2009 DRAFTING REQUEST

Bill

Received: **04/14/2009**

Received By: **chanaman**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Council - JLC**

By/Representing: **Larry Konopacki, Scott Grosz**

This file may be shown to any legislator: **NO**

Drafter: **agary**

May Contact:

Addl. Drafters:

Subject: **Transportation - mass trnst/rail**

Extra Copies: **EVM, MES, CMH, JK**

Submit via email: **YES**

Requester's email: **Larry.Konopacki@legis.wisconsin.gov**

Carbon copy (CC:) to: **aaron.gary@legis.wisconsin.gov**
joseph.kreye@legis.wisconsin.gov
scott.grosz@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Regional transit authority, from special committee

Instructions:

See attached--redraft of -2490, which had a computer error

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	chanaman 04/14/2009			_____ _____			Local
/P1			phenry 04/15/2009	_____ _____	sbasford 04/15/2009		Local
/1	agary 04/24/2009	bkraft 04/24/2009	rschluet 04/24/2009	_____ _____	mbarman 04/24/2009	sbasford 05/05/2009	

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required

FE Sent For:

at intro

<END>

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/?	chanaman 04/14/2009						Local
/P1			phenry 04/15/2009		sbasford 04/15/2009		

FE Sent For:

4/24

2009 DRAFTING REQUEST

Bill

Received: **04/14/2009**

Received By: **chanaman**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Council - JLC**

By/Representing: **Larry Konopacki, Scott Grosz**

This file may be shown to any legislator: **NO**

Drafter: **agary**

May Contact:

Addl. Drafters:

Subject: **Transportation - mass trnst/rail**

Extra Copies: **EVM, MES, CMH, JK**

Submit via email: **YES**

Requester's email: **Larry.Konopacki@legis.wisconsin.gov**

Carbon copy (CC:) to: **aaron.gary@legis.wisconsin.gov**
joseph.kreye@legis.wisconsin.gov
scott.grosz@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Regional transit authority, from special committee

Instructions:

See attached--redraft of -2490, which had a computer error

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	chanaman		4/14 ph	4/14 es/ pgx			

FE Sent For:

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2009 DRAFTING REQUEST

Bill

Received: **03/30/2009**

Received By: **agary**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Council - JLC**

By/Representing: **Larry Konopacki, Scott Grosz**

This file may be shown to any legislator: **NO**

Drafter: **agary**

May Contact:

Addl. Drafters: **jkreye**

Subject: **Transportation - mass trnst/rail**

Extra Copies: **EVM, MES, CMH, JK**

Submit via email: **YES**

Requester's email: **Larry.Konopacki@legis.wisconsin.gov**

Carbon copy (CC:) to: **aaron.gary@legis.wisconsin.gov**
joseph.kreye@legis.wisconsin.gov
Scott.Grosz@legis.wisconsin.gov

new # 2672

Pre Topic:

No specific pre topic given

Topic:

Regional transit authority, from special committee

Instructions:

See attached

Drafting History:

Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required
/?	agary	/pl WLj 4/10					

FE Sent For:

<END>

Gary, Aaron

From: Grosz, Scott
Sent: Monday, March 30, 2009 1:21 PM
To: Gary, Aaron
Cc: Konopacki, Larry
Subject: Special Committee on RTA

Aaron,

At last Thursday's meeting, the Joint Legislative Council voted to introduce the RTA bill. Given the time constraints between that meeting and our most recent committee meeting, we presented a WLC draft to the committee. Accordingly, we'll need to get the bill drafted as an LRB prior to introduction. Given your on-going involvement on the topic, am I correct to assume that you are the proper drafter to get in touch with? If not, please feel free to forward this message.

A copy of the bill may be viewed at: http://www.legis.state.wi.us/lc/committees/study/2008/RTA/files/0063_2.pdf. Additionally, Kelly Mautz is the Leg. Council support staffer assigned to our committee, if you have any questions about accessing the WLC draft.

Let me know if you have any questions.

Thanks,

Scott

Scott Grosz
Staff Attorney
Wisconsin Legislative Council
ph. (608) 266-1307

RTA: Regional Transit Authority WLC: 0063/2

SG:LAK:ksm; 03/16/2009

AN ACT ***to renumber*** 345.05 (1) (a); ***to amend*** 32.05 (1) (a), 32.07 (2), 40.02 (28), 59.58 (6) (title) and (a) 1., 66.0301 (1) (a), 67.01 (5), 70.11 (2), 71.26 (1) (b), chapter 77 (title), subchapter V (title) of chapter 77 [precedes 77.70], 77.71 (intro.), 77.71 (1), 77.71 (2), 77.71 (3), 77.71 (4), 77.73, 77.75, 77.76 (1), 77.76 (2), 77.76 (4), 77.77, 77.78, 345.05 (2) and 611.11 (4) (a); ***to repeal and recreate*** 40.02 (28); and ***to create*** 19.42 (7w) (e), 20.566 (1) (gc), 20.835 (4) (gc), 66.1039, 77.54 (9a) (er), 77.708, 77.76 (3r), 77.76 (5) and 345.05 (1) (ag) of the statutes; **relating to:** the creation of regional transit authorities, and making appropriations.

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

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill allows most cities, towns, villages, and counties (political subdivisions) to create regional transit authorities (RTAs), which are public bodies corporate and politic. Generally, the governing bodies of two or more political subdivisions may join together (participating political subdivisions) to jointly create an RTA by adopting identical resolutions (authorizing resolutions). The bill also permits a county, under certain circumstances, to unilaterally create an RTA. The bill allows a county to prevent the creation or joining of an RTA by a municipality within the county if the county adopts a resolution stating that it intends to create an RTA that will include the municipality in its jurisdictional area and initiating a study relating to this RTA. The municipality may create or join the RTA despite denial of approval by the county if the county does not complete the study relating to creation of its RTA within 18 months of denial of approval by the county or if the municipality is not included in the jurisdictional area of another RTA within 24 months of denial of approval by the county.

If an RTA has already been formed, additional political subdivisions may join the RTA by adopting authorizing resolutions identical to the authorizing resolutions if the RTA also adopts a resolution allowing the additional political subdivisions to join the RTA. Participating political subdivisions may generally amend or modify their authorizing

resolutions, including to allow a new political subdivision to join the RTA, if, after any amendment or modification, the authorizing resolutions of all participating political subdivisions remain identical. Any RTA authorizing resolution must contain certain information, including all of the following:

1. The name of the RTA and a description or map of its jurisdictional area. "Jurisdictional area" is defined as the geographic area formed by the combined territorial boundaries of all participating political subdivisions except that for a county, it includes the portion of the county that is within the "county jurisdictional area". A county that is a participating political subdivision determines the county jurisdictional area as one of the following:

a. The portion of the county that is within the combined territorial boundaries of each of the cities, villages, and towns in the county that are also participating political subdivisions of the RTA.

b. The territorial boundaries of the county.

c. The combined territorial boundaries of each of the cities, villages, and towns in the county with at least 75% of their populations residing within a metropolitan planning area at the time of designation by the county.

To designate a county jurisdictional area under b. or c. above, a county must receive the approval of: (1) each political subdivision within the proposed county jurisdictional area that is a participating political subdivision in an RTA; and (2) each city, village, town, or tribal government within the proposed county jurisdictional area that is the owner, operator, or controlling authority of a transit system that serves, on average, at least 10% of the passengers served by all transit systems in the county over the 3 years preceding creation of the RTA.

2. The purpose of the RTA and the functions or services to be provided by the RTA.

3. The powers, duties, and limitations of the RTA.

4. The establishment and organization of a board of directors, in which all powers of the RTA are vested, the voting requirements for action by the board of directors, and the duties of the board of directors.

5. The manner of selection, powers, and duties of the RTA's officers.

6. The method of financing the formation and operation of the RTA.

7. If authorized, the maximum rate and initial limits, if any, of the sales and use tax, not exceeding the statutory limit, that may be imposed by

the RTA. The resolution must also include or refer to a transit plan for the RTA or refer to a previously approved transit plan. An authority must revise its transit plan at least once every 5 years.

8. A procedure by which a participating political subdivision may withdraw from the RTA and provisions for the disposition or distribution of any property, assets, and obligations of the RTA on withdrawal of a participating political subdivision from the RTA or on dissolution of the RTA.

The governing body of a political subdivision must approve by at least a majority vote the authorizing resolution creating or joining an RTA and, upon such approval, the governing body of the political subdivision may also require that the authorizing resolution be ratified by the electors at a referendum held in the political subdivision. Also, at least 30 days before approving an authorizing resolution, the governing body of a political subdivision must hold a public hearing on the resolution. Generally, a political subdivision may not participate in more than one RTA, whether created under this section or any other statute, except s. 59.58 (6) (a) 1., stats. However, a county may be a participating political subdivision in more than one authority created under this section.

An RTA may do all of the following:

1. Establish or acquire a comprehensive unified local transit system, which is a transit system comprised of bus lines and other public transit facilities generally within the jurisdictional area of the RTA. "Transit system" is defined to include land, structures, equipment, and other property for transit of passengers, including by bus, rail, or other form of mass transit. The RTA may operate this transit system or provide for its operation by another. The RTA may contract with a public or private organization to provide transit services in lieu of directly providing these services and may purchase and lease transit facilities to public or private transit companies.

2. Coordinate, provide, or assist in providing specialized transportation services for persons who are disabled or aged 60 or older.

3. Own or lease real or personal property.

4. Acquire property by condemnation.

5. Enter upon highways to install, maintain, and operate the RTA's facilities.

6. Impose, by the adoption of a resolution by the board of directors, a sales and use tax in the jurisdictional area of the RTA's participating political subdivisions at a rate of not more than 0.5 percent of the gross

receipts or sales price or, if lower, not to exceed the maximum rate established by the authorizing resolution. This sales and use tax may be imposed in any city, town, or village within a county that is a participating political subdivision of an RTA or is within the "county jurisdictional area", as defined by the substitute amendment. The tax shall be uniform among the cities, villages, and towns that are within the same county.

7. Incur debts and obligations. An RTA may issue tax–exempt revenue bonds, secured by a pledge of any income or revenues from any operations or other source of moneys for the RTA. The bonds of an RTA are not a debt of its participating political subdivisions and neither the participating political subdivisions nor the state are liable for the payment of the bonds. Bond proceeds, except those derived from refunding bonds, may be used only for capital expenditures related to the acquisition of transit system equipment having a useful life of at least five years. The useful life limitation does not apply to expenditures made for the acquisition of all or part of an existing transit system.

8. Set fees and charges for functions, facilities, and services provided by the RTA.

9. Adopt bylaws and rules to carry out the powers and purposes of the RTA.

10. Sue and be sued in its own name.

11. Employ agents, consultants, and employees, engage professional services, and purchase furniture, supplies, and materials reasonably necessary to perform its duties and exercise its powers.

12. Invest funds not required for immediate disbursement.

13. Do and perform any authorized acts by means of an agent or by contracts with any person.

14. Exercise any other powers that the board of directors considers necessary and convenient to effectuate the purposes of the RTA, including providing for passenger safety.

The board of directors of an RTA must annually prepare a budget for the RTA. Rates and other charges received by the RTA must be used only for the general expenses and capital expenditures of the RTA, to pay interest, amortization, and retirement charges on the RTA's revenue bonds, and for specific purposes of the RTA and may not be transferred to any political subdivision. The RTA must maintain an accounting system in accordance with generally accepted accounting principles and must have its financial statements and debt covenants audited annually by an

independent certified public accountant. For purposes of subch. III of ch. 19, stats., the board of directors of an RTA are considered local public officials, and as such are subject to the code of ethics for local public officials.

An RTA that acquires a transit system must assume all of the employer's obligations under any contract between the employees and management of the system to the extent allowed by law. An RTA that acquires, constructs, operates, or contracts for the operation of a transit system must negotiate an agreement with the representative of the labor organization that covers the employees affected by the acquisition, construction, or operation to protect the interests of employees affected, and that agreement must include specified provisions. Employees of the RTA are participatory employees under the Wisconsin Retirement System (WRS) if the RTA elects to join the WRS.

A participating political subdivision may withdraw from an RTA if: (1) the governing body of the political subdivision adopts a resolution requesting withdrawal from the RTA; (2) the political subdivision has paid, or made provision for the payment of, all obligations of the political subdivision to the RTA; and (3) any authorized sales and use tax that is levied by the RTA within the political subdivision continues to be levied for the period of time for which the tax is authorized. Unless otherwise agreed upon, if a political subdivision withdraws from an RTA, the political subdivision continues to receive services from the RTA for so long as the sales and use tax continues to be levied in the political subdivision.

An RTA may be dissolved if the authority adopts a resolution dissolving the RTA. Dissolution of an RTA may not occur until adequate provision has been made for payment of the RTA's outstanding indebtedness, including outstanding revenue bonds. Dissolution of an RTA, and withdrawal of a political subdivision from an RTA, is subject to provisions of the authorizing resolutions relating to, respectively, dissolution or withdrawal.

Current law provides limited immunity for cities, villages, towns, counties, and other political corporations and governmental subdivisions, and for officers, officials, agents, and employees of these entities, for acts done in an official capacity or in the course of employment. Claimants must generally follow a specified claims procedure and liability for damages is generally limited to $50,000 except that no liability may be imposed for performance of a discretionary duty or for punitive damages. If a person suffers damage resulting from the negligent operation of a motor vehicle owned and operated by a county, city, village, town, school district, sewer district, or other political

subdivision of the state in the course of its business, the person may file a claim for damages following this claims procedure and the amount of damages recoverable is limited to $250,000. This bill specifies that this provision related to claims and liability for negligent operation of a motor vehicle by a political subdivision applies to an RTA.

The bill also allows RTAs to participate in organizing municipal insurance mutuals to provide insurance and risk management services.

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

SECTION 1. 19.42 (7w) (e) of the statutes is created to read:

19.42 **(7w)** (e) The members of the board of directors of a transit authority created under s. 66.1039.

SECTION 2. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

			2007–08	**2008–09**
20.566	**Revenue, department of**			
(1)	COLLECTION OF TAXES			
(gc)	Administration of transit authority taxes	PR A	–0–	–0–

SECTION 3. 20.566 (1) (gc) of the statutes is created to read:

20.566 **(1)** (gc) *Administration of transit authority taxes.* From the moneys received from the appropriation account under s. 20.835 (4) (gc), the amounts in the schedule for the purpose of administering the transit authority taxes imposed under s. 77.708. Notwithstanding s. 20.001 (3) (a), at the end of the fiscal year the unencumbered balance in this appropriation account shall be transferred to the appropriation account under s. 20.835 (4) (gc).

SECTION 4. 20.835 (4) (gc) of the statutes is created to read:

20.835 **(4)** (gc) *Transit authority taxes.* All moneys received from the taxes imposed under s. 77.708, and from the appropriation account under s. 20.566 (1) (gc), for the purpose of distribution to the transit authorities that adopt a resolution imposing taxes under subch. V of ch. 77, except that 1.5 percent of those tax revenues collected under subch. V of ch. 77 shall be credited to the appropriation account under s. 20.566 (1) (gc).

SECTION 5. 32.05 (1) (a) of the statutes is amended to read:

32.05 **(1)** (a) Except as provided under par. (b), a county board of supervisors or a county highway committee when so authorized by the county board of supervisors, a city council, a village board, a town board, a sewerage commission governing a metropolitan sewerage district created by ss. 200.05 or 200.21 to 200.65, the secretary of transportation, a commission created by contract under s. 66.0301, a joint local water authority created by contract under s. 66.0823, a transit authority created under s. 66.1039, a housing authority under ss. 66.1201 to 66.1211, a local exposition district created under subch. II of ch. 229, a local cultural arts district created under subch. V of ch. 229, a redevelopment authority under s. 66.1333 or a community development authority under s. 66.1335 shall make an order providing for the laying out, relocation and improvement of the public highway, street, alley, storm and sanitary sewers, watercourses, water transmission and distribution facilities, mass transit facilities, airport, or other transportation facilities, gas or leachate extraction systems to remedy environmental pollution from a solid waste disposal facility, housing project, redevelopment project, cultural arts facilities, exposition center or exposition center facilities which shall be known as the relocation order. This order shall include a map or plat showing the old and new locations and the lands and interests required. A copy of the order shall, within 20 days after its issue, be filed with the county clerk of the county wherein the lands are located or, in lieu of filing a copy of the order, a plat may be filed or recorded in accordance with s. 84.095.

SECTION 6. 32.07 (2) of the statutes is amended to read:

32.07 **(2)** The petitioner shall determine necessity if application is by the state or any commission, department, board or other branch of state government or by a city, village, town, county, school district, board, commission, public officer, commission created by contract under s. 66.0301, joint local water authority under s. 66.0823, transit authority created under s. 66.1039, redevelopment authority created under s. 66.1333, local exposition district created under subch. II of ch. 229, local cultural arts district created under subch. V of ch. 229, housing authority created under ss. 66.1201 to 66.1211 or for the right–of–way of a railroad up to 100 feet in width, for a telegraph, telephone or other electric line, for the right–of–way for a gas pipeline, main or service or for easements for the construction of any elevated structure or subway for railroad purposes.

SECTION 7. 40.02 (28) of the statutes is amended to read:

40.02 **(28)** "Employer" means the state, including each state agency, any county, city, village, town, school district, other governmental unit or instrumentality of 2 or more units of government now existing or hereafter created within the state, any federated public library system established under s. 43.19 whose territory lies within a single county with a population of 500,000 or more, a local exposition district created under subch. II of ch. 229, a transit authority created under s. 66.1039, and a long–term care district created under s. 46.2895, except as provided under ss. 40.51 (7) and 40.61 (3) and subch. X. "Employer" does not include a local cultural arts district created under subch. V of ch. 229. Each employer shall be a separate legal jurisdiction for OASDHI purposes.

SECTION 8. 40.02 (28) of the statutes, as affected by 1999 Wisconsin Acts 65 and 2007 Wisconsin Acts 20 and .... (this act), is repealed and recreated to read:

40.02 **(28)** "Employer" means the state, including each state agency, any county, city, village, town, school district, other governmental unit or instrumentality of 2 or more units of government now existing or hereafter created within the state, any federated public library system established under s. 43.19 whose territory lies within a single county with a population of 500,000 or more, a local exposition district created under subch. II of ch. 229, a transit authority created under s. 66.1039, and a long–term care district created under s. 46.2895, except as provided under ss. 40.51 (7) and 40.61 (3). "Employer" does not include a local cultural arts district created under subch. V of ch. 229. Each employer shall be a separate legal jurisdiction for OASDHI purposes.

SECTION 9. 59.58 (6) (title) and (a) 1. of the statutes are amended to read:

59.58 **(6)** (title) ~~REGIONAL~~ KENOSHA–RACINE–MILWAUKEE REGIONAL TRANSIT AUTHORITY.

(a) 1. "Authority" means the Kenosha–Racine–Milwaukee regional transit authority.

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

66.0301 **(1)** (a) Except as provided in pars. (b) and (c), 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. 59.70 (2), local exposition district created under subch. II of ch. 229, local professional baseball park district created under subch. III of ch. 229, local professional football stadium district created under subch. IV of ch. 229, ~~a~~ local cultural arts district created under subch. V of ch. 229, transit authority created under s. 66.1039, long–term care district under s. 46.2895, water utility district, mosquito control district, municipal electric company, county or city transit commission, commission created by

contract under this section, taxation district, regional planning commission, or city–county health department.

SECTION 11. 66.1039 of the statutes is created to read:

66.1039 Transit authorities. (1) DEFINITIONS. In this section:

(a) "Authority" means a transit authority created under this section.

(b) "Bonds" means any bonds, interim certificates, notes, debentures, or other obligations of an authority issued under this section.

(c) "Common carrier" means any of the following:

1. A common motor carrier, as defined in s. 194.01 (1).

2. A contract motor carrier, as defined in s. 194.01 (2).

3. A railroad subject to ch. 195, as described in s. 195.02 (1) and (3).

4. A water carrier, as defined in s. 195.02 (5).

(d) "Comprehensive unified local transit system" means a transit system that is comprised of motor bus lines and any other local public transit facilities, the major portion of which is located within, or the major portion of the service of which is supplied to the inhabitants of, the jurisdictional area of the authority.

(dm) "County jurisdictional area" means the geographical area designated by a county under sub. (2m) (a).

(e) 1. Except as provided in subd. 2., "jurisdictional area" means the geographic area formed by the combined territorial boundaries of all participating political subdivisions.

2. For a participating political subdivision that is a county, "jurisdictional area" includes the county jurisdictional area.

(f) "Municipality" means any city, village, or town except any portion of a city, village, or town within a county jurisdictional area under (2m) (a) 2. or 3.

(g) "Participating political subdivision" means a political subdivision that has adopted a resolution creating an authority or joining an established authority under this section.

(h) "Political subdivision" means a municipality or county.

(i) "Transit system" means all land, shops, structures, equipment, property, franchises, and rights of whatever nature required for transit of passengers within the jurisdictional area of the authority and outside the jurisdictional area of the authority. "Transit system" includes motor buses, fixed guideway transit, ridesharing, specialized transportation, motor vehicles, elevated railroads, subways, underground railroads, and any combination thereof, and any other form of mass transit, but does not include transportation excluded from the definition of "common motor carrier" under s. 194.01 (1), charter or contract operations to, from, or between points that are outside the jurisdictional area of the authority, or travel by aircraft flight.

(2) CREATION OF TRANSIT AUTHORITIES. (a) Subject to pars. (g), (i), and (j), the governing body of a political subdivision may, by resolution, declare the need for an authority to function in the political subdivision and may join together with one or more other political subdivisions to jointly create, by adopting identical resolutions, a public body corporate and politic in these political subdivisions. This public body shall be a separate governmental entity and shall be known as a "regional transit authority." The authority may transact business and exercise any powers granted to it under this section.

(b) Subject to pars. (g) and (i), if an authority has been created under par. (a), a political subdivision may join this authority if the governing body of this political subdivision adopts a resolution identical to the existing identical resolutions of the participating political subdivisions of the authority and the authority adopts a resolution allowing this political subdivision to join the authority.

(c) Any resolution under pars. (a) and (b) creating or joining an authority shall specify all of the following:

1. The name of the authority and a description or map of its jurisdictional area.

2. The purpose of the authority and the functions or services to be provided by the authority.

3. The powers, duties, and limitations of the authority.

4. The establishment and organization of a board of directors, in which all powers of the authority shall be vested. The resolution may permit the board of directors to create an executive committee of the board of directors to assist the board of directors in exercising its powers and duties, but these powers and duties may only be carried out by action of the board in compliance with subd. 7.

5. The number of directors, the manner of their appointment, the required representation, if any, for each participating political subdivision and city, village, or town within a county jurisdictional area designated under sub. (2m) (a) 2. or 3., the terms of their office, their compensation, if any, and the procedure for filling vacancies on the board of directors.

6. The manner of selection of the officers of the authority and their powers, duties, and limitations.

7. The voting requirements for action by the board of directors. At least a majority vote of the authorized directors is necessary for any action to be taken by the board of directors.

8. The duties of the board of directors, including the obligation to comply with this section and the laws of this state and with the terms of the resolutions adopted under this section.

9. The method of financing the formation and operation of the authority.

10. If taxes may be imposed by the authority under sub. (3) (s), the maximum rate of the taxes that may be imposed by the authority under sub. (3) (s), including the initial limit on the rate of taxes that may be imposed by the authority, if any, not to exceed the maximum rate specified in s. 77.708 (1). The rate of the taxes that may be imposed by the authority under sub. (3) (s) shall be uniform among all cities, villages, and towns within the authority's jurisdictional area that are within the same county. For purposes of this subdivision, an authority may declare a participating political subdivision with territory in the jurisdictional area of the authority and in more than one county to be wholly within one of those counties.

10m. A transit plan or previously approved transit plan for the authority or reference to a transit plan or previously approved transit plan set forth in detail elsewhere. A transit plan under this subdivision shall provide opportunity for public involvement in the transit plan development process.

11. Subject to sub. (12), a procedure by which a participating political subdivision may withdraw from the authority and provisions for the disposition, division, or distribution of any property, assets, and obligations of the authority on withdrawal of a participating political subdivision or on dissolution of the authority.

(d) Subject to par. (e), a resolution under pars. (a) and (b) shall be approved by at least a majority vote of the members of the governing body of the political subdivision. The governing body of the political subdivision may also require that the resolution be ratified by the electors at a referendum held in the area of the political subdivision that would be within the jurisdictional area of the authority under the resolution.

(e) At least 30 days before approving a resolution under par. (a) or (b), the governing body of a political subdivision shall hold a public hearing on the resolution. Notice of the hearing shall be published as a class 3 notice under ch. 985. At the public hearing, the

governing body of the political subdivision shall solicit comments and recommendations on the preferred method under par. (d) for approving the resolution.

(f) 1. A county may not be a participating political subdivision in an authority under this section if it is a participating political subdivision of an authority authorized under any other statute, except an authority created under s. 59.58 (6) (a) 1.

2. Subject to subd. 3., a county may be a participating political subdivision in more than one authority under this section.

3. No portion of a city, village, or town may be included in the jurisdictional area of more than one authority.

(g) If an authority created under par. (a) includes as a participating political subdivision a county that has designated a county jurisdictional area under sub. (2m) (a) 1., the authority shall also include at least one municipality within that county.

(h) If an authority has been created under this subsection, the participating political subdivisions of the authority may amend or modify their original resolutions creating or joining the authority if, after any amendment or modification, the resolutions of all participating political subdivisions of the authority remain identical and continue to satisfy the requirements under this section for the creation of an authority, except the requirement under par. (e). Any such amendment or modification of the original resolutions creating or joining the authority does not create a new authority unless specifically provided otherwise in the amendment or modification, even if the amendment or modification is undertaken for the purpose of including additional participating political subdivisions in the authority.

(i) 1. Subject to subd. 2., an identical resolution under par. (a) or (b) that is approved by a municipality under par. (d) is not effective unless approved by the county that contains the geographical area of the municipality to be included in the authority within 45 days of

submission of the resolution to that county for approval. For a county to withhold its approval under this paragraph, the county must adopt a resolution by which the county declares its intention to create an authority that will include the municipality in the authority's jurisdictional area, and declares that it will commence, or has commenced, a study relating to the creation of the authority.

2. An identical resolution that is not approved by a county under subd. 1. may go into effect, without county approval, unless each of the following occur:

a. The county that withheld approval completes its study relating to the creation of the authority under subd. 1. within 18 months after the county first withheld its approval of the resolution.

b. All of the geographic area of the municipality that is within the county that withheld approval is included within the jurisdictional area of an authority within 24 months after the county first withheld its approval of the resolution.

(j) A county that has designated a county jurisdictional area under sub. (2m) (a) 2. or 3. may create an authority without joining together with one or more other political subdivisions to create the authority.

(2m) (a) Subject to par. (c), a county that is a participating political subdivision in an authority must designate, by resolution, the county jurisdictional area of the authority. The county jurisdictional area shall be one of the following:

1. The portion of the county that is within the combined territorial boundaries of each of the cities, villages, and towns in the county that are also participating political subdivisions of the authority.

2. The territorial boundaries of the county.

3. The combined territorial boundaries of each of the cities, villages, and towns in the county with at least 75% of their populations residing within a metropolitan planning area, as defined in 23 USC 134 (B) (1), at the time of designation by the county.

(b) Under par. (a) 3., counties which contain all or a part of more than one metropolitan planning area may designate a county jurisdictional area for one or more of the metropolitan planning areas for inclusion in the same authority or different authorities.

(c) A county may not designate a county jurisdictional area under par. (a) 2. or 3. without prior approval, by resolution, by each city, village, town, or tribal government wholly or partially within the proposed county jurisdictional area that is any of the following:

1. The owner, operator, or controlling authority of a transit system that serves at least 10% of the passengers, as expressed in unlinked trips, served by all transit systems in the county on average over the 3 years preceding creation of the RTA, as determined by the department of transportation.

2. A participating political subdivision in an authority.

(3) POWERS. Notwithstanding s. 59.84 (2) and any other provision of this chapter or ch. 59 or 85, an authority may do all of the following:

(a) Establish, maintain, and operate a comprehensive unified local transit system primarily for the transportation of persons.

(b) Acquire a comprehensive unified local transit system by purchase, condemnation under s. 32.05, or otherwise and provide funds for the operation and maintenance of the system. Upon the acquisition of a comprehensive unified local transit system, the authority may:

1. Operate and maintain it or lease it to an operator or contract for its use by an operator.

2. Contract for superintendence of the system with an organization that has personnel with the requisite experience and skill.

3. Delegate responsibility for the operation and maintenance of the system to an appropriate administrative officer, board, or commission of a participating political subdivision.

4. Work with the department of transportation to maintain and improve railroad rights–of–way and improvements on these rights–of–way for future transit use.

(c) Contract with a public or private organization to provide transit services in lieu of directly providing these services.

(d) Purchase and lease transit facilities to public or private transit companies that operate within and outside the jurisdictional area.

(e) Apply for federal or other aids to purchase transit facilities or operate a transit system.

(f) Coordinate, provide, or assist in providing specialized transportation services, as defined in s. 85.21 (2) (g), for individuals who are disabled or aged 60 or older, including services funded under 42 USC 3001 to 3057n, 42 USC 5001, and 42 USC 5011 (b), under ss. 49.43 to 49.499 and 85.21, and under other public funds administered by the county. An authority may contract with a county that is a participating political subdivision for the authority to provide specialized transportation services, but an authority is not an eligible applicant under s. 85.21 (2) (e) and may not receive payments directly from the department of transportation under s. 85.21.

(g) Acquire, own, hold, use, lease as lessor or lessee, sell or otherwise dispose of, mortgage, pledge, or grant a security interest in any real or personal property or service.

(h) Acquire property by condemnation using the procedure under s. 32.05 for the purposes set forth in this section.

(i) Enter upon any state, county, or municipal street, road, or alley, or any public highway for the purpose of installing, maintaining, and operating the authority's facilities. Whenever the work is to be done in a state, county, or municipal highway, street, road, or alley, the public authority having control thereof shall be duly notified, and the highway, street, road, or alley shall be restored to as good a condition as existed before the commencement of the work with all costs incident to the work to be borne by the authority.

(j) Fix, maintain, and revise fees, rates, rents, and charges for functions, facilities, and services provided by the authority.

(k) Make, and from time to time amend and repeal, bylaws, rules, and regulations to carry into effect the powers and purposes of the authority.

(L) Sue and be sued in its own name.

(m) Have and use a corporate seal.

(n) Employ agents, consultants, and employees, engage professional services, and purchase such furniture, stationery, and other supplies and materials as are reasonably necessary to perform its duties and exercise its powers.

(o) Incur debts, liabilities, or obligations including the borrowing of money and the issuance of bonds under subs. (6) and (9).

(p) Invest any funds held in reserve or sinking funds, or any funds not required for immediate disbursement, including the proceeds from the sale of any bonds, in such obligations, securities, and other investments as the authority deems proper in accordance with s. 66.0603 (1m).

(q) Do and perform any acts and things authorized by this section under, through, or by means of an agent or by contracts with any person.

(r) Exercise any other powers that the board of directors considers necessary and convenient to effectuate the purposes of the authority, including providing for passenger safety.

(s) Impose, by the adoption of a resolution by the board of directors, the taxes under subch. V of ch. 77 in the authority's jurisdictional area. If an authority adopts a resolution to impose the taxes, it shall deliver a certified copy of the resolution to the department of revenue at least 120 days before its effective date. The authority may, by adoption of a resolution by the board of directors, repeal the imposition of taxes under subch. V of ch. 77 and shall deliver a certified copy of the repeal resolution to the department of revenue at least 120 days before its effective date.

(4) LIMITATIONS ON AUTHORITY POWERS. (a) Whenever the proposed operations of an authority would be competitive with the operations of a common carrier in existence prior to the time the authority commences operations, the authority shall coordinate proposed operations with the common carrier to eliminate adverse financial impact for the carrier. This coordination may include route overlapping, transfers, transfer points, schedule coordination, joint use of facilities, lease of route service, and acquisition of route and corollary equipment. If this coordination does not result in mutual agreement, the proposals of the authority and the common carrier shall be submitted to the department of transportation for arbitration.

(b) In exercising its powers under sub. (3), an authority shall consider any plan of a metropolitan planning organization under 23 USC 134 that covers any portion of the authority's jurisdictional area.

(c) An authority must revise its transit plan under sub. (2) (c) 10m. at least once every 5 years.

(5) AUTHORITY OBLIGATIONS TO EMPLOYEES OF MASS TRANSIT SYSTEMS. (a) An authority acquiring a comprehensive unified local transit system shall assume all of the employer's obligations under any contract between the employees and management of the system to the extent allowed by law.

(b) An authority acquiring, constructing, controlling, operating, or contracting for the superintendence of or operation of a comprehensive unified local transit system shall negotiate an agreement with the representative of the labor organization, notwithstanding s. 111.70 (2), (3), and (6), that covers the employees affected by the acquisition, construction, control, or operation to protect the interests of employees affected. This agreement shall include all of the provisions identified in s. 59.58 (4) (b) 1. to 8. and may include provisions identified in s. 59.58 (4) (c). An affected employee has all the rights and the same status under subch. IV of ch. 111 that he or she enjoyed immediately before the acquisition, construction, control, or operation and may not be required to serve a probationary period if he or she attained permanent status before the acquisition, construction, control, or operation.

(c) In all negotiations under this subsection, a senior executive officer of the authority shall be a member of the authority's negotiating body.

(6) BONDS; GENERALLY. (a) An authority may issue bonds, the principal and interest on which are payable exclusively from all or a portion of any revenues received by the authority. The authority may secure its bonds by a pledge of any income or revenues from any operations, rent, aids, grants, subsidies, contributions, or other source of moneys whatsoever.

(b) An authority may issue bonds in such principal amounts as the authority deems necessary.

(c) Except with respect to refunding bonds under sub. (9), bond proceeds may be used only for capital expenditures related to the acquisition of transit system equipment having a useful life of at least 5 years.

(d) Paragraph (c) does not apply to expenditures made for the acquisition of all or part of an existing transit system.

(e) 1. Neither the members of the board of directors of an authority nor any person executing the bonds is personally liable on the bonds by reason of the issuance of the bonds.

2. The bonds of an authority are not a debt of the participating political subdivisions. Neither the participating political subdivisions nor the state are liable for the payment of the bonds. The bonds of any authority shall be payable only out of funds or properties of the authority. The bonds of the authority shall state the restrictions contained in this paragraph on the face of the bonds.

(7) ISSUANCE OF BONDS. (a) Bonds of an authority shall be authorized by resolution of the board of directors. The bonds may be issued under such a resolution or under a trust indenture or other security instrument. The bonds may be issued in one or more series and may be in the form of coupon bonds or registered bonds under s. 67.09. The bonds shall bear the dates, mature at the times, bear interest at the rates, be in the denominations, have the rank or priority, be executed in the manner, be payable in the medium of payment and at the places, and be subject to the terms of redemption, with or without premium, as the resolution, trust indenture, or other security instrument provides. Bonds of an authority are issued for an essential public and governmental purpose and are public instrumentalities and, together with interest and income, are exempt from taxes.

(b) The authority may sell the bonds at public or private sales at the price or prices determined by the authority.

(c) If an officer whose signatures appear on any bonds or coupons ceases to be an officer of the authority before the delivery of the bonds or coupons, the officer's signature shall, nevertheless, be valid for all purposes as if the officer had remained in office until delivery of the bonds or coupons.

(8) COVENANTS. An authority may do all of the following in connection with the issuance of bonds:

(a) Covenant as to the use of any or all of its property, real or personal.

(b) Redeem the bonds, or covenant for the redemption of the bonds, and provide the terms and conditions of the redemption.

(c) Covenant as to charge fees, rates, rents, and charges sufficient to meet operating and maintenance expenses, renewals, and replacements of any transit system, principal and debt service on bonds, creation and maintenance of any reserves required by a bond resolution, trust indenture, or other security instrument and to provide for any margins or coverages over and above debt service on the bonds that the board of directors considers desirable for the marketability of the bonds.

(d) Covenant as to the events of default on the bonds and the terms and conditions upon which the bonds shall become or may be declared due before maturity, as to the terms and conditions upon which this declaration and its consequences may be waived, and as to the consequences of default and the remedies of bondholders.

(e) Covenant as to the mortgage or pledge of, or the grant of a security interest in, any real or personal property and all or any part of the revenues of the authority to secure the payment of bonds, subject to any agreements with the bondholders.

(f) Covenant as to the custody, collection, securing, investment, and payment of any revenues, assets, moneys, funds, or property with respect to which the authority may have any rights or interest.

(g) Subject to sub. (6) (b), covenant as to the purposes to which the proceeds from the sale of any bonds may be applied, and as to the pledge of such proceeds to secure the payment of the bonds.

(h) Covenant as to limitations on the issuance of any additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding bonds.

(i) Covenant as to the rank or priority of any bonds with respect to any lien or security.

(j) Covenant as to the procedure by which the terms of any contract with or for the benefit of the holders of bonds may be amended or abrogated, the amount of bonds, the holders of which must consent thereto, and the manner in which such consent may be given.

(k) Covenant as to the custody and safekeeping of any of its properties or investments, the insurance to be carried on the property or investments and the use and disposition of insurance proceeds.

(L) Covenant as to the vesting in one or more trustees, within or outside the state, of those properties, rights, powers, and duties in trust as the authority determines.

(m) Covenant as to the appointing of, and providing for the duties and obligations of, one or more paying agent or other fiduciaries within or outside the state.

(n) Make all other covenants and do any act that may be necessary or convenient or desirable in order to secure its bonds or, in the absolute discretion of the authority, tend to make the bonds more marketable.

(o) Execute all instruments necessary or convenient in the exercise of the powers granted under this section or in the performance of covenants or duties, which may contain

such covenants and provisions as a purchaser of the bonds of the authority may reasonably require.

(9) REFUNDING BONDS. An authority may issue refunding bonds for the purpose of paying any of its bonds at or prior to maturity or upon acceleration or redemption. An authority may issue refunding bonds at such time prior to the maturity or redemption of the refunded bonds as the authority deems to be in the public interest. The refunding bonds may be issued in sufficient amounts to pay or provide the principal of the bonds being refunded, together with any redemption premium on the bonds, any interest accrued or to accrue to the date of payment of the bonds, the expenses of issue of the refunding bonds, the expenses of redeeming the bonds being refunded, and such reserves for debt service or other capital or current expenses from the proceeds of such refunding bonds as may be required by the resolution, trust indenture, or other security instruments. To the extent applicable, refunding bonds are subject to subs. (7) and (8).

(10) BONDS ELIGIBLE FOR INVESTMENT. (a) Any of the following may invest funds, including capital in their control or belonging to them, in bonds of the authority:

1. Public officers and agencies of the state.
2. Political subdivisions.
3. Insurance companies.
4. Trust companies.
5. Banks.
6. Savings banks.
7. Savings and loan associations.
8. Investment companies.
9. Personal representatives.

10. Trustees.

11. Other fiduciaries not listed in this paragraph.

(b) The authority's bonds are securities that may be deposited with and received by any officer or agency of the state or any political subdivision for any purpose for which the deposit of bonds or obligations of the state or any political subdivision is authorized by law.

(11) BUDGETS; RATES AND CHARGES; AUDIT. The board of directors of an authority shall annually prepare a budget for the authority. Rates and other charges received by the authority shall be used only for the general expenses and capital expenditures of the authority, to pay interest, amortization, and retirement charges on bonds, and for specific purposes of the authority and may not be transferred to any political subdivision. The authority 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.

(12) WITHDRAWAL FROM AUTHORITY. (a) A participating political subdivision may withdraw from an authority if all of the following conditions are met:

1. The governing body of the political subdivision adopts a resolution by a majority vote of the members of the governing body requesting withdrawal of the political subdivision from the authority.

2. The political subdivision has paid, or made provision for the payment of, all obligations of the political subdivision to the authority, including its obligations relative to any outstanding bonds issued by the authority.

3. Any tax authorized under sub. (3) (s) that is levied by the authority within the political subdivision continues to be levied for the period of time for which the authority has authorized the tax in a resolution imposing the tax under sub. (3) (s) if such a resolution specifies a time

period for the tax or until the effective date of a tax repeal resolution under sub. (3) (s), whichever occurs first.

(b) Unless an earlier date for the termination of the provision of transit services has been agreed upon by the withdrawing political subdivision and the authority, if a political subdivision has withdrawn from an authority as provided in par. (a), the political subdivision shall continue to receive services from the authority, in the same manner and to the same extent as those provided to the remaining participating political subdivisions, for so long as the tax continues to be levied as provided in par. (a) 3. Nothing in this paragraph prohibits a regional transit authority from changing the manner and extent to which it provides services, including in the withdrawing political subdivision, as long as the services provided in the withdrawing political subdivision remain comparable to those provided in the remaining political subdivisions while the tax continues to be levied in the withdrawing political subdivision. The remaining political subdivisions may choose to increase the tax under sub. (3) (s) and are not required to extend the additional services provided by such additional tax to the withdrawing political subdivision if the additional tax is not also collected in the withdrawing political subdivision.

(c) If a political subdivision has withdrawn from an authority as provided in par. (a), the articles of incorporation of the authority shall be amended to reflect the withdrawal of the political subdivision and this amendment shall be filed and published, in the same manner as a resolution, by the withdrawing political subdivision and each participating political subdivision.

(d) Withdrawal of a political subdivision from an authority is subject to the resolution provisions specified in sub. (2) (c) 11.

(13) DISSOLUTION OF AUTHORITY. An authority may be dissolved if the authority adopts a resolution dissolving the authority. Dissolution of an authority is subject to the resolution provisions specified in sub. (2) (c) 11. Dissolution of an authority may not occur until all outstanding indebtedness of the authority has been paid and all unexpended funds returned to the participating political subdivisions that supplied them, or until adequate provision has been made for the outstanding indebtedness or unexpended funds. An authority may not be dissolved so long as it has bonds outstanding, unless provision for full payment of such bonds, by escrow or otherwise, has been made pursuant to the terms of the bonds or the resolution, trust indenture, or security instrument securing the bonds. The authority shall notify the department of revenue of the authority's dissolution at least 120 days before the dissolution's effective date.

(14) OTHER STATUTES. This section does not limit the powers of political subdivisions to enter into intergovernmental cooperation or contracts or to establish separate legal entities under s. 66.0301 or 66.1021 or any other applicable law, or otherwise to carry out their powers under applicable statutory provisions. Section 66.0803 (2) does not apply to an authority.

SECTION 12. 67.01 (5) of the statutes is amended to read:

67.01 **(5)** "Municipality" means any of the following which is authorized to levy a tax: a county, city, village, town, school district, board of park commissioners, technical college district, metropolitan sewerage district created under ss. 200.01 to 200.15 or 200.21 to 200.65, town sanitary district under subch. IX of ch. 60, transit authority created under s. 66.1039, public inland lake protection and rehabilitation district established under s. 33.23, 33.235, or 33.24, and any other public body empowered to borrow money and issue obligations to repay the money out of public funds or revenues. "Municipality" does not include the state.

SECTION 13. 70.11 (2) of the statutes, as affected by 2007 Wisconsin Act 20, is amended to read:

70.11 **(2)** MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION. Property owned by any county, city, village, town, school district, technical college district, public inland lake protection and rehabilitation district, metropolitan sewerage district, municipal water district created under s. 198.22, joint local water authority created under s. 66.0823, transit authority created under s. 66.1039, long−term care district under s. 46.2895 or town sanitary district; lands belonging to cities of any other state used for public parks; land tax−deeded to any county or city before January 2; but any residence located upon property owned by the county for park purposes that is rented out by the county for a nonpark purpose shall not be exempt from taxation. Except as to land acquired under s. 59.84 (2) (d), this exemption shall not apply to land conveyed after August 17, 1961, to any such governmental unit or for its benefit while the grantor or others for his or her benefit are permitted to occupy the land or part thereof in consideration for the conveyance. Leasing the property exempt under this subsection, regardless of the lessee and the use of the leasehold income, does not render that property taxable.

SECTION 14. 71.26 (1) (b) of the statutes, as affected by 2007 Wisconsin Act 20, is amended to read:

71.26 **(1)** (b) *Political units.* Income received by the United States, the state and all counties, cities, villages, towns, school districts, technical college districts, joint local water authorities created under s. 66.0823, transit authorities created under s. 66.1039, long−term care districts under s. 46.2895 or other political units of this state.

SECTION 15. 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, TRANSIT AUTHORITY,

AND SPECIAL DISTRICT SALES AND

USE TAXES; MANAGED FOREST LAND;

RECYCLING SURCHARGE;

LOCAL FOOD AND BEVERAGE TAX;

LOCAL RENTAL CAR TAX;

PREMIER RESORT AREA TAXES;

STATE RENTAL VEHICLE FEE;

DRY CLEANING FEES;

REGIONAL TRANSIT AUTHORITY FEE

SECTION 16. 77.54 (9a) (er) of the statutes is created to read:

77.54 **(9a)** (er) Any transit authority created under s. 66.1039.

SECTION 17. Subchapter V (title) of chapter 77 [precedes 77.70] of the statutes is amended to read:

CHAPTER 77

SUBCHAPTER V

COUNTY, TRANSIT

AUTHORITY, AND SPECIAL DISTRICT

SALES AND USE TAXES

SECTION 18. 77.708 of the statutes is created to read:

77.708 Adoption by resolution; transit authority. (1) A transit authority created under s. 66.1039, by resolution under s. 66.1039 (3) (s), may impose a sales tax and a use tax under this subchapter at a rate not to exceed 0.5 percent of the gross receipts or sales price or, if lower, not to exceed the maximum rate established by resolution under s. 66.1039 (2) (c) 10. Those taxes may be imposed only in their entirety. The resolution shall be effective on the first day of the first calendar quarter that begins at least 120 days after the adoption of the resolution.

(2) Retailers and the department of revenue may not collect a tax under sub. (1) for any transit authority created under s. 66.1039 after the calendar quarter during which the transit authority adopts a repeal resolution under s. 66.1039 (3) (s) or dissolves as provided under s. 66.1039 (13), except that the department of revenue may collect from retailers taxes that accrued before such calendar quarter and fees, interest, and penalties that relate to those taxes.

SECTION 19. 77.71 (intro.) of the statutes is amended to read:

77.71 Imposition of county, transit authority, and special district sales and use taxes. (intro.) Whenever a county sales and use tax ordinance is adopted under s. 77.70, a transit authority resolution is adopted under s. 77.708, or a special district resolution is adopted under s. 77.705 or 77.706, the following taxes are imposed:

SECTION 20. 77.71 (1) of the statutes is amended to read:

77.71 **(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, at the rate under s. 77.708 in the case of a transit authority tax, or at the rate under s. 77.705 or 77.706 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 transit authority's jurisdictional area, or from selling, performing, or furnishing services described under s. 77.52 (2) in the county ~~or~~, special district, or transit authority's jurisdictional area.

SECTION 21. 77.71 (2) of the statutes 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, at the rate under s. 77.708 in the case of a transit authority tax, or at the rate under s. 77.705 or 77.706 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, or transit authority's jurisdictional area 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 22. 77.71 (3) of the statutes is amended to read:

77.71 **(3)** An excise tax is imposed upon a contractor engaged in construction activities within the county ~~or~~, special district, or transit authority's jurisdictional area, at the rate of 0.5% in the case of a county tax, at the rate under s. 77.708 in the case of a transit authority tax, or at the rate under s. 77.705 or 77.706 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 or in the transit authority's jurisdictional area, except that if the contractor has paid the sales

tax of a county ~~in the case of a county tax,~~ transit authority, or ~~of a~~ special district ~~in the case of a special district tax~~ in this state on that property, or 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 23. 77.71 (4) of the statutes is amended to read:

77.71 **(4)** An excise tax is imposed at the rate of 0.5 percent in the case of a county tax, at the rate under s. 77.708 in the case of a transit authority tax, or at the rate under s. 77.705 or 77.706 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, recreational vehicle, as defined in s. 340.01 (48r), 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, the jurisdictional area of a transit authority that has in effect a resolution under s. 77.708, or in a special district that has in effect a resolution under s. 77.705 or 77.706, 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 24. 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, or transit authority's jurisdictional area are doing business in that county ~~or,~~ special district, or jurisdictional area, and that county ~~or,~~ special district, or transit authority has jurisdiction to impose the taxes under this subchapter on them.

(2) Counties ~~and~~, special districts, and transit authorities 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, or in another transit authority's jurisdictional area, 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, or jurisdictional area of the transit authority that has imposed a tax under s. 77.71 (2).

SECTION 25. 77.75 of the statutes is amended to read:

77.75 Reports. Every person subject to county, transit authority, or special district sales and use taxes shall, for each reporting period, record that person's sales made in the county or special district, or jurisdictional area of a transit authority that has imposed those taxes separately from sales made elsewhere in this state and file a report as prescribed by the department of revenue.

SECTION 26. 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, transit authority, 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, transit authority, and special district sales and use taxes in regard to items under s. 77.61 (1).

SECTION 27. 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, transit authority, or special district may intervene in any matter related to the levy, enforcement, and collection of the taxes under this subchapter.

SECTION 28. 77.76 (3r) of the statutes is created to read:

77.76 **(3r)** From the appropriation under s. 20.835 (4) (gc) the department of revenue shall distribute 98.5 percent of the taxes reported for each transit authority that has imposed taxes under this subchapter, minus the transit authority portion of the retailers' discount, to the transit authority 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 of revenue shall indicate the taxes reported by each taxpayer. In this subsection, the "transit authority 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 transit authority sales and use taxes payable and the denominator of which is the sum of the gross state and transit authority sales and use taxes payable. The transit authority taxes distributed shall be increased or decreased to reflect subsequent refunds, audit adjustments, and all other adjustments of the transit authority taxes previously distributed. Interest paid on refunds of transit authority sales and use taxes shall be paid from the appropriation under s. 20.835 (4) (gc) at the rate paid by this state under s. 77.60 (1) (a). Any transit authority 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 29. 77.76 (4) of the statutes is amended to read:

77.76 **(4)** There shall be retained by the state 1.5% of the taxes collected for taxes imposed by special districts under ss. 77.705 and 77.706 and transit authorities under s. 77.708 and 1.75% of the taxes collected for taxes imposed by counties under s. 77.70 to cover costs incurred by the state in administering, enforcing, and collecting the tax. All interest and penalties collected shall be deposited and retained by this state in the general fund.

SECTION 30. 77.76 (5) of the statutes is created to read:

77.76 **(5)** If a retailer receives notice from the department of revenue that the retailer is required to collect and remit the taxes imposed under s. 77.708, but the retailer believes that the retailer is not required to collect such taxes because the retailer is not doing business within the transit authority's jurisdiction, the retailer shall notify the department of revenue no later than 30 days after receiving notice from the department. The department of revenue shall affirm or revise its original determination no later than 30 days after receiving the retailer's notice.

SECTION 31. 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 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, transit authority 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, transit authority resolution, or special district resolution are subject to the 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 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, transit authority 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 32. 77.78 of the statutes is amended to read:

77.78 Registration. No motor vehicle, boat, snowmobile, recreational vehicle, as defined in s. 340.01 (48r), 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, transit authority 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 33. 345.05 (1) (a) of the statutes is renumbered 345.05 (1) (am).

SECTION 34. 345.05 (1) (ag) of the statutes is created to read:

345.05 **(1)** (ag) "Authority" means a transit authority created under s. 66.1039.

SECTION 35. 345.05 (2) of the statutes is amended to read:

345.05 **(2)** A person suffering any damage proximately resulting from the negligent operation of a motor vehicle owned and operated by a municipality or authority, which damage was occasioned by the operation of the motor vehicle in the course of its business, may file a claim for damages against the municipality or authority concerned and the governing body ~~thereof~~ of the municipality, or the board of directors of the authority, may allow, compromise, settle and pay the claim. In this subsection, a motor vehicle is deemed owned and operated by a municipality or authority if the vehicle is either being rented or leased, or is being purchased under a contract whereby the municipality or authority will acquire title.

SECTION 36. 611.11 (4) (a) of the statutes is amended to read:

611.11 **(4)** (a) In this subsection, "municipality" has the meaning given in s. 345.05 (1) (c), but also includes any transit authority created under s. 66.1039.

SECTION 37. Effective dates. This act takes effect on the day after publication, except as follows:

(1) The repeal and recreation of section 40.02 (28) of the statutes takes effect on January 1, 2010.

(END)