AN ACT to amend 66.0615 (1m) (a); and to create 66.0615 (1m) (em), 229.425
and 229.46 (8) of the statutes; relating to: the creation of a local exposition
district by the City of Superior.

Analysis by the Legislative Reference Bureau

Generally, under current law, a city, village, town, or county may create a local
exposition district, either singly or with another political subdivision. A local
exposition district is a unit of government that is separate from the political
subdivision that creates it and has powers related to creating and operating an
exposition center that is used for conventions, expositions, artistic and cultural
events, and other cultural or commercial activities, but not primarily for recreational
or sporting activities. This bill makes changes to the local exposition district law that
apply only to future districts created by the City of Superior.

Under the bill, a future exposition district that is created by the City of Superior
is not covered by the legislative finding that the provision of public funding and other
assistance from the state and from local units of government to assist in the
development and construction of sports and entertainment facilities serves a
statewide public purpose. In addition, the bill changes the definition of “exposition
center” for such a district to include sporting tournaments as an allowable primary
purpose of structures that may be owned, operated, or leased by a district and to state
that an exposition center is intended to be used by transient tourists.

Under the bill, before an enabling resolution adopted by the City of Superior to
create an exposition district may take effect, it must be approved in a referendum by
a majority of the electors in the city voting on the resolution, except that if the creation of a district by the City of Superior was approved in a referendum that was held in Douglas County in 2016, the referendum requirement is considered to be satisfied.

Under the bill, an exposition district created by the City of Superior may impose and collect a food and beverage tax and may also impose and collect a room tax at a maximum rate of 2 percent. The bill provides that the City of Superior may also impose and collect a room tax without regard to whether the district imposes a room tax. The bill prohibits the district from imposing a rental car tax. Finally, the bill requires the district to contract with a local tourism entity to promote, advertise, and publicize the exposition center and its facilities and related activities.

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. 66.0615 (1m) (a) of the statutes is amended to read:

66.0615 (1m) (a) The governing body of a municipality may enact an ordinance, and a district, under par. (e) or (em), may adopt a resolution, imposing a tax on the privilege of furnishing, at retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel operators, lodging marketplaces, owners of short-term rentals, and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations. A tax imposed under this paragraph may be collected from the consumer or user, but may not be imposed on sales to the federal government and persons listed under s. 77.54 (9a). A tax imposed under this paragraph by a municipality shall be paid to the municipality and, with regard to any tax revenue that may not be retained by the municipality, shall be forwarded to a tourism entity or a commission if one is created under par. (c), as provided in par. (d). Except as provided in par. (am), a tax imposed under this paragraph by a municipality may not exceed 8 percent. Except as provided in par. (am), if a tax greater than 8 percent
under this paragraph is in effect on May 13, 1994, the municipality imposing the tax shall reduce the tax to 8 percent, effective on June 1, 1994.

**SECTION 2.** 66.0615 (1m) (em) of the statutes is created to read:

66.0615 (1m) (em) Notwithstanding par. (e), if a district created by the city of Superior adopts a resolution imposing a room tax under par. (a), the amount of the tax may not exceed 2 percent of total room charges, and the city of Superior may also impose and collect a room tax under par. (a) without regard to whether the district imposes a room tax as provided in this paragraph.

**SECTION 3.** 229.425 of the statutes is created to read:

**229.425 Creation of a district, city of Superior.** (1) **Provisions that do not apply to certain districts.** With regard to any district that is created by the city of Superior on or after the effective date of this subsection .... [LRB inserts date], the following provisions do not apply:

(a) Section 229.40.

(b) Section 229.50 (1) (a) and (e).

(c) Subchapter IX of ch. 77.

(2) **Modification of provisions relating to new districts.** With regard to any district that is created by the city of Superior on or after the effective date of this subsection .... [LRB inserts date], notwithstanding s. 229.41 (6), “exposition center” means one or more related structures, including fixtures and equipment, owned, operated, or leased by a district and used primarily for conventions, expositions, trade shows, musical or dramatic events, other events involving educational, cultural, or commercial activities, or sporting tournaments and intended to be used by transient tourists and to generate tourism activity including paid overnight stays and purchases at establishments where the taxes under s. 77.98 are imposed.
(3) Referendum requirements. (a) Except as provided in par. (b), before an enabling resolution adopted by the city of Superior under s. 229.42 (1) (a) may take effect, it must be approved by a majority of the electors in the city voting on the resolution at a referendum, to be held at the first spring or general election following by at least 70 days the date of adoption of the resolution.

(b) If a referendum approving the creation of a district in the city of Superior under this subchapter was approved by a majority of the electors in Douglas County voting on the resolution at a referendum that was held in 2016, such an action satisfies the referendum requirements under par. (a).

SECTION 4. 229.46 (8) of the statutes is created to read:

229.46 (8) With regard to a district created by the city of Superior, the district shall contract with a local tourism entity, as defined in s. 66.0615 (1) (f), to promote, advertise, and publicize its exposition center, exposition center facilities, and related activities.

(END)