

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

LRB-2120/2dn  
MES:kjf:rs

November 29, 2011

Senator Olsen:

This version of the draft is based on the recent instructions you sent me (which appear to be based on the /P2 version, not the most current /1 version), but I have a number of questions. Item number 2 states that a tourism entity must spend “at least 51% of it’s revenues on tourism promotion and development.” I’ve drafted this provision in created s. 66.0615 (1m) (d) 8., but it seems like the 51 percent threshold may create a logical conflict with the requirements that a municipality must spend at least 70 percent of room tax revenues on tourism promotion and development, either directly or by a commission or tourism entity. Compare this provision to s. 66.0615 (1m) (d) 1. and 2. Do these provisions meet your intent? Do you want to impose any requirement on a tourism entity regarding the way it spends the other 49 percent of room tax revenues it receives if such revenues are not spent on tourism promotion and development?

Under item 5, the instructions state that the report a municipality must submit to DOR must contain a “stipulation whether this revenue went to a tourism entity or a commission.” I don’t understand this. Who stipulates what, and to whom? As drafted, s. 66.0615 (4) (a) 2. already requires a detailed accounting of the amounts of room tax revenue that were forwarded to a commission or tourism entity.

I did not make the changes in item 6, shifting the DOR imposed penalties to “court-imposed” penalties because I have a number of questions. With regard to instruction 6. a., in what amount would you like DOR to be able to impose a penalty on a municipality for failure to submit a report?

With regard to instruction item 6. b., who would have standing to allege that a municipality, commission, or tourism entity made improper allocations or expenditures? Did you intend to omit an organization that acts as a tourism entity, as described in s. 66.0615 (1m) (b), from being charged with an improper allocation or expenditure? Who would have access to the necessary data to support the allegations? By whom would you like the court fees to be recoverable?

Please let me know how you’d like to proceed.

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