

**2015 DRAFTING REQUEST**

**Bill**

Received: 1/28/2015 Received By: mshovers  
Wanted: As time permits Same as LRB:  
For: Administration-Budget By/Representing: Wimmer  
May Contact: Mike Heifetz Drafter: mshovers  
Subject: Local Gov't - misc Addl. Drafters: rchampag  
State Govt - miscellaneous Extra Copies: EVM

Submit via email: YES  
Requester's email:  
Carbon copy (CC) to: sbostatlanguage@webapps.wi.gov

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**Pre Topic:**

DOA:.....Wimmer, BB0462 -

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**Topic:**

Create a sports and entertainment special purpose district for a professional basketball home arena;  
fold in Bradley Center

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**Instructions:**

Same as -1330/P4, but remove bill section 5, eminent domain authority.

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mshovers 1/28/2015	kfollett 1/28/2015	rschluet 1/28/2015	_____			
/1				_____	sbasford 1/28/2015		State S&L

FE Sent For:

**<END>**

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Subject: **Local Gov't - misc** Addl. Drafters: **rchampag**  
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/? mshovers

11 MES 1/28/28

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<END>

# RESEARCH APPENDIX - Draft Transfer/Copy Request Form

- Atty's please complete this form and give to Mike Barman

(Request Made By: MES) (Date: 1 / 28 / 15)



Please transfer the drafting file for

2007 LRB to the drafting file

for 2009 LRB

The final version of the 2007 draft and the final Request Sheet will be copied on yellow paper, and returned to the original 2007 drafting file. A new cover sheet will be created/included listing the new location of the drafting file's "guts".

For research purposes, because the 2007 draft was incorporated into a new 2009 draft, the complete drafting file will be transferred, as a separate appendix, to the new 2009 drafting file. This request form will be inserted into the "guts" of the 2009 draft. If introduced, the appendix will be scanned/added to the electronic drafting file folder.

--- OR ---

2015  Please copy the drafting file for  
2009 LRB - 1330 / P4 (include the version) and place it in the

drafting file for 2009 LRB 1502

For research purposes, because the original 2009 draft was incorporated into another 2009 draft, the original drafting file will be copied on yellow paper (darkened/auto centered/reduced to 90%) and added, as a separate appendix, to the new 2009 drafting file. This request form will be inserted into the "guts" of the new 2009 draft. If introduced the appendix will be scanned/added to the electronic drafting file folder.

The original drafting file will then be returned, intact, to its folder and filed. For future reference, a copy of the transfer/copy request form will also be added to the "guts" of the original draft.



State of Wisconsin  
2015 - 2016 LEGISLATURE

-1502/1  
LRB-1330/R4  
MES&RAC:kjf:jm

DOA:.....Wimmer, BB0462 - Create a sports and entertainment special purpose district for a professional basketball home arena; fold in Bradley Center

**FOR 2015-2017 BUDGET -- NOT READY FOR INTRODUCTION**

no more gen  
IN 4/28 wanted today

1 AN ACT ...; relating to: the budget.

*Analysis by the Legislative Reference Bureau*

**LOCAL GOVERNMENT**

This bill creates a sports and entertainment district (district) with powers and duties to facilitate the construction of a basketball arena, as well as other sports and entertainment facilities, in a county with a population of more than 500,000 that has a first class city (collectively, local units) in which a professional basketball team's home arena is currently located. Generally, the district is governed by a board of nine members nominated by the governor, and with the advice and consent of the senate appointed, for staggered seven-year terms. Also under the bill, the county executive and mayor of a local unit may each appoint one additional member to the board if the local unit provides funding to the district.

Board members must be Wisconsin residents, have executive and managerial experience, and may not be elective office holders or candidates for elective office. The district may not incur debt or impose taxes and may operate and manage the basketball arena and other facilities. The bill permits the district to exercise eminent domain authority, and also permits the Bradley Center Sports and Entertainment Corporation, which currently owns the Bradley Center, to transfer ownership of the Bradley Center to the district, along with all outstanding debt on the Bradley Center.

The bill authorizes the state to issue or contract \$220,000,000 in appropriation obligations to be used as a grant to assist a district in the construction of sports and



entertainment facilities, including the acquisition or lease of property. Under the bill, the state may only provide such a grant if the district has secured additional funding for the project in an amount at least equal to \$300,000,000.

The bill also requires that any lease for the use of sports and entertainment facilities that is entered into between the district board and a professional basketball team must include a provision stating that, if the team breaks or otherwise fails to fulfill its obligations under the lease, the team will pay the state an amount that is sufficient to pay off the appropriation obligations.

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

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

1           **SECTION 1.** 16.527 (1) (c) of the statutes is created to read:

2           16.527 (1) (c) The legislature finds and determines that sports and  
3 entertainment facilities encourage economic development and tourism in this state  
4 by reducing unemployment and by bringing needed capital into the state for the  
5 benefit and welfare of people throughout the state. It is therefore in the public  
6 interest and will serve a public purpose, and it is the public policy of this state, to  
7 assist a sports and entertainment district in the construction of sports and  
8 entertainment facilities under subch. VI of ch. 229.

9           **SECTION 2.** 16.527 (3) (d) of the statutes is created to read:

10          16.527 (3) (d) 1. Subject to the limitations under subds. 2. to 4., the department  
11 may contract appropriation obligations of the state under this section for the purpose  
12 of assisting a sports and entertainment district under subch. VI of ch. 229 in the  
13 construction of sports and entertainment facilities, including the acquisition or lease  
14 of property. The assistance shall be in the form of a grant to the sports and  
15 entertainment district.

1           2. The sum of appropriation obligations issued under this section for the  
2 purpose under subd. 1. may not exceed \$220,000,000, excluding any amounts  
3 representing accreted interest or original issue discount.

4           3. No appropriation obligations may be issued under this section for the  
5 purpose under subd. 1. unless the department determines that the sports and  
6 entertainment district has secured additional funding for the project in an amount  
7 at least equal to \$300,000,000.

8           4. If the department issues appropriation obligations under this section for the  
9 purpose under subd. 1. and if, for any reason, the facility that is constructed with  
10 funds from the grant is not used principally for professional basketball, the state  
11 shall retain an ownership interest in the facility equal to the amount of the state's  
12 grant.

13           **SECTION 3.** 20.505 (1) (bv) of the statutes is created to read:

14           20.505 (1) (bv) *Appropriation obligations repayment; sports and entertainment*  
15 *facilities.* The amounts in the schedule to pay debt service costs due in the current  
16 fiscal year on appropriation obligations issued under s. 16.527 (3) (d), to make  
17 payments of the state under agreements and ancillary arrangements entered into  
18 under s. 16.527 (4) (e), to make deposits into reserve funds, and to pay related  
19 issuance or administrative expenses.

          \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

20           **SECTION 4.** 20.505 (1) (in) of the statutes is created to read:

21           20.505 (1) (in) *Appropriation obligation proceeds; sports and entertainment*  
22 *facilities.* All moneys received from the sale of appropriation obligations that are  
23 issued under s. 16.527 (3) (d), and any earnings on such moneys and on any other

1 moneys held for the purpose of this paragraph, to assist a sports and entertainment  
2 district under subch. VI of ch. 229 in the construction of sports and entertainment  
3 facilities, including the acquisition or lease of property, and to provide for reserves  
4 and for expenses of issuance and administration of the appropriation obligations,  
5 and to pay interest on the appropriation obligations, the redemption price of  
6 refunded appropriation obligations and any related obligations incurred under  
7 agreements entered into under s. 16.527 (4) (e), as determined by the department of  
8 administration. Estimated disbursements under this paragraph shall not be  
9 included in the schedule under s. 20.005.

10 **SECTION 5.** 32.02 (1) of the statutes is amended to read:

11 32.02 (1) Any county, town, village, city, including villages and cities  
12 incorporated under general or special acts, a local sports and entertainment district  
13 created under subch. VI of ch. 229, school district, the department of health services,  
14 the department of corrections, the board of regents of the University of Wisconsin  
15 System, the building commission, a commission created by contract under s. 66.0301,  
16 with the approval of the municipality in which condemnation is proposed, a  
17 commission created by contract under s. 66.0303 that is acting under s. 66.0304, if  
18 the condemnation occurs within the boundaries of a member of the commission, or  
19 any public board or commission, for any lawful purpose, but in the case of city and  
20 village boards or commissions approval of that action is required to be granted by the  
21 governing body. A mosquito control commission, created under s. 59.70 (12), and a  
22 local professional football stadium district board, created under subch. IV of ch. 229,  
23 may not acquire property by condemnation.

24 **SECTION 6.** 66.0301 (1) (a) of the statutes is amended to read:



1           66.0301 (1) (a) Except as provided in pars. (b) and (c), in this section  
2 “municipality” means the state or any department or agency thereof, or any city,  
3 village, town, county, school district, public library system, public inland lake  
4 protection and rehabilitation district, sanitary district, farm drainage district,  
5 metropolitan sewerage district, sewer utility district, solid waste management  
6 system created under s. 59.70 (2), local exposition district created under subch. II of  
7 ch. 229, local professional baseball park district created under subch. III of ch. 229,  
8 local professional football stadium district created under subch. IV of ch. 229, local  
9 cultural arts district created under subch. V of ch. 229, local sports and  
10 entertainment district created under subch. VI of ch. 229, long-term care district  
11 under s. 46.2895, water utility district, mosquito control district, municipal electric  
12 company, county or city transit commission, commission created by contract under  
13 this section, taxation district, regional planning commission, housing authority  
14 created under s. 66.1201, redevelopment authority created under s. 66.1333,  
15 community development authority created under s. 66.1335, or city-county health  
16 department.

17           **SECTION 7.** 66.0603 (1g) (a) of the statutes is renumbered 66.0603 (1g) (a)  
18 (intro.) and amended to read:

19           66.0603 (1g) (a) (intro.) In this section, “governing board” has the meaning  
20 given under s. 34.01 (1) but does not include ~~a local cultural arts district board~~  
21 ~~created under subch. V of ch. 229.~~ any of the following:

22           **SECTION 8.** 66.0603 (1g) (a) 1. of the statutes is created to read:

23           66.0603 (1g) (a) 1. A local cultural arts district board created under subch. V  
24 of ch. 229.

25           **SECTION 9.** 66.0603 (1g) (a) 2. of the statutes is created to read:

**SECTION 9**

1 66.0603 (1g) (a) 2. A local sports and entertainment district board created  
2 under subch. VI of ch. 229.

3 **SECTION 10.** 71.05 (1) (c) 6m. of the statutes is created to read:

4 71.05 (1) (c) 6m. The state under s. 16.527 (3) (d) to assist a local sports and  
5 entertainment district created under subch. VI of ch. 229.

6 **SECTION 11.** 71.05 (1) (c) 6p. of the statutes is created to read:

7 71.05 (1) (c) 6p. A local unit under one of the provisions specified in s. 229.863  
8 (3) to assist a local sports and entertainment district created under subch. VI of ch.  
9 229.

10 **SECTION 12.** 71.26 (1) (bm) of the statutes is amended to read:

11 71.26 (1) (bm) *Certain local districts.* Income of a local exposition district  
12 created under subch. II of ch. 229, a local professional baseball park district created  
13 under subch. III of ch. 229, a local professional football stadium district created  
14 under subch. IV of ch. 229, ~~or~~ a local cultural arts district created under subch. V of  
15 ch. 229, or a local sports and entertainment district created under subch. VI of ch.  
16 229.

17 **SECTION 13.** 71.26 (1m) (n) of the statutes is created to read:

18 71.26 (1m) (n) 1. Those issued by the state under s. 16.527 (3) (d) to assist a local  
19 sports and entertainment district created under subch. VI of ch. 229.

20 2. Those issued under one of the provisions specified in s. 229.863 (3) by a local  
21 unit, as defined in s. 229.858 (4), to assist a local sports and entertainment district  
22 created under subch. VI of ch. 229.

23 **SECTION 14.** 71.36 (1m) (b) 7. of the statutes is created to read:

24 71.36 (1m) (b) 7. Interest on obligations issued under s. 16.527 (3) (d).

25 **SECTION 15.** 71.36 (1m) (b) 8. of the statutes is created to read:



1 economic development and tourism, by reducing unemployment, and by bringing  
2 needed capital into the district's jurisdiction for the benefit of people in the district's  
3 jurisdiction.

4 **SECTION 19.** 229.858 of the statutes is created to read:

5 **229.858 Definitions.** In this subchapter:

6 (1) "Basketball arena" means an arena that is an arena that is principally used  
7 as the home arena of a professional basketball team, described in s. 229.860, at the  
8 time that a district is created.

9 (2) "District" means a special purpose district created under this subchapter.

10 (3) "District board" means the governing board of a district.

11 (4) "Local unit" means a county or city that is described in s. 229.860.

12 (5) "Sports and entertainment facilities" means property, tangible or  
13 intangible, owned in whole or in substantial part, operated, or leased by a district  
14 that is principally used for professional basketball, including spectator seating,  
15 practice facilities, parking lots and structures, garages, restaurants, concession  
16 facilities, entertainment facilities, facilities for the display or sale of memorabilia,  
17 transportation facilities, and other functionally related or auxiliary facilities or  
18 structures.

19 **SECTION 20.** 229.859 of the statutes is created to read:

20 **229.859 Creation and organization.** (1) There is created, for each  
21 jurisdiction under s. 229.860, a special purpose district that is a local governmental  
22 unit, that is a body corporate and politic, that is separate and distinct from, and  
23 independent of, the state, and separate and distinct from, and independent of, the  
24 local units within its jurisdiction, that has the powers under s. 229.861 and the name  
25 of which includes "Sports and Entertainment District".

1           (2) (a) A district is governed by its district board. Subject to pars. (g) and (h),  
2           the district board shall consist of 9 members appointed by the governor. A person  
3           appointed under this paragraph may take his or her seat immediately upon  
4           appointment and qualification, subject to confirmation or rejection by the senate.  
5           Persons appointed and confirmed under this paragraph shall serve staggered 7-year  
6           terms. The governor shall designate one member as chairperson of the district board.

7           (b) Members of the district board shall be Wisconsin residents and shall have  
8           executive and managerial experience. No member may hold elective public office or  
9           be a candidate for elective public office.

10          (c) A member of the district board who is appointed by the governor shall hold  
11          his or her position on the board until the member's successor is appointed by the  
12          governor and confirmed by the senate.

13          (d) A majority of the current membership of the district board constitutes a  
14          quorum to do business. The district may take action based on the affirmative vote  
15          of a majority of those members of the district board who are present at a meeting of  
16          the district board.

17          (e) No member of the district board may receive compensation for performing  
18          his or her duties. A member of the district board shall be reimbursed for his or her  
19          actual and necessary expenses incurred in the performance of his or her duties.

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

23          (g) The county executive of a county described in s. 229.860 which provides  
24          funding to construct, equip, or improve sports and entertainment facilities under s.  
25          229.863 shall appoint a member to the district board, subject to confirmation or

1 rejection by a majority of the members-elect of the county board. A person appointed  
2 and confirmed under this paragraph shall serve a 7-year term, except that the initial  
3 term of the first member appointed under this paragraph shall be 5 years.

4 (h) The mayor of a city described in s. 229.860 which provides funding to  
5 construct, equip, or improve sports and entertainment facilities under s. 229.863  
6 shall appoint a member to the district board, subject to confirmation or rejection by  
7 a majority of the members-elect of the common council. A person appointed and  
8 confirmed under this paragraph shall serve a 7-year term, except that the initial  
9 term of the first member appointed under this paragraph shall be 6 years.

10 (i) A member appointed under par. (g) or (h) is subject to the requirements  
11 under par. (b). Upon appointment and confirmation of such a member, the  
12 appointing authority shall certify the member to the secretary of administration.

13 (3) The district board shall name the district, and the name shall include  
14 "Sports and Entertainment District".

15 **SECTION 21.** 229.860 of the statutes is created to read:

16 **229.860 Jurisdiction.** A district's jurisdiction is any county with a population  
17 of more than 500,000 and a 1st class city that is located wholly or predominantly in  
18 that county, provided that the city includes the principal site of a basketball arena  
19 that is home to a professional basketball team, that is a member of a league of  
20 professional basketball teams that have home arenas in at least 10 states, and that  
21 is approved by that league for use as a home arena for that basketball team. Once  
22 created, the district's jurisdiction remains fixed even if population figures for the  
23 county decline below the minimum described in this section.

24 **SECTION 22.** 229.861 of the statutes is created to read:

1       **229.861 Powers of a district.** A district has all of the powers necessary or  
2 convenient to carry out the purposes and provisions of this subchapter, except that  
3 it may not issue bonds or levy or impose a tax. In addition to all other powers granted  
4 by this subchapter, a district may do all of the following:

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

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

7           (3) Maintain an office.

8           (4) In connection with sports and entertainment facilities:

9           (a) Acquire, construct, equip, maintain, improve, operate, and manage the  
10 sports and entertainment facilities as a revenue-generating enterprise, or engage  
11 other persons to do these things.

12           (b) Acquire; lease, as lessor or lessee; use; transfer; or accept transfers of  
13 property, and assume debt payments and outstanding obligations for the property  
14 acquired or accepted.

15           (c) Improve, maintain, and repair property.

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

21           (e) Sell or otherwise dispose of unneeded or unwanted property.

22           (5) Employ personnel, and fix and regulate their compensation; and provide,  
23 either directly or subject to an agreement under s. 66.0301 as a participant in a  
24 benefit plan of another governmental entity, any employee benefits, including an  
25 employee pension plan.

1           (6) Purchase insurance, establish and administer a plan of self-insurance or,  
2           subject to an agreement with another governmental entity under s. 66.0301,  
3           participate in a governmental plan of insurance or self-insurance.

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

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

7           (9) Promote, advertise, and publicize its sports and entertainment facilities  
8           and related activities.

9           (10) Set standards governing the use of, and the conduct within, its sports and  
10          entertainment facilities in order to promote public safety and convenience and to  
11          maintain order.

12          (11) Accept gifts, loans, and other aid.

13          (12) Adopt and alter an official seal.

14          **SECTION 23.** 229.862 of the statutes is created to read:

15          **229.862 Special fund revenues.** (1) The district board shall maintain a  
16          special fund into which it deposits all funds received under s. 16.527 (3) (d). Moneys  
17          in the special fund may be expended only for the construction of sports and  
18          entertainment facilities, including the acquisition or lease of property.

19          (2) The district may not deposit any other moneys into the special fund, except  
20          that the district shall credit all earnings on the revenues in the special fund to the  
21          special fund.

22          (3) No money in the special fund may be expended for the purpose of operating  
23          or maintaining sports and entertainment facilities or a basketball arena.

24          **SECTION 24.** 229.863 of the statutes is created to read:



1       **229.863 Powers granted to local units.** (1) In addition to any powers that  
2 it may otherwise have, a local unit may do any of the following:

3           (1) Make grants or loans to a district upon terms that the local unit considers  
4 appropriate.

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

6           (3) Borrow money under ch. 24 and ss. 66.0621, 67.04, and 67.12 (12) for sports  
7 and entertainment facilities or to fund grants, loans, or subsidies to a district.

8           (4) Lease or transfer property to a district upon terms that the local unit  
9 considers appropriate.

10       **SECTION 25.** 229.864 of the statutes is created to read:

11       **229.864 Dissolution of a district, lease obligations.** (1) A district may not  
12 dissolve and wind up its affairs unless obligations issued under s. 16.527 (3) (d) have  
13 been retired.

14           (2) If the district board enters into a lease with a professional basketball team  
15 described in s. 229.860 for the use of sports and entertainment facilities, the lease  
16 shall include a provision that states that if the team breaks or otherwise fails to fulfill  
17 its obligations under the lease, the professional basketball team shall pay the state  
18 an amount sufficient to retire the obligations issued under s. 16.527 (3) (d).

19       **SECTION 26.** 229.865 of the statutes is created to read:

20       **229.865 Trust funds.** All moneys received under this subchapter, whether  
21 from the state, from a local unit, or from any other source, are trust funds to be held  
22 and applied solely as provided in this subchapter. Any officer with whom, or any  
23 bank or trust company with which, those moneys are deposited shall act as trustee  
24 of those moneys and shall hold and apply the moneys for the purposes of this  
25 subchapter.

1       **SECTION 27.** 229.866 of the statutes is created to read:

2           **229.866 Budgets; rates and charges; audit.** A district shall adopt a  
3       calendar year as its fiscal year for accounting purposes. The district board shall  
4       annually prepare a budget for the district. Rates and other charges received by the  
5       district shall be used for the general expenses and capital expenditures of the  
6       district. A district shall maintain an accounting system in accordance with generally  
7       accepted accounting principles and shall have its financial statements audited  
8       annually by an independent certified public accountant.

9       **SECTION 28.** 232.05 (3) of the statutes is amended to read:

10       232.05 (3) The corporation may not:

11       (a) Sell, exchange, or otherwise divest itself of the Bradley center to a sports  
12       and entertainment district under subch. VI of ch. 229.

13       (b) Dissolve and wind up its affairs, ~~unless the legislature enacts a law ordering~~  
14       ~~dissolution or except as provided in s. 232.07~~ upon the sale, exchange, or other  
15       divestiture of the Bradley center.

16       **SECTION 9129. Nonstatutory provisions; Local Government.**

17       (1) LOCAL SPORTS AND ENTERTAINMENT DISTRICT.

18       (a) *Appointment of district board members.* Not later than 90 days after the  
19       effective date of this paragraph, the governor shall notify the senate of his or her  
20       initial appointments to the district board under section 229.859 of the statutes, as  
21       created by this act, and not later than 30 days after the governor notifies the senate  
22       of the appointments, the senate shall confirm or reject the governor's appointees.

23       (b) *Staggering of terms.* Notwithstanding the 7-year terms specified under  
24       section 229.859 of the statutes, as created by this act, the initial appointees of the  
25       governor under paragraph (a) shall have terms that expire as follows:



**Barman, Mike**

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**From:** Champagne, Rick  
**Sent:** Saturday, January 31, 2015 10:24 AM  
**To:** Barman, Mike; Parisi, Lori; Burhop, Sarah; Rose, Stefanie  
**Subject:** Move Drafting Files

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Can you make sure that the DOA Budget drafting file for 1330 is put into 1502. Thank you.

Already  
Done  
9/18



State of Wisconsin  
2015 - 2016 LEGISLATURE

LRB-1502/1  
MES&RAC:kjfrs

DOA:.....Wimmer, BB0462 – Create a sports and entertainment special purpose district for a professional basketball home arena; fold in Bradley Center

**FOR 2015-2017 BUDGET — NOT READY FOR INTRODUCTION**

1 AN ACT ...; relating to: the budget.

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*Analysis by the Legislative Reference Bureau*

**LOCAL GOVERNMENT**

This bill creates a sports and entertainment district (district) with powers and duties to facilitate the construction of a basketball arena, as well as other sports and entertainment facilities, in a county with a population of more than 500,000 that has a first class city (collectively, local units) in which a professional basketball team's home arena is currently located. Generally, the district is governed by a board of nine members nominated by the governor, and with the advice and consent of the senate appointed, for staggered seven-year terms. Also under the bill, the county executive and mayor of a local unit may each appoint one additional member to the board if the local unit provides funding to the district.

Board members must be Wisconsin residents, have executive and managerial experience, and may not be elective office holders or candidates for elective office. The district may not incur debt or impose taxes and may operate and manage the basketball arena and other facilities. The bill permits the Bradley Center Sports and Entertainment Corporation, which currently owns the Bradley Center, to transfer ownership of the Bradley Center to the district, along with all outstanding debt on the Bradley Center.

The bill authorizes the state to issue or contract \$220,000,000 in appropriation obligations to be used as a grant to assist a district in the construction of sports and

entertainment facilities, including the acquisition or lease of property. Under the bill, the state may only provide such a grant if the district has secured additional funding for the project in an amount at least equal to \$300,000,000.

The bill also requires that any lease for the use of sports and entertainment facilities that is entered into between the district board and a professional basketball team must include a provision stating that, if the team breaks or otherwise fails to fulfill its obligations under the lease, the team will pay the state an amount that is sufficient to pay off the appropriation obligations.

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

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

1           **SECTION 1.** 16.527 (1) (c) of the statutes is created to read:

2           16.527 (1) (c) The legislature finds and determines that sports and  
3 entertainment facilities encourage economic development and tourism in this state  
4 by reducing unemployment and by bringing needed capital into the state for the  
5 benefit and welfare of people throughout the state. It is therefore in the public  
6 interest and will serve a public purpose, and it is the public policy of this state, to  
7 assist a sports and entertainment district in the construction of sports and  
8 entertainment facilities under subch. VI of ch. 229.

9           **SECTION 2.** 16.527 (3) (d) of the statutes is created to read:

10           16.527 (3) (d) 1. Subject to the limitations under subs. 2. to 4., the department  
11 may contract appropriation obligations of the state under this section for the purpose  
12 of assisting a sports and entertainment district under subch. VI of ch. 229 in the  
13 construction of sports and entertainment facilities, including the acquisition or lease  
14 of property. The assistance shall be in the form of a grant to the sports and  
15 entertainment district.

1           2. The sum of appropriation obligations issued under this section for the  
2 purpose under subd. 1. may not exceed \$220,000,000, excluding any amounts  
3 representing accreted interest or original issue discount.

4           3. No appropriation obligations may be issued under this section for the  
5 purpose under subd. 1. unless the department determines that the sports and  
6 entertainment district has secured additional funding for the project in an amount  
7 at least equal to \$300,000,000.

8           4. If the department issues appropriation obligations under this section for the  
9 purpose under subd. 1. and if, for any reason, the facility that is constructed with  
10 funds from the grant is not used principally for professional basketball, the state  
11 shall retain an ownership interest in the facility equal to the amount of the state's  
12 grant.

13           **SECTION 3.** 20.505 (1) (bv) of the statutes is created to read:

14           20.505 (1) (bv) *Appropriation obligations repayment; sports and entertainment*  
15 *facilities.* The amounts in the schedule to pay debt service costs due in the current  
16 fiscal year on appropriation obligations issued under s. 16.527 (3) (d), to make  
17 payments of the state under agreements and ancillary arrangements entered into  
18 under s. 16.527 (4) (e), to make deposits into reserve funds, and to pay related  
19 issuance or administrative expenses.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

20           **SECTION 4.** 20.505 (1) (in) of the statutes is created to read:

21           20.505 (1) (in) *Appropriation obligation proceeds; sports and entertainment*  
22 *facilities.* All moneys received from the sale of appropriation obligations that are  
23 issued under s. 16.527 (3) (d), and any earnings on such moneys and on any other

1 moneys held for the purpose of this paragraph, to assist a sports and entertainment  
2 district under subch. VI of ch. 229 in the construction of sports and entertainment  
3 facilities, including the acquisition or lease of property, and to provide for reserves  
4 and for expenses of issuance and administration of the appropriation obligations,  
5 and to pay interest on the appropriation obligations, the redemption price of  
6 refunded appropriation obligations and any related obligations incurred under  
7 agreements entered into under s. 16.527 (4) (e), as determined by the department of  
8 administration. Estimated disbursements under this paragraph shall not be  
9 included in the schedule under s. 20.005.

10 SECTION 5. 66.0301 (1) (a) of the statutes is amended to read:

11 66.0301 (1) (a) Except as provided in pars. (b) and (c), in this section  
12 “municipality” means the state or any department or agency thereof, or any city,  
13 village, town, county, school district, public library system, public inland lake  
14 protection and rehabilitation district, sanitary district, farm drainage district,  
15 metropolitan sewerage district, sewer utility district, solid waste management  
16 system created under s. 59.70 (2), local exposition district created under subch. II of  
17 ch. 229, local professional baseball park district created under subch. III of ch. 229,  
18 local professional football stadium district created under subch. IV of ch. 229, local  
19 cultural arts district created under subch. V of ch. 229, local sports and  
20 entertainment district created under subch. VI of ch. 229, long-term care district  
21 under s. 46.2895, water utility district, mosquito control district, municipal electric  
22 company, county or city transit commission, commission created by contract under  
23 this section, taxation district, regional planning commission, housing authority  
24 created under s. 66.1201, redevelopment authority created under s. 66.1333,



1 community development authority created under s. 66.1335, or city–county health  
2 department.

3 **SECTION 6.** 66.0603 (1g) (a) of the statutes is renumbered 66.0603 (1g) (a)  
4 (intro.) and amended to read:

5 66.0603 (1g) (a) (intro.) In this section, “governing board” has the meaning  
6 given under s. 34.01 (1) but does not include ~~a local cultural arts district board~~  
7 ~~created under subch. V of ch. 229.~~ any of the following:

8 **SECTION 7.** 66.0603 (1g) (a) 1. of the statutes is created to read:

9 66.0603 (1g) (a) 1. A local cultural arts district board created under subch. V  
10 of ch. 229.

11 **SECTION 8.** 66.0603 (1g) (a) 2. of the statutes is created to read:

12 66.0603 (1g) (a) 2. A local sports and entertainment district board created  
13 under subch. VI of ch. 229.

14 **SECTION 9.** 71.05 (1) (c) 6m. of the statutes is created to read:

15 71.05 (1) (c) 6m. The state under s. 16.527 (3) (d) to assist a local sports and  
16 entertainment district created under subch. VI of ch. 229.

17 **SECTION 10.** 71.05 (1) (c) 6p. of the statutes is created to read:

18 71.05 (1) (c) 6p. A local unit under one of the provisions specified in s. 229.863  
19 (3) to assist a local sports and entertainment district created under subch. VI of ch.  
20 229.

21 **SECTION 11.** 71.26 (1) (bm) of the statutes is amended to read:

22 71.26 (1) (bm) *Certain local districts.* Income of a local exposition district  
23 created under subch. II of ch. 229, a local professional baseball park district created  
24 under subch. III of ch. 229, a local professional football stadium district created  
25 under subch. IV of ch. 229, ~~or~~ a local cultural arts district created under subch. V of

1 ch. 229, or a local sports and entertainment district created under subch. VI of ch.  
2 229.

3 **SECTION 12.** 71.26 (1m) (n) of the statutes is created to read:

4 71.26 (1m) (n) 1. Those issued by the state under s. 16.527 (3) (d) to assist a local  
5 sports and entertainment district created under subch. VI of ch. 229.

6 2. Those issued under one of the provisions specified in s. 229.863 (3) by a local  
7 unit, as defined in s. 229.858 (4), to assist a local sports and entertainment district  
8 created under subch. VI of ch. 229.

9 **SECTION 13.** 71.36 (1m) (b) 7. of the statutes is created to read:

10 71.36 (1m) (b) 7. Interest on obligations issued under s. 16.527 (3) (d).

11 **SECTION 14.** 71.36 (1m) (b) 8. of the statutes is created to read:

12 71.36 (1m) (b) 8. Interest on obligations issued by a local unit under one of the  
13 provisions specified in s. 229.863 (3) to assist a local sports and entertainment  
14 district created under subch. VI of ch. 229.

15 **SECTION 15.** 71.45 (1t) (n) of the statutes is created to read:

16 71.45 (1t) (n) 1. Those issued by the state under s. 16.527 (3) (d) to assist a local  
17 sports and entertainment district created under subch. VI of ch. 229.

18 2. Those issued under one of the provisions specified in s. 229.863 (3) by a local  
19 unit, as defined in s. 229.858 (4), to assist a local sports and entertainment district  
20 created under subch. VI of ch. 229.

21 **SECTION 16.** Subchapter VI (title) of chapter 229 [precedes 229.857] of the  
22 statutes is created to read:

23 **CHAPTER 229**

24 **SUBCHAPTER VI**

## 1 LOCAL SPORTS AND

## 2 ENTERTAINMENT DISTRICTS

3 SECTION 17. 229.857 of the statutes is created to read:

4 **229.857 Legislative declaration.** (1) The legislature determines that the  
5 provision of assistance by state agencies to a district under this subchapter and any  
6 appropriation of funds to a district under this subchapter serve a statewide public  
7 purpose by assisting the development of sports and entertainment facilities in the  
8 state for providing recreation, by encouraging economic development and tourism,  
9 by reducing unemployment, and by bringing needed capital into the state for the  
10 benefit and welfare of people throughout the state.

11 (2) The legislature determines that a district serves a public purpose in  
12 political subdivisions in which it is located by providing recreation, by encouraging  
13 economic development and tourism, by reducing unemployment, and by bringing  
14 needed capital into the district's jurisdiction for the benefit of people in the district's  
15 jurisdiction.

16 SECTION 18. 229.858 of the statutes is created to read:

17 **229.858 Definitions.** In this subchapter:

18 (1) "Basketball arena" means an arena that is an arena that is principally used  
19 as the home arena of a professional basketball team, described in s. 229.860, at the  
20 time that a district is created.

21 (2) "District" means a special purpose district created under this subchapter.

22 (3) "District board" means the governing board of a district.

23 (4) "Local unit" means a county or city that is described in s. 229.860.

24 (5) "Sports and entertainment facilities" means property, tangible or  
25 intangible, owned in whole or in substantial part, operated, or leased by a district

1 that is principally used for professional basketball, including spectator seating,  
2 practice facilities, parking lots and structures, garages, restaurants, concession  
3 facilities, entertainment facilities, facilities for the display or sale of memorabilia,  
4 transportation facilities, and other functionally related or auxiliary facilities or  
5 structures.

6 SECTION 19. 229.859 of the statutes is created to read:

7 **229.859 Creation and organization.** (1) There is created, for each  
8 jurisdiction under s. 229.860, a special purpose district that is a local governmental  
9 unit, that is a body corporate and politic, that is separate and distinct from, and  
10 independent of, the state, and separate and distinct from, and independent of, the  
11 local units within its jurisdiction, that has the powers under s. 229.861 and the name  
12 of which includes “Sports and Entertainment District”.

13 (2) (a) A district is governed by its district board. Subject to pars. (g) and (h),  
14 the district board shall consist of 9 members appointed by the governor. A person  
15 appointed under this paragraph may take his or her seat immediately upon  
16 appointment and qualification, subject to confirmation or rejection by the senate.  
17 Persons appointed and confirmed under this paragraph shall serve staggered 7-year  
18 terms. The governor shall designate one member as chairperson of the district board.

19 (b) Members of the district board shall be Wisconsin residents and shall have  
20 executive and managerial experience. No member may hold elective public office or  
21 be a candidate for elective public office.

22 (c) A member of the district board who is appointed by the governor shall hold  
23 his or her position on the board until the member’s successor is appointed by the  
24 governor and confirmed by the senate.

1 (d) A majority of the current membership of the district board constitutes a  
2 quorum to do business. The district may take action based on the affirmative vote  
3 of a majority of those members of the district board who are present at a meeting of  
4 the district board.

5 (e) No member of the district board may receive compensation for performing  
6 his or her duties. A member of the district board shall be reimbursed for his or her  
7 actual and necessary expenses incurred in the performance of his or her duties.

8 (f) Upon the appointment and qualification of a majority of the members of a  
9 district board, the district board may exercise the powers and duties of a district  
10 board under this subchapter.

11 (g) The county executive of a county described in s. 229.860 which provides  
12 funding to construct, equip, or improve sports and entertainment facilities under s.  
13 229.863 shall appoint a member to the district board, subject to confirmation or  
14 rejection by a majority of the members–elect of the county board. A person appointed  
15 and confirmed under this paragraph shall serve a 7–year term, except that the initial  
16 term of the first member appointed under this paragraph shall be 5 years.

17 (h) The mayor of a city described in s. 229.860 which provides funding to  
18 construct, equip, or improve sports and entertainment facilities under s. 229.863  
19 shall appoint a member to the district board, subject to confirmation or rejection by  
20 a majority of the members–elect of the common council. A person appointed and  
21 confirmed under this paragraph shall serve a 7–year term, except that the initial  
22 term of the first member appointed under this paragraph shall be 6 years.

23 (i) A member appointed under par. (g) or (h) is subject to the requirements  
24 under par. (b). Upon appointment and confirmation of such a member, the  
25 appointing authority shall certify the member to the secretary of administration.

1           **(3)** The district board shall name the district, and the name shall include  
2 “Sports and Entertainment District”.

3           **SECTION 20.** 229.860 of the statutes is created to read:

4           **229.860 Jurisdiction.** A district’s jurisdiction is any county with a population  
5 of more than 500,000 and a 1st class city that is located wholly or predominantly in  
6 that county, provided that the city includes the principal site of a basketball arena  
7 that is home to a professional basketball team, that is a member of a league of  
8 professional basketball teams that have home arenas in at least 10 states, and that  
9 is approved by that league for use as a home arena for that basketball team. Once  
10 created, the district’s jurisdiction remains fixed even if population figures for the  
11 county decline below the minimum described in this section.

12           **SECTION 21.** 229.861 of the statutes is created to read:

13           **229.861 Powers of a district.** A district has all of the powers necessary or  
14 convenient to carry out the purposes and provisions of this subchapter, except that  
15 it may not issue bonds or levy or impose a tax. In addition to all other powers granted  
16 by this subchapter, a district may do all of the following:

17           **(1)** Adopt bylaws to govern the district’s activities, subject to this subchapter.

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

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

20           **(4)** In connection with sports and entertainment facilities:

21           **(a)** Acquire, construct, equip, maintain, improve, operate, and manage the  
22 sports and entertainment facilities as a revenue-generating enterprise, or engage  
23 other persons to do these things.

1           (b) Acquire; lease, as lessor or lessee; use; transfer; or accept transfers of  
2           property, and assume debt payments and outstanding obligations for the property  
3           acquired or accepted.

4           (c) Improve, maintain, and repair property.

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

10          (e) Sell or otherwise dispose of unneeded or unwanted property.

11          (5) Employ personnel, and fix and regulate their compensation; and provide,  
12          either directly or subject to an agreement under s. 66.0301 as a participant in a  
13          benefit plan of another governmental entity, any employee benefits, including an  
14          employee pension plan.

15          (6) Purchase insurance, establish and administer a plan of self-insurance or,  
16          subject to an agreement with another governmental entity under s. 66.0301,  
17          participate in a governmental plan of insurance or self-insurance.

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

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

21          (9) Promote, advertise, and publicize its sports and entertainment facilities  
22          and related activities.

23          (10) Set standards governing the use of, and the conduct within, its sports and  
24          entertainment facilities in order to promote public safety and convenience and to  
25          maintain order.

1 (11) Accept gifts, loans, and other aid.

2 (12) Adopt and alter an official seal.

3 SECTION 22. 229.862 of the statutes is created to read:

4 **229.862 Special fund revenues.** (1) The district board shall maintain a  
5 special fund into which it deposits all funds received under s. 16.527 (3) (d). Moneys  
6 in the special fund may be expended only for the construction of sports and  
7 entertainment facilities, including the acquisition or lease of property.

8 (2) The district may not deposit any other moneys into the special fund, except  
9 that the district shall credit all earnings on the revenues in the special fund to the  
10 special fund.

11 (3) No money in the special fund may be expended for the purpose of operating  
12 or maintaining sports and entertainment facilities or a basketball arena.

13 SECTION 23. 229.863 of the statutes is created to read:

14 **229.863 Powers granted to local units.** (1) In addition to any powers that  
15 it may otherwise have, a local unit may do any of the following:

16 (1) Make grants or loans to a district upon terms that the local unit considers  
17 appropriate.

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

19 (3) Borrow money under ch. 24 and ss. 66.0621, 67.04, and 67.12 (12) for sports  
20 and entertainment facilities or to fund grants, loans, or subsidies to a district.

21 (4) Lease or transfer property to a district upon terms that the local unit  
22 considers appropriate.

23 SECTION 24. 229.864 of the statutes is created to read:



1           **229.864 Dissolution of a district, lease obligations.** (1) A district may not  
2 dissolve and wind up its affairs unless obligations issued under s. 16.527 (3) (d) have  
3 been retired.

4           (2) If the district board enters into a lease with a professional basketball team  
5 described in s. 229.860 for the use of sports and entertainment facilities, the lease  
6 shall include a provision that states that if the team breaks or otherwise fails to fulfill  
7 its obligations under the lease, the professional basketball team shall pay the state  
8 an amount sufficient to retire the obligations issued under s. 16.527 (3) (d).

9           **SECTION 25.** 229.865 of the statutes is created to read:

10           **229.865 Trust funds.** All moneys received under this subchapter, whether  
11 from the state, from a local unit, or from any other source, are trust funds to be held  
12 and applied solely as provided in this subchapter. Any officer with whom, or any  
13 bank or trust company with which, those moneys are deposited shall act as trustee  
14 of those moneys and shall hold and apply the moneys for the purposes of this  
15 subchapter.

16           **SECTION 26.** 229.866 of the statutes is created to read:

17           **229.866 Budgets; rates and charges; audit.** A district shall adopt a  
18 calendar year as its fiscal year for accounting purposes. The district board shall  
19 annually prepare a budget for the district. Rates and other charges received by the  
20 district shall be used for the general expenses and capital expenditures of the  
21 district. A district shall maintain an accounting system in accordance with generally  
22 accepted accounting principles and shall have its financial statements audited  
23 annually by an independent certified public accountant.

24           **SECTION 27.** 232.05 (3) of the statutes is amended to read:

25           **232.05 (3)** The corporation may not:

1 (a) Sell, exchange, or otherwise divest itself of the Bradley center to a sports  
2 and entertainment district under subch. VI of ch. 229.

3 (b) Dissolve and wind up its affairs, ~~unless the legislature enacts a law ordering~~  
4 ~~dissolution or except as provided in s. 232.07~~ upon the sale, exchange, or other  
5 divestiture of the Bradley center.

6 **SECTION 9129. Nonstatutory provisions; Local Government.**

7 (1) LOCAL SPORTS AND ENTERTAINMENT DISTRICT.

8 (a) *Appointment of district board members.* Not later than 90 days after the  
9 effective date of this paragraph, the governor shall notify the senate of his or her  
10 initial appointments to the district board under section 229.859 of the statutes, as  
11 created by this act, and not later than 30 days after the governor notifies the senate  
12 of the appointments, the senate shall confirm or reject the governor's appointees.

13 (b) *Staggering of terms.* Notwithstanding the 7-year terms specified under  
14 section 229.859 of the statutes, as created by this act, the initial appointees of the  
15 governor under paragraph (a) shall have terms that expire as follows:

16 1. The terms of 3 members, as determined by the governor, shall expire on July  
17 1, 2020.

18 2. The terms of 3 members, as determined by the governor, shall expire on July  
19 1, 2021.

20 3. The terms of 3 members, as determined by the governor, shall expire on July  
21 1, 2022.

22 (END)