AN ACT to renumber and amend 229.685 (1) and 229.685 (2); to amend 13.48
(10) (a), 229.68 (17) and 229.79; and to create 229.68 (8) (d), 229.68 (8) (e),
229.682 (9), 229.682 (10), 229.685 (1g), 229.685 (2) (a) and 229.685 (2) (b) of the
statutes; relating to: bonding, spending, and taxation authority and auditing
of local professional baseball park districts.

Analysis by the Legislative Reference Bureau

Under current law, a professional baseball park district (district) is created in
each county with a population of at least 600,000 (presently, only Milwaukee County)
and all counties that are contiguous to that county (in relation to Milwaukee County,
these counties are Ozaukee County, Racine County, Washington County and
Waukesha County). A district is governed by a board that consists of six persons
appointed by the governor; two persons appointed by the chief executive officer of the
most populous county within the district’s jurisdiction, one person appointed by the
chief executive officer of each of the other counties in the jurisdiction, and one person
appointed by the mayor of the most populous city within the jurisdiction.

A district has a variety of powers. Among these, a district may acquire,
construct, equip, maintain, improve, operate, and manage baseball park facilities
and may set standards governing the use of, and the conduct within, baseball park
facilities. A district is authorized to impose a sales tax and a use tax at a rate of no
more than 0.1 percent. Also, a district may issue bonds for the purpose of purchasing,
acquiring, leasing, constructing, extending, adding to, improving, conducting,
controlling, operating, or managing baseball park facilities. Bonds issued by the
district must be secured only by the district’s interest in any baseball park facilities,
by income from these facilities, and by the sales tax and use tax that the district is
authorized to levy. The district may not collect such taxes after the calendar quarter
in which the district certifies to the Department of Revenue that the district has
retired all of its bonds.

This bill limits the district’s authority to issue bonds and to expend tax moneys.
Under this bill, with an exception, a district may issue bonds only if: 1) the date on
which the bonds are payable is not later than the latest date on which outstanding
district bonds are payable; and 2) the total amount of principal and interest that
must be paid for outstanding bonds is not increased by the issuance of refunding
bonds. Also, a district may expend tax moneys only for payments of principal and
interest on bonds issued by the district, current operating expenses, or routine
maintenance of Miller Park facilities.

This bill also alters the procedure for terminating the sales tax and use tax
levied by the district. Under this bill, the authority of the district to levy these taxes
ends after the Legislative Fiscal Bureau determines that: 1) the bonds of the district
have been retired; and 2) a sufficient fund for routine maintenance has been funded.

This bill also provides that a district may annually spend no more than 4
percent of expected revenues for administrative expenses and must spend not less
than 75 percent of expected revenues for bond related purposes.

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

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

SECTION 1. 13.48 (10) (a) of the statutes is amended to read:

13.48 (10) (a) Except as provided in par. (c), no state board, agency, officer,
department, commission, or body corporate may enter into a contract for the
construction, reconstruction, remodeling of, or addition to any building, structure,
or facility, in connection with any building project which involves a cost in excess of
$185,000 without completion of final plans and arrangement for supervision of
construction and prior approval by the building commission. This section applies to
the department of transportation only in respect to buildings, structures, and
facilities to be used for administrative or operating functions, including buildings,
land, and equipment to be used for the motor vehicle emission inspection and
maintenance program under s. 110.20. No local professional baseball park district
created under subch. III of ch. 229 may enter into a contract for the construction,
reconstruction, remodeling of, or addition to, any building, structure, or facility, in
connection with any building project which involves a cost in excess of $500,000
without completion of final plans and arrangement for supervision of construction
and prior approval by the building commission.

SECTION 2. 229.68 (8) (d) of the statutes is created to read:

229.68 (8) (d) Beginning on the effective date of this paragraph .... [LRB inserts
date], the date on which the bonds are payable is not later than the latest date on
which outstanding district bonds are payable. This provision does not apply if the
secretary of administration determines that adherence to this requirement is likely
to result in the district drawing on funds in the special debt service reserve fund
under s. 229.74.

SECTION 3. 229.68 (8) (e) of the statutes is created to read:

229.68 (8) (e) Beginning on the effective date of this paragraph .... [LRB inserts
date], the total amount of principal and interest that must be paid for outstanding
bonds is not increased by the issuance of refunding bonds. This provision does not
apply if the secretary of administration determines that adherence to this
requirement is likely to result in the district drawing on funds in the special debt
service reserve fund under s. 229.74.

SECTION 4. 229.68 (17) of the statutes is amended to read:

229.68 (17) Administer Subject to s. 229.682 (10), administer the receipt of
revenues, and oversee the payment of bonds issued by the district.

SECTION 5. 229.682 (9) of the statutes is created to read:
229.682 (9) **FINANCIAL REPORTS.** The district shall provide to the legislative fiscal bureau all financial reports of the district.

**SECTION 6.** 229.682 (10) of the statutes is created to read:

229.682 (10) **REVENUE EXPENDITURE LIMITATIONS.** (a) The district board may expend annually not more than 4 percent of expected revenue for the administrative expenses of the board.

(b) Until all bonds issued by the district have been paid or sufficient funds have been reserved in a sinking fund to pay all bonds issued by the district, the district board shall expend annually not less than 75 percent of expected revenue to retire bonds issued by the district or to fund a sinking fund.

**SECTION 7.** 229.685 (1) of the statutes is renumbered 229.685 (1m) and amended to read:

229.685 (1m) 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 baseball park facilities payments of principal and interest on bonds issued by the district, current operating expenses, or routine maintenance of the Milwaukee Brewers Baseball Club LP baseball facility, known as “Miller Park,” and its directly related and auxiliary structures and facilities.

**SECTION 8.** 229.685 (1g) of the statutes is created to read:

229.685 (1g) In this section, “routine maintenance” means any of the following:

(a) The repair or replacement of existing equipment.

(b) Any other action the district is contractually obligated to perform.

**SECTION 9.** 229.685 (2) of the statutes is renumbered 229.685 (2) (intro.) and amended to read:
229.685 (2) (intro.) If the district board determines that the revenues in the special fund under this section exceed current operating expenses for the operation of baseball park facilities, the district board shall apply the excess to either fund a fund for routine maintenance costs and capital improvements or to retire bonds issued for the initial construction of baseball park 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 baseball park facilities and all bonds issued to fund or refund those bonds and after funding a fund for maintenance costs and capital improvements sufficiently to meet any maintenance or capital improvement obligations between the district and any professional baseball team using baseball park facilities constructed under this subchapter as a home stadium, the district board When the legislative fiscal bureau determines that all of the following have occurred, the bureau shall make a certification to the department of revenue to that effect:

**SECTION 10.** 229.685 (2) (a) of the statutes is created to read:

229.685 (2) (a) All bonds issued for initial construction of baseball park facilities and all bonds issued to fund or refund those bonds have been retired.

**SECTION 11.** 229.685 (2) (b) of the statutes is created to read:

229.685 (2) (b) A fund for routine maintenance costs sufficient to meet any routine maintenance obligations between the district and any professional baseball team using baseball park facilities constructed under this subchapter as a home stadium has been funded.

**SECTION 12.** 229.79 of the statutes is amended to read:

**229.79 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. A district shall submit the
audit report under this section to the legislature under s. 13.172 (2).

(END)