonds is liable personally on the bonds or subject to any
18 personal liability or accountability by reason of the issuance of the bonds, unless the
19 personal liability or accountability is the result of wilful misconduct.

20 **229.830 Special debt service reserve funds for moral obligation pledge.**

- 21 (1) A district may designate one or more accounts in funds created under s. 66.066
- 22 (2)(e) as special debt service reserve funds, if, prior to each issuance of bonds to be

DESIGNATION OF SPECIAL DEBT SERVICE RESERVE FUNDS.
(CS)

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

3 (a) **Purpose.** The proceeds of the bonds, other than refunding bonds, will be
4 used for football stadium facilities.

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

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

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

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

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

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

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

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

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

 ****NOTE: We will need to fill in the bonding amount limit.

8 (d) *Date of issuance.* The bonds, other than refunding bonds, will be issued no
9 later than December 31,200X.

 ****NOTE: We will need to fill in the date by which the bonds must be issued.

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

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

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

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

22 (g) *Financial reports.* The district has agreed to provide to the department of
23 administration, the legislative fiscal bureau and the legislative audit bureau all

1 financial reports of the district and all regular monthly statements of any trustee of
2 the bonds on a direct and ongoing basis.

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

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

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

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

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

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

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

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

15 **(7) STATE MORAL OBLIGATION PLEDGE.** If at any time of valuation the special debt
16 service reserve fund requirement under sub. [✓](5) for a special debt service reserve
17 fund exceeds the amount of moneys in the special debt service reserve fund, the
18 district board shall certify to the secretary of administration, the governor, the joint
19 committee on finance and the governing body of the county in the district the amount
20 necessary to restore the special debt service reserve fund to an amount equal to the
21 special debt service reserve fund requirement under sub. [✓](5) for the special debt
22 service reserve fund. If this certification is received by the secretary of
23 administration in an even-numbered year prior to the completion of the budget
24 compilation under s. 16.43[✓], the secretary shall include the certified amount in the
25 budget compilation. In any case, the joint committee on finance shall introduce in

1 either house, in bill form, an appropriation of the amount so certified to the
2 appropriate special debt service reserve fund of the district. Recognizing its moral
3 obligation to do so, the legislature hereby expresses its expectation and aspiration
4 that, if ever called upon to do so, it shall make this appropriation.

****NOTE: Your original language provided that the district board must make the certification to **each** county in the district; I changed this to **the** county in the district, because the district will comprise only one county

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

9 **229.831 Bonds not public debt. (1)** The state and the county and
10 municipalities within the district's jurisdiction are not liable on bonds and the bonds
11 are not a debt of the state or the county or any municipality in the district. All bonds
12 shall contain a statement to this effect on the face of the bond. A bond issue does not,
13 directly or indirectly or contingently, obligate the state or a political subdivision of
14 the state to levy any tax or make any appropriation for payment of the bonds.

****NOTE: Your original language referred to **each** county; I changed this to **the** county, because the district will comprise only one county.

15 (2) Nothing in this subchapter authorizes a district to create a debt of the state
16 or the county or any municipality within the district's jurisdiction, and all bonds
17 issued by a district are payable, and shall state that they are payable, solely from the
18 funds pledged for their payment in accordance with the bond resolution authorizing
19 their issuance or in any trust indenture or mortgage or deed of trust executed as
20 security for the bonds. Neither the state nor the county or any municipality within
21 the district's jurisdiction is liable for the payment of the principal of or interest on
22 a bond or for the performance of any pledge, mortgage, obligation or agreement that

1 may be undertaken by a district. The breach of any pledge, mortgage, obligation or
2 agreement undertaken by a district does not impose pecuniary liability upon the
3 state or the county or any municipality in the district's jurisdiction or a charge upon
4 its general credit or against its taxing power.

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

11 **229.832 State pledge.** The state pledges to and agrees with the bondholders,
12 and persons that enter into contracts with a district under this subchapter, that the
13 state will not limit or alter the rights and powers vested in a district by this
14 subchapter, including the rights and powers under s. 229.8²⁴ (15), before the district
15 has fully met and discharged the bonds, and any interest due on the bonds, and has
16 fully performed its contracts, unless adequate provision is made by law for the
17 protection of the bondholders or those entering into contracts with a district.

18 **229.833 Trust funds.** All moneys received under this subchapter, whether as
19 proceeds from the sale of bonds or from any other source, are trust funds to be held
20 and applied solely as provided in this subchapter. Any officer with whom, or any
21 bank or trust company with which, those moneys are deposited shall act as trustee
22 of those moneys and shall hold and apply the moneys for the purposes of this
23 subchapter, subject to this subchapter and the bond resolution authorizing issuance
24 of the bonds.

INITIAL APPLICABILITY

- In the component bar:
 For the action phrase, execute: **create** → **action:** → *NS: → **inappl**
 For the budget action phrase, execute: **create** → **action:** → *NS: → **93XX**
 For the text, execute: **create** → **text:** → *NS: → **inappl**
- Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the **9300** department code; and fill in "___" or "()" only if a "frozen" number is needed.

SECTION # 93 **Initial applicability,**

(#1) ()

..... The treatment of sections ..
71.05 (1) (c) 5, 71.26 (1) (bm) and (lm) (g),
71.36 (lm) and 71.45 (1e) (g)

..... of the statutes
first applies to taxable years beginning on January
1, 2000.

- In the component bar:
 For the action phrase, execute: **create** → **action:** → *NS: → **inappl**
 For the text, execute: **create** → **text:** → *NS: → **inapplA**
- Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # ____ **Initial applicability,**

(#1) () This act first ap-
plies to



1999

Nonstat File Sequence: **FFF**

LRB 4242 / P1

MES: : :

EFF'ECTIVEDATE

1. In the component bar: For the action phrase, execute: create → action: → *NS: → **effdate**
For the text, execute: **create** → **text:** → *NS: → **effdateA**
2. Nonstatutory subunits are numbered **automatically** if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # . Effective date.

(#1) () This act takes effect on

1. In the component bar: For **the** action phrase, execute: . . create → action: → *NS: → **effdateE**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "___" or "()" only if a "frozen" number is needed.

SECTION # A . Effective dates^g

. This act takes effect on the day **after** publication, except as follows:

(#1) () The treatment of section 7.7.54 (45) of the statutes takes effect on the first day of the 2nd month beginning after publication.

1. In the component bar: For the budget action phrase, execute: . create → action: → *NS: → **94XX**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the 9499 department code; and fill in "()" only if a "frozen" number is needed.

SECTION 94

.. Effective dates*,

(#1) () The treatment of sections of the statutes takes effect on

(S) / (FNU) v : 6/2/98



LEGISLATIVE REFERENCE BUREAU

MES-ANL

11008

amend: title head
(B)

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 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} ~~10~~ states and a collective ^{five} ~~average~~ attendance for all league members of at least 40,000 per game over the ^{five} ~~5~~ 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. A district's jurisdiction remains fixed even if population or attendance figures subsequently decline below the minimums described, or if the stadium moves to another county.

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 taxes 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 taxes imposed by a district may take effect, however, the district's action must be approved by the electors in an election in the district's jurisdiction. 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 tickets to events at the stadium. If a district enters into a lease with a professional football team for the use of a football stadium, the team, or a subsidiary of the team, may acquire and construct all or any portion of the football stadium improvements ^{that} ~~which~~ are to be leased.

The district is governed by a board that consists of ^{two} ~~2~~ persons appointed by the governor, ^{two} ~~2~~ persons appointed by the chief elected official of the most populous city within the district's jurisdiction, ^{two} ~~2~~ 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 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 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



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MES-ANL

collect fees or other charges applicable only to a football stadium for the right to purchase tickets to events at the stadium.

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

~~For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.~~

(END OF MES-ANL)

ANL JTK filed

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 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 the claims within 120 days of their occurrence.
7. The district's ownership interest in any professional football stadium or related facilities is exempt from the property tax.
8. The district is subject to laws regulating buildings and safety.
9. The district may exercise eminent domain powers for public purposes, upon a showing of necessity.
10. Purchases made by the district are subject to the sales tax and use tax and the property of the district is subject to special assessment levies.
11. The district is subject to laws regulating the ways in which its funds may be invested.

Under the bill, the district may participate in the state public employe retirement plan and state plans for deferred compensation, health and long-term



ANL-JTK (p.2002)

case benefits, disability and survivor benefits and employe-funded reimbursement accounts.

The bill also provides that the district may:

1. Contract with municipalities and federally ^grecognized 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 ^vinvestment fund.
3. Participate in the local government property insurance fund.

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

(END ANL-JTK)

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

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MES/JTK/RC/JK.....

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P. 1083

SECTION 1. 13.94 (4) (a) 1. of the statutes, as affected by 1999 Wisconsin Act 9,
is amended to read:

13.94 (4) (a) 1. Every state department, board, examining board, affiliated
credentialing board, commission, independent agency, council or office in the
executive branch of state government; all bodies created by the legislature in the
legislative or judicial branch of state government; any public body corporate and
politic created by the legislature including specifically a professional baseball park
district, a local professional football stadium district and a family care district
created under s. 46.2895; every Wisconsin works agency under subch. III of ch. 49;
every provider of medical assistance under subch. IV of ch. 49; technical college
district boards; development zones designated under s. 560.71; every county
department under s. 51.42 or 51.437; every nonprofit corporation or cooperative to
which moneys are specifically appropriated by state law; and every corporation,
institution, association or other organization which receives more than 50% of its
annual budget from appropriations made by state law, including subgrantee or
subcontractor recipients of such funds.

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

13.94 (10) **FINANCIAL STATUS OF LOCAL CERTAIN PROFESSIONAL BASEBALL PARK
SPORTS DISTRICTS.** As promptly as possible following the end of each state fiscal
biennium in which there are outstanding bonds or notes issued by a local
professional baseball park district created under subch. III of ch. 229 that are subject
to s. 229.74 (7) or a local professional football stadium district created under subch.
IV of ch. 229 that are subject to s. 229.33(7), the legislative audit bureau shall submit

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P. 2013

a report to the cochairpersons of the joint committee on finance concerning the financial status of that district.

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

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

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

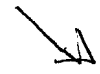
18.03 (5s) Upon the request of a local professional baseball park district created under subch. III of ch. 229 or a local professional football stadium district created under subch. IV of ch. 229, the commission may serve as financial consultant to assist and coordinate the issuance of the bonds of a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

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

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

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

19.59 (1) (a) No local public official may use his or her public position or office to obtain financial gain or anything of substantial value for the private benefit of himself or herself or his or her immediate family, or for an organization with which he or she is associated. A violation of this paragraph includes the acceptance of free or discounted admissions to a professional baseball or football game by a member of the district board of a local professional baseball park district created under subch. III of ch. 229 or a local professional football stadium district created under subch. IV



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of ch. 229. This paragraph does not prohibit a local public official from using the title or prestige of his or her office to obtain campaign contributions that are permitted and reported as required by ch. 11.

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

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

SECTION 8. 20.867 (5) of the statutes is created to read:

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

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(END OF INSERTS
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ANALYSIS INSERT

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. The sales tax and the use tax, however, does not take effect in the district until after the electors in the district's jurisdiction approve the resolution to impose the taxes. In addition, a county in which a district sales tax and use tax is in effect may not collect a county sales tax and use tax while the district taxes are in effect. The district tax revenue is used only for purposes related to a professional football stadium. 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.

Under the bill, the income of a local professional football stadium district is exempt from the income tax and the franchise tax, and the income and interest from the district's obligations are exempt from the income tax and the franchise tax.

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INSERT 1-1 (END OF JK-FNS ANL)

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2-1, p. 1062

SECTION #. 20.005 (3) (schedule) of the statutes; at the appropriate place, insert the following amounts for 1999-00 2000-01 the purposes indicated

1	20.566 Revenue, department of				
2	(1) COLLECTION OF TAXES				
3	(ge) Administration of local profes-				
4	sional football stadium district				
5	taxes	PR	A	-0-	-0-

6 SECTION 1. 20.566 (1) (ge) of the statutes is created to read:

7 **20.566 (1) (ge) Administration of local professional football stadium district**

8 **taxes.** From the moneys received from the appropriation account under s. 20.835 (4)

9 (ge), the amounts in the schedule for administering the special district taxes imposed

10 under s. 77.706 by a local professional football stadium district created under subch.

11 IV of ch. 229.

12 SECTION 2. 20.835 (4) (ge) of the statutes is created to read:



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1 20.835 (4) (ge) Local professional football stadium district taxes. All moneys
2 received from the taxes imposed under s. 77.706, for the purpose of distribution to
3 the special districts that adopt a resolution imposing taxes under subch. V of ch. 77,
4 and for the purpose of financing a local professional football stadium district, except
5 that, of those tax revenues collected under subch. V of ch. 77, 1.5% shall be credited
6 to the appropriation account under s. 20.566 (1) (ge).

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FNS JK 5-12, p. 1 of 8

7 SECTION 3. 71.26 (1) (bm) of the statutes is amended to read:

8 71.26 (1) (bm) Certain local districts. Income of a local exposition district
9 created under subch. II of ch. 229 or a local professional baseball park district
10 created under subch. III of ch. 229 or a local professional football stadium district
11 created under subch. IV of ch. 229.

History: 1987 a. 312; 1987 a. 411 ss. 22,124 to 129; 1989 a. 31.336; 1991 a. 37, 39, 221, 269; 1993 a. 16, 112, 246, 263, 399, 437, 491; 1995 a. 27, 56, 351, 371, 380, 428; 1997 a. 27, 37, 184, 237.

12 SECTION 4. 71.26 (1m) (g) of the statutes is amended to read:

13 71.26 (1m) (g) Those issued under s. 66.066 by a local professional baseball
14 park district or a local professional football stadium district.

History: 1987 a. 312; 1987 a. 411 ss. 22,124 to 129; 1989 a. 31.336; 1991 a. 37, 39, 221, 269; 1993 a. 16, 112, 246, 263, 399, 437, 491; 1995 a. 27, 56, 351, 371, 380, 428; 1997 a. 27, 37, 184, 237.

15 SECTION 5. 71.36 (1m) of the statutes is amended to read:

16 71.36 (1m) A tax-option corporation may deduct from its net income all
17 amounts included in the Wisconsin adjusted gross income of its shareholders, the
18 capital gain deduction under s. 71.05 (6) (b) 9. and all amounts not taxable to
19 nonresident shareholders under ss. 71.04 (1) and (4) to (9) and 71.362. For purposes
20 of this subsection, interest on federal obligations, obligations issued under s. 66.066
21 by a local professional baseball park district or a local professional football stadium
22 district, obligations issued under ss. 66.40, 66.431 and 66.4325, obligations issued



NS JK 5-12, 10, 2018

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

History: 1987 a. 312; 1995 a. 27.56.

16 **SECTION 6.** 71.45 (1t) (g) of the statutes is amended to read:

17 71.45 (1t) (g) Those issued under s. 66.066 by a local professional baseball park
 18 district or a local professional football stadium district.

History: 1987 a. 312; 1989 a. 31, 336, 359; 1991 a. 37939.269; 1993 a. 16, 112, 263, 437; 1995 a 27, 56, 371, 380; 1997 a. 27, 37, 237.

19 **SECTION 7.** 77.54 (45) of the statutes is created to read:

20 77.54 (45) The gross receipts from the sale of, and the storage, use or other
 21 consumption of, any of the following related to the use of a football stadium, as defined
 22 in s. 229.821 (6):



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JK 5-12
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1 (a) Parking or providing parking space for motor vehicles on property that is
2 leased from a municipality or a local professional football stadium district and leased
3 to a professional football team or a related party, as defined in s. 229.821 (11).

4 (b) Parking or providing parking space for motor vehicles on professional
5 football game days pursuant to a contract between a municipality or a local
6 professional football stadium district and the owner of the property on which there
7 is parking or parking space provided on professional football game days,

8 (c) A license or other right to purchase admission tickets to events at a football
9 stadium, as defined in s. 229.821 (6), that is granted by a municipality; a local
10 professional football stadium district; or a professional football team or related party,
11 as defined in s. 229.821 (11).

12 **SECTION 8.** 77.70 of the statutes is amended to read:

13 **77.70 Adoption by county ordinance.** Any county desiring to impose county
14 sales and use taxes under this subchapter may do so by the adoption of an ordinance,
15 stating its purpose and referring to this subchapter. The county sales and use taxes
16 may be imposed only for the purpose of directly reducing the property tax levy and
17 only in their entirety as provided in this subchapter. That ordinance shall be
18 effective on the first day of January, the first day of April, the first day of July or the
19 first day of October, except that, if taxes imposed under s. 77.706 are or become
20 effective in the county, the taxes imposed by the adoption of an ordinance under this
21 section are not effective during the period that the taxes imposed under s. 77.706 are
22 effective. A certified copy of that ordinance shall be delivered to the secretary of
23 revenue at least 120 days prior to its effective date. The repeal of any such ordinance
24 shall be effective on December 31. A certified copy of a repeal ordinance shall be

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JK 5-12
p.4008

1 delivered to the secretary of revenue at least 60 days before the effective date of the
2 repeal.

History: 1985 a. 41,120; 1987 a. 27; 1991 a. 39.

3 **SECTION 9.** 77.705 (title) of the statutes is amended to read:

4 77.705 (title) **Adoption by resolution; baseball oark district.**

History: 1995 a. 56.

5 **SECTION 10.** 77.706 of the statutes is created to read:

6 **77.706 Adoption by resolution; football stadium district.** A local
7 professional football stadium district created under subch. [✓]IV of ch. [✓]229, by
8 resolution under s. 229.824 ([✓]15), may impose a sales tax and a use tax under this
9 subchapter at a rate of no more than 0.5% of the gross receipts or sales price. Those
10 taxes may be imposed only in their entirety The imposition of the taxes under this
11 section shall be effective on the first day of the first month that begins 30 days after
12 the approval of the resolution by the electors in the district's jurisdiction under s.
13 229.824[✓] (15).

14 **SECTION 11.** 77.707 of the statutes is amended to read:

15 **77.707 Sunset.** Retailers and the department of revenue may not collect a tax
16 under s. 77.705 for any local professional baseball park district created under subch.
17 III of ch. 229 ² or under s. 77.706 for any local professional football stadium district
18 created under subch. IV of ch. 229 ² after the calendar quarter during which the local
19 professional baseball park district board makes a certification to the department of
20 revenue under s. 229.685 (2) ² or the local professional football stadium district board
21 makes a certification to the department of revenue under s. 229.825 (2), except that
22 the department of revenue may collect from retailers taxes that accrued before that
23 calendar quarter and fees, interest and penalties that relate to those taxes.

History: 199.5 a. 56.

24 **SECTION 12.** 77.71 of the statutes is amended to read:



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SK 5-12 P. 5008

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

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

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

(2) An excise tax is imposed at the rate of 0.5% in the case of a county tax or at the rate under s. 77.705 or s. 77.706 in the case of a special district tax of the sales price upon every person storing, using or otherwise consuming in the county or special district tangible personal property or services if the property or service is subject to the state use tax under s. 77.53, except that a receipt indicating that the tax under sub. (1), (3) or (4) has been paid relieves the buyer of liability for the tax under this subsection and except that if the buyer has paid a similar local tax in another state on a purchase of the same property or services that tax shall be credited against the tax under this subsection and except that for motor vehicles that are used for a purpose in addition to retention, demonstration or display while held for sale in the regular course of business by a dealer the tax under this subsection is imposed not on the sales price but on the amount under s. 77.53 (lm).



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P. 6 of 8

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

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

History: 1985 a. 41; 1987 a. 27; 1995 a. 27, 56.

21 SECTION 13. 77.76 (3m) of the statutes is amended to read:
 22 77.76 (3m) ~~From~~ Except as provided under sub. (3p), from the appropriation
 23 under s. 20.835 (4) (gb) the department, for the first 2 years of collection, shall
 24 distribute 97% of the special district taxes reported for each special district that has



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

History: 1985 a. 29, 41; 1991 a. 37,269; 1995 a. 56.

23 **SECTION 14. 77.76 (3p)** of the statutes is created to read:



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of revenue

1 77.76 (3p) From the appropriation under s. 20.835 (4) (ge) the department shall

2 distribute 98.5% of the taxes reported for each local professional football stadium

3 district that has imposed taxes under this subchapter, minus the special district

4 portion of the retailers' discount, as described under sub. (3m), to the local

5 professional football stadium district no later than the end of the 3rd month following

6 the end of the calendar quarter in which such amounts were reported. At the time

7 of distribution the department shall indicate the taxes reported by each taxpayer.

8 The local professional football stadium district taxes distributed shall be increased

9 or decreased to reflect subsequent refunds, audit adjustments and all other

10 adjustments of the local professional football stadium district taxes previously

11 distributed. Interest paid on refunds of local professional football stadium district

12 sales and use taxes shall be paid from the appropriation under s. 20.835 (4) (ge) at

13 the rate paid by this state under s. 77.60 (1) (a). Any local professional football

14 stadium district receiving a report under this subsection is subject to the duties of

15 confidentiality to which the department of revenue is subject under s. 77.61 (5).

****NOTE: The percentage of taxes distributed under this subsection is equal to the percentage of special district taxes that are distributed to other special districts. Is that

Ok?
Yes

16 **SECTION 15.** 77.76 (4) of the statutes, as affected by 1999 Wisconsin Act 9, is

17 amended to read:

18 77.76 (4) There shall be retained by the state 1.5% of the taxes collected for

19 taxes imposed by special districts under ~~s. 77.705~~ ^{ss.} s. 77.706 and 1.75% of the

20 taxes collected for taxes imposed by counties under s. 77.70 to cover costs incurred

21 by the state in administering, enforcing and collecting the tax. All interest and

22 penalties collected shall be deposited and retained by this state in the general fund.

end of
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**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

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Text:

1. Concerning the appropriations to DOA (your treatment of s. **20.505** (1) (ka) and (kc), stats.), we did not think this treatment was necessary because under this draft, unlike 1995 Act 56, DOA does not provide services generally to the football stadium district. However, even though 1995 Act 56 did not include this detail, we do think the draft should properly include a program revenue appropriation to the building commission to implement the amendment of s. 18.03 (5s) and proposed s. 229.829 (2). See proposed s. 20.867 (5) (g). ✓

2. Concerning the legislative declaration, the last sentence of proposed s. 229.820 (1) asserts that the taxes that may be imposed by the district are special taxes. Although this language appeared in 1995 Act 56, the courts will presumably make this determination independently. It would be more helpful and appropriate in this context to explain why the taxes are special taxes. The rest of the declaration provides interpretive guidance, but this sentence does not. ✓

3. For this draft, we have included an appropriation but have specified "\$-0-" for expenditure in fiscal years 1999-00 and 2000-01. When you know the dollar amounts that you need to include in the proposal, contact us and we will either redraft the proposal or draft an amendment, whichever is appropriate.

Constitutional issues:

This draft adheres to the structure of 1995 Act 56 in most respects, and the constitutionality of several provisions of that act were upheld in *Libertarian Party v. State*, 199 Wis.2d 790 (1996). Therefore, the issues that were novel prior to enactment of 1995 Act 56 have now in many instances been reviewed and decided. There is no better authority on a point of state law than a recent holding of the Wisconsin Supreme Court that is almost directly in point. Nevertheless, the language and reasoning of that decision in some cases left unexplained logical issues and inconsistencies with the Court's prior decisions, which may indicate that there is some risk that the court might refine its thinking if the issues are ably reargued. While given this situation, it may be the better part of wisdom to design this draft to fit this recent holding as closely as possible, because alternative choices are available, we raise these issues for your consideration: ↙ ↘

1. Article VIII, section 10, of the Wisconsin constitution prohibits the state from being a party to carrying on works of internal improvement. In *Libertarian Party*, because the

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Court found that construction of stadium facilities serves a predominately governmental purpose, it found no violation of the internal improvements clause. 199 Wis.2d 790 at 816. In other cases, however, the Court has said this is not enough: see, for example, **State ex rel. Jones v. Froehlich**, 115 Wis. 32 (1902), where the court requires that there be an essential governmental function and that private capital be inadequate to fund the project. 115 Wis. 32 at 41, quoted in **Dept. of Development v. Building Comm.**, 139 Wis. 2d 1, 9 (1987). See also **State ex rel. Martin v. Giessel**, 252 Wis. 363 at 365-374 (1978). In **Libertarian Party**, the Court did not distinguish these cases. Because the public purpose doctrine stands independently of the internal improvements clause [insert cite], it would have been helpful for the Court to explain what, if anything, remains of the internal improvements clause under its revised interpretation. Despite this remaining uncertainty, it should be noted that while this draft retains state involvement in at least 3 ways (see proposed ss. 229.82(2)(a) and (4), 229.829(2) and 229.830), it does not retain any requirement for the department of administration to provide services generally to a football stadium district (see ss. 16.82 and 16.854, stats.), so state involvement here is less extensive than under **Libertarian Party**.



2

2. Also related to the issue of state involvement is the line of cases which holds that tax revenue must be spent at the level of government at which the tax is raised. See **State ex rel. Warren v. Nusbaum**, 59 Wis. 2d. 421 (1973) and 77 Marquette Law Review, 466-67 (1994). If the district is not viewed as a unit of local government, this principle would be offended. The draft states that the district is a unit of local government [see proposed s. 229.822 (1)]. Unfortunately, the Court in **Libertarian Party** did not determine what exactly constitutes a unit of local government, thereby leaving for another day the issue of whether a unit of government, like this one, with mixed state and local control is pure enough to pass the test. The fact that under this draft, unlike **Libertarian Party**, a local referendum is required to approve a sales tax and use tax levy may help to tilt the balance in favor of viewing this district as local.

that

3. Also related to the issue of expenditure at the level of taxation is the question of whether this principle would be offended if a municipality or county subsidizes a district, as authorized in proposed s. 229.826. Here again, this issue was not discussed in **Libertarian Party**. It can probably be said, however, that if any subsidy would serve a legitimate, independent public purpose of the municipality or county, rather than serve simply as a means of circumventing revenue raising at the district level, the proposed language would not offend the "spend at the level of taxation" principle.

4. Art. XI, sec. 3 (of the Wisconsin Constitution) imposes a debt limitation on "municipal corporation[s]". Article XI, sec. 3 (3). further requires that any such indebtedness be repaid within 20 years by levying a direct, annual [property] tax. However, Art. XI, sec. 3 (5) provides that the debt limitation does not apply to indebtedness created for the purpose of "purchasing, acquiring, leasing, constructing, extending, adding to, improving, conducting, controlling, operating or managing a public utility of a . . . special district. . . [if] . . . secured solely by the property or income of such public utility. . .". Taking advantage of this exception, the draft, like 1995 Act 56, provides in its treatment of s. 66.067, stats., that football stadium facilities are public utilities. **Libertarian Party** in effect holds that the legislature's classification of





baseball stadium facilities as "public utilities" is a permissible interpretation of the term. 199 Wis. 2d 790 at 820. In that case, the Court held that the indebtedness of a baseball district is not public debt governed by the limitation, although the Court notes that the indebtedness is not secured solely by the "property or income of such public utility [stadium facilities]" as provided in Art. XI, sec. 3 (5), but also by "the proceeds of the bonds issued by the District, and by sales and use taxes imposed by the District." 19 Wis. 2d 790 at 819. Although the Court in *Libertarian Party* cites *City of Hartford v. Kirley*, 172 Wis. 2d. 191 at 207 for the proposition that the District's bonded indebtedness has the same characteristics as special assessment bonds, in that bond revenue is placed in a special fund for debt retirement, *Hartford* seems to suggest that the special fund revenue must be from the project being funded. 172 Wis. 191 at 208-209 and 212. In *Libertarian Party*, therefore, the Court seems to overrule *Hartford* (and preceding cases cited therein) without expressly saying so. It would have been helpful had the Court made this clear so that no future questions would be raised.

JTK

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