

# State of Wisconsin



September 1995 Special Session  
Assembly Bill 1

Date of enactment: **October 12, 1995**  
Date of publication\*: **October 26, 1995**

## 1995 WISCONSIN ACT 56

(Vetoed in Part)

AN ACT *to repeal* 71.05 (1) (d) (title) and 71.05 (1) (e) (title); *to renumber and amend* 71.05 (1) (c), 71.05 (1) (d) and 71.05 (1) (e); *to amend* 13.94 (4) (a) 1., 16.70 (14), 19.42 (13) (a), 19.59 (1) (a), 20.505 (1) (ka), 20.505 (1) (kc), 20.835 (4) (g), 25.50 (1) (d), 66.066 (1) (a), 66.066 (1) (c), 66.067, 66.30 (1) (a), 71.26 (1) (bm), 71.36 (1m), chapter 77 (title), subchapter V (title) of chapter 77 [precedes 77.70], 77.71 (intro.) and (1), 77.71 (2), 77.71 (3) and (4), 77.73, 77.75, 77.76 (1), 77.76 (2), 77.77, 77.78, 234.65 (1) (c) and 234.65 (6) (b); and *to create* 13.94 (10), 16.82 (6), 16.82 (7), 16.854, 18.03 (5s), 19.59 (1) (g), 20.566 (1) (gd), 20.835 (4) (gb), 24.61 (2) (a) 7., 25.17 (3) (b) 10., 66.04 (2) (a) 3p., 66.066 (5), 71.05 (1) (c) 4., 71.26 (1m) (g), 71.45 (1t) (g), 77.705, 77.707, 77.76 (3m), 219.09 (1) (c), subchapter III of chapter 229 [precedes 229.64], 234.65 (1) (h), 234.65 (1) (hm), 234.65 (8) and (10) and 704.31 (3) of the statutes; **relating to:** creating a local professional baseball park district in certain jurisdictions; giving a local professional baseball park district the authority to issue bonds and granting income tax exemptions for interest income on bonds issued by the district; making a state moral obligation pledge with respect to bonds issued by a local professional baseball park district; giving a local professional baseball park district the authority to impose a sales tax and a use tax; creating an income and franchise tax exemption for a local professional baseball park district; requiring contributions to youth sports organizations; creating an exception for a local professional baseball park district from certain landlord-tenant provisions; increasing a limitation on certain economic development bonding by the Wisconsin Housing and Economic Development Authority; **a smoke-free environment**; making appropriations; and providing a penalty.

**Vetoed  
In Part**

*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 profes-

sional baseball park 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. 51.42 or 51.437; every non-profit 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:

\* Section 991.11, WISCONSIN STATUTES 1993-94: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

13.94 (10) FINANCIAL STATUS OF LOCAL PROFESSIONAL BASEBALL PARK 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), the legislative audit bureau shall submit 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 of ch. 229.

**SECTION 4.** 16.82 (6) of the statutes is created to read:

16.82 (6) May provide any services to a local professional baseball park district created under subch. III of ch. 229, for compensation to be agreed upon between the department and the district, if the district has entered into a lease agreement with the department under sub. (7), except that the department shall not act as a general contractor for any construction work undertaken by the district. No order or contract to provide any such services is subject to s. 16.705, 16.75 (1) to (5) and (8) to (10), 16.752, 16.754 or 16.765.

**SECTION 5.** 16.82 (7) of the statutes is created to read:

16.82 (7) May enter into a lease agreement with a local professional baseball park district created under subch. III of ch. 229 for the lease of land or other property granted to the state and especially dedicated by the grant to use for a professional baseball park. The lease agreement may be for such rental payments and for such term as the secretary determines.

**SECTION 6.** 16.854 of the statutes is created to read:

**16.854 Services provided to professional baseball park districts.** (1) In this section:

(a) "Minority business" has the meaning given in s. 560.036 (1) (e).

(b) "Minority group member" has the meaning given in s. 560.036 (1) (f).

(c) "Women's business" means a sole proprietorship, partnership, joint venture or corporation that is at least 51% owned, controlled and actively managed by women.

(2) Subject to the requirements of s. 16.82 (7), the department may, upon request of any local professional baseball park district, if the district has entered into a lease agreement with the department under s. 16.82 (7), take charge of and supervise engineering or architectural services or construction work, as defined in s. 16.87, performed by, or for, the district for compensation to be agreed upon between the department and the district. In connection with such services or work, the department may furnish engineering, architectural, project management and other building construction services whenever requisitions therefor are presented to the department by the district. If the district has entered into a lease agreement with the department under s. 16.82 (7), the depart-

ment may also assist the district, upon request of the district, in letting contracts for engineering, architectural or construction work authorized by law and in supervising the work done thereunder. The department 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 the qualifications and past performance of a contractor. In awarding contracts under this section for the construction of baseball park facilities, as defined in s. 229.65 (1), the department shall ensure that any person who is awarded a contract agrees, as a condition to receiving the contract, that his or her goal shall be to ensure that at least 25% of the employees hired because of the contract will be minority group members and at least 5% of the employees hired because of the contract will be women. It shall also be a goal of the department to ensure that at least 25% of the aggregate dollar value of contracts awarded for the construction of such facilities in the following areas are awarded to minority businesses and at least 5% of the aggregate dollar value of contracts awarded for the construction of such facilities in the following areas are awarded to women's businesses:

(a) Contracts for the construction of baseball park facilities.

(b) Contracts for professional services related to the construction of baseball park facilities.

(c) Contracts for the development of baseball park facilities.

(3) It shall be a goal of the department, with regard to each of the contracts described under sub. (2) (a), (b) and (c), to award at least 25% of the dollar value of such contracts to minority businesses and at least 5% of the dollar value of such contracts to women's businesses. Sections 16.85, 16.855 and 16.87 do not apply to services provided or contracted by the department under this section.

**SECTION 7.** 18.03 (5s) of the statutes is created to read:

18.03 (5s) Upon the request of 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 8.** 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.

**SECTION 9.** 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 game by a member of the district board of 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. 11.

**SECTION 10.** 19.59 (1) (g) of the statutes is created to read:

19.59 (1) (g) 1. In this paragraph:

a. “District” means a local professional baseball park district created under subch. III of ch. 229.

b. “District board member” means a member of the district board of a district.

2. No district board member may accept or retain any transportation, lodging, meals, food or beverage, or reimbursement therefor, except in accordance with this paragraph.

3. A district board member may receive and retain reimbursement or payment of actual and reasonable expenses for a published work or for the presentation of a talk or participation in a meeting related to processes, proposals and issues affecting a district if the payment or reimbursement is paid or arranged by the organizer of the event or the publisher of the work.

4. A district board member may receive and retain anything of value if the activity or occasion for which it is given is unrelated to the member’s use of the time, facilities, services or supplies of the district not generally available to all residents of the district and the member can show by clear and convincing evidence that the payment or reimbursement was unrelated to and did not arise from the recipient’s holding or having held a public office and was paid for a purpose unrelated to the purposes specified in subd. (3).

5. A district board member may receive and retain from the district or on behalf of the district transportation, lodging, meals, food or beverage, or reimbursement therefor or payment or reimbursement of actual and reasonable costs that the member can show by clear and convincing evidence were incurred or received on behalf of the district and primarily for the benefit of the district and not primarily for the private benefit of the member or any other person.

6. No district board member may intentionally use or disclose information gained in the course of or by reason of his or her official position or activities in any way that could result in the receipt of anything of value for himself or herself, for his or her immediate family, or for any other person, if the information has not been communicated to the public or is not public information.

7. No district board member may use or attempt to use the position held by the member to influence or gain unlawful benefits, advantages or privileges personally or for others.

8. No district board member, member of a district board member’s immediate family, nor any organization with which the district board member or a member of the district board member’s immediate family owns or controls at least 10% of the outstanding equity, voting rights, or outstanding indebtedness may enter into any contract or lease involving a payment or payments of more than \$3,000 within a 12-month period, in whole or in part derived from district funds unless the district board member has first made written disclosure of the nature and extent of such relationship or interest to the ethics board and to the district. Any contract or lease entered into in violation of this subdivision may be voided by the district in an action commenced within 3 years of the date on which the ethics board, or the district, knew or should have known that a violation of this subdivision had occurred.

This subdivision does not affect the application of s. 946.13.

9. No former district board member, for 12 months following the date on which he or she ceases to be a district board member, may, for compensation, on behalf of any person other than a governmental entity, make any formal or informal appearance before, or negotiate with, any officer or employe of the district with which he or she was associated as a district board member within 12 months prior to the date on which he or she ceased to be a district board member.

10. No former district board member, for 12 months following the date on which he or she ceases to be a district board member, may, for compensation, on behalf of any person other than a governmental entity, make any formal or informal appearance before, or negotiate with, any officer or employe of a district with which he or she was associated as a district board member in connection with any judicial or quasi-judicial proceeding, application, contract, claim, or charge which might give rise to a judicial or quasi-judicial proceeding which was under the former member’s responsibility as a district board member within 12 months prior to the date on which he or she ceased to be a member.

11. No former district board member may, for compensation, act on behalf of any party other than the district with which he or she was associated as a district board member in connection with any judicial or quasi-judicial proceeding, application, contract, claim, or charge which might give rise to a judicial or quasi-judicial proceeding in which the former member participated personally and substantially as a district board member.

**SECTION 11.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

		1995-96	1996-97
<b>20.566</b>	<b>Revenue, department of</b>		
(1)	COLLECTION OF TAXES		
(gd)	Administration of special district taxes	PR      A      -0-	-0-

**SECTION 12.** 20.505 (1) (ka) of the statutes, as affected by 1995 Wisconsin Act 27, 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 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) and subs. (2) (k) and (5) (ka), shall be credited to this appropriation account.

**SECTION 13.** 20.505 (1) (kc) of the statutes, as affected by 1995 Wisconsin Act 27, 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 park districts created under 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 14.** 20.566 (1) (gd) of the statutes is created to read:

20.566 (1) (gd) *Administration of special district taxes.* From the moneys received from the appropriation account under s. 20.835 (4) (gb), the amounts in the schedule for the purpose of administering the special district taxes imposed under s. 77.705 by a district created under subch. III of ch. 229.

**SECTION 15.** 20.835 (4) (g) of the statutes is amended to read:

20.835 (4) (g) *County taxes.* All moneys received from the taxes imposed under ~~subch. V of ch. 77 s. 77.70~~ for distribution to the counties that enact an ordinance imposing taxes under that ~~subchapter section~~ and for interest payments on refunds under s. 77.76 (3), except that 1.5% of those tax revenues collected under that ~~subchapter section~~ shall be credited to the appropriation account under s. 20.566 (1) (g).

**SECTION 16.** 20.835 (4) (gb) of the statutes is created to read:

20.835 (4) (gb) *Special district taxes.* All moneys received from the taxes imposed under s. 77.705, 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 baseball park district, except that of those tax revenues collected under subch. V of ch. 77 3% for the first 2 years of collection and 1.5% thereafter shall be credited to the appropriation account under s. 20.566 (1) (gd).

**SECTION 17.** 24.61 (2) (a) 7. of the statutes is created to read:

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

**SECTION 18.** 25.17 (3) (b) 10. of the statutes is created to read:

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

**SECTION 19.** 25.50 (1) (d) of the statutes, as affected by 1995 Wisconsin Act 27, 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, 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 20.** 66.04 (2) (a) 3p. of the statutes is created to read:

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

**SECTION 21.** 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 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 22.** 66.066 (1) (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 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 23.** 66.066 (5) of the statutes is created to read:

66.066 (5) Revenue bonds issued by a local professional baseball park district created under subch. III of ch. 229 are subject to the provisions in ss. 229.72 to 229.81.

**SECTION 24.** 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 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 25.** 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 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 26.** 71.05 (1) (c) of the statutes is renumbered 71.05 (1) (c) (intro.) and amended to read:

71.05 (1) (c) *Certain interest income.* (intro.) Interest received on bonds or notes issued by the any of the following:

1. The Wisconsin housing and economic development authority under s. 234.65, if the bonds are used to fund an economic development loan to finance construction, renovation or development of property that would be exempt under s. 70.11 (36).

**SECTION 27.** 71.05 (1) (c) 4. of the statutes is created to read:

71.05 (1) (c) 4. A local professional baseball park district created under subch. III of ch. 229.

**SECTION 28.** 71.05 (1) (d) (title) of the statutes is repealed.

**SECTION 29.** 71.05 (1) (d) of the statutes is renumbered 71.05 (1) (c) 2. and amended to read:

71.05 (1) (c) 2. ~~Interest received on bonds issued by the~~ The Wisconsin housing and economic development authority, if the bonds are to fund a loan under s. 234.935.

**SECTION 30.** 71.05 (1) (e) (title) of the statutes is repealed.

**SECTION 31.** 71.05 (1) (e) of the statutes is renumbered 71.05 (1) (c) 3. and amended to read:

71.05 (1) (c) 3. ~~Interest received on bonds issued by a~~ A local exposition district created under subch. II of ch. 229.

**SECTION 32.** 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. II of ch. 229 or a local professional baseball park district created under subch. III of ch. 229.

**SECTION 33.** 71.26 (1m) (g) of the statutes is created to read:

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

**SECTION 34.** 71.36 (1m) of the statutes, as affected by 1995 Wisconsin Act 27, 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 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 nontax-option corporation may be claimed.

**SECTION 35.** 71.45 (1t) (g) of the statutes is created to read:

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

**SECTION 36.** Chapter 77 (title) of the statutes is amended to read:

**CHAPTER 77**  
**TAXATION OF FOREST CROPLANDS;**  
**REAL ESTATE TRANSFER FEES;**  
**SALES AND USE TAXES;**  
**COUNTY AND SPECIAL DISTRICT**  
**SALES AND USE TAXES;**  
**MANAGED FOREST LAND;**  
**TEMPORARY RECYCLING SURCHARGE;**  
**LOCAL FOOD AND BEVERAGE TAX;**  
**LOCAL RENTAL CAR TAX**

**SECTION 37.** Subchapter V (title) of chapter 77 [precedes 77.70] of the statutes is amended to read:

**CHAPTER 77**  
**SUBCHAPTER V**  
**COUNTY AND SPECIAL DISTRICT**  
**SALES AND USE TAXES**

**SECTION 38.** 77.705 of the statutes is created to read:

**77.705 Adoption by resolution.** A local professional baseball park district created under subch. III of ch. 229, by resolution under s. 229.68 (15), may impose a sales tax and a use tax under this subchapter at a rate of no more than 0.1% of the gross receipts or sales price. Those taxes may be imposed only in their entirety. The resolution shall be effective on the first day of the first month that begins at least 30 days after the adoption of the resolution.

**SECTION 39.** 77.707 of the statutes is created to read:

**77.707 Sunset.** Retailers and the department of revenue may not collect a tax under s. 77.705 for any local professional baseball park district created under subch. III of ch. 229 after the calendar quarter during which the local professional baseball park district board makes a certification to the department of revenue under s. 229.685 (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 40.** 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, 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 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 41.** 77.71 (2) of the statutes, as affected by 1995 Wisconsin Act 27, 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 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 (1m).

**SECTION 42.** 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 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 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, 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 43.** 77.73 of the statutes is amended to read:

**77.73 Jurisdiction to tax.** (1) Retailers making deliveries in their company-operated vehicles of tangible personal property, or of property on which taxable services were performed, to purchasers in a county or special district are doing business in that county or special district, and that county or special district has jurisdiction to impose the taxes under this subchapter on them.

(2) Counties and special districts do not have jurisdiction to impose the tax under s. 77.71 (2) in regard to tangible personal property purchased in a sale that is consummated in another county or special district in this state that does not have in effect an ordinance or resolution imposing the taxes under this subchapter and later brought by the buyer into the county or special district that has imposed a tax under s. 77.71 (2).

**SECTION 44.** 77.75 of the statutes is amended to read:

**77.75 Reports.** Every person subject to county or special district sales and use taxes shall, for each reporting period, record that person's sales made in the enacting county or special district that has imposed those taxes separately from sales made elsewhere in this state and report the measure of the county or special district sales and use taxes and the tax due thereon separately to the department of revenue on forms to be provided by the department.

**SECTION 45.** 77.76 (1) of the statutes is amended to read:

77.76 (1) The department of revenue shall have full power to levy, enforce and collect county and special district sales and use taxes and may take any action, conduct any proceeding, impose interest and penalties and in all respects proceed as it is authorized to proceed for the taxes imposed by subch. III. The department of transportation and the department of natural resources may administer the county and special district sales and use taxes in regard to items under s. 77.61 (1).

**SECTION 46.** 77.76 (2) of the statutes is amended to read:

77.76 (2) Judicial and administrative review of departmental determinations shall be as provided in subch. III for state sales and use taxes, and no county or special district may intervene in any matter related to the levy, enforcement and collection of the taxes under this subchapter.

**SECTION 47.** 77.76 (3m) of the statutes is created to read:

77.76 (3m) From the appropriation under s. 20.835 (4) (gb) the department, for the first 2 years of collection, shall distribute 97% 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' discounts, 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. From the appropriation under s. 20.835 (4) (gb) the department, after the first 2 years of collection, shall distribute 98.5% 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) (gb) 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 48.** 77.77 of the statutes is amended to read:

**77.77 Transitional provisions.** (1) The gross receipts from services subject to the tax under s. 77.52 (2) are not subject to the county taxes under this subchapter, and the incremental amount of tax caused by a rate increase applicable to those services is not due, if those services are billed to the customer and paid for before the effective date of the county ordinance, special district resolution or rate increase, whether the service is furnished to the customer before or after that date.

(2) Lease or rental receipts from tangible personal property that the lessor is obligated to furnish at a fixed price under a contract entered into before the effective date of a county ordinance or special district resolution are subject to the county taxes under this subchapter on the effective date of the ordinance or resolution, as provided for the state sales tax under s. 77.54 (18).

(3) The sale of building materials to contractors engaged in the business of constructing, altering, repairing or improving real estate for others is not subject to the county taxes under this subchapter, and the incremental amount of tax caused by the rate increase applicable to those materials is not due, if the materials are affixed and

made a structural part of real estate, and the amount payable to the contractor is fixed without regard to the costs incurred in performing a written contract that was irrevocably entered into prior to the effective date of the county ordinance, special district resolution or rate increase or that resulted from the acceptance of a formal written bid accompanied by a bond or other performance guaranty that was irrevocably submitted before that date.

**SECTION 49.** 77.78 of the statutes is amended to read:

**77.78 Registration.** No motor vehicle, boat, snowmobile, mobile home not exceeding 45 feet in length, trailer, semitrailer, all-terrain vehicle or aircraft that is required to be registered by this state may be registered or titled by this state unless the registrant files a sales and use tax report and pays the county tax and special district tax at the time of registering or titling to the state agency that registers or titles the property. That state agency shall transmit those tax revenues to the department of revenue.

**SECTION 50.** 219.09 (1) (c) of the statutes is created to read:

219.09 (1) (c) A local professional baseball park district created under subch. III of ch. 229.

**SECTION 51.** Subchapter III of chapter 229 [precedes 229.64] of the statutes is created to read:

**CHAPTER 229**

**SUBCHAPTER III**

**LOCAL PROFESSIONAL  
BASEBALL PARK DISTRICTS**

**229.64 Legislative declaration.** (1) The legislature determines that the provision of assistance by state agencies to a district under this subchapter, any appropriation of funds to a district under this subchapter and the moral obligation pledge under s. 229.74 (7) serve a statewide public purpose by assisting the development of a professional baseball park 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 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 including a county with a population of more than 500,000 serves a public purpose in that county and all counties that are contiguous to that county by providing recreation, by encouraging economic development and tourism, by reducing unemployment and by bringing needed capital into the multicounty area for the benefit of people in the multicounty area.

**229.65 Definitions.** In this subchapter:

(1) “Baseball park facilities” means property, tangible or intangible, owned in whole or in substantial part, operated or leased by a district that is principally for professional baseball including parking lots, garages, restaurants, parks, concession facilities, entertainment facili-

ties and transportation facilities, and other functionally related or auxiliary facilities or structures.

(2) “Bond” means any bond, note or other obligation issued under s. 66.066 by a district.

(3) “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.

(4) “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.

(5) “District” means a special district created under this subchapter.

(6) “District board” means the governing board of a district.

(7) “Supermajority” means not less than 60% of the members of the district board.

**229.66 Creation and organization.** (1) There is created, for each jurisdiction under s. 229.67, 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, that has the powers under s. 229.68 and the name of which includes “Professional Baseball Park District”.

(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) A number of persons equal to the number of counties within the jurisdiction of the district plus one, appointed by the governor. At least one of the persons appointed by the governor shall reside within each county that is within the jurisdiction of the district. 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. **At least one person appointed under this paragraph shall be a minority group member, as defined in s. 560.036 (1) (f).**

(b) Two persons appointed by the chief executive officer of the most populous county within the jurisdiction of the district, who shall serve at the pleasure of the chief executive officer. 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 county board.

(c) One person for each county in the jurisdiction of the district other than the most populous county within the jurisdiction of the district, appointed by the chief executive officer of that county. Each person appointed under this paragraph for a county shall serve at the pleasure of the chief executive officer in that county. A person appointed under this paragraph may take his or her

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

(g) One person 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, who shall serve at the pleasure of the mayor. 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.

(3) Upon appointment under sub. (2), the appointing authorities shall certify the appointees to the secretary of administration. The term of office of 50% of the persons appointed under sub. (2) (a) is 2 years, and the term of office of the other 50% of the persons appointed under sub. (2) (a) is 4 years, except that if an odd number of persons is appointed under sub. (2) (a), there shall be one more office with a term of 4 years than there are offices with terms of 2 years, and except that for the initial appointments for a newly created district the initial terms shall expire on July 1 of the 2nd year beginning after creation of a district for persons appointed to 2–year terms, and the initial terms shall expire on July 1 of the 4th year beginning after creation of a district for persons appointed to 4–year terms. Persons appointed under sub. (2) (a) 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 for persons appointed under sub. (2) (a) shall be filled by the appointing authority who appointed the person whose office is vacant. A person appointed to fill a vacancy under sub. (2) (a) shall serve for the remainder of the term to which he or she is appointed. All of the appointing authorities shall ensure, to the greatest extent possible, that the membership of the board is diverse with respect to race. Of the persons appointed under sub. (2), not more than 4 may reside in any one county.

(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.

(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 subchapter.

(7) At its first meeting the district board shall name the district.

**229.67 Jurisdiction.** A district’s jurisdiction is any county with a population of more than 500,000 and all counties that are contiguous to that county and that are not already included in a different district. Once created, a district’s jurisdiction is fixed even if the population of other counties within the district subsequently exceed 500,000. Once a county is included in a district’s jurisdiction the county remains in the district until the district is dissolved under s. 229.71. In this section, “contiguous” includes a county that touches another county only at a corner.

**229.68 Powers of a district.** A district has all of the powers necessary or convenient to carry out the purposes and provisions of this subchapter. In addition to all other powers granted by this subchapter, 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 baseball park facilities:

(a) Acquire, construct, equip, maintain, improve, operate and manage the baseball park facilities as a revenue–generating enterprise, or engage other persons to do these things.

(b) Acquire; lease, as lessor or lessee; use; or transfer property; except that the district may not enter into any lease that does not receive the affirmative vote of a supermajority of the district board.

(c) Improve real property.

(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.

(e) Grant concessions.

(f) Make a grant of land or other property to the state, especially dedicated by the grant to use for a professional baseball park.

(5) Employ personnel, and fix and regulate 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 employee benefits, including an employee 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 bonds under s. 66.066, subject to ss. 229.72 to 229.79, and enter into agreements related to the issuance of bonds, including liquidity and credit facilities, remarketing agreements, insurance policies, guar-

any agreements, letter of credit or reimbursement agreements, indexing agreements, interest exchange agreements and currency exchange agreements, except that the district may issue bonds under this subsection only if all of the following conditions are met:

(a) A supermajority of the district board vote in favor of issuing bonds.

(b) A majority of the members of the district board determines, based on the best available information, that the total cost of the initial construction of baseball park facilities does not exceed \$250,000,000.

(c) A majority of the members of the district board determines that the district's lease arrangement with the professional baseball team franchise that uses baseball park facilities constructed under this subchapter as its home facilities incorporates a term of at least 30 years.

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

(11) Promote, advertise and publicize its baseball park facilities and related activities.

(12) Set standards governing the use of, and the conduct within, its baseball park facilities in order to promote public safety and convenience and to maintain order.

(13) Establish and collect fees, and establish shared revenue arrangements or other charges for the use of its baseball park facilities or for services rendered by the district.

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

(15) Impose, by the adoption of a resolution, the taxes under subch. V of ch. 77. A district may not levy any taxes that are not expressly authorized under subch. V of ch. 77 and that do not receive the affirmative vote of a supermajority of the district board. If a district adopts a resolution which imposes taxes, it 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, which may be used only for the following purposes:

(a) Retiring the bonds used to construct the baseball park facilities.

(b) Maintaining the baseball park facilities.

(c) Operating the baseball park facilities.

(d) Making capital improvements to the baseball park facilities

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

**229.682 Special provisions.** (1) GIFTS AND DONATIONS. The district board shall explore and consider ways to solicit and encourage gifts and donations for the construction of baseball park facilities and, to the extent feasible, implement means to solicit such gifts and donations.

(2) PREVAILING WAGES. The construction of a baseball park facility that is financed in whole or in part by a district is subject to s. 66.293.

(3) SPECIAL DEBT PAYMENTS. The district shall pay, over a 3-year period beginning on the first day of the 12th month after the effective date of this subsection .... [revisor inserts date], any outstanding debt used to finance improvements to a baseball stadium that has been used as a home field by a major league professional baseball team in the district, up to a maximum amount of \$1,500,000.

(4) SPECIAL TICKET PROVISIONS. A major league professional baseball team that uses as its home field baseball park facilities that are constructed under this subchapter shall annually designate, for each county that is in the district's jurisdiction, at least one of the team's home games as a discount ticket day for that county, for which residents of that county may purchase discounted admission tickets.

(5) SMOKING. The district board shall include in any lease negotiated with a professional baseball club a prohibition on smoking in the general seating areas of the stadium.

(6) USE OF STADIUM. The district board shall consider during the design review process the utilization of the facility for events in addition to baseball, which are consistent with the program statement and design for the stadium complex, and do not adversely affect the design, construction schedule or budget.

(7) YOUTH SPORTS ORGANIZATIONS. A major league professional baseball team that uses as its home field baseball park facilities that are constructed under this subchapter shall make an annual contribution of at least \$20,000 to youth sports organizations in this state for the purchase of equipment or the rental or maintenance of athletic facilities that are used by such organizations. The contributions that are required under this subsection may be made in cash or equipment.

(8) SPECIAL RENTAL PAYMENTS. If a district board enters into a lease agreement with a professional baseball team for the rental of baseball park facilities under this subchapter, the lease agreement shall include all of the following:

(a) A provision requiring lessees of sky boxes located in the facilities to pay to the team an amount equivalent to the combined sales tax rates in the jurisdictions in which the facilities are located multiplied by the total of all payments for the rental of the sky boxes.

(b) A provision requiring the team to include amounts received under par. (a) as part of its rental payment to the district.

**229.685 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.

Vetoed  
In Part

V of ch. 77, and may use this revenue only for purposes related to baseball park facilities.

(2) 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 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 shall make a certification to the department of revenue to that effect.

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

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

(2) Expend public funds to subsidize a district.

(3) Borrow money under ss. 67.04 and 67.12 (12) for baseball park facilities or to fund grants, loans or subsidies to a district.

(4) Grant to the state land or other property, especially dedicated by the grant to use for a professional baseball park.

**229.70 Minority contracting goals.** (1) In this section:

(a) "Minority business" has the meaning given in s. 560.036 (1) (e).

(b) "Minority group member" has the meaning given in s. 560.036 (1) (f).

(c) "Women's business" means a sole proprietorship, partnership, joint venture or corporation that is at least 51% owned, controlled and actively managed by women.

(2) The district shall ensure that, for construction work and professional services contracts, a person who is awarded such a contract by a district shall agree, as a condition to receiving the contract, that his or her goal shall be to ensure that at least 25% of the employees hired because of the contract will be minority group members and at least 5% of the employees hired because of the contract will be women if the contract is for the construction of any part of baseball park facilities.

(3) It shall be a goal of the district to ensure that at least 25% of the aggregate dollar value of contracts awarded by the district in the following areas shall be awarded to minority businesses and at least 5% of the aggregate dollar value of contracts awarded by the district

in the following areas shall be awarded to women's businesses:

(a) Contracts for the construction of baseball park facilities.

(b) Contracts for professional services related to the construction of baseball park facilities.

(c) Contracts for the development of baseball park facilities.

(d) **Contracts for construction management services.** **Vetoed**

(4) It shall be a goal of a district, with regard to each of the contracts described under sub. (3) (a), (b), (c) and (d), to award at least 25% of the dollar value of such contracts to minority businesses and at least 5% of the dollar value of such contracts to women's businesses. **In Part Vetoed In Part**

(4m) (a) The district shall ensure that, for construction work and professional services contracts, a person who is awarded such a contract by a district shall agree, as a condition to receiving the contract, that if he or she is unable to meet the goal under sub. (2), he or she shall make a good faith effort to contract with the technical college district board of the technical college district in which the facilities are to be constructed or the professional services contract is to be performed, to develop appropriate training programs designed to increase the pool of minority group members and women who are qualified to perform the construction work or professional services.

(b) If the district is unable to meet the goals under subs. (3) and (4), the district shall make a good faith effort to contract with the technical college district board of the technical college district in which the contracts described under sub. (3) (a), (b) and (c) are to be performed, to develop appropriate training programs designed to increase the pool of minority group members and women who are qualified to perform the contracts described under sub. (3) (a), (b) and (c).

(5) (a) The district shall hire an independent person to monitor the district's compliance with minority contracting goals under subs. (2), (3) and (4) and the department of administration's compliance with minority contracting goals under s. 16.854 (2) and (3). The person hired shall have previous experience working with minority group members. The district shall develop a mechanism to receive regular reports from the person hired with respect to the results of the person's studies of compliance with minority contracting goals.

(b) If the district or a contractor is unable to meet the goals under sub. (2), (3) or (4), the person hired under par. (a) shall assess whether the district or contractor made a good faith effort to reach the goals. In determining whether a good faith effort was made to meet the goals, the person hired shall consider all of the following:

1. The supply of eligible minority businesses and women's businesses that have the financial capacity, technical capacity and previous experience in the areas in which contracts were awarded.

2. The competing demands for the services provided by eligible minority businesses and women's businesses, as described in subd. 1., in areas in which contracts were awarded.

3. The extent to which the district or contractors advertised for and aggressively solicited bids from eligible minority businesses and women's businesses, as described in subd. 1., and the extent to which eligible minority businesses and women's businesses submitted bids.

(6) The district shall solicit from any major league baseball club to whom the district leases baseball park facilities its minority hiring goals in connection with the operation of a baseball stadium and its minority contracting goals in connection with vending contractors at a baseball stadium.

**229.71 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 district may be dissolved by the action of the district board. If the district is dissolved, the property of the district shall be transferred to the counties in the jurisdiction, based on the tax revenues derived from each county, as determined by the secretary of administration.

**229.72 Issuance and negotiability of bonds. (1m)** NEGOTIABILITY. All 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.

(6) LIABILITY. Neither the members of the district board nor any person executing the bonds is liable personally on the bonds 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.

**229.74 Special debt service reserve funds. (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 baseball park 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).

8. 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 issued.* The amount of all bonds, other than refunding bonds, that would be secured by all special debt service reserve funds of the district will not exceed \$160,000,000. In determining compliance with the limitation under this paragraph, the secretary of administration need not include bonds that are secured by a special debt service reserve fund to the extent that proceeds of the bonds are for the following purposes:

1. To make a deposit into a special debt service reserve fund.

2. To pay issuance costs of bonds secured by a special debt service reserve fund.

3. To pay capitalized interest costs on bonds secured by a special debt service reserve fund.

4. To pay any original issue discount.

(d) *Date of issuance.* The bonds, other than refunding bonds, will be issued no later than December 31, 2000.

(e) *Refunding bonds.* All refunding bonds to be secured by the special debt service reserve fund 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 obli-

gation pledge under sub. (7) should be granted with respect to an issuance of bonds.

(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) **LIMITATION 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

**Vetoed In Part** appropriation. **This subsection applies only with respect to bonds the issuance of which has been approved by the joint committee on finance.**

(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 subchapter.

**229.75 Bonds not public debt.** (1) The state and each county in the district's jurisdiction are not liable on bonds and the bonds are not a debt of the state or any county in 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 subchapter authorizes a district to create a debt of the state or a county in 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. The state and each county in the district's jurisdiction are not 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 a county in the district's jurisdiction or a charge upon its general credit or against its taxing power.

(3) Bonds issued by the district shall be secured only by the district's interest in any baseball park facilities, including any interest in a lease with the department of administration under s. 16.82 (7); by income from these facilities; by proceeds of bonds issued by the district and other amounts placed in a special redemption fund and investment earnings on such amounts; and by 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 liability of the district.

**229.76 State pledge.** The state pledges to and agrees with the bondholders, and persons that enter into contracts with a district under this subchapter, that the state will not limit or alter the rights and powers vested in a district by this subchapter, including the rights and powers under s. 229.68 (15), 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.

**229.77 Trust funds.** All moneys received under this subchapter, 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 subchapter. 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 subchapter, subject to this subchapter and the bond resolution authorizing issuance of the bonds.

**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.

**229.81 Assistance by state agencies.** (1) DEFINITION. In this section, "state agency" has the meaning given in s. 20.001 (1).

(2) ASSISTANCE WITH RESPECT TO GRANTED LAND OR PROPERTY. All state agencies may provide assistance to a district if the district has entered into a lease agreement with the department of administration under s. 16.82 (7).

**SECTION 52.** 234.65 (1) (c) of the statutes is amended to read:

234.65 (1) (c) The authority may not issue more than \$200,000,000 in aggregate principal amount of bonds and notes under this section, excluding bonds or notes secured by a capital reserve fund pursuant to sub. (6) (am) and excluding bonds and notes issued to refund outstanding bonds or notes issued under this section.

**SECTION 53.** 234.65 (1) (h) of the statutes is created to read:

234.65 (1) (h) Bonds and notes issued by the authority to finance an economic development loan for a project described under s. 234.01 (4n) (d) are not general obligations of the authority.

**SECTION 54a.** 234.65 (1) (hm) of the statutes is created to read:

234.65 (1) (hm) The authority may not make a loan under this section for an economic development project described under s. 234.01 (4n) (d) to any professional baseball team unless the authority determines that collateral adequate to cover the amount of the loan has been pledged as security for the loan, exclusive of any ownership interest of the team in a stadium.

**SECTION 55.** 234.65 (6) (b) of the statutes is amended to read:

234.65 (6) (b) ~~The~~ Except as provided in sub. (8), the authority may issue bonds and notes secured by a capital reserve fund pursuant to par. (am) in an aggregate principal amount not exceeding ~~\$35,000,000~~ \$50,000,000 plus such additional amount as the authority considers necessary or desirable to fund a deposit into the capital reserve fund to pay costs of issuing the bonds and notes or to pay capitalized interest on the bonds and notes.

**SECTION 56.** 234.65 (8) and (10) of the statutes are created to read:

234.65 (8) The authority shall not issue bonds or notes under this section to finance the construction of baseball park facilities, as defined in s. 229.65 (1), in relation to any single professional baseball park in an aggregate principal amount exceeding \$50,000,000, excluding bonds and notes issued to fund a deposit into the capital reserve fund, to pay costs of issuing the bonds and notes or to pay capitalized interest on the bonds and notes.

(10) The authority shall provide to the cochairpersons of the joint committee on finance information con-

cerning the authority's projected cashflows and security features underlying each issuance of bonds to a business for the purpose of financing baseball park facilities, as defined in s. 229.65 (1).

**SECTION 57.** 704.31 (3) of the statutes is created to read:

704.31 (3) This section does not apply to a lease to which a local professional baseball park district created under subch. III of ch. 229 is a party.

**SECTION 58. Appropriation changes; administration.**

(1) In the schedule under section 20.005 (3) of the statutes for the appropriation to the department of administration under section 20.505 (1) (kc) of the statutes, as affected by the acts of 1995, the dollar amount is increased by \$336,200 for fiscal year 1995–96 and the dollar amount is increased by \$790,100 for fiscal year 1996–97 to provide funding for services provided to local professional baseball park districts, as created by this act.