

1 as eligible for the woody biomass harvesting and processing credit under ss. 71.07
2 (3rm), 71.28 (3rm), and 71.47 (3rm).

3 (2) If the ~~department of commerce~~ corporation certifies a taxpayer under sub.
4 (1), the ~~department of commerce~~ corporation shall determine the amount of credits
5 to allocate to that taxpayer. The total amount of woody biomass harvesting and
6 processing credits allocated to taxpayers in any fiscal year may not exceed \$900,000.
7 In each fiscal year, the ~~department of commerce~~ corporation shall allocate \$450,000
8 in tax credits to businesses that, individually, have no more than \$5,000,000 in gross
9 receipts from doing business in this state for the taxable year in which the credit is
10 claimed.

11 (3) The ~~department of commerce~~ corporation shall inform the department of
12 revenue of every taxpayer certified under sub. (1) and the amount of credits allocated
13 to the taxpayer.

14 (4) The ~~department of commerce~~ corporation, in consultation with the
15 department of revenue, shall ~~promulgate~~ adopt rules to administer this section.

16 **SECTION 1181.** 560.21 of the statutes is repealed.

17 **SECTION 1182.** 560.25 of the statutes is repealed.

18 **SECTION 1183.** 560.255 of the statutes is repealed.

19 **SECTION 1184.** 560.27 of the statutes is repealed.

20 **SECTION 1185.** 560.275 of the statutes is repealed.

21 **SECTION 1186.** 560.276 of the statutes is repealed.

22 **SECTION 1187.** 560.277 of the statutes is repealed.

23 **SECTION 1188.** 560.28 of the statutes is repealed.

24 **SECTION 1189.** 560.285 of the statutes is repealed.

25 **SECTION 1190.** 560.29 of the statutes is repealed.

1 **SECTION 1191.** Subchapter II (title) of chapter 560 [precedes 560.30] of the
2 statutes is repealed.

3 **SECTION 1192.** 560.30 of the statutes is repealed.

4 **SECTION 1193.** 560.301 of the statutes is repealed.

5 **SECTION 1194.** 560.302 of the statutes is repealed.

6 **SECTION 1195.** 560.303 of the statutes is repealed.

7 **SECTION 1196.** 560.304 of the statutes is repealed.

8 **SECTION 1197.** 560.305 of the statutes is repealed.

9 **SECTION 1198.** Subchapter III (title) of chapter 560 [precedes 560.41] of the
10 statutes is repealed.

11 **SECTION 1199.** 560.41 of the statutes is repealed.

12 **SECTION 1200.** 560.42 of the statutes is repealed.

13 **SECTION 1201.** 560.43 of the statutes is repealed.

14 **SECTION 1202.** 560.44 of the statutes is repealed.

15 **SECTION 1203.** 560.45 of the statutes is renumbered 490.05, and 490.05 (1), as
16 renumbered, is amended to read:

17 490.05 (1) The department may award a grant from the appropriations under
18 s. ~~20.143~~ 20.165 (1) ~~(ie), (ig), (im), and (ir)~~ to a business for innovation and research
19 assistance.

20 **SECTION 1204.** Subchapter IV (title) of chapter 560 [precedes 560.51] of the
21 statutes is repealed.

22 **SECTION 1205.** 560.51 of the statutes is repealed.

23 **SECTION 1206.** 560.53 of the statutes is repealed.

24 **SECTION 1207.** 560.54 of the statutes is repealed.

1 **SECTION 1208.** Subchapter V (title) of chapter 560 [precedes 560.60] of the
2 statutes is repealed.

3 **SECTION 1209.** 560.60 of the statutes is repealed.

4 **SECTION 1210.** 560.602 of the statutes is repealed.

5 **SECTION 1211.** 560.605 of the statutes is repealed.

6 **SECTION 1212.** 560.607 of the statutes is repealed.

7 **SECTION 1213.** 560.61 of the statutes is repealed.

8 **SECTION 1214.** 560.68 of the statutes is repealed.

9 **SECTION 1215.** Subchapter VI (title) of chapter 560 [precedes 560.70] of the
10 statutes is repealed.

11 **SECTION 1216.** 560.70 (intro.), (2), (2g), (2m), (3), (4), (4m), (5), (6) and (7) of the
12 statutes are renumbered 238.30 (intro.), (2), (2g), (2m), (3), (4), (4m), (5), (6) and (7),
13 and 238.30 (intro.), (2g), (2m) (b), (4) and (7) (b) 1. and 2., (c) and (d), as renumbered,
14 are amended to read:

15 **238.30 Definitions.** (intro.) In this section and ss. ~~560.71 to 560.795~~ 238.31
16 to 238.395:

17 **(2g)** "Eligible activity" means an activity described under s. ~~560.702~~ 238.302.

18 **(2m)** (b) The ~~department may by rule specify~~ corporation may adopt a rule
19 specifying circumstances under which the ~~department~~ corporation may grant
20 exceptions to the requirement under par. (a) that a full-time job means a job in which
21 an individual, as a condition of employment, is required to work at least 2,080 hours
22 per year, but under no circumstances may a full-time job mean a job in which an
23 individual, as a condition of employment, is required to work less than 37.5 hours per
24 week.

1 (4) “Local governing body” means the governing body of one or more cities,
2 villages, towns, or counties or the elected governing body of a federally recognized
3 American Indian tribe or band in this state.

4 (7) (b) 1. Except as provided in subd. 2., in s. ~~560.795~~ 238.395, “tax benefits”
5 means the development zones investment credit under ss. 71.07 (2di), 71.28 (1di),
6 and 71.47 (1di) and the development zones credit under ss. 71.07 (2dx), 71.28 (1dx),
7 71.47 (1dx), and 76.636. With respect to the development opportunity zones under
8 s. ~~560.795~~ 238.395 (1) (e) and (f), “tax benefits” also means the development zones
9 capital investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

10 2. With respect to the development opportunity zones under s. ~~560.795~~ 238.395
11 (1) (g) and (h), “tax benefits” means the development zone credits under ss. 71.07
12 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636 and the development zones capital
13 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

14 (c) In s. ~~560.798~~ 238.398, “tax benefits” means the development zones capital
15 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm) and the
16 development zones credits under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636.

17 (d) In ss. ~~560.701 to 560.706~~ 238.301 to 238.306, “tax benefits” means the
18 economic development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and
19 76.637.

20 **SECTION 1217.** 560.70 (1) of the statutes is repealed.

21 **SECTION 1218.** 560.701 of the statutes is renumbered 238.301, and 238.301 (1)
22 (intro.) and (e), (2) (a) and (b) and (3) (intro.), (b), (c), (d) and (f), as renumbered, are
23 amended to read:

1 238.301 (1) APPLICATION. (intro.) Any person may apply to the ~~department~~
2 corporation on a form prepared by the ~~department~~ corporation for certification under
3 this section. The application shall include all of the following:

4 (e) Other information required by the ~~department~~ corporation or the
5 department of revenue.

6 (2) (a) The ~~department~~ corporation may certify a person who submits an
7 application under sub. (1) if, after conducting an investigation, the ~~department~~
8 corporation determines that the person is conducting or intends to conduct at least
9 one eligible activity.

10 (b) The ~~department~~ corporation shall provide a person certified under this
11 section and the department of revenue with a copy of the certification.

12 (3) CONTRACT. (intro.) A person certified under this section shall enter into a
13 written contract with the ~~department~~ corporation. The contract shall include
14 provisions that detail all of the following:

15 (b) Whether any of the eligible activities will occur in an economically
16 distressed area, as designated by the ~~department~~ corporation under s. 560.704
17 238.304 (1).

18 (c) Whether any of the eligible activities will benefit members of a targeted
19 group, as determined by the ~~department~~ corporation under s. 560.704 238.304 (2).

20 (d) A compliance schedule that includes a sequence of anticipated actions to be
21 taken or goals to be achieved by the person before the person may receive tax benefits
22 under s. 560.703 238.303.

23 (f) If feasible, a determination of the tax benefits the person will be authorized
24 to claim under s. 560.703 238.303 (2) if the person fulfills the terms of the contract.

1 **SECTION 1219.** 560.702 of the statutes is renumbered 238.302, and 238.302
2 (intro.), (1), (2) and (3), as renumbered, are amended to read:

3 **238.302 Eligible activities.** (intro.) A person who conducts or proposes to
4 conduct any of the following may be certified under s. ~~560.701~~ 238.301 (2):

5 **(1) JOB CREATION PROJECT.** A project that creates and maintains for a period of
6 time established by the ~~department~~ corporation by rule full-time jobs in addition to
7 any existing full-time jobs provided by the person.

8 **(2) CAPITAL INVESTMENT PROJECT.** A project that involves a significant
9 investment of capital, as defined by the ~~department~~ corporation by rule under s.
10 ~~560.706~~ 238.306 (2) (b), by the person in new equipment, machinery, real property,
11 or depreciable personal property.

12 **(3) EMPLOYEE TRAINING PROJECT.** A project that involves significant investments
13 in the training or reeducation of employees, as defined by the ~~department~~
14 corporation by rule under s. ~~560.706~~ 238.306 (2) (c), by the person for the purpose of
15 improving the productivity or competitiveness of the business of the person.

16 **SECTION 1220.** 560.703 (title) of the statutes is renumbered 238.303 (title).

17 **SECTION 1221.** 560.703 (1) (a) of the statutes, as affected by 2011 Wisconsin Act
18 4, is renumbered 238.303 (1) (a) and amended to read:

19 238.303 (1) (a) Except as provided in pars. (am) and (b), and subject to a
20 reallocation by the ~~department~~ corporation pursuant to rules ~~promulgated~~ adopted
21 under s. ~~560.205~~ 238.15 (3) (d), the total tax benefits available to be allocated by the
22 ~~department~~ corporation under ss. ~~560.701 to 560.706~~ 238.301 to 238.306 may not
23 exceed the sum of the tax benefits remaining to be allocated under ~~ss. s.~~ s. 560.71 to
24 560.785, 2009 stats., s. 560.797, 2009 stats., s. 560.798, 2009 stats., s. 560.7995, 2009
25 stats., and s. 560.96, 2009 stats., on March 6, 2009, plus \$25,000,000.

1 **SECTION 1222.** 560.703 (1) (am) of the statutes, as created by 2011 Wisconsin
2 Act 4, is renumbered 238.303 (1) (am) and amended to read:

3 238.303 (1) (am) Before the ~~department~~ corporation allocates the additional
4 \$25,000,000 in tax benefits specified in par. (a), the ~~department~~ corporation shall
5 submit its plan for such allocation to the joint committee on finance. If the
6 cochairpersons of the committee do not notify the ~~department~~ corporation within 14
7 working days after the date of the ~~department's~~ corporation's submittal that the
8 committee has scheduled a meeting for the purpose of reviewing the plan, the plan
9 may be implemented and the additional amount may be allocated as proposed by the
10 ~~department~~ corporation. If, within 14 working days after the date of the
11 ~~department's~~ corporation's submittal, the cochairpersons of the committee notify the
12 ~~department~~ corporation that the committee has scheduled a meeting for the purpose
13 of reviewing the proposed plan, the plan may be implemented and the additional
14 amount allocated only upon approval of the committee.

15 **SECTION 1223.** 560.703 (1) (b), (2) and (3) of the statutes are renumbered
16 238.303 (1) (b), (2) and (3) and amended to read:

17 238.303 (1) (b) The ~~department~~ corporation may submit to the joint committee
18 on finance a request in writing to exceed the total tax benefits specified in par. (a).
19 The ~~department~~ corporation shall submit with its request a justification for seeking
20 an increase under this paragraph. The joint committee on finance, following its
21 review, may approve or disapprove an increase in the total tax benefits available to
22 be allocated under ss. ~~560.701 to 560.706~~ 238.301 to 238.306.

23 **(2) AUTHORITY TO CLAIM TAX BENEFITS.** The ~~department~~ corporation may
24 authorize a person certified under s. ~~560.701~~ 238.301 (2) to claim tax benefits only
25 after the person has submitted a report to the ~~department~~ corporation that

1 documents to the satisfaction of the ~~department~~ corporation that the person has
2 complied with the terms of the contract under s. ~~560.701~~ 238.301 (3) and the
3 requirements of any applicable rules ~~promulgated~~ adopted under s. ~~560.706~~ 238.306
4 (2).

5 (3) NOTICE OF ELIGIBILITY. The ~~department~~ corporation shall provide to the
6 person and to the department of revenue a notice of eligibility to receive tax benefits
7 that reports the amount of tax benefits for which the person is eligible.

8 SECTION 1224. 560.704 of the statutes is renumbered 238.304, and 238.304
9 (intro.) and (1), as renumbered, are amended to read:

10 **238.304 Eligible activities in economically distressed areas and**
11 **benefiting members of targeted groups.** (intro.) The ~~department~~ corporation
12 may authorize a person certified under s. ~~560.701~~ 238.301 (2) to claim additional tax
13 benefits under s. ~~560.703~~ 238.303 if, after conducting an investigation, the
14 ~~department~~ corporation determines any of the following:

15 (1) The person conducts at least one eligible activity in an area designated by
16 the ~~department~~ corporation as economically distressed. In designating an area as
17 economically distressed under this subsection, the ~~department~~ corporation shall
18 follow the methodology established by rule under s. ~~560.706~~ 238.306 (2) (e).

19 SECTION 1225. 560.705 of the statutes is renumbered 238.305, and 238.305
20 (intro.), (1) and (2), as renumbered, are amended to read:

21 **238.305 Revocation of certification.** (intro.) The ~~department~~ corporation
22 shall revoke the certification of a person who does any of the following:

23 (1) Supplies false or misleading information to obtain certification under s.
24 ~~560.701~~ 238.301 (2).

1 (2) Supplies false or misleading information to obtain tax benefits under s.
2 ~~560.703~~ 238.303.

3 **SECTION 1226.** 560.706 of the statutes is renumbered 238.306, and 238.306
4 (intro.), (1) (a) and (b), (2) (a), (b), (c), (d), (e) (intro.), (f), (g), (h), (i) and (k) and (3),
5 as renumbered, are amended to read:

6 **238.306 Responsibilities of the ~~department~~ corporation.** (intro.) The
7 ~~department~~ corporation shall do all of the following:

8 (1) (a) Annually verify information submitted to the department of revenue
9 under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637 by persons certified under
10 s. ~~560.701~~ 238.301 (2) and eligible to receive tax benefits under s. ~~560.703~~ 238.303.

11 (b) Notify and obtain written approval from the ~~secretary~~ chief executive officer
12 of the corporation for any certification under sub. (2) (j).

13 (2) (a) A schedule of hourly wage ranges to be paid, and health insurance
14 benefits to be provided, to an employee by a person certified under s. ~~560.701~~ 238.301
15 (2) and the corresponding per employee tax benefit for which a person certified under
16 s. ~~560.701~~ 238.301 (2) may be eligible.

17 (b) A definition of “significant investment of capital” for purposes of s. ~~560.702~~
18 238.302 (2), together with a corresponding schedule of tax benefits for which a person
19 who is certified under s. ~~560.701~~ 238.301 (2) and who conducts a project described
20 in s. ~~560.702~~ 238.302 (2) may be eligible. The ~~department~~ corporation shall include
21 in the definition required under this paragraph a schedule of investments that takes
22 into consideration the size or nature of the business.

23 (c) A definition of “significant investments in the training or reeducation of
24 employees” for purposes of s. ~~560.702~~ 238.302 (3), together with a corresponding

1 schedule of tax benefits for which a person who is certified under s. ~~560.701~~ 238.301
2 (2) and who conducts a project under s. ~~560.702~~ 238.302 (3) may be eligible.

3 (d) A schedule of tax benefits for which a person who is certified under s.
4 ~~560.701~~ 238.301 (2) and who conducts a project that will result in the location or
5 retention of a person's corporate headquarters in Wisconsin may be eligible.

6 (e) (intro.) The methodology for designating an area as economically distressed
7 under s. ~~560.704~~ 238.304 (1). The methodology under this paragraph shall require
8 the ~~department~~ corporation to consider the most current data available for the area
9 and for the state on the following indicators:

10 (f) A schedule of additional tax benefits for which a person who is certified
11 under s. ~~560.701~~ 238.301 (2) and who conducts an eligible activity described under
12 s. ~~560.704~~ 238.304 may be eligible.

13 (g) Reporting requirements, minimum benchmarks, and outcomes expected of
14 a person certified under s. ~~560.701~~ 238.301 (2) before that person may receive tax
15 benefits under s. ~~560.703~~ 238.303.

16 (h) Policies, criteria, and methodology for allocating a portion of the tax benefits
17 available under s. ~~560.703~~ 238.303 to rural areas.

18 (i) Policies, criteria, and methodology for allocating a portion of the tax benefits
19 available under s. ~~560.703~~ 238.303 to small businesses.

20 (k) Procedures for implementing ss. ~~560.701 to 560.706~~ 238.301 to 238.306.

21 (3) REPORTING. Annually, 6 months after the report has been submitted under
22 s. ~~560.01 (2) (am)~~ 238.07 (2), submit to the joint legislative audit committee and to
23 the appropriate standing committees of the legislature under s. 13.172 (3) a
24 comprehensive report assessing the program under ss. ~~560.701 to 560.706~~ 238.301

1 to 238.306. The report under this subsection shall update the applicable information
2 provided in the report under s. ~~560.01 (2) (am)~~ 238.07 (2).

3 **SECTION 1227.** 560.71 of the statutes is renumbered 238.31, and 238.31 (1)
4 (intro.), (ac), (am), (b), (d) and (e) (intro.), 3. and 4. a., c. and d., (1m) (intro.), (a) and
5 (h), (2) and (3) (intro.), as renumbered. are amended to read:

6 238.31 (1) (intro.) The ~~department~~ corporation may designate an area as a
7 development zone if all of the following apply:

8 (ac) The ~~department~~ corporation has invited a local governing body to nominate
9 the area under s. ~~560.715~~ 238.315.

10 (am) A local governing body nominates the area as described in s. ~~560.72~~
11 238.32.

12 (b) The ~~department~~ corporation has evaluated the local governing body's
13 application as described in s. ~~560.725~~ 238.325.

14 (d) The area meets the applicable requirements under s. ~~560.735 or 560.737~~
15 238.335.

16 (e) (intro.) The ~~department~~ corporation determines all of the following:

17 3. That economic development in the area is not likely to occur or continue
18 without the ~~department's~~ corporation's designation of the area as a development
19 zone.

20 4. a. The unemployment rate in the area is higher than the state average for
21 the 18 months immediately preceding the date on which the application under s.
22 ~~560.72~~ 238.32 (2) or (3) was submitted to the ~~department~~ corporation.

23 c. The percentage of households in the area receiving unemployment insurance
24 under ch. 108, relief funded by a relief block grant under ch. 49, or aid to families with
25 dependent children under s. 49.19 is higher than the state average.

1 d. In the 36 months immediately preceding the date on which the application
2 under s. ~~560.72~~ 238.32 (2) or (3) was submitted to the ~~department~~ corporation, a
3 number of workers in the area were permanently laid off by their employer or became
4 unemployed as a result of a business action subject to s. 109.07 (1m).

5 (1m) (intro.) In making a determination under sub. (1) (e), the ~~department~~
6 corporation shall consider all of the following:

7 (a) The extent of poverty, unemployment, or other factors contributing to
8 general economic hardship in the area.

9 (h) Any other factors that the ~~department~~ corporation considers relevant.

10 (2) In determining whether an area meets the requirements under sub. (1) (e)
11 or s. ~~560.735~~ 238.335, the ~~department~~ corporation may rely on any data provided by
12 the local governing body ~~which~~ that the ~~department~~ corporation determines is
13 relevant.

14 (3) (intro.) The ~~department~~ corporation shall do all of the following:

15 **SECTION 1228.** 560.715 of the statutes is renumbered 238.315 and amended to
16 read:

17 **238.315 Invitation to nominate area.** If the ~~department~~ corporation
18 determines that an area has experienced or is about to experience economic distress,
19 the ~~department~~ corporation may invite local governing bodies in the area to
20 nominate the area as a development zone.

21 **SECTION 1229.** 560.72 of the statutes is renumbered 238.32, and 238.32 (1)
22 (intro.), (2) (intro.), (c), (d), (f) and (i), (3) and (5), as renumbered, are amended to read:

23 **238.32 (1) (intro.)** A local governing body may nominate an area as a
24 development zone, if the ~~department~~ corporation has invited the governing body to

1 nominate the area under s. ~~560.715~~ 238.315 and if the governing body does all of the
2 following:

3 (2) (intro.) A local governing body may nominate the area as a development
4 zone by submitting an application to the ~~department~~ corporation in a form prescribed
5 by the ~~department~~ corporation. The application shall include all of the following:

6 (c) Evidence that the area meets at least 3 of the criteria under s. ~~560.71~~ 238.31

7 (1) (e) 4.

8 (d) Evidence that the area meets the applicable requirements of s. ~~560.735~~
9 238.335.

10 (f) A description of past and present economic development activities in the
11 area under local, state, or federal programs.

12 (i) Any other information required by the ~~department~~ corporation.

13 (3) Two or more local governing bodies may submit a joint application
14 nominating an area as a development zone, subject to s. ~~560.735~~ 238.335 (2), if each
15 local governing body complies with subs. (1) and (2).

16 (5) The ~~department~~ corporation may permit a local governing body to revise an
17 application that the ~~department~~ corporation determines is inadequate or
18 incomplete.

19 **SECTION 1230.** ~~560.725~~ of the statutes is renumbered ~~238.325~~ and amended to
20 read:

21 **238.325 Evaluation by ~~department~~ corporation.** (1) The ~~department~~
22 corporation shall evaluate applications received under s. ~~560.72~~ 238.32 (2) and (3).

23 (2) Subject to s. ~~560.735~~ 238.335 (5), the ~~department~~ corporation may reduce
24 the size of an area nominated as a development zone, if the ~~department~~ corporation
25 determines the boundaries as proposed by the local governing body in an application

1 under s. ~~560.72~~ 238.32 (2) or (3) are inconsistent with the purpose of the development
2 zone program. Any nominated area which is reduced under this subsection need not
3 comply with s. ~~560.735~~ 238.335 (1) and (4).

4 (3) After evaluating an application submitted under s. ~~560.72~~ 238.32 (2) or (3),
5 the ~~department~~ corporation may approve the application, subject to any reduction
6 in the size of the nominated area under sub. (2). If the ~~department~~ corporation
7 approves the application, the ~~department~~ corporation shall designate the area as a
8 development zone, subject to s. ~~560.71~~ 238.31, and notify the local governing body.

9 **SECTION 1231.** ~~560.735~~ of the statutes is renumbered 238.335, and 238.335 (1)
10 (a) and (c), (2), (5) (a) and (b), (6) (a) 1. and 2. and (c), (6r) and (7), as renumbered, are
11 amended to read:

12 238.335 (1) (a) The area contains less than 10% of the valuation of the property
13 of the city, village, or town, as determined under s. 70.57, in which the area is located.

14 (c) If the area is located within a village, town, or city other than a 1st class city,
15 the population of the area is not less than 1,000 nor more than 10,000, as estimated
16 under s. 16.96.

17 (2) If an area is located within the boundaries of 2 or more cities, villages, or
18 towns, the property value of the cities, villages, or towns under sub. (1) (a) shall be
19 combined for the purposes of sub. (1).

20 (5) (a) The area has a continuous border following natural or man-made
21 boundaries such as streets, highways, rivers, municipal limits, or limits of a
22 reservation.

23 (b) The area consists of contiguous blocks, census blocks, or similar units.

1 **(6)** (a) 1. Each of the areas has a continuous border following natural or
2 man-made boundaries and consists of contiguous blocks, census blocks, or similar
3 units.

4 2. Each area meets at least 3 of the criteria listed in s. ~~560.71~~ 238.31 (1) (e) 4.

5 (c) If an application is submitted by the governing body of a county under s.
6 ~~560.72~~ 238.32 (2) or (3), up to 4 separate areas may be nominated or designated as
7 one development zone, if par. (a) 1. to 3. applies.

8 **(6r)** Subject to the population limit under sub. (6m), if an area that is
9 nominated or designated as a development zone is comprised of one or more entire
10 counties and a city, village, or town is partially located in the area and partially
11 located outside of the area, the entire city, village, or town shall be part of the
12 nominated or designated area.

13 **(7)** The ~~department~~ corporation may waive the requirements of this section in
14 a particular case, if the ~~department~~ corporation determines that application of the
15 requirement is impractical with respect to a particular development zone.

16 **SECTION 1232.** 560.737 of the statutes is repealed.

17 **SECTION 1233.** 560.74 of the statutes is renumbered 238.34, and 238.34 (1), (2),
18 (3) (intro.) and (a), (4), (5) and (6), as renumbered, are amended to read:

19 **238.34 (1)** Except as provided under sub. (6), at any time after a development
20 zone is designated by the ~~department~~ corporation, a local governing body may submit
21 an application to change the boundaries of the development zone. If the boundary
22 change reduces the size of a development zone, the local governing body shall explain
23 why the area excluded should no longer be in a development zone. The ~~department~~
24 corporation may require the local governing body to submit additional information.

1 (2) The ~~department~~ corporation may approve an application for a boundary
2 change if the development zone, as affected by the boundary changes, meets the
3 applicable requirements of s. ~~560.735~~ 238.335 and 3 of the criteria under s. ~~560.71~~
4 238.31 (1) (e) 4.

5 (3) (intro.) If the ~~department~~ corporation approves an application for a
6 boundary change under sub. (2), it shall do all of the following:

7 (a) Redetermine the limit on the tax benefits for the development zone
8 established under s. ~~560.745~~ 238.345 (2) (a).

9 (4) The change in the boundaries or tax benefits limit of a development zone
10 shall be effective on the day the ~~department~~ corporation notifies the local governing
11 body under sub. (3) (b).

12 (5) No change in the boundaries of a development zone may affect the duration
13 of an area as a development zone under s. ~~560.745~~ 238.345 (1) (a). The ~~department~~
14 corporation may consider a change in the boundary of a development zone when
15 evaluating an application for an extension of the designation of an area as a
16 development zone under s. ~~560.745~~ 238.345 (1) (b).

17 (6) The ~~department~~ corporation may not accept any applications under sub. (1)
18 to change the boundaries of a development zone designated under s. ~~560.71~~ 238.31
19 on or after March 6, 2009.

20 **SECTION 1234.** 560.745 of the statutes is renumbered 238.345, and 238.345 (1)
21 (a) and (b), (2) (a), (am), (b), (c) 1. and 2. and (d) and (3), as renumbered, are amended
22 to read:

23 238.345 (1) (a) The designation of an area as a development zone shall be
24 effective for 240 months, beginning on the day the department notifies the local
25 governing body under s. ~~560.725~~ 238.325 (3) of the designation.

1 (b) The local governing body may apply to the ~~department~~ corporation for one
2 60-month extension of the designation. The ~~department~~ corporation shall
3 ~~promulgate~~ adopt rules establishing criteria for approving an extension of a
4 designation of an area as a development zone under this subsection. No applications
5 may be accepted by the ~~department~~ corporation under this paragraph on or after
6 March 6, 2009.

7 (2) (a) When the ~~department~~ corporation designates a development zone under
8 s. ~~560.71~~ 238.31, it shall establish a limit for tax benefits for the development zone
9 determined by allocating to the development zone a portion of \$38,155,000.

10 (am) Notwithstanding par. (a), the ~~department~~ corporation may increase the
11 established limit for tax benefits for a development zone. The ~~department~~
12 corporation may not increase the limit for tax benefits established for any
13 development zone designated under s. ~~560.71~~ 238.31 on or after March 6, 2009.

14 (b) Annually the ~~department~~ corporation shall estimate the amount of forgone
15 state revenue because of tax benefits claimed by persons in each development zone.

16 (c) 1. Ninety days after the day on which the ~~department~~ corporation
17 determines that the forgone tax revenues under par. (b) will equal or exceed the limit
18 for the development zone established under par. (a) or (am).

19 2. The day that the ~~department~~ corporation withdraws its designation of an
20 area as a development zone under sub. (3).

21 (d) The ~~department~~ corporation shall immediately notify the local governing
22 body of a change in the expiration date of the development zone under par. (c).

23 (3) The ~~department~~ corporation may withdraw the designation of an area as
24 a development zone if any of the following ~~apply~~ applies:

1 (a) No person is certified as eligible to receive tax benefits under s. ~~560.765~~
2 238.365 (3) during the 12-month period beginning on the day the area is designated
3 as a development zone and the ~~department~~ corporation determines that the local
4 governing body that nominated the zone is not in compliance with s. ~~560.763~~ 238.363.

5 (b) No person is certified as eligible to receive tax benefits under s. ~~560.765~~
6 238.365 (3) during the 24-month period beginning on the day the area is designated
7 a development zone.

8 **SECTION 1235.** 560.75 of the statutes is renumbered 238.35, and 238.35 (intro.),
9 (6), (7), (8) and (10), as renumbered, are amended to read:

10 **238.35 Additional duties of the ~~department~~ corporation.** (intro.) The
11 ~~department~~ corporation shall do all of the following:

12 (6) Notify University of Wisconsin small business development centers, the
13 Wisconsin housing and development centers, the central administration of all
14 University of Wisconsin campuses and regional planning commissions about the
15 development zone program and encourage those entities to provide advice to the
16 ~~department~~ corporation or local governing bodies on ways to improve the
17 development zone program.

18 (7) Prepare forms for the certification described under s. ~~560.765~~ 238.365 (5).

19 (8) Annually verify information submitted to the ~~department~~ corporation
20 under s. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), or 76.636.

21 (10) Enter into an agreement with the local governing body of a 1st class city
22 where a development zone is designated under s. ~~560.71~~ 238.31 (3) (c) 1. to provide
23 efficient administration of the development zone program within the development
24 zone.

1 **SECTION 1236.** 560.763 of the statutes is renumbered 238.363, and 238.363 (1)
2 (intro.) and (c) and (4), as renumbered, are amended to read:

3 **238.363 (1)** (intro.) If an area nominated by a local governing body is designated
4 as a development zone under s. ~~560.71~~ 238.31, the local governing body shall do all
5 of the following:

6 (c) Assist the ~~department~~ corporation in the administration of the
7 development zone program.

8 **(4)** The local governing body of a 1st class city where a development zone is
9 designated under s. ~~560.71~~ 238.31 (3) (c) 1. shall enter into an agreement with the
10 ~~department~~ corporation to provide efficient administration of the development zone
11 program within the development zone.

12 **SECTION 1237.** 560.765 of the statutes is renumbered 238.365, and 238.365
13 (intro.), (2), (3) (intro.), (b), (c), (e) and (j) and (5) (e), (g) and (h), as renumbered, are
14 amended to read:

15 **238.365 Certification for tax benefits.** (intro.) The ~~department~~ corporation
16 shall do all of the following:

17 **(2)** Determine whether a person applying for tax benefits engages or will
18 engage in economic activity ~~which~~ that violates s. ~~560.78~~ 238.38 (1).

19 **(3)** (intro.) Subject to s. ~~560.78~~ 238.38, certify persons who are eligible to claim
20 tax benefits while an area is designated as a development zone, according to the
21 following criteria:

22 (b) The person's commitment not to engage in economic activity that violates
23 s. ~~560.78~~ 238.38 (1).

1 (c) The number of full-time jobs that will be created, retained, or substantially
2 upgraded as a result of the person's economic activity in relation to the amount of tax
3 benefits estimated for the person under sub. (4).

4 (e) The amount the person proposes to invest in a business, or spend on the
5 construction, rehabilitation, repair, or remodeling of a building, located within the
6 development zone.

7 (j) Any other criteria established under rules ~~promulgated~~ adopted by the
8 ~~department~~ corporation.

9 **(5)** (e) The estimated number of full-time jobs that will be created, retained,
10 or significantly upgraded in the development zone because of the person's business.

11 (g) The limit under s. ~~560.768~~ 238.368 on tax benefits the person may claim
12 while an area is designated as a development zone.

13 (h) Other information required by the ~~department~~ corporation or the
14 department of revenue.

15 **SECTION 1238.** 560.768 of the statutes is renumbered 238.368, and 238.368 (1)
16 (a) and (b), (2) (intro.) and (b) and (3) (a) (intro.) and 1. and (b), as renumbered, are
17 amended to read:

18 238.368 **(1)** (a) The ~~department~~ corporation shall establish a limit on the
19 maximum amount of tax benefits a person certified under s. ~~560.765~~ 238.365 (3) may
20 claim while an area is designated as a development zone.

21 (b) When establishing a limit on tax benefits under par. (a), the ~~department~~
22 corporation shall do all of the following:

- 23 1. Consider all of the criteria described in s. ~~560.765~~ 238.365 (3) (a) to (e).
24 2. Establish a limit which does not greatly exceed a recommended limit,
25 established under rules ~~promulgated~~ adopted by the ~~department~~ corporation based

1 on the cost, number and types of full-time jobs that will be created, retained, or
2 upgraded, including full-time jobs available to members of the targeted population,
3 as a result of the economic activity of the person certified under s. ~~560.765~~ 238.365
4 (3).

5 (2) (intro.) The ~~department~~ corporation may, upon request, increase a limit on
6 tax benefits established under sub. (1) if the ~~department~~ corporation does all of the
7 following:

8 (b) Revises the certification required under s. ~~560.765~~ 238.365 (5) and provides
9 a copy of the revised form to the department of revenue and the person whose limit
10 is increased under this subsection.

11 (3) (a) (intro.) The ~~department~~ corporation may reduce a limit established
12 under sub. (1) or (2) if the ~~department~~ corporation determines that any of the
13 following applies:

14 1. The limit is not consistent with the criteria listed under s. ~~560.765~~ 238.365
15 (3) (a) to (e).

16 (b) The ~~department~~ corporation shall notify the department of revenue and the
17 person whose limit on tax benefits is reduced under par. (a) and provide a written
18 explanation to the person of the reasons for reducing the limit.

19 **SECTION 1239.** 560.77 of the statutes is renumbered 238.37, and 238.37 (1)
20 (intro.) and (b) and (2), as renumbered, are amended to read:

21 238.37 (1) (intro.) The ~~department~~ corporation shall revoke the certification of
22 a person certified under s. ~~560.765~~ 238.365 (3) if the person does any of the following:

23 (b) Becomes subject to revocation under s. ~~560.78~~ 238.38 (1).

24 (2) The ~~department~~ corporation shall notify the department of revenue within
25 30 days of revoking a certification under sub. (1).

1 **SECTION 1240.** 560.78 of the statutes is renumbered 238.38, and 238.38 (1)
2 (intro.), (1m), (2) (intro.) and (a) and (3) (a) and (b), as renumbered, are amended to
3 read:

4 238.38 (1) (intro.) Except as provided in subs. (2) and (3), no person may be
5 certified under s. ~~560.765~~ 238.365 (3), or a person's certification may be revoked
6 under s. ~~560.77~~ 238.37, if the proposed new business, expansion of an existing
7 business, or other proposed economic activity in a development zone would do or does
8 any of the following:

9 (1m) No person may be certified under s. ~~560.765~~ 238.365 (3) on or after March
10 6, 2009.

11 (2) (intro.) Subsection (1) does not apply if, after a hearing, the ~~department~~
12 corporation, or the local governing body under sub. (3) (a), determines that any of the
13 following applies:

14 (a) The total number of full-time jobs provided by the person in this state would
15 be reduced if the person were not certified under s. ~~560.765~~ 238.365 (3) or if the
16 person's certification were revoked.

17 (3) (a) Except as provided in pars. (b) and (c), if the economic activity for which
18 a person is seeking certification under s. ~~560.765~~ 238.365 (3) is the relocation of a
19 business into a development zone from a location that is outside the development
20 zone but within the limits of a city, village, town, or federally recognized American
21 Indian reservation in which that development zone is located, the local governing
22 body that nominated that area as a development zone under s. ~~560.72~~ 238.32 shall
23 determine whether sub. (2) (a) or (b) applies.

24 (b) Only the ~~department~~ corporation may determine whether sub. (2) (a) or (b)
25 applies to a business relocation described in par. (a) if the business relocation would

1 likely result in the loss of full-time jobs at or transfer of employees from a business
2 location that is in this state but outside the limits of any city, village, town, or
3 federally recognized American Indian reservation in which the development zone is
4 located.

5 **SECTION 1241.** 560.785 of the statutes is renumbered 238.385, and 238.385 (1)
6 (intro.), (b), (bm) and (c) (intro.) and (2) (intro.), (b) and (c), as renumbered, are
7 amended to read:

8 238.385 (1) (intro.) For the development zone program under ss. ~~560.70 and~~
9 ~~560.71 to 560.78~~ 238.30 and 238.31 to 238.38, the development opportunity zone
10 program under s. ~~560.795~~ 238.395, and the enterprise development zone program
11 under s. ~~560.797~~ 238.397, the ~~department~~ corporation shall ~~promulgate~~ adopt rules
12 that further define a person's eligibility for tax benefits. The rules shall do at least
13 all of the following:

14 (b) Allow a person to claim up to \$8,000 in tax benefits during the time that an
15 area is designated as a development zone, as a development opportunity zone, or as
16 an enterprise development zone for creating a full-time job that is filled by a member
17 of the target population.

18 (bm) Allow a person to claim up to \$8,000 in tax benefits during the time that
19 an area is designated as an enterprise development zone for retaining a full-time job
20 if the ~~department~~ corporation determines that the person made a significant capital
21 investment to retain the full-time job.

22 (c) (intro.) Allow a person to claim up to \$6,000 in tax benefits during the time
23 that an area is designated as a development zone, as a development opportunity
24 zone, or as an enterprise development zone for any of the following:

1 (2) (intro.) The ~~department~~ corporation may by rule specify circumstances
2 under which the ~~department~~ corporation may grant exceptions to any of the
3 following:

4 (b) The requirement under ss. ~~560.70~~ 238.30 (2m) and ~~560.797~~ 238.397 (1) (am)
5 that an individual's pay must equal at least 150% of the federal minimum wage.

6 (c) The requirement under ss. ~~560.70~~ 238.30 (2m) and ~~560.797~~ 238.397 (1) (am)
7 that an individual's position must be regular, nonseasonal, and full-time and that
8 the individual must be required to work at least 2,080 hours per year, including paid
9 leave and holidays.

10 **SECTION 1242.** 560.795 of the statutes is renumbered 238.395, and 238.395 (1)
11 (a), (b), (c), (d), (e), (f), (g) and (h), (2) (c), (d) and (e), (3) (a), (b) 1., 2., 3., 4., 5., 6., 7.,
12 8. and 9., (c) and (d), (4) (a) (intro.) and (b) and (5) (a) (intro.), 2. and 3., (b), (c), (d),
13 (e) (intro.) and 3. and (f), as renumbered, are amended to read:

14 238.395 (1) (a) An area in the city of Beloit, the legal description of which is
15 provided to the ~~department~~ corporation by the local governing body of the city of
16 Beloit.

17 (b) An area in the city of West Allis, the legal description of which is provided
18 to the ~~department~~ corporation by the local governing body of the city of West Allis.

19 (c) An area in the city of Eau Claire, the legal description of which is provided
20 to the ~~department~~ corporation by the local governing body of the city of Eau Claire.

21 (d) An area in the city of Kenosha, the legal description of which is provided to
22 the ~~department~~ corporation by the local governing body of the city of Kenosha.

23 (e) An area in the city of Milwaukee, the legal description of which is provided
24 to the ~~department~~ corporation by the local governing body of the city of Milwaukee.

1 (f) For the Gateway Project, an area in the city of Beloit, the legal description
2 of which is provided to the ~~department~~ corporation by the local governing body of the
3 city of Beloit.

4 (g) An area in the city of Janesville, the legal description of which is provided
5 to the ~~department~~ corporation by the local governing body of the city of Janesville.

6 (h) An area in the city of Kenosha, the legal description of which is provided to
7 the ~~department~~ corporation by the local governing body of the city of Kenosha.

8 (2) (c) Annually, the ~~department~~ corporation shall estimate the amount of
9 forgone state revenue because of tax benefits claimed by ~~corporations~~ or persons in
10 each development opportunity zone.

11 (d) 1. Notwithstanding pars. (a) and (e), the designation of an area as a
12 development opportunity zone shall expire 90 days after the day on which the
13 ~~department~~ corporation determines that the forgone tax revenues under par. (c) will
14 equal or exceed the limit for the development opportunity zone.

15 2. The ~~department~~ corporation shall immediately notify the local governing
16 body of the city in which the development opportunity zone is located of a change in
17 the expiration date of the development opportunity zone under this paragraph.

18 (e) 1. The ~~department~~ corporation may extend the designation of an area under
19 sub. (1) (g) as a development opportunity zone for an additional 60 months if the
20 ~~department~~ corporation determines that an extension under this subdivision would
21 support economic development within the city. If the ~~department~~ corporation
22 extends the designation of the area as a development opportunity zone, the limit for
23 tax benefits for the development opportunity zone under sub. (1) (g) is increased by
24 \$5,000,000.

1 2. The ~~department~~ corporation may extend the designation of an area under
2 sub. (1) (h) as a development opportunity zone for an additional 60 months if the
3 ~~department~~ corporation determines that an extension under this subdivision would
4 support economic development within the city. If the ~~department~~ corporation
5 extends the designation of the area as a development opportunity zone, the limit for
6 tax benefits for the development opportunity zone under sub. (1) (h) is increased by
7 \$5,000,000.

8 (3) (a) 1. Any ~~corporation~~ person that is conducting or that intends to conduct
9 economic activity in a development opportunity zone under sub. (1) (a) or (b) and
10 that, in conjunction with the local governing body of the city in which the
11 development opportunity zone is located, submits a project plan as described in par.
12 (b) to the ~~department~~ corporation no later than 6 months after April 23, 1994, shall
13 be entitled to claim tax benefits while the area is designated as a development
14 opportunity zone.

15 2. Any ~~corporation~~ person that is conducting or that intends to conduct
16 economic activity in a development opportunity zone under sub. (1) (c) and that, in
17 conjunction with the local governing body of the city in which the development
18 opportunity zone is located, submits a project plan as described in par. (b) to the
19 ~~department~~ corporation no later than 6 months after April 28, 1995, shall be entitled
20 to claim tax benefits while the area is designated as a development opportunity zone.

21 3. Any ~~corporation~~ person that is conducting or that intends to conduct
22 economic activity in a development opportunity zone under sub. (1) (d) and that, in
23 conjunction with the local governing body of the city in which the development
24 opportunity zone is located, submits a project plan as described in par. (b) to the

1 ~~department corporation~~ no later than July 1, 2000, shall be entitled to claim tax
2 benefits while the area is designated as a development opportunity zone.

3 4. Any person that is conducting or that intends to conduct economic activity
4 in a development opportunity zone under sub. (1) (e), (f), (g), or (h) and that, in
5 conjunction with the local governing body of the city in which the development
6 opportunity zone is located, submits a project plan as described in par. (b) to the
7 ~~department corporation~~ shall be entitled to claim tax benefits while the area is
8 designated as a development opportunity zone.

9 (b) 1. The name and address of the ~~corporation's or~~ person's business for which
10 tax benefits will be claimed.

11 2. The appropriate federal tax identification number of the ~~corporation or~~
12 person.

13 3. The names and addresses of other locations outside of the development
14 opportunity zone where the ~~corporation or~~ person conducts business and a
15 description of the business activities conducted at those locations.

16 4. The amount that the ~~corporation or~~ person proposes to invest in a business,
17 or spend on the construction, rehabilitation, repair, or remodeling of a building,
18 located within the development opportunity zone.

19 5. The estimated total investment of the ~~corporation or~~ person in the
20 development opportunity zone.

21 6. The number of full-time jobs that will be created, retained, or substantially
22 upgraded as a result of the ~~corporation's or~~ person's economic activity in relation to
23 the amount of tax benefits estimated for the ~~corporation or~~ person.

24 7. The ~~corporation's or~~ person's plans to make reasonable attempts to hire
25 employees from the targeted population.

1 8. A description of the commitment of the local governing body of the city in
2 which the development opportunity zone is located to the ~~corporation's or person's~~
3 project.

4 9. Other information required by the ~~department~~ corporation or the
5 department of revenue.

6 (c) The ~~department~~ corporation shall notify the department of revenue of all
7 ~~corporations or persons~~ entitled to claim tax benefits under this subsection.

8 (d) The ~~department~~ corporation annually shall verify information submitted
9 to the ~~department~~ corporation under s. 71.07 (2di), (2dm), or (2dx), 71.28 (1di), (1dm),
10 or (1dx), 71.47 (1di), (1dm), or (1dx), or 76.636.

11 (4) (a) (intro.) The ~~department~~ corporation shall revoke the entitlement of a
12 ~~corporation or person~~ to claim tax benefits under sub. (3) if the ~~corporation or person~~
13 does any of the following:

14 (b) The ~~department~~ corporation shall notify the department of revenue within
15 30 days after revoking an entitlement under par. (a).

16 (5) (a) (intro.) The ~~department~~ corporation may certify for tax benefits a person
17 that is conducting economic activity in the development opportunity zone under sub.
18 (1) (e) or (f) and that is not otherwise entitled to claim tax benefits if all of the
19 following apply:

20 2. The ~~department~~ corporation determines that the economic activity of the
21 other person under subd. 1. would not have occurred but for the involvement of the
22 person to be certified for tax benefits under this subsection.

23 3. The person to be certified for tax benefits under this subsection will pass the
24 benefits through to the other person conducting the economic activity under subd.
25 1., as determined by the ~~department~~ corporation.

1 (b) A person intending to claim tax benefits under this subsection shall submit
2 to the ~~department~~ corporation an application, in the form required by the
3 ~~department~~ corporation, containing information required by the ~~department~~
4 corporation and by the department of revenue.

5 (c) The ~~department~~ corporation shall notify the department of revenue of all
6 persons certified to claim tax benefits under this subsection.

7 (d) The ~~department~~ corporation annually shall verify information submitted
8 to the ~~department~~ corporation under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx),
9 71.47 (1dm) or (1dx), or 76.636.

10 (e) (intro.) The ~~department~~ corporation shall revoke the entitlement of a person
11 to claim tax benefits under this subsection if the person does any of the following:

12 3. Does not pass the benefits through to the other person conducting the
13 economic activity under par. (a) 1., as determined by the ~~department~~ corporation.

14 (f) The ~~department~~ corporation shall notify the department of revenue within
15 30 days after revoking an entitlement under par. (e).

16 **SECTION 1243.** 560.797 of the statutes is renumbered 238.397, and 238.397 (1)
17 (am), (c) and (d), (2) (a) (intro.), 3. and 4. a. and d. and (b) (intro.), 1. and 8., (bg) (intro.)
18 and 2., (br) (intro.), (c), (d) and (e), (3) (a), (b) 4., 6. and 11. and (c), (4) (a), (c), (d), (f)
19 and (g), (5) (a), (b), (c) and (d) 1. and 2. and (6) (a) (intro.) and (b), as renumbered, are
20 amended to read:

21 **238.397 (1) (am)** "Full-time job" has the meaning given in s. ~~560.70~~ 238.30
22 (2m).

23 (c) "Target population" has the meaning given in s. ~~560.70~~ 238.30 (6).

24 (d) "Tax benefits" has the meaning given in s. ~~560.70~~ 238.30 (7).

1 (2) (a) (intro.) Subject to pars. (c), (d), and (e), the ~~department~~ corporation may
2 designate an area as an enterprise development zone for a project if the ~~department~~
3 corporation determines all of the following:

4 3. That the project is not likely to occur or continue without the ~~department's~~
5 corporation's designation of the area as an enterprise development zone.

6 4. a. The unemployment rate in the area is higher than the state average for
7 the 18 months immediately preceding the date on which the application under sub.
8 (3) was submitted to the ~~department~~ corporation.

9 d. In the 36 months immediately preceding the date on which the application
10 under sub. (3) was submitted to the ~~department~~ corporation, a number of workers
11 in the area were permanently laid off by their employer or became unemployed as
12 a result of a business action subject to s. 109.07 (1m).

13 (b) (intro.) In making a determination under par. (a), the ~~department~~
14 corporation shall consider all of the following:

15 1. The extent of poverty, unemployment, or other factors contributing to
16 general economic hardship in the area.

17 8. Any other factors that the ~~department~~ corporation considers relevant.

18 (bg) (intro.) Notwithstanding par. (a) and subject to pars. (c), (d), and (e), the
19 ~~department~~ corporation may designate an area as an enterprise development zone
20 for a project if the ~~department~~ corporation determines all of the following:

21 2. That the project is not likely to occur or continue without the ~~department's~~
22 corporation's designation of the area as an enterprise development zone.

23 (br) (intro.) In making a determination under par. (bg), the ~~department~~
24 corporation shall consider all of the following:

1 (c) The ~~department~~ corporation may not designate as an enterprise
2 development zone, or as any part of an enterprise development zone, an area that is
3 located within the boundaries of an area that is designated as a development
4 opportunity zone under s. ~~560.795~~ 238.395, the designation of which is in effect.

5 (d) The ~~department~~ corporation may not designate more than 98 enterprise
6 development zones unless the ~~department~~ corporation obtains the approval of the
7 joint committee on finance to do so. Of the enterprise development zones that the
8 ~~department~~ corporation designates, at least 10 shall be designated under par. (bg).

9 (e) The ~~department~~ corporation may not designate any area as an enterprise
10 development zone on or after March 6, 2009.

11 (3) (a) A person that conducts or that intends to conduct a project and that
12 desires to have the area in which the project is or is to be conducted designated as
13 an enterprise development zone for the purpose of claiming tax benefits may submit
14 to the ~~department~~ corporation an application and a project plan.

15 (b) 4. The amount that the person proposes to invest in a business; to spend on
16 the construction, rehabilitation, repair, or remodeling of a building; or to spend on
17 the removal or containment of, or the restoration of soil or groundwater affected by,
18 environmental pollution; in the area proposed to be designated as an enterprise
19 development zone.

20 6. The estimated number of full-time jobs that will be created, retained, or
21 substantially upgraded as a result of the person's project in relation to the amount
22 of tax benefits estimated for the person.

23 11. Any other information required by the ~~department~~ corporation or the
24 department of revenue.

1 (c) The ~~department~~ corporation may not accept or approve any applications or
2 project plans submitted under par. (a) on or after March 6, 2009.

3 (4) (a) Except as provided in par. (h), if the ~~department~~ corporation approves
4 a project plan under sub. (3) and designates the area in which the person submitting
5 the project plan conducts or intends to conduct the project as an enterprise
6 development zone under the criteria under sub. (2), the ~~department~~ corporation shall
7 certify the person as eligible for tax benefits.

8 (c) When the ~~department~~ corporation designates an area as an enterprise
9 development zone for a project, the ~~department~~ corporation shall notify the
10 governing body of any city, village, town, or federally recognized American Indian
11 tribe or band in which the area is located of the area's designation.

12 (d) The ~~department~~ corporation shall notify the department of revenue of all
13 persons entitled to claim tax benefits under this section, except that the ~~department~~
14 corporation shall notify the office of the commissioner of insurance of all persons
15 entitled to claim the credit under s. 76.636.

16 (f) The tax benefits for which a person is certified as eligible under this
17 subsection are not transferable to another person, business, or location, except to the
18 extent permitted under section 383 of the internal revenue code.

19 (g) The ~~department~~ corporation annually shall verify information submitted
20 to the ~~department~~ corporation under s. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), or
21 76.636.

22 (5) (a) When the ~~department~~ corporation designates an area as an enterprise
23 development zone under this section, the ~~department~~ corporation shall specify the
24 length of time, not to exceed 84 months, that the designation is effective, subject to
25 par. (d) and sub. (6).

1 (b) When the ~~department~~ corporation designates an area as an enterprise
2 development zone under this section, the ~~department~~ corporation shall establish a
3 limit, not to exceed \$3,000,000, for tax benefits for the enterprise development zone.

4 (c) Annually, the ~~department~~ corporation shall estimate the amount of forgone
5 state revenue because of tax benefits claimed by persons in each enterprise
6 development zone.

7 (d) 1. Notwithstanding the length of time specified by the ~~department~~
8 corporation under par. (a), the designation of an area as an enterprise development
9 zone shall expire 90 days after the day on which the ~~department~~ corporation
10 determines that the forgone tax revenues under par. (c) will equal or exceed the limit
11 established for the enterprise development zone.

12 2. The ~~department~~ corporation shall immediately notify the department of
13 revenue and the governing body of any city, village, town, or federally recognized
14 American Indian tribe or band in which the enterprise development zone is located
15 of a change in the expiration date of the enterprise development zone under this
16 paragraph.

17 (6) (a) (intro.) The ~~department~~ corporation shall revoke the entitlement of a
18 person to claim tax benefits under this section, and the designation of the area as an
19 enterprise development zone shall expire, if the person does any of the following:

20 (b) The ~~department~~ corporation shall notify the department of revenue within
21 30 days after revoking an entitlement under par. (a).

22 **SECTION 1244.** 560.798 of the statutes is renumbered 238.398, and 238.398 (2)
23 (a) and (b), (3) (a) and (b), (4) (a) (intro.) and (b) and (5) (intro.) and (e), as renumbered,
24 are amended to read:

1 238.398 (2) (a) Except as provided under par. (c), the department corporation
2 may designate one area in the state as an agricultural development zone. The area
3 must be located in a rural municipality. An agricultural business that is located in
4 an agricultural development zone and that is certified by the department corporation
5 under sub. (3) is eligible for tax benefits as provided in sub. (3).

6 (b) The designation of an area as an agricultural development zone shall be in
7 effect for 10 years from the time that the department corporation first designates the
8 area. Not more than \$5,000,000 in tax benefits may be claimed in an agricultural
9 development zone, except that the department corporation may allocate the amount
10 of unallocated airport development zone tax credits, as provided under s. ~~560.7995~~
11 238.3995 (3) (b), to agricultural development zones for which the \$5,000,000
12 maximum allocation is insufficient. The department corporation may change the
13 boundaries of an agricultural development zone during the time that its designation
14 is in effect. A change in the boundaries of an agricultural development zone does not
15 affect the duration of the designation of the area or the maximum tax benefit amount
16 that may be claimed in the agricultural development zone.

17 (3) (a) Except as provided under par. (c), the department corporation may
18 certify for tax benefits in an agricultural development zone a new or expanding
19 agricultural business that is located in the agricultural development zone. In
20 determining whether to certify a business under this subsection, the department
21 corporation shall consider, among other things, the number of jobs that will be
22 created or retained by the business.

23 (b) When the department corporation certifies an agricultural business under
24 this subsection, the department corporation shall establish a limit on the amount of
25 tax benefits that the business may claim. The department corporation shall enter

1 into an agreement with the business that specifies the limit on the amount of tax
2 benefits that the business may claim and reporting requirements with which the
3 business must comply.

4 (4) (a) (intro.) The ~~department of commerce~~ corporation shall notify the
5 department of revenue of all the following:

6 (b) The ~~department~~ corporation shall annually verify information submitted
7 to the ~~department~~ corporation under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx),
8 71.47 (1dm) or (1dx), or 76.636.

9 (5) (intro.) The ~~department~~ corporation shall ~~promulgate~~ adopt rules for the
10 operation of this section, including rules related to all the following:

11 (e) The exchange of information between the ~~department of commerce~~
12 corporation and the department of revenue.

13 **SECTION 1245.** 560.799 of the statutes is renumbered 238.399, and 238.399 (1)
14 (am) 2., (3) (a), (b) (intro.), (bm) and (c), (5) (intro.), (b), (c) 1. a. and b., 2. b. and c., (d)
15 1. and (e), (5m) and (6) (a), (b) (intro.), (c), (d), (e), (f) and (g) (intro.) and 1. (intro.),
16 as renumbered, are amended to read:

17 238.399 (1) (am) 2. The ~~department~~ corporation may by rule specify
18 circumstances under which the ~~department~~ corporation may grant exceptions to the
19 requirement under subd. 1. that a full-time employee means an individual who, as
20 a condition of employment, is required to work at least 2,080 hours per year, but
21 under no circumstances may a full-time employee mean an individual who, as a
22 condition of employment, is required to work less than 37.5 hours per week.

23 (3) DESIGNATION OF ENTERPRISE ZONES; CRITERIA. (a) The ~~department~~ corporation
24 may designate not more than 12 enterprise zones.

1 (b) (intro.) In determining whether to designate an area under par. (a), the
2 ~~department~~ corporation shall consider all of the following:

3 (bm) The ~~department~~ corporation shall specify whether an enterprise zone
4 designated under par. (a) is located in a tier I county or municipality or a tier II county
5 or municipality.

6 (c) The ~~department~~ corporation shall, to the extent possible, give preference to
7 the greatest economic need.

8 (5) CERTIFICATION. (intro.) The ~~department~~ corporation may certify for tax
9 benefits any of the following:

10 (b) A business that relocates to an enterprise zone from outside this state, if the
11 business offers compensation and benefits to its employees working in the zone for
12 the same type of work that are at least as favorable as those offered to its employees
13 working outside the zone, as determined by the ~~department~~ corporation.

14 (c) 1. a. The business enters into an agreement with the ~~department~~
15 corporation to claim tax benefits only for years during which the business maintains
16 the increased level of personnel.

17 b. The business offers compensation and benefits for the same type of work to
18 its employees working in the enterprise zone that are at least as favorable as those
19 offered to its employees working in this state but outside the zone, as determined by
20 the ~~department~~ corporation.

21 2. b. The business enters into an agreement with the ~~department~~ corporation
22 to claim tax benefits only for years during which the business maintains the capital
23 investment.

24 c. The business offers compensation and benefits for the same type of work to
25 its employees working in the zone that are at least as favorable as those offered to

1 its employees working in this state but outside the zone, as determined by the
2 department corporation.

3 (d) 1. The business is an original equipment manufacturer with a significant
4 supply chain in the state, as determined by the department corporation by rule.

5 (e) A business located in an enterprise zone if the business purchases tangible
6 personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
7 services from Wisconsin vendors, as determined by the department corporation.

8 **(5m)** ADDITIONAL TAX BENEFITS FOR SIGNIFICANT CAPITAL EXPENDITURES. If the
9 department corporation determines that a business certified under sub. (5) makes
10 a significant capital expenditure in the enterprise zone, the department corporation
11 may certify the business to receive additional tax benefits in an amount to be
12 determined by the department corporation, but not exceeding 10 percent of the
13 business' capital expenditures. The department corporation shall, in a manner
14 determined by the department corporation, allocate the tax benefits a business is
15 certified to receive under this subsection over the remainder of the time limit of the
16 enterprise zone under sub. (4).

17 **(6)** (a) The ~~department of commerce~~ corporation shall notify the department
18 of revenue when the ~~department of commerce~~ corporation certifies a business to
19 receive tax benefits.

20 (b) (intro.) The department corporation shall revoke a certification under sub.
21 (5) if the business does any of the following:

22 (c) The ~~department of commerce~~ corporation shall notify the department of
23 revenue within 30 days of a revocation under par. (b).

1 (d) The ~~department~~ corporation may require a business to repay any tax
2 benefits the business claims for a year in which the business failed to maintain
3 employment or capital investment levels required by an agreement under sub. (5) (c).

4 (e) The ~~department~~ corporation shall determine the maximum amount of the
5 tax credits under ss. 71.07 (3w), 71.28 (3w), and 71.47 (3w) that a certified business
6 may claim and shall notify the department of revenue of this amount.

7 (f) The ~~department~~ corporation shall annually verify the information
8 submitted to the ~~department~~ corporation under ss. 71.07 (3w), 71.28 (3w), or 71.47
9 (3w).

10 (g) (intro.) The ~~department~~ corporation shall ~~promulgate~~ adopt rules specifying
11 all of the following by rule:

12 1. (intro.) The definitions of a tier I county or municipality and a tier II county
13 or municipality. The ~~department~~ corporation may consider all of the following
14 information when establishing the definitions required under this subdivision:

15 **SECTION 1246.** 560.7995 of the statutes is renumbered 238.3995, and 238.3995
16 (1) (b) and (c), (2) (a) (intro.) and 4., (b) (intro.) and 8., (c) 1. and 2. and (d), (3) (a), (b),
17 (c) and (d) 1. and 2., (4) (a) (intro.) and 10., (am), (ar), (b) 1., (c) (intro.) and (d) and
18 (5), as renumbered, are amended to read:

19 238.3995 (1) (b) "Full-time job" has the meaning given in s. ~~560.70~~ 238.30 (2m).

20 (c) "Target population" has the meaning given in s. ~~560.70~~ 238.30 (6).

21 (2) (a) (intro.) Subject to pars. (c) and (e), the ~~department~~ corporation may
22 designate an area as an airport development zone if the ~~department~~ corporation
23 determines all of the following:

1 4. That the airport development project is not likely to occur or continue
2 without the department's corporation designation of the area as an airport
3 development zone.

4 (b) (intro.) In making a determination under par. (a), the department
5 corporation shall consider all of the following:

6 8. Any other factors that the department corporation considers relevant.

7 (c) 1. The department corporation may not designate as an airport development
8 zone, or as any part of an airport development zone, an area that is located within
9 the boundaries of an area that is designated as a development zone under s. ~~560.71~~
10 238.31, as a development opportunity zone under s. ~~560.795~~ 238.395, or as an
11 enterprise development zone under s. ~~560.797~~ 238.397.

12 2. The department corporation shall give the department of transportation the
13 opportunity to review and comment on any proposed designation under this
14 subsection and the department of transportation may deny any such designation if
15 the department of transportation determines that the designation would
16 compromise the airport's safety or utility. The department of transportation may
17 also review and comment on any land use or compatibility issues related to any
18 proposed designation under this subsection.

19 (d) Notwithstanding pars. (a) to (c), and except as provided in par. (e), the
20 department corporation shall designate as an airport development zone the area
21 within the boundaries of Adams, Fond du Lac, Green Lake, Juneau, Langlade,
22 Lincoln, Marathon, Marquette, Menominee, Oneida, Portage, Price, Shawano,
23 Taylor, Waupaca, Waushara, Winnebago, Wood, and Vilas counties.

24 (3) (a) When the department corporation designates an area as an airport
25 development zone, the department corporation shall specify the length of time, not

1 to exceed 84 months, that the designation is effective, subject to par. (d). The
2 department corporation shall notify each person certified for tax benefits in an
3 airport development zone, the department of revenue, the department of
4 transportation, the Wisconsin Housing and Economic Development Authority, and
5 the governing body of each county, city, village, town, and federally recognized
6 American Indian tribe or band in which territory of the airport development zone is
7 located of the designation of and expiration date of the airport development zone.

8 (b) When the department corporation designates an area as an airport
9 development zone, the department corporation shall establish a limit, not to exceed
10 \$3,000,000, for tax benefits applicable to the airport development zone, except that
11 the department corporation shall limit the amount of tax benefits applicable to the
12 airport development zone designated under sub. (2) (d) to \$750,000. The total tax
13 benefits applicable to all airport development zones may not exceed \$9,000,000, less
14 any amount allocated to technology zones under s. ~~560.96~~ 238.23 (2) (b) and to
15 agricultural development zones under s. ~~560.798~~ 238.398 (2) (b), and except that the
16 total amount allocated to all technology zones under s. ~~560.96~~ 238.23 (2) (b) and to
17 all agricultural development zones under s. ~~560.798~~ 238.398 (2) (b), may not exceed
18 \$6,000,000. The department corporation may not reallocate amounts as provided
19 under this paragraph on or after January 1, 2010, except that the department
20 corporation may, after 48 months from the month of any designation under this
21 section, evaluate the area designated as an airport development zone and reallocate
22 the amount of available tax benefits.

23 (c) Annually, the department corporation shall estimate the amount of forgone
24 state revenue because of tax benefits claimed by persons in each airport development
25 zone.

1 (d) 1. Notwithstanding the length of time specified by the ~~department~~
2 corporation under par. (a), the designation of an area as an airport development zone
3 shall expire 90 days after the day on which the ~~department~~ corporation determines
4 that the forgone tax revenues estimated under par. (c) will equal or exceed the limit
5 established for the airport development zone.

6 2. The ~~department~~ corporation shall immediately notify each person certified
7 for tax benefits in an airport development zone, the department of revenue, the
8 department of transportation, the Wisconsin Housing and Economic Development
9 Authority, and the governing body of each county, city, village, town, and federally
10 recognized American Indian tribe or band in which territory of the airport
11 development zone is located of a change in the expiration date of the airport
12 development zone under this paragraph.

13 (4) (a) (intro.) A person that intends to operate a place of business in an airport
14 development zone may submit to the ~~department~~ corporation an application and a
15 business plan. The business plan shall include all of the following:

16 10. Any other information required by the ~~department~~ corporation or the
17 department of revenue.

18 (am) A person that intends to operate a business in the airport development
19 zone designated under sub. (2) (d) may submit to the ~~department~~ corporation an
20 application and a business plan that includes all of the information required under
21 par. (a). In approving business plans submitted under this paragraph, the
22 ~~department~~ corporation shall give higher priority to airport development projects
23 located or proposed to be located in ~~a distressed area, as defined in s. 560.605 (7) (b)~~
24 areas that have high levels of unemployment, areas that have a low median
25 household income, areas where significant number of workers have been

1 permanently laid off, areas in which an employer has given public notice of a plant
2 closing or a substantial reduction in force that will result in a significant number of
3 workers in the area being permanently laid off, and areas affected by other factors
4 that indicate they are distressed areas, as determined by the corporation.

5 (ar) The department corporation may not accept or approve any applications
6 or business plans submitted under par. (a) on or after March 6, 2009.

7 (b) 1. Except as provided in subd. 2., if the department corporation approves
8 a business plan under par. (a) or (am), the department corporation shall certify the
9 person as eligible for tax benefits. The department corporation shall notify the
10 department of revenue within 30 days of certifying a person under this paragraph.

11 (c) (intro.) The department corporation shall revoke a person's certification
12 under par. (b) when the designation of the applicable airport development zone
13 expires or if the person does any of the following:

14 (d) The department corporation shall notify the department of revenue within
15 30 days after revoking a certification under par. (c).

16 (5) VERIFICATION OF INFORMATION. The department corporation annually shall
17 verify information submitted to the department corporation under ss. 71.07 (2dm)
18 and (2dx), 71.28 (1dm) and (1dx), and 71.47 (1dm) and (1dx) as it relates to airport
19 development zones.

20 **SECTION 1247.** Subchapter VIII (title) of chapter 560 [precedes 560.86] of the
21 statutes is repealed.

22 **SECTION 1248.** 560.86 of the statutes is repealed.

23 **SECTION 1249.** 560.87 of the statutes is repealed.

24 **SECTION 1250.** 560.875 of the statutes is repealed.

1 **SECTION 1251.** Subchapter IX of chapter 560 [precedes 560.90] of the statutes
2 is repealed.

3 **SECTION 1252.** 560.90 of the statutes is repealed.

4 **SECTION 1253.** 560.905 of the statutes is repealed.

5 **SECTION 1254.** 560.92 of the statutes is repealed.

6 **SECTION 1255.** 560.93 of the statutes is repealed.

7 **SECTION 1256.** 560.96 of the statutes is renumbered 238.23, and 238.23 (2) (a)
8 and (b), (3) (a) (intro.), (b) (intro.), (c) and (d), (4) (a) (intro.) and (b) and (5) (intro.),
9 (e) and (g), as renumbered, are amended to read:

10 238.23 (2) (a) Except as provided in par. (c), the ~~department~~ corporation may
11 designate up to 8 areas in the state as technology zones. A business that is located
12 in a technology zone and that is certified by the ~~department~~ corporation under sub.
13 (3) is eligible for a tax credit as provided in sub. (3).

14 (b) The designation of an area as a technology zone shall be in effect for 10 years
15 from the time that the ~~department~~ corporation first designates the area. Not more
16 than \$5,000,000 in tax credits may be claimed in a technology zone, except that the
17 ~~department~~ corporation may allocate the amount of unallocated airport
18 development zone tax credits, as provided under s. ~~560.7995~~ 238.3995 (3) (b), to
19 technology zones for which the \$5,000,000 maximum allocation is insufficient. The
20 ~~department~~ corporation may change the boundaries of a technology zone during the
21 time that its designation is in effect. A change in the boundaries of a technology zone
22 does not affect the duration of the designation of the area or the maximum tax credit
23 amount that may be claimed in the technology zone.

1 (3) (a) (intro.) Except as provided in par. (e), the ~~department~~ corporation may
2 certify for tax credits in a technology zone a business that satisfies all of the following
3 requirements:

4 (b) (intro.) In determining whether to certify a business under this subsection,
5 the ~~department~~ corporation shall consider all of the following:

6 (c) When the ~~department~~ corporation certifies a business under this
7 subsection, the ~~department~~ corporation shall establish a limit on the amount of tax
8 credits that the business may claim. Unless its certification is revoked, and subject
9 to the limit on the tax credit amount established by the ~~department~~ corporation
10 under this paragraph, a business that is certified may claim a tax credit for 3 years,
11 except that a business that experiences growth, as determined for that business by
12 the ~~department~~ corporation under par. (d) and sub. (5) (e), may claim a tax credit for
13 up to 5 years.

14 (d) The ~~department~~ corporation shall enter into an agreement with a business
15 that is certified under this subsection. The agreement shall specify the limit on the
16 amount of tax credits that the business may claim, the extent and type of growth,
17 which shall be specific to the business, that the business must experience to extend
18 its eligibility for a tax credit, the business' baseline against which that growth will
19 be measured, any other conditions that the business must satisfy to extend its
20 eligibility for a tax credit, and reporting requirements with which the business must
21 comply.

22 (4) (a) (intro.) The ~~department of commerce~~ corporation shall notify the
23 department of revenue of all the following:

1 (b) The ~~department~~ corporation shall annually verify information submitted
2 to the ~~department~~ corporation under ss. 71.07 (2di), (2dm), (2dx), and (3g), 71.28
3 (1di), (1dm), (1dx), and (3g), and 71.47 (1di), (1dm), (1dx), and (3g).

4 (5) (intro.) The ~~department~~ corporation shall ~~promulgate~~ adopt rules for the
5 operation of this section, including rules related to all the following:

6 (e) Standards for extending a business's certification, including what
7 measures, in addition to job creation, the ~~department~~ corporation will use to
8 determine the growth of a specific business and how the ~~department~~ corporation will
9 establish baselines against which to measure growth.

10 (g) The exchange of information between the ~~department of commerce~~
11 corporation and the department of revenue.

12 **SECTION 1257.** 560.9801 of the statutes is renumbered 234.5601, and 234.5601
13 (2) (a), as renumbered, is amended to read:

14 234.5601 (2) (a) A housing authority organized under s. 59.53 (22), 61.73,
15 66.1201, or 66.1213 or ~~ch. 234~~ this chapter.

16 **SECTION 1258.** Subchapter X (title) of chapter 560 [precedes 560.9801] of the
17 statutes is repealed.

18 **SECTION 1259.** 560.9802 of the statutes is renumbered 234.5602, and 234.5602
19 (1) (a) and (b), (3) and (4), as renumbered, are amended to read:

20 234.5602 (1) (a) The ~~department~~ authority shall prepare a comprehensive
21 5-year state housing strategy plan. The ~~department~~ authority shall submit the plan
22 to the federal department of housing and urban development.

23 (b) In preparing the plan, the ~~department~~ authority may obtain input from
24 housing authorities, community-based organizations, the private housing industry
25 and others interested in housing assistance and development.

1 (3) The ~~department~~ authority shall annually update the state housing strategy
2 plan.

3 (4) Before October 1 of each year, the ~~department~~ authority shall submit the
4 state housing strategy plan to the governor and to the chief clerk of each house of the
5 legislature for distribution to the legislature under s. 13.172 (2).

6 **SECTION 1260.** 560.9803 of the statutes is renumbered 234.5603, and 234.5603
7 (1) (intro.) and (a), (2) (intro.) and (e) 7. and (3), as renumbered, are amended to read:

8 234.5603 (1) (intro.) The ~~department~~ authority shall do all of the following:

9 (a) Subject to sub. (2), make grants or loans, directly or through agents
10 designated under s. ~~560.9804~~ 234.5604, from the appropriation under s. ~~20.143 (2)~~
11 20.490 (7) (b) to persons or families of low or moderate income to defray housing costs
12 of the person or family.

13 (2) (intro.) In connection with grants and loans under sub. (1), the ~~department~~
14 authority shall do all of the following:

15 (e) 7. Other persons or families that the ~~department~~ authority determines have
16 particularly severe housing problems.

17 (3) (a) The ~~department~~ authority may make grants or loans under sub. (1) (a)
18 directly or through agents designated under s. ~~560.9804~~ 234.5604.

19 (b) The ~~department~~ authority may administer and disburse funds from a grant
20 or loan under sub. (1) (a) on behalf of the recipient of the grant or loan.

21 **SECTION 1261.** 560.9804 of the statutes is renumbered 234.5604, and 234.5604
22 (1) and (2) (intro.), as renumbered, are amended to read:

23 234.5604 (1) The ~~department~~ authority may enter into an agreement with an
24 agent designated under sub. (2) to allow the designated agent to do any of the
25 following:

1 (a) Award grants and loans under s. ~~560.9803~~ 234.5603 (1) and (2) subject to
2 the approval of the ~~department~~ authority.

3 (b) Disburse the funds for grants and loans to persons or families of low or
4 moderate income on terms approved by the ~~department~~ authority.

5 (c) On terms approved by the ~~department~~ authority, administer and disburse
6 funds from a grant or loan under s. ~~560.9803~~ 234.5603 on behalf of the recipient of
7 the grant or loan.

8 **(2)** (intro.) The ~~department~~ authority may designate any of the following as
9 agents:

10 **SECTION 1262.** 560.9805 of the statutes is renumbered 234.5605, and 234.5605
11 (1) (intro.), (2) (intro.) and (c) (intro.) and (4), as renumbered, are amended to read:

12 234.5605 **(1)** (intro.) The ~~department~~ authority may make grants to a
13 community-based organization, organization operated for profit, or housing
14 authority to improve the ability of the community-based organization, organization
15 operated for profit, or housing authority to provide housing opportunities, including
16 housing-related counseling services, for persons or families of low or moderate
17 income. The grants may be used to partially defray any of the following:

18 **(2)** (intro.) The ~~department~~ authority may not make a grant under sub. (1)
19 unless all of the following apply:

20 (c) (intro.) The ~~department~~ authority determines that the grant to the
21 particular community-based organization, organization operated for profit, or
22 housing authority is appropriate because of any of the following:

23 **(4)** To ensure the development of housing opportunities, the ~~department~~
24 authority shall coordinate the use of grants provided under this section with projects

1 undertaken by housing authorities, organizations operated for profit, and
2 community-based organizations.

3 **SECTION 1263.** 560.9806 (1), (2) and (3) of the statutes are renumbered
4 234.5606 (1), (2) and (3), and 234.5606 (2) (a) and (3) (intro.) and (d), as renumbered,
5 are amended to read:

6 234.5606 (2) (a) From the appropriation under s. ~~20.143 (2)~~ 20.490 (7) (fm), the
7 department authority may award a grant to an eligible applicant for the purpose of
8 providing transitional housing and associated supportive services to homeless
9 individuals and families if the conditions under par. (b) are satisfied. The
10 department authority shall ensure that the funds for the grants are reasonably
11 balanced among geographic areas of the state, consistent with the quality of
12 applications submitted.

13 (3) (intro.) Each recipient of a grant under this section shall annually provide
14 all of the following information to the department authority:

15 (d) Any other information that the department authority determines to be
16 necessary to evaluate the effectiveness of the transitional housing program operated
17 by the recipient.

18 **SECTION 1264.** 560.9806 (4) of the statutes is repealed.

****NOTE: The above section repeals, rather than renumbers, a requirement that
Commerce submit a specified report before July 1, 1993.

19 **SECTION 1265.** 560.9807 of the statutes is renumbered 234.5607 and amended
20 to read:

21 **234.5607 Grants to alleviate homelessness. (1) GRANTS.** From moneys
22 available under s. ~~20.143 (2)~~ 20.490 (7) (h), the department authority shall make

1 grants to organizations, including organizations operated for profit, that provide
2 shelter or services to homeless individuals or families.

3 **(2)** SUPPLEMENTAL FUNDS. The ~~department~~ authority shall ensure that grants
4 awarded under sub. (1) are not used to supplant other state funds available for
5 homelessness prevention or services to homeless individuals or families.

6 **(2m)** REPORT. Annually, the ~~department~~ authority shall submit a report to the
7 speaker of the assembly, the president of the senate and to the appropriate standing
8 committees under s. 13.172 (3) that summarizes how much money was received in
9 the previous year and how that money was distributed.

10 **(3)** RULES. The ~~department~~ authority shall ~~promulgate~~ adopt rules
11 establishing procedures and eligibility criteria for grants under this section.

12 **SECTION 1266.** 560.9808 of the statutes is renumbered 234.5608, and 234.5608
13 (2) (a) and (b) (intro.), (3) (b), (3m), (4) (intro.) and (5) (intro.), as renumbered, are
14 amended to read:

15 234.5608 **(2)** (a) From the appropriations under s. ~~20.143 (2)~~ 20.490 (7) (fm) and
16 (h), the ~~department~~ authority shall award grants to eligible applicants for the
17 purpose of supplementing the operating budgets of agencies and shelter facilities
18 that have or anticipate a need for additional funding because of the renovation or
19 expansion of an existing shelter facility, the development of an existing building into
20 a shelter facility, the expansion of shelter services for homeless persons, or an
21 inability to obtain adequate funding to continue the provision of an existing level of
22 services.

23 (b) (intro.) The ~~department~~ authority shall allocate funds from the
24 appropriations under s. ~~20.143 (2)~~ 20.490 (7) (fm) and (h) for temporary shelter for
25 homeless individuals and families as follows:

1 (3) (b) Applications shall be submitted in the form required by the department
2 authority and shall be accompanied by the current or proposed operating budget or
3 both, as required by the ~~department~~ authority, of each shelter facility or agency
4 ~~which~~ that will, directly or indirectly, receive any of the grant money, and an
5 explanation of why the shelter facility or agency has or anticipates a need for
6 additional funding.

7 (3m) GRANT ELIGIBILITY. In awarding grants under this section, the ~~department~~
8 authority shall consider whether the community in which an eligible applicant
9 provides services has a coordinated system of services for homeless individuals and
10 families.

11 (4) (intro.) ~~RULE MAKING~~ RULES REQUIRED. The ~~department~~ authority shall
12 ~~promulgate by rule~~ adopt rules establishing both of the following:

13 (5) (intro.) PROHIBITED USES. The ~~department~~ authority may not provide a grant
14 for any of the following purposes:

15 SECTION 1267. 560.9809 of the statutes is renumbered 234.5609, and 234.5609
16 (1), (2) and (3) (intro.), as renumbered, are amended to read:

17 234.5609 (1) The ~~department~~ authority may administer housing programs,
18 including the housing improvement grant program and the initial rehabilitation
19 grant program, that are funded by a community development block grant, 42 USC
20 5301 to 5320.

****NOTE: Does the above authorization, involving federal block grant funding,
make sense if transferred to WHEDA?

21 (2) The ~~department~~ authority may ~~promulgate~~ adopt rules to administer this
22 section.