

1 school under this section ~~if the pupil is a member of a family that has a total family~~
2 ~~income that does not exceed an amount equal to 2.2 times the poverty level~~
3 ~~determined in accordance with criteria established by the director of the federal~~
4 ~~office of management and budget. For purposes of admission to a private school~~
5 ~~under this section, siblings of pupils attending a private school under this section are~~
6 ~~subject to the higher income limit. If a pupil attending a private school under this~~
7 ~~section ceases to attend a private school under this section, the lower income limit~~
8 ~~applies unless the pupil is a sibling of a pupil attending a private school under this~~
9 ~~section.~~

10 **SECTION 2536g.** 119.23 (2) (a) 1. b. of the statutes is created to read:

11 119.23 (2) (a) 1. b. The private school submits to the department of revenue the
12 names, addresses, social security numbers, and other state and federal tax
13 identification numbers, if any, of the pupil's parents or legal guardians. The
14 department of revenue shall review the information submitted under this subd. 1.
15 b. and shall determine whether the pupil is eligible to participate in the program
16 under this section on the basis of family income. Family income for a family in which
17 the pupil's parents are married or in which the pupil's legal guardians are married
18 shall be reduced by \$7,000 before the determination is made under this subd. 1. b.
19 The department of revenue may take no other action on the basis of the information
20 submitted under this subd. 1. b. The department of public instruction may not
21 request any additional verification of income from the family of a pupil once the
22 department of revenue has determined whether the pupil is eligible to participate
23 in the program under this section on the basis of family income. The department of
24 public instruction shall establish a procedure for determining family income

1 eligibility for those pupils for whom no social security number or state or federal tax
2 identification number has been provided.

3 **SECTION 2538g.** 119.23 (2) (a) 3. of the statutes is amended to read:

4 119.23 (2) (a) 3. The Except as provided in subd. 3m. b., the private school
5 notified the state superintendent of its intent to participate in the program under
6 this section, and paid a nonrefundable fee set by the department, by February 1 of
7 the previous school year. The notice shall specify the number of pupils participating
8 in the program under this section for which the school has space. The department
9 shall by rule set the fee charged under this subdivision at an amount such that the
10 total fee revenue covers the costs of employing one full-time auditor to evaluate the
11 financial information submitted by the private schools under sub. (7) (am) and (d) 2.
12 and 3., under s. 118.60 (7) (am) and (d) 2. and 3., and under s. 118.62 (7) (am) and (d)
13 2. and 3.

14 **SECTION 2536p.** 119.23 (2) (a) 3m. of the statutes is created to read:

15 119.23 (2) (a) 3m. a. In this subdivision, "municipality" has the meaning given
16 in s. 5.02 (11).

17 b. For a private school located in a municipality other than the city that intends
18 to participate in the program under this section in the 2011-12 school year, the
19 private school notified the state superintendent of its intent to participate, and paid
20 the nonrefundable fee set by the department under subd. 3. by August 1, 2011. The
21 notice shall specify the number of pupils participating in the program under this
22 section for which the school has space.

23 **SECTION 2536t.** 119.23 (2) (a) 7. a. of the statutes is amended to read:

24 119.23 (2) (a) 7. a. Subject to subd. 7. c., for a private school participating in the
25 program under this section on July 1, 2009, the private school achieves accreditation

1 by the Wisconsin North Central Association, the Wisconsin Religious and
2 Independent Schools Accreditation, the Independent Schools Association of the
3 Central States, the Archdiocese of Milwaukee, or any other organization recognized
4 by the National Council for Private School Accreditation, by December 31 of the 3rd
5 school year following the first school year that begins after June 30, 2006, in which
6 it participates in the program under this section, or the private school was approved
7 for scholarship funding for the 2005-06 school year by Partners Advancing Values
8 in Education. If the private school is accredited as provided under this subd. 7. a.,
9 the private school is not required to obtain preaccreditation ~~from the Institute for the~~
10 ~~Transformation of Learning at Marquette University~~ under subd. 7. b. as a
11 prerequisite to providing instruction under this section in additional grades or in an
12 additional or new school.

13 **SECTION 2536x.** 119.23 (2) (a) 7. b. of the statutes is amended to read:

14 119.23 (2) (a) 7. b. Subject to subd. 7. c., for a private school that is a first-time
15 participant in the program under this section on or after July 1, 2009, and that is not
16 accredited as provided under subd. 7. a., the private school obtains preaccreditation
17 ~~from~~ by the Institute for the Transformation of Learning at Marquette University,
18 the Wisconsin North Central Association, the Wisconsin Religious and Independent
19 Schools Accreditation, the Independent Schools Association of the Central States,
20 the Archdiocese of Milwaukee, or any other organization recognized by the National
21 Council for Private School Accreditation by August 1 before the first school term of
22 participation in the program under this section that begins after July 1, 2009, or by
23 May 1 if the private school begins participating in the program during summer
24 school, and achieves accreditation by the Wisconsin North Central Association, the
25 Wisconsin Religious and Independent Schools Accreditation, the Independent

1 Schools Association of the Central States, the Archdiocese of Milwaukee, or any
2 other organization recognized by the National Council for Private School
3 Accreditation, by December 31 of the 3rd school year following the first school year
4 that begins after July 1, 2009, in which it participates in the program under this
5 section. If the private school is accredited under this subd. 7. b., the private school
6 is not required to obtain preaccreditation ~~from the Institute for the Transformation~~
7 ~~of Learning at Marquette University~~ as a prerequisite to providing instruction under
8 this section in additional grades or in an additional or new school.

9 **SECTION 2539.** 119.23 (2) (b) of the statutes is repealed.

10 **SECTION 2540b.** 119.23 (3) (a) of the statutes is amended to read:

11 119.23 (3) (a) The pupil or the pupil's parent or guardian shall submit an
12 application, on a form provided by the state superintendent, to the participating
13 private school that the pupil wishes to attend. If more than one pupil from the same
14 family applies to attend the same private school, the pupils may use a single
15 application. Within 60 days after receiving the application, the private school shall
16 notify ~~the~~ each applicant, in writing, whether ~~the~~ his or her application has been
17 accepted. If the private school rejects an application, the notice shall include the
18 reason. A private school may reject an applicant only if it has reached its maximum
19 general capacity or seating capacity. The state superintendent shall ensure that the
20 private school determines which pupils to accept on a random basis, except that the
21 private school may give preference in accepting applications to siblings of pupils
22 accepted on a random basis.

23 **SECTION 2540m.** 119.23 (3m) of the statutes is created to read:

24 119.23 (3m) (a) A private school participating in the program under this section
25 may not charge or receive any additional payment for a pupil participating in the

1 program under this section other than the payment the school receives under sub.
2 (4) and, if applicable, sub. (4m), if either of the following applies:

3 1. The pupil is enrolled in a grade from kindergarten to 8.

4 2. The pupil is enrolled in a grade from 9 to 12 and the family income of the
5 pupil, as determined under sub. (2) (a) 1., does not exceed an amount equal to 2.2
6 times the poverty level determined in accordance with criteria established by the
7 director of the federal office of management and budget.

8 (b) A private school participating in the program under this section may, in
9 addition to the payment it receives for a pupil under sub. (4) and, if applicable, sub.
10 (4m), charge the pupil tuition and fees in an amount determined by the school if both
11 of the following apply:

12 1. The pupil is enrolled in a grade from 9 to 12.

13 2. The family income of the pupil, as determined under sub. (2) (a) 1., exceeds
14 an amount equal to 2.2 times the poverty level determined in accordance with
15 criteria established by the director of the federal office of management and budget.

16 (c) A private school participating in the program under this section shall
17 determine whether the private school may charge additional tuition and fees to a
18 pupil on the basis of the pupil's family income as permitted under par. (b). The
19 private school shall establish a process for accepting an appeal to the governing body
20 of the private school of the determination made under this paragraph.

21 **SECTION 2541m.** 119.23 (4) (b) (intro.) of the statutes is amended to read:

22 119.23 (4) (b) (intro.) Except as provided in par. (bg), upon receipt from the
23 pupil's parent or guardian of proof of the pupil's enrollment in the private school
24 during a school term, the state superintendent shall pay to the parent or guardian
25 private school in which the pupil is enrolled on behalf of the pupil's parent or

1 guardian, from the appropriation under s. 20.255 (2) (fu), an amount equal to the
2 lesser of the following:

3 **SECTION 2542.** 119.23 (4) (bg) of the statutes is amended to read:

4 119.23 (4) (bg) In the ~~2009-10~~ 2011-12 and ~~2010-11~~ 2012-13 school years,
5 upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in
6 the private school during a school term, the state superintendent shall pay to the
7 parent or guardian, from the appropriation under s. 20.255 (2) (fu), an amount equal
8 to the private school's operating and debt service cost per pupil that is related to
9 educational programming, as determined by the department, or \$6,442, whichever
10 is less.

11 **SECTION 2542c.** 119.23 (4) (c) of the statutes is amended to read:

12 119.23 (4) (c) The state superintendent shall pay 25% of the total amount under
13 this subsection in September, 25% in November, 25% in February, and 25% in May.
14 Each installment may consist of a single check for all pupils attending the private
15 school under this section. The state superintendent ~~may~~ shall include the entire
16 amount under sub. (4m) in ~~one of those installments or apportion the entire amount~~
17 ~~among one or more of those installments.~~ ~~Except as provided in sub. (4r), the~~
18 ~~department shall send the check to the private school.~~ ~~Except as provided in sub.~~
19 ~~(4r), the parent or guardian shall restrictively endorse the check for the use of the~~
20 ~~private school~~ the November installment, but the payment shall be made in a
21 separate check from the payment under this subsection.

22 **SECTION 2542g.** 119.23 (4) (d) of the statutes is created to read:

23 119.23 (4) (d) In determining a private school's operating and debt service cost
24 per pupil under par. (b) 1. and (4m) (a), the department shall do all of the following:

1 1. Subtract only the following, up to the actual cost of the service or material
2 related to each item:

3 a. Fees charged pupils for books and supplies used in classes and programs.

4 b. Rentals for school buildings.

5 c. Food service revenues.

6 d. Governmental financial assistance.

7 e. Interest and other income resulting from the investment of debt proceeds.

8 2. If legal title to the private school's buildings and premises is held in the name
9 of the private school's parent organization or other related party, there is no other
10 mechanism to include the private school's facilities costs in the calculation of its
11 operating and debt service cost, and the private school requests that the department
12 do so, include an amount equal to 10.5 percent of the fair market value of the school
13 and its premises. A request made by a private school under this subdivision remains
14 effective in subsequent school years and may not be withdrawn by the private school.

15 3. If immediately prior to the effective date of this subdivision [LRB inserts
16 date], a private school's operating and debt service costs, as determined by the
17 department, included the amount described in subd. 2., continue to include the
18 amount described in subd. 2. in subsequent school years.

19 **SECTION 2542n.** 119.23 (4m) of the statutes is renumbered 119.23 (4m) (intro.)
20 and amended to read:

21 119.23 (4m) (intro.) In addition to the payment under sub. (4) the state
22 superintendent shall pay to ~~the parent or guardian of each pupil enrolled in a private~~
23 school participating in the program under this section, on behalf of the parent or
24 guardian of each pupil attending the private school under this section, in the manner

1 described in sub. (4) (c), ~~an~~ the amount determined by ~~multiplying 40% of the~~
2 ~~payment under sub. (4)~~ as follows:

3 (c) Multiply the product under par. (b) by the quotient determined by dividing
4 the summer choice average daily membership equivalent of the private school by the
5 total number of pupils for whom payments are being made under sub. (4).

6 **SECTION 2542r.** 119.23 (4m) (a) and (b) of the statutes are created to read:

7 119.23 **(4m)** (a) Determine the private school's operating and debt service cost
8 per pupil in summer school that is related to educational programming.

9 (b) Multiply the amount under par. (a) by 0.40.

10 **SECTION 2544w.** 119.23 (7) (am) 1. and 2. of the statutes are amended to read:

11 119.23 **(7)** (am) 1. An independent financial audit of the private school
12 conducted by an independent certified public accountant, accompanied by the
13 auditor's statement that the report is free of material misstatements and fairly
14 presents pupil costs under sub. (4) (b) 1. The audit under this subdivision shall be
15 limited in scope to those records that are necessary for the department to make
16 payments under subs. (4) and (4m). The auditor shall conduct his or her audit,
17 including determining sample sizes and evaluating financial viability, in accordance
18 with the auditing standards established by the American Institute of Certified
19 Public Accountants. The department may not require an auditor to comply with
20 standards that exceed the scope of the standards established by the American
21 Institute of Certified Public Accountants.

22 2. Evidence of sound fiscal and internal control practices, as prescribed by the
23 department by rule. An auditor engaged to evaluate the private school's fiscal and
24 internal control practices shall conduct his or her evaluation, including determining

1 sample sizes, in accordance with attestation standards established by the American
2 Institute of Certified Public Accountants.

3 **SECTION 2544m.** 119.23 (7) (b) 8. of the statutes is repealed.

4 **SECTION 2545.** 119.23 (7) (d) 1. of the statutes is renumbered 119.23 (7) (d) 1.
5 b. and amended to read:

6 119.23 (7) (d) 1. b. A copy of the school's current certificate of occupancy issued
7 by the city municipality within which the school is located. If the private school
8 moves to a new location, the private school shall submit a copy of the new certificate
9 of occupancy issued by the city municipality within which the school is located to the
10 department before the attendance of pupils at the new location and before the next
11 succeeding date specified in s. 121.05 (1) (a). A temporary certificate of occupancy
12 does not meet the requirement of this subdivision.

13 **SECTION 2546.** 119.23 (7) (d) 1. a. of the statutes is created to read:

14 119.23 (7) (d) 1. a. In this subdivision, "municipality" has the meaning given
15 in s. 5.02 (11).

16 **SECTION 2549e.** 119.23 (9) (a) of the statutes is renumbered 119.23 (9) and
17 amended to read:

18 119.23 (9) If any accrediting agency specified under sub. (2) (a) 7. a. or b.
19 determines during the accrediting or preaccrediting process that a private school
20 does not meet all of the requirements under s. 118.165 (1), ~~or if the Institute for the~~
21 ~~Transformation of Learning at Marquette University determines during the~~
22 ~~preaccreditation process that a private school does not meet all of the requirements~~
23 ~~under s. 118.165 (1),~~ it shall report that failure to the department.

24 **SECTION 2549m.** 119.23 (9) (b) of the statutes is repealed.

25 **SECTION 2549s.** 119.23 (10) (a) 2. of the statutes is amended to read:

1 119.23 (10) (a) 2. Failed to provide the notice or pay the fee required under sub.
2 (2) (a) 3. or 3m. b., or provide the information required under sub. (7) (am) or (d), by
3 the date or within the period specified.

4 **SECTION 2549m.** 119.23 (10) (d) of the statutes is amended to read:

5 119.23 (10) (d) The state superintendent may withhold payment from a ~~parent~~
6 ~~or guardian~~ private school under subs. (4) and (4m) if the private school ~~attended by~~
7 ~~the child of the parent or guardian~~ violates this section.

8 **SECTION 2550.** 119.23 (11) of the statutes is renumbered 119.23 (11) (intro.) and
9 amended to read:

10 119.23 (11) The department shall ~~promulgate~~ do all of the following:

11 (a) Promulgate rules to implement and administer this section. The
12 department may not by rule establish standards under sub. (7) (am) that exceed the
13 standards established by the American Institute of Certified Public Accountants.

14 **SECTION 2551.** 119.23 (11) (b) of the statutes is created to read:

15 119.23 (11) (b) Notify each private school participating in the program under
16 this section of any proposed changes to the program or to administrative rules
17 governing the program, including changes to application or filing deadlines but not
18 including changes to provisions governing health or safety, prior to the beginning of
19 the school year in which the change takes effect.

20 **SECTION 2552.** 119.245 of the statutes is repealed.

21 **SECTION 2553.** 119.495 (2) of the statutes is amended to read:

22 119.495 (2) The board shall include in its budget transmitted to the common
23 council under s. 119.16 (8) (b) a written notice specifying the amount of borrowing
24 to be authorized in the budget for the ensuing year. The common council shall issue
25 the notes and levy a direct annual irrepealable tax sufficient to pay the principal and

1 interest on the notes as they become due. The common council may issue the notes
2 by private sale. The common council shall make every effort to involve a minority
3 investment firm certified under s. ~~560.036~~ 16.287 as managing underwriter of the
4 notes or to engage a minority financial adviser certified under s. ~~560.036~~ 16.287 to
5 advise the city regarding any public sale of the notes.

6 **SECTION 2554.** 119.496 (2) of the statutes is amended to read:

7 119.496 (2) The board shall include in its budget transmitted to the common
8 council under s. 119.16 (8) (b) a written notice specifying the amount of borrowing
9 to be authorized in the budget for the ensuing year. The common council shall issue
10 the notes and levy a direct annual irrevocable tax sufficient to pay the principal and
11 interest on the notes as they become due. The common council may issue the notes
12 by private sale. The common council shall establish goals of involving minority
13 investment firms certified under s. ~~560.036~~ 16.287 as managing underwriters for at
14 least 50% of the total amount financed by the notes and of engaging a minority
15 financial adviser certified under s. ~~560.036~~ 16.287 to advise the city regarding any
16 public sale of the notes.

17 **SECTION 2571.** 121.08 (4) (a) 1. of the statutes is amended to read:

18 121.08 (4) (a) 1. ~~In the 2009-10 and 2010-11 school year, add~~ Add the amounts
19 paid under s. 118.40 (2r) in the current school year, ~~and in the 2011-12 school year~~
20 ~~and each school year thereafter, add the amounts paid under s. 118.40 (2r) in the~~
21 ~~2010-11 school year.~~

22 **SECTION 2571d.** 121.08 (4) (a) 2. of the statutes is amended to read:

23 121.08 (4) (a) 2. Divide the sum under subd. 1. by the total amount of state aid
24 that all school districts are eligible to be paid from the appropriation under s. 20.255
25 (2) (ac), calculated as if the reduction under par. (b), (bg), or (br) had not occurred.

1 **SECTION 2571h.** 121.08 (4) (a) 3. of the statutes is amended to read:

2 121.08 (4) (a) 3. Multiply the amount of state aid that the school district is
3 eligible to be paid from the appropriation under s. 20.255 (2) (ac), calculated as if the
4 reduction under par. (b), (bg), or (br) had not occurred, by the quotient under subd.
5 2.

6 **SECTION 2571p.** 121.08 (4) (bg) of the statutes is created to read:

7 121.08 (4) (bg) The amount of state aid that the Green Bay Area Public School
8 District is eligible to be paid from the appropriation under s. 20.255 (2) (ac) shall also
9 be reduced by the amount calculated by multiplying the amounts paid under s.
10 118.62 (4) and (4m) in the first school year that begins after a petition is certified
11 under s. 118.62 (1m) (d) and in each school year thereafter by 38.4 percent.

12 **SECTION 2571p.** 121.08 (4) (br) of the statutes is created to read:

13 121.08 (4) (br) The amount of state aid that the Racine Unified School District
14 is eligible to be paid from the appropriation under s. 20.255 (2) (ac) shall also be
15 reduced by the amount calculated by multiplying the amounts paid under s. 118.60
16 (4) and (4m) in the 2011-12 school year and in each school year thereafter by 38.4
17 percent.

18 **SECTION 2571t.** 121.08 (4) (d) of the statutes is amended to read:

19 121.08 (4) (d) The state superintendent shall ensure that the total amount of
20 aid reduction under pars. (a) ~~and~~, (b), (bg), and (br) lapses to the general fund.

21 **SECTION 2573g.** 121.90 (2) (am) 5. of the statutes is created to read:

22 121.90 (2) (am) 5. Amounts received in the 2011-12 school year under 2011
23 Wisconsin Act (this act), section 9137 (3q).

24 **SECTION 2574a.** 121.905 (1) of the statutes is amended to read:

1 121.905 (1) In this section, “revenue ceiling” means \$9,000 in the ~~2009-10~~
2 ~~2011-12~~ school year and in the ~~2010-11~~ ~~2012-13~~ school year and ~~\$9,800~~ \$9,100 in
3 the 2013-14 school year and in any subsequent school year.

4 **SECTION 2575b.** 121.905 (3) (c) 3r. of the statutes is amended to read:

5 121.905 (3) (c) 3r. For the limit for the 2011-12 school year, ~~add \$275 to multiply~~
6 the result under par. (b) by 0.945.

7 **SECTION 2576b.** 121.905 (3) (c) 4. of the statutes is amended to read:

8 121.905 (3) (c) 4. For the limit for the 2012-13 school year ~~or for any school year~~
9 ~~thereafter, add the result under s. 121.91 (2m) (h) 2. \$50~~ to the result under par. (b).

10 **SECTION 2576c.** 121.905 (3) (c) 5. of the statutes is created to read:

11 121.905 (3) (c) 5. For the limit for the 2013-14 school year and any school year
12 thereafter, make no adjustment to the result under par. (b).

13 **SECTION 2577.** 121.91 (2m) (e) (intro.) of the statutes is amended to read:

14 121.91 (2m) (e) (intro.) Except as provided in subs. (3), and (4), ~~and~~ (8), no
15 school district may increase its revenues for the 2008-09 school year to an amount
16 that exceeds the amount calculated as follows:

17 **SECTION 2578.** 121.91 (2m) (f) (intro.) of the statutes is amended to read:

18 121.91 (2m) (f) (intro.) Except as provided in subs. (3), and (4), ~~and~~ (8), no school
19 district may increase its revenues for the 2009-10 school year or for the 2010-11
20 school year to an amount that exceeds the amount calculated as follows:

21 **SECTION 2579.** 121.91 (2m) (g) (intro.) of the statutes is amended to read:

22 121.91 (2m) (g) (intro.) Except as provided in subs. (3), and (4), ~~and~~ (8), no
23 school district may increase its revenues for the 2011-12 school year to an amount
24 that exceeds the amount calculated as follows:

25 **SECTION 2580.** 121.91 (2m) (g) 2. of the statutes is repealed.

1 **SECTION 2581.** 121.91 (2m) (g) 3. of the statutes is amended to read:

2 121.91 (2m) (g) 3. Multiply the result under subd. ~~2.~~ 1. by the average of the
3 number of pupils enrolled in the current and the 2 preceding school years.

4 **SECTION 2582.** 121.91 (2m) (g) 4. of the statutes is created to read:

5 121.91 (2m) (g) 4. Multiply the result under subd. 3. by 0.055.

6 **SECTION 2583.** 121.91 (2m) (g) 5. of the statutes is created to read:

7 121.91 (2m) (g) 5. Subtract the product under subd. 4. from the result under
8 subd. 3.

9 **SECTION 2584.** 121.91 (2m) (h) (intro.) of the statutes is amended to read:

10 121.91 (2m) (h) (intro.) Except as provided in subs. (3), and (4), ~~and (8)~~, no
11 school district may increase its revenues for the 2012-13 school year ~~or for any school~~
12 ~~year thereafter~~ to an amount that exceeds the amount calculated as follows:

13 **SECTION 2585.** 121.91 (2m) (h) 2. of the statutes is repealed.

14 **SECTION 2586g.** 121.91 (2m) (h) 3. of the statutes is amended to read:

15 121.91 (2m) (h) 3. Add \$50 to the result under subd. 1. ~~to the result under subd.~~
16 ~~2.~~

17 **SECTION 2586r.** 121.91 (2m) (i) of the statutes is created to read:

18 121.91 (2m) (i) Except as provided in subs. (3) and (4), no school district may
19 increase its revenues for the 2013-14 school year or for any school year thereafter
20 to an amount that exceeds the amount calculated as follows:

21 1. Divide the sum of the amount of state aid received in the previous school year
22 and property taxes levied for the previous school year, excluding property taxes
23 levied for the purpose of s. 120.13 (19) and excluding funds described under sub. (4)
24 (c), by the average of the number of pupils enrolled in the 3 previous school years.

1 2. Multiply the result under subd. 1. by the average of the number of pupils
2 enrolled in the current and the 2 preceding school years.

3 **SECTION 2587g.** 121.91 (2m) (r) 1. b. of the statutes is amended to read:

4 121.91 **(2m)** (r) 1. b. Add an amount equal to the amount of revenue increase
5 per pupil allowed under this subsection for the previous school year multiplied by the
6 sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal
7 to the result under subd. 1. a., except that in calculating the limit for the 2009-10
8 ~~or 2010-11 school year, add \$200 to the result under subd. 1. a., and in calculating~~
9 ~~the limit for the 2011-12 school year, add \$275 to multiply~~ the result under subd. 1.
10 a. by 0.945, in calculating the limit for the 2012-13 school year, add \$50 to the result
11 under subd. 1. a., and in calculating the limit for the 2013-14 school year and any
12 school year thereafter, make no adjustment to the result under subd. 1. a.

13 **SECTION 2587r.** 121.91 (2m) (s) 1. b. of the statutes is amended to read:

14 121.91 **(2m)** (s) 1. b. Add an amount equal to the amount of revenue increase
15 per pupil allowed under this subsection for the previous school year multiplied by the
16 sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal
17 to the result under subd. 1. a., except that in calculating the limit for the 2009-10
18 ~~or 2010-11 school year, add \$200 to the result under subd. 1. a., and in calculating~~
19 ~~the limit for the 2011-12 school year, add \$275 to multiply~~ the result under subd. 1.
20 a. by 0.945, in calculating the limit for the 2012-13 school year, add \$50 to the result
21 under subd. 1. a., and in calculating the limit for the 2013-14 school year and any
22 school year thereafter, make no adjustment to the result under subd. 1. a.

23 **SECTION 2596.** 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

24 121.91 **(2m)** (t) 1. (intro.) If 2 or more school districts are consolidated under
25 s. 117.08 or 117.09, except as follows, in the 2011-12 school year, the consolidated

1 school district's revenue limit shall be determined as provided under par. (e) ~~except~~
2 as follows (g), in the 2012-13 school year, the consolidated school district's revenue
3 limit shall be determined as provided under par. (h), and in the 2013-14 school year
4 and in each school year thereafter, the consolidated school district's revenue limit
5 shall be determined as provided under par. (i):

6 **SECTION 2598.** 121.91 (4) (L) of the statutes is repealed.

7 **SECTION 2599.** 121.91 (4) (m) of the statutes is repealed.

8 **SECTION 2600.** 121.91 (4) (n) of the statutes is repealed.

9 **SECTION 2599m.** 121.91 (4) (o) 1. of the statutes is amended to read:

10 121.91 (4) (o) 1. If a school board adopts a resolution to do so, the limit otherwise
11 applicable to a school district under sub. (2m) in any school year is increased by the
12 amount spent by the school district in that school year on a project to implement
13 energy efficiency measures, and renewable or to purchase energy efficiency products,
14 that result including the payment of debt service on bonds or notes issued to finance
15 the project, if the project results in the avoidance of, or reduction in, energy costs.
16 ~~The department shall promulgate rules to implement this subdivision, including~~
17 ~~eligibility standards for school districts or operational costs, the project is governed~~
18 by a performance contract entered into under s. 66.0133, and the bonds or notes
19 issued to finance the project, if any, are issued for periods not exceeding 20 years.
20 If a school board issues bonds or notes to finance a project described in this
21 subdivision, a resolution adopted by a school board under this subdivision is valid for
22 each school year in which the school board pays debt service on the bonds or notes.

23 **SECTION 2601m.** 121.91 (4) (q) of the statutes is created to read:

24 121.91 (4) (q) 1. The limit otherwise applicable to a school district under sub.
25 (2m) is increased by an amount equal to the amount of any refunded or rescinded

1 property taxes paid by the school board in the year of the levy if the valuation
2 represented by the refunded or rescinded property taxes result in a redetermination
3 of the school district's equalized valuation by the department of revenue under s.
4 74.41.

5 2. Any additional revenue received by a school district under this paragraph
6 shall not be included in the base for determining the school district's limit under sub.
7 (2m) for the following school year.

8 **SECTION 2602.** 121.91 (7) of the statutes is amended to read:

9 121.91 (7) Except as provided in sub. (4) (f) 2. ~~and (L) to, (o), and (8) (q)~~, if an
10 excess revenue is approved under sub. (3) for a recurring purpose or allowed under
11 sub. (4), the excess revenue shall be included in the base for determining the limit
12 for the next school year for purposes of this section. If an excess revenue is approved
13 under sub. (3) for a nonrecurring purpose, the excess revenue shall not be included
14 in the base for determining the limit for the next school year for purposes of this
15 section.

16 **SECTION 2603.** 121.91 (8) of the statutes is repealed.

17 **SECTION 2603m.** 125.01 of the statutes is amended to read:

18 **125.01 Legislative intent.** This chapter shall be construed as an enactment
19 of the legislature's support for the 3-tier system for alcohol beverages production,
20 distribution, and sale that, through uniform statewide regulation, provides this
21 state regulatory authority over the production, storage, distribution, transportation,
22 sale, and consumption of alcohol beverages by and to its citizens, for the benefit of
23 the public health and welfare and this state's economic stability. Without the 3-tier
24 system, the effective statewide regulation and collection of state taxes on alcohol
25 beverages sales would be seriously jeopardized. It is further the intent of the

1 legislature that without a specific statutory exception, all sales of alcohol beverages
2 shall occur through the 3-tier system, from manufacturers to licensed wholesalers
3 holding a permit to retailers to consumers. Face-to-face retail sales at licensed
4 premises directly advance the state's interest in preventing alcohol sales to underage
5 or intoxicated persons and the state's interest in efficient and effective collection of
6 tax.

7 **SECTION 2604bc.** 125.02 (15) of the statutes is renumbered 125.02 (15) (intro.)
8 and amended to read:

9 125.02 (15) (intro.) "Primary source of supply" means any of the following:

10 (b) With respect to intoxicating liquor, the manufacturer, the rectifier, or the
11 exclusive agent designated by the manufacturer or rectifier.

12 **SECTION 2604be.** 125.02 (15) (a) of the statutes is created to read:

13 125.02 (15) (a) With respect to fermented malt beverages, the brewer or
14 brewpub that manufactured the fermented malt beverages or the exclusive agent
15 designated by this brewer or brewpub.

16 **SECTION 2604bg.** 125.02 (21) of the statutes is amended to read:

17 125.02 (21) "Wholesaler" means a person, other than a brewer, brewpub,
18 manufacturer, or rectifier, who sells alcohol beverages to a licensed retailer or to
19 another person who holds a permit ~~or license~~ to sell alcohol beverages at wholesale.

20 **SECTION 2604bi.** 125.04 (12) (a) of the statutes is amended to read:

21 125.04 (12) (a) *From place to place.* Every alcohol beverage license or permit
22 may be transferred to another place or premises within the same municipality. An
23 alcohol beverage warehouse permit under s. 125.19, a winery permit under s. 125.53
24 or an intoxicating liquor wholesaler's permit under s. 125.54 may be transferred to
25 another premises within this state. ~~A Class "A" license and a wholesaler's license~~

1 identified in s. 125.25 (2) (b) 2. may be transferred together as provided in s. 125.25
2 (2) (b) 4. if the receiving municipality approves the transfer. Transfers shall be made
3 by the issuing authority upon payment of a fee of \$10 to the issuing authority and,
4 for transfers as provided in s. 125.25 (2) (b) 4., transfers shall be received and the
5 validity of the transferred licenses recognized by the receiving municipality upon
6 approval of the transfer by the receiving municipality and payment to the receiving
7 municipality of an additional fee of \$10 for each transferred license. No retail
8 licensee, retail permittee, intoxicating liquor wholesaler or holder of a warehouse or
9 winery permit is entitled to more than one transfer during the license or permit year.
10 This paragraph does not apply to a license issued under s. 125.51 (4) (v) or to a reserve
11 "Class B" license, as defined in s. 125.51 (4) (a).

12 **SECTION 2604bk.** 125.05 (1) (d) of the statutes is amended to read:

13 125.05 (1) (d) *Wholesalers' licenses permits.* If the election results prohibit the
14 retail sale of fermented malt beverages, the municipality may nevertheless issue
15 wholesalers' licenses to qualified persons on the department shall include as a
16 condition of any wholesaler's permit issued under s. 125.28 for a premises within the
17 municipality that the wholesaler may not sell or deliver fermented malt beverages
18 within the municipality to any person residing therein.

19 **SECTION 2604d.** 125.07 (3) (a) 3. of the statutes is amended to read:

20 125.07 (3) (a) 3. Hotels, drug stores, grocery stores, bowling centers, movie
21 theaters, billiards centers having on the premises 12 or more billiards tables that are
22 not designed for coin operation and that are 8 feet or longer in length, indoor golf
23 simulator facilities, service stations, vessels, cars operated by any railroad, regularly
24 established athletic fields, outdoor volleyball courts that are contiguous to a licensed

1 premises, stadiums, public facilities as defined in s. 125.51 (5) (b) 1. d. which are
2 owned by a county or municipality or centers for the visual or performing arts.

3 **SECTION 2604bm.** 125.07 (3) (a) 13. of the statutes is amended to read:

4 125.07 (3) (a) 13. An underage person who enters or remains in a banquet or
5 hospitality room on brewery premises ~~operated under a Class "B" or "Class B" license~~
6 for the purpose of attending a brewery tour.

7 **SECTION 2604bo.** 125.10 (4) of the statutes is amended to read:

8 125.10 (4) REGULATION OF CLOSED RETAIL PREMISES. A municipality may not
9 prohibit the permittee, licensee, employees, salespersons, employees of wholesalers
10 ~~licensed issued a permit~~ under s. 125.28 (1) or 125.54 (1); employees of permittees
11 under s. 125.295 with respect to the permittee's own retail premises; or service
12 personnel from being present on premises operated under a Class "A", "Class A" or
13 "Class C" license or under a Class "B" or "Class B" license or permit during hours
14 when the premises are not open for business if those persons are performing
15 job-related activities.

16 **SECTION 2604bs.** 125.25 (1) of the statutes is amended to read:

17 125.25 (1) Every municipal governing body may issue Class "A" licenses for the
18 sale of fermented malt beverages from premises within the municipality. ~~Subject to~~
19 ~~s. 125.34 (5) and (6), a~~ A Class "A" license authorizes retail sales of fermented malt
20 beverages for consumption off the premises where sold and in original packages,
21 containers, and bottles. A Class "A" license also authorizes the licensee to provide,
22 free of charge, to customers and visitors who have attained the legal drinking age
23 fermented malt beverages taste samples that are not in original packages,
24 containers, or bottles and that do not exceed 3 fluid ounces each, for consumption on
25 the Class "A" premises. No Class "A" licensee may provide more than 2 taste samples

1 per day to any one person. Taste samples may be provided under this subsection only
2 between the hours of 11 a.m. and 7 p.m. Any other provision of this chapter
3 applicable to retail sales of fermented malt beverages by a Class "A" licensee also
4 applies to the provision of taste samples, free of charge, of fermented malt beverages
5 by a Class "A" licensee. A license may be issued after July 1. That license shall expire
6 on the following June 30.

7 **SECTION 2604bu.** 125.25 (2) (b) 1. of the statutes is amended to read:

8 125.25 (2) (b) 1. ~~Beginning on May 5, 1994, a~~ A Class "A" license may not be
9 issued to a person holding a wholesaler's license permit issued under s. 125.28 or to
10 a person who has a direct or indirect ownership interest in a premises operating
11 under a wholesaler's license permit issued under s. 125.28.

12 **SECTION 2604db.** 125.25 (2) (b) 2., 3. and 4. of the statutes are repealed.

13 **SECTION 2604dd.** 125.25 (3) of the statutes is amended to read:

14 125.25 (3) Class "A" licenses shall particularly describe the premises for which
15 issued and are not transferable, except under ~~sub. (2) (b) 4. and~~ s. 125.04 (12). A Class
16 "A" license is subject to revocation for violation of any of the terms or provisions
17 thereof.

18 **SECTION 2604df.** 125.26 (1) of the statutes is amended to read:

19 125.26 (1) Every municipal governing body may issue Class "B" licenses for the
20 sale of fermented malt beverages from premises within the municipality and may
21 authorize an official or body of the municipality to issue temporary Class "B" licenses
22 under sub. (6). ~~Subject to s. 125.34 (5) and (6), a~~ A Class "B" license authorizes retail
23 sales of fermented malt beverages to be consumed either on the premises where sold
24 or off the premises. A license may be issued after July 1. That license shall expire
25 on the following June 30. Persons holding a Class "B" license may sell beverages

1 containing less than 0.5% of alcohol by volume without obtaining a license under s.
2 66.0433 (1).

3 **SECTION 2604dh.** 125.26 (2) (b) 1. of the statutes is amended to read:

4 125.26 (2) (b) 1. Except as provided in ~~ss. s.~~ 125.295 and ~~125.31~~, Class "B"
5 licenses may not be issued to brewers or brewpubs.

6 **SECTION 2604dj.** 125.26 (2) (b) 2. a. of the statutes is renumbered 125.26 (2)
7 (b) 2. and amended to read:

8 125.26 (2) (b) 2. ~~Except as provided in s. 125.29, beginning on May 5, 1994, a~~
9 A Class "B" license may not be issued to a person holding a wholesaler's license
10 permit issued under s. 125.28 or to a person who has a direct or indirect ownership
11 interest in a premises operating under a wholesaler's license permit issued under s.
12 125.28.

13 **SECTION 2604dm.** 125.26 (2) (b) 2. b. and c. of the statutes are repealed.

14 **SECTION 2604do.** 125.275 (2) (b) 1. of the statutes is renumbered 125.275 (2)
15 (b) and amended to read:

16 125.275 (2) (b) ~~Beginning on May 5, 1994, an~~ An industrial fermented malt
17 beverages permit may not be issued to a person holding a wholesaler's license permit
18 issued under s. 125.28 or to a person who has a direct or indirect ownership interest
19 in a premises operating under a wholesaler's license permit issued under s. 125.28.

20 **SECTION 2604dp.** 125.275 (2) (b) 2. and 3. of the statutes are repealed.

21 **SECTION 2604dq.** 125.28 (title) of the statutes is amended to read:

22 **125.28 (title) Wholesalers' licenses permits.**

23 **SECTION 2604ds.** 125.28 (1) of the statutes is amended to read:

24 125.28 (1) (a) Subject to par. (b), ~~every municipal governing body~~ the
25 department may issue licenses permits to wholesalers for the sale of fermented malt

1 beverages from premises within ~~the municipality~~ this state, which premises shall
2 comply with the requirements under s. 125.34 (2). Subject to s. 125.34, and except
3 as provided in pars. (e) and (f), a wholesaler's license permit authorizes sales of
4 fermented malt beverages only in original packages or containers to retailers or
5 wholesalers, ~~not to be consumed in or about the wholesaler's premises.~~

6 (b) If a wholesaler does not maintain any warehouse in this state but is licensed
7 and maintains a warehouse in an adjoining state that allows wholesalers licensed
8 holding a wholesaler's permit in this state to deliver fermented malt beverages to
9 retailers in the adjoining state without warehousing in that state and that further
10 requires that all fermented malt beverages be first unloaded and physically at rest
11 at, and distributed from, the warehouse of the licensed wholesaler in that state, the
12 wholesaler's license permit shall be issued by the ~~governing body of the municipality~~
13 ~~in which some part of the wholesaler's business is conducted in this state~~
14 department. Notwithstanding s. 125.04 (5) (a) 2. and (c) and (6), the ~~municipal~~
15 ~~governing body~~ department may issue the wholesaler's license permit to a
16 wholesaler described in this paragraph who is a natural person and not a resident
17 of this state or that is a corporation or limited liability company and has not
18 appointed an agent in this state.

19 (c) No additional license or permit is required for the solicitation of orders for
20 sale to or by licensed wholesalers holding a permit under this section.

21 (d) Wholesalers licensed holding a permit under this section, employees of such
22 wholesalers, and individuals representing such wholesalers may not provide or
23 participate in providing taste samples under ss. 125.25 (1) and 125.33 (12).

24 **SECTION 2604du.** 125.28 (1) (e) and (f) of the statutes are created to read:

1 125.28 (1) (e) Notwithstanding ss. 125.04 (9) and 125.09 (1), if a wholesaler was
2 issued a retail license prior to January 1, 2011, then the wholesaler may, under its
3 wholesaler's permit, continue to sell at retail fermented malt beverages to
4 individuals as was permitted under the previously issued retail license.

5 (f) A wholesaler's permit authorizes the wholesaler to sell or give fermented
6 malt beverages to its employees. Fermented malt beverages may be consumed on a
7 wholesaler's premises at events not open to the general public.

8 **SECTION 2604ed.** 125.28 (2) (a) of the statutes is amended to read:

9 125.28 (2) (a) A wholesaler's license permit may be issued to any person
10 qualified under s. 125.04 (5) except a person acting as an agent for, or in the employ
11 of, another person. Notwithstanding s. 125.04 (5) (a) 5., a person is not required to
12 complete a responsible beverage server training course to be qualified for a license
13 permit under this section.

14 **SECTION 2604ef.** 125.28 (2) (b) (intro.) of the statutes is amended to read:

15 125.28 (2) (b) (intro.) ~~Except as provided in par. (c) and s. 125.29, beginning on~~
16 ~~May 5, 1994, a~~ A wholesaler's license permit may not be issued to any of the
17 following:

18 **SECTION 2604eg.** 125.28 (2) (b) 1. b. and c. and 2. of the statutes are amended
19 to read:

20 125.28 (2) (b) 1. b. A Class "B" license issued under s. 125.26, ~~except as provided~~
21 ~~in s. 125.29 (4).~~

22 c. A Class "B" permit issued under s. 125.27, ~~except as provided in s. 125.29 (4).~~

23 2. ~~A~~ Except as provided in s. 125.33 (2m), a person who has a direct or indirect
24 ownership interest in a premises operating under one or more of the licenses or
25 permits listed in subd. 1. a. to e. f.

1 **SECTION 2604eh.** 125.28 (2) (b) 1. f. of the statutes is created to read:

2 125.28 (2) (b) 1. f. A brewer's permit issued under s. 125.29.

3 **SECTION 2604ej.** 125.28 (2) (c) of the statutes is repealed.

4 **SECTION 2604em.** 125.28 (2) (d) and (e) of the statutes are created to read:

5 125.28 (2) (d) Notwithstanding par. (b) 1. f. and 2., a wholesaler may not hold
6 any ownership interest in any brewer, except a wholesaler that holds an ownership
7 interest in a brewer on the effective date of this paragraph [LRB inserts date], may
8 continue to hold that interest.

9 (e) 1. Any person holding an unexpired wholesaler's license issued under s.
10 125.28, 2009 stats., prior to January 1, 2012, shall be treated as holding a valid
11 wholesaler's permit under this section until January 1, 2013. On January 1, 2013,
12 all wholesaler's licenses issued under s. 125.28, 2009 stats., shall be void.

13 2. After January 1, 2012, the department shall issue to each person holding an
14 unexpired wholesaler's license issued under s. 125.28, 2009 stats., a wholesaler's
15 permit if the person does not hold a license or permit prohibited under par. (b). The
16 issuance of a wholesaler's permit by the department to any person shall invalidate
17 any previous wholesaler's license issued under s. 125.28, 2009 stats., to the person.

18 **SECTION 2604eo.** 125.28 (3) of the statutes is amended to read:

19 125.28 (3) Wholesalers' licenses permits shall particularly describe the
20 premises for which issued and are not transferable, except as provided in ~~ss. s.~~ s. 125.04
21 (12) and ~~125.25 (2) (b) 4.~~ A wholesaler's license permit is subject to revocation for
22 violation of any of the terms or provisions thereof.

23 **SECTION 2604eq.** 125.28 (4) of the statutes is amended to read:

24 125.28 (4) The amount of the license permit fee shall be determined established
25 by the ~~municipal governing body issuing the license but~~ department and shall be an

1 amount that is sufficient to fund one special agent position dedicated to alcohol and
2 tobacco enforcement at the department, but the permit fee may not exceed \$25
3 \$2,500 per year or fractional part thereof. All permit fees received under this
4 subsection shall be credited to the appropriation account under s. 20.566 (1) (hd).

5 **SECTION 2604es.** 125.28 (5) of the statutes is created to read:

6 125.28 (5) (a) The premises described in a permit issued under this section
7 shall be capable of warehousing fermented malt beverages. Any fermented malt
8 beverages sold by the wholesaler shall be physically unloaded at the premises
9 described in the permit, or at any warehouse premises for which the wholesaler also
10 holds a permit under this section and a permit issued under s. 125.19, prior to being
11 delivered to a retail licensee or to another wholesaler.

12 (b) A wholesaler under this section shall annually sell and deliver fermented
13 malt beverages to at least 25 retail licensees or other wholesalers that do not have
14 any direct or indirect interest in each other or in the wholesaler. The department
15 may not issue a permit under this section unless the applicant represents to the
16 department an intention to satisfy this requirement, and may not renew a permit
17 issued under this section unless the wholesaler demonstrates that this requirement
18 has been satisfied.

19 (c) No fermented malt beverages retail licensee or wholesaler may receive a
20 benefit from a violation under par. (a) or (b) with knowledge of the circumstances
21 giving rise to the violation.

22 (d) 1. A wholesaler that violates this subsection shall be fined not more than
23 \$10,000. In addition, a court shall order the wholesaler to forfeit an amount equal
24 to any profit gained by the wholesaler or retail licensee that violates par. (c), or by

1 both, resulting from the violation, and the court shall further order that the
2 wholesaler's permit be revoked.

3 2. A court shall order a retail licensee or wholesaler that violates this
4 subsection to forfeit an amount equal to any profit gained by the retail licensee or
5 wholesaler resulting from the violation, and the court shall further order that the
6 retail license or wholesaler's permit be revoked.

7 3. This paragraph shall not affect the authority of any municipality or the
8 department to revoke, suspend, or refuse to renew or issue a license or permit under
9 s. 125.12.

10 (e) The department shall promulgate rules to administer and enforce the
11 requirements under this subsection. The rules shall ensure coordination between
12 the department's issuance and renewal of permits under this section and its
13 enforcement of the requirements of this subsection, and shall require that all
14 applications for issuance or renewal of permits under this section be processed by
15 department personnel generally familiar with activities of fermented malt beverages
16 wholesalers. The department shall establish by rule minimum requirements for
17 warehouse facilities on premises described in permits issued under this section and
18 for periodic site inspections by the department of such warehouse facilities.

19 **SECTION 2604eu.** 125.29 (1) of the statutes is amended to read:

20 125.29 (1) PERMIT. No person may operate as a brewer unless that person
21 obtains a permit from the department. ~~Each wholesaler required to register under~~
22 ~~s. 139.09 shall obtain a permit under this subsection.~~ A permit under this section
23 may only be issued to a person who holds a valid certificate issued under s. 73.03 (50).

24 **SECTION 2604fc.** 125.29 (2) (title) of the statutes is repealed and recreated to
25 read:

1 125.29 (2) (title) INTEREST RESTRICTIONS.

2 **SECTION 2604fe.** 125.29 (2) of the statutes is renumbered 125.29 (2) (a) and
3 amended to read:

4 125.29 (2) (a) ~~Except as provided in s. 125.31, no~~ No person holding a Class "A"
5 license, Class "B" license or permit, or wholesaler's permit issued under this chapter
6 may register as a brewer.

7 **SECTION 2604fg.** 125.29 (2) (b) of the statutes is created to read:

8 125.29 (2) (b) 1. Except as provided in subd. 2. or 3., no brewer may hold any
9 ownership interest in any wholesaler.

10 2. A brewer may hold an ownership interest of less than 50 percent in a
11 wholesaler if this ownership interest will not occur for more than 3 years.

12 3. If a wholesaler that has been granted distribution rights by a brewer for a
13 brand in a designated sales territory is unable to service the designated sales
14 territory for any reason, including the discontinuation of the wholesaler's
15 distribution rights, bankruptcy, or criminal prosecution of the wholesaler in
16 connection with operation of the wholesaler, and the reason is not the result of an
17 action by the brewer, then a brewer shall be allowed, for a period of not more than
18 one year, to take temporary control and operation of the wholesaler.

19 **SECTION 2604fi.** 125.29 (3) of the statutes is repealed and recreated to read:

20 125.29 (3) **AUTHORIZED ACTIVITIES.** The department shall issue brewer's permits
21 to eligible applicants authorizing all of the following:

22 (a) The manufacture of fermented malt beverages on the brewery premises.

23 (b) The bottling, packaging, possession, and storage of fermented malt
24 beverages on the brewery premises.

1 (c) The transportation of fermented malt beverages between the brewery
2 premises and any depot or warehouse maintained by the brewer.

3 (d) The sale, shipment, transportation, and delivery, in original unopened
4 packages or containers, to wholesalers, from the brewery premises, of fermented
5 malt beverages that have been manufactured by the brewer on those premises or on
6 other premises of the brewer.

7 (e) Notwithstanding ss. 125.04 (9) and 125.09 (1), the retail sale of fermented
8 malt beverages that have been manufactured on the brewery premises or on other
9 premises of the brewer for on-premise consumption by individuals at the brewery
10 premises or an off-site retail outlet established by the brewer.

11 (f) Notwithstanding ss. 125.04 (9) and 125.09 (1), the retail sale to individuals
12 of fermented malt beverages, in original unopened packages or containers, that have
13 been manufactured on the brewery premises or on other premises of the brewer for
14 off-premise consumption by individuals, if the sale occurs at the brewery premises
15 or at an off-site retail outlet established by the brewer.

16 (g) Notwithstanding ss. 125.04 (9) and 125.09 (1), the retail sale of fermented
17 malt beverages, for on-premise consumption or for off-premise consumption in
18 original unopened packages or containers, that have been manufactured on another
19 brewery premises in this state if the fermented malt beverages have been purchased
20 by the brewer from a wholesaler holding a permit under s. 125.28 or from another
21 brewery located in this state that manufactures 300,000 or less barrels of beer in a
22 calendar year.

23 (h) Notwithstanding ss. 125.04 (9) and 125.09 (1), the retail sale of intoxicating
24 liquor, for on-premise consumption by individuals at the brewery premises or an
25 off-site retail outlet established by the brewer, if the brewer held, on June 1, 2011,

1 a license or permit authorizing the retail sale of intoxicating liquor and if the
2 intoxicating liquor has been purchased by the brewer from a wholesaler holding a
3 permit under s. 125.54.

4 (i) The provision of free taste samples on the brewery premises, at an off-site
5 retail outlet established by the brewer, or as authorized under s. 125.33 (12).

6 (j) The ownership, maintenance, or operation of places for the sale of fermented
7 malt beverages at the state fair park or on any county fairgrounds located in this
8 state.

9 **SECTION 2604fk.** 125.29 (3m) of the statutes is created to read:

10 125.29 (3m) SALES TO RETAILERS. (a) Except as provided in pars. (b) and (c), no
11 brewer may sell fermented malt beverages to a retail licensee.

12 (b) A brewer that manufactures 300,000 or less barrels of fermented malt
13 beverages in a calendar year from all locations may sell, ship, transport and deliver
14 to retailers, from the brewery premises, fermented malt beverages, in original
15 unopened packages or containers, that have been manufactured on the brewery
16 premises, if the brewer complies with the requirements in ss. 125.33 and 125.34, as
17 applicable, to the same extent as if the brewer were a wholesaler.

18 (c) If a wholesaler that has been granted distribution rights by a brewer for a
19 brand in a designated sales territory is unable to service the designated sale territory
20 for any reason, including the discontinuation of the wholesaler's distribution rights,
21 bankruptcy, or criminal prosecution of the wholesaler in connection with operation
22 of the wholesaler, and the reason is not the result of an action by the brewer, then a
23 brewer shall be allowed, for a period of not more than one year, to sell or ship any
24 brand of fermented malt beverages to retailers located in the wholesaler's designated
25 sales territory.

1 **SECTION 2604fm.** 125.29 (4) of the statutes is repealed.

2 **SECTION 2604fo.** 125.29 (6) of the statutes is repealed and recreated to read:

3 125.29 (6) RESTAURANTS. A brewer may operate a restaurant on the brewery
4 premises and at an off-site retail outlet established by the brewer. A brewer may not
5 hold a restaurant permit for the operation of a restaurant at any other location except
6 that a brewer may possess or hold an indirect interest in a Class "B" license for not
7 more than 20 restaurants in each of which the sale of alcohol beverages accounts for
8 less than 60 percent of the restaurant's gross receipts if no fermented malt beverages
9 manufactured by the brewer are offered for sale in any of these restaurants.

10 **SECTION 2604fq.** 125.295 (2) (a) 6. c. of the statutes is amended to read:

11 125.295 (2) (a) 6. c. A wholesaler's license permit issued under s. 125.28.

12 **SECTION 2604fs.** 125.30 (1) of the statutes is amended to read:

13 125.30 (1) The department shall issue out-of-state shippers' permits which,
14 except as provided in ~~s. 125.34 (6) (e)~~ sub. (4), authorize the permittee to ship
15 fermented malt beverages only to holders of a wholesaler's license permit issued
16 under s. 125.28. Except with respect to any shipment from a warehouse in an
17 adjoining state by a wholesaler issued a wholesale license permit under s. 125.28 (1)
18 (b), no person may receive fermented malt beverages in this state which have been
19 directly shipped from outside this state by any person other than the holder of a
20 permit issued under this section. Subject to s. 125.34 (2) ~~and (6) (e)~~, all shipments
21 of fermented malt beverages to a wholesaler of fermented malt beverages in this
22 state, whether shipped to the wholesaler from inside this state or from outside this
23 state, shall be unloaded in, physically at rest in, and only then distributed from the
24 wholesaler's warehouse in this state.

25 **SECTION 2604fu.** 125.30 (3) of the statutes is amended to read:

1 125.30 (3) Out-of-state shippers' permits may be issued only to a person who
2 holds a valid certificate issued under s. 73.03 (50) ~~and~~, who is qualified under s.
3 125.04 (5), who does not maintain an office or street address in this state, and who
4 is the primary source of supply for the brand of fermented malt beverages. An
5 out-of-state shipper's permit may not be issued to a person determined by the
6 department to be primarily engaged in wholesale or retail sales in another state.
7 Notwithstanding s. 125.04 (5) (a), natural persons obtaining out-of-state shippers'
8 permits are not required to be residents of this state. Notwithstanding s. 125.04 (5)
9 (a) 5., a person is not required to complete a responsible beverage server training
10 course to be qualified for a permit under this section. Notwithstanding s. 125.04 (6),
11 corporations or limited liability companies obtaining out-of-state shippers' permits
12 are not required to appoint agents.

13 **SECTION 2604gd.** 125.30 (4) of the statutes is created to read:

14 125.30 (4) An out-of-state brewer that manufactures 300,000 barrels or less
15 of fermented malt beverages in a calendar year from all locations and that holds an
16 out-of-state shipper's permit may sell and ship fermented malt beverages directly
17 to retail licensees if the out-of-state brewer registers with the department, files
18 whatever periodic reports with the department as the department may require, and
19 complies with the requirements in ss. 125.33 and 125.34, as applicable, to the same
20 extent as if the out-of-state brewer were a wholesaler holding a permit under s.
21 125.28.

22 **SECTION 2604ge.** 125.31 of the statutes is repealed.

23 **SECTION 2604e.** 125.32 (3) (c) of the statutes is amended to read:

24 125.32 (3) (c) Hotels and restaurants the principal business of which is the
25 furnishing of food and lodging to patrons, bowling centers, movie theaters, indoor

1 horseshoe-pitching facilities, curling clubs, golf courses and golf clubhouses may
2 remain open for the conduct of their regular business but may not sell fermented
3 malt beverages during the hours specified in par. (a).

4 **SECTION 2604f.** 125.32 (3m) (h) of the statutes is created to read:

5 125.32 (3m) (h) A movie theater.

6 **SECTION 2604gg.** 125.33 (1) (a) of the statutes is amended to read:

7 125.33 (1) (a) Except as provided in this section and ~~ss. s. 125.295 and 125.31,~~
8 no brewer, brewpub, or wholesaler may furnish, give, lend, lease, or sell any
9 furniture, fixtures, fittings, equipment, money, or other thing of value to any campus
10 or Class "B" licensee or permittee, or to any person for the use, benefit, or relief of any
11 campus or Class "B" licensee or permittee, or guarantee the repayment of any loan
12 or the fulfillment of any financial obligation of any campus or Class "B" licensee or
13 permittee. Such actions may not be taken by the brewer, brewpub, or wholesaler
14 directly or indirectly, or through a subsidiary or affiliate corporation or limited
15 liability company, or by any officer, director, stockholder, partner, or member thereof.

16 **SECTION 2604gk.** 125.33 (7) (a) 1. a. of the statutes is amended to read:

17 125.33 (7) (a) 1. a. Receive, purchase, or acquire fermented malt beverages from
18 any licensee, ~~or wholesale permittee~~ or from any brewpub acting under authority of
19 s. 125.295 (1) (g), except for cash or credit for a period of not more than 15 days.

20 **SECTION 2604gm.** 125.33 (7) (a) 1. b. of the statutes is amended to read:

21 125.33 (7) (a) 1. b. Receive, purchase, or acquire fermented malt beverages from
22 any licensee ~~or wholesale permittee~~, or from any brewpub acting under authority of
23 s. 125.295 (1) (g), if at the time of the receipt, purchase, or acquisition he or she is
24 indebted to any licensee, wholesale permittee, or brewpub for fermented malt
25 beverages received, purchased, acquired, or delivered more than 15 days earlier.

1 **SECTION 2604go.** 125.33 (7) (c) of the statutes is amended to read:

2 125.33 (7) (c) ~~Wholesalers and brewpubs holding retail licenses and permits~~
3 Brewpubs. ~~For purposes of this subsection, a person holding both a fermented malt~~
4 ~~beverage wholesale license and a fermented malt beverage retail license is deemed~~
5 ~~a fermented malt beverage retailer.~~ For purposes of this subsection, a brewpub,
6 when acting under authority of a retail license with respect to fermented malt
7 beverages not manufactured by the brewpub, is deemed a fermented malt beverages
8 retailer. This paragraph does not affect any provision of this subsection with respect
9 to a brewpub acting under authority of s. 125.295 (1) (g).

10 **SECTION 2604gq.** 125.33 (9) of the statutes is amended to read:

11 125.33 (9) **CAMPUSES AND RETAILERS TO PURCHASE FROM WHOLESALERS.** Except as
12 provided in ~~s.~~ ss. 125.29 (3m) (b) and (c), 125.295 (1) (g), and 125.30 (4), no campus
13 or retail licensee or permittee may purchase or possess fermented malt beverages
14 purchased from any person other than a wholesaler holding a license permit under
15 this chapter for the sale of fermented malt beverages. Any person who violates this
16 subsection may be fined not more than \$10,000 or imprisoned for not more than 9
17 months or both.

18 **SECTION 2604gs.** 125.33 (10) (a) 3. of the statutes is amended to read:

19 125.33 (10) (a) 3. "Successor wholesaler" means any wholesaler who enters into
20 an agreement, whether oral or written, to obtain a supply of a brand of fermented
21 malt beverages that is a discontinued brand, or otherwise acquires the right to act
22 as a wholesaler for a discontinued brand, from a brewer, brewpub, brewer's agent,
23 brewpub's agent, or holder of an out-of-state shipper's permit ~~after the brewer,~~
24 ~~brewpub, brewer's agent, brewpub's agent, or holder of an out-of-state shipper's~~
25 ~~permit has terminated, cancelled, or failed to renew an agreement, whether oral or~~

1 ~~written, with a terminated wholesaler to supply that same brand of fermented malt~~
2 ~~beverages for purposes of selling the discontinued brand in a specifically defined~~
3 ~~territory, if the discontinued brand was sold by a terminated wholesaler in any~~
4 ~~portion of this same territory at a time immediately before the brand of fermented~~
5 ~~malt beverages became a discontinued brand.~~

6 **SECTION 2604gu.** 125.33 (11) of the statutes is amended to read:

7 125.33 (11) SOURCE OF FERMENTED MALT BEVERAGES. (a) Subject to s. 125.34 (3),
8 no wholesaler who holds a retail license issued under this chapter authorized to
9 make retail sales under s. 125.28 (1) (e) may sell a brand of fermented malt beverages
10 to another a retail licensee unless the wholesaler has an agreement for general
11 wholesale distribution of that brand of fermented malt beverages with the brewer,
12 brewpub, brewer's agent, brewpub's agent, or holder of an out-of-state shipper's
13 permit supplying that brand.

14 (b) If a wholesaler who holds a retail license issued under this chapter violates
15 par. (a), any other wholesaler aggrieved by such violation or the brewer or brewpub
16 may bring an action against such wholesaler in any court of competent jurisdiction
17 for damages sustained by the aggrieved wholesaler or the brewer or brewpub as a
18 consequence of the violation, together with the actual costs of the action.
19 Notwithstanding s. 814.04 (1), a wholesaler or the brewer or brewpub who prevails
20 in an action under this paragraph may recover reasonable actual attorney fees
21 incurred in the action.

22 **SECTION 2604hc.** 125.33 (12) of the statutes is amended to read:

23 125.33 (12) PROVIDING TASTE SAMPLES ON CLASS "A" PREMISES. Notwithstanding
24 s. 125.34 (6) (a), with the consent of the Class "A" licensee, a brewer may provide, free
25 of charge, on Class "A" premises, taste samples of fermented malt beverages to any

1 person who has attained the legal drinking age for consumption on the premises
2 during hours in which the Class "A" licensee is authorized under s. 125.25 (1) to
3 provide taste samples or, if more restrictive, only during hours established by
4 ordinance by a municipality under s. 125.32 (3) (d). The provision of taste samples
5 under this subsection shall be subject to the same limitations that apply to taste
6 samples provided by a Class "A" licensee under s. 125.25 (1). No brewer may provide
7 as taste samples under this subsection any fermented malt beverages that the
8 brewer did not purchase from the Class "A" licensee on whose premises the taste
9 samples are provided. A brewer may provide taste samples under this subsection
10 through an individual representing the brewer who is hired by the brewer and who
11 is not employed by or an agent of a wholesaler ~~other than, if the brewer holds a~~
12 ~~wholesale license, the brewer.~~ All provisions of this subsection that apply to a brewer
13 apply equally to any individual representing a brewer.

14 **SECTION 2604he.** 125.33 (13) of the statutes is created to read:

15 125.33 (13) WHOLESALERS' SOURCE OF SUPPLY. No wholesaler may purchase
16 fermented malt beverages for resale unless the wholesaler purchases them either
17 from the primary source of supply for the brand of fermented malt beverages sought
18 to be sold or from a wholesaler within this state that holds a permit issued under s.
19 125.28. No wholesaler may sell fermented malt beverages purchased by the
20 wholesaler to any other licensee or permittee under this chapter if the fermented
21 malt beverages have not been purchased by the wholesaler from the primary source
22 of supply or from a wholesaler within the state holding a permit issued under s.
23 125.28.

24 **SECTION 2604hg.** 125.34 (1) (g) of the statutes is amended to read:

1 125.34 (1) (g) “Wholesaler” means a licensee permittee under s. 125.28 and
2 includes a brewer or out-of-state shipper that holds a wholesaler’s license under s.
3 ~~125.28~~.

4 **SECTION 2604hk.** 125.34 (2) (a) of the statutes is renumbered 125.34 (2) and
5 amended to read:

6 125.34 (2) Except as provided in ~~sub. (6) (b) and s. ss. 125.29 (3m) (b) and (c),~~
7 125.295 (1) (e) and (g), and 125.30 (4), no fermented malt beverages may be sold,
8 transported, or delivered to a retailer unless, prior to such sale, transport, or delivery,
9 the fermented malt beverages are first unloaded at, physically at rest at, and only
10 then distributed from a wholesaler’s warehouse premises covered by both a
11 wholesaler’s license permit issued under s. 125.28 and an alcohol beverage
12 warehouse permit issued under s. 125.19, which premises shall be in this state ~~and~~
13 ~~shall be a physically separate location from any retail premises or brewery premises.~~
14 This paragraph does not apply to a wholesaler issued a wholesaler’s license permit
15 under s. 125.28 (1) (b) with respect to fermented malt beverages transported and
16 delivered from a warehouse in an adjoining state unless the wholesaler’s warehouse
17 in the adjoining state is located on premises in the adjoining state used for the
18 manufacture of fermented malt beverages.

19 **SECTION 2604hm.** 125.34 (2) (bg), (bm) and (c) of the statutes are repealed.

20 **SECTION 2604ho.** 125.34 (3) (a) 1. of the statutes is amended to read:

21 125.34 (3) (a) 1. ~~Subject to subd. 3., a~~ A wholesaler may not sell, transport, or
22 deliver any brand of fermented malt beverages unless the wholesaler has entered
23 into a written agreement with the brewer, brewpub, or out-of-state shipper
24 supplying the brand that grants to the wholesaler distribution rights for the brand
25 and identifies the designated sales territory for which such distribution rights are

1 granted, including the precise geographical area comprising the designated sales
2 territory.

3 **SECTION 2604hq.** 125.34 (3) (a) 3. of the statutes is repealed.

4 **SECTION 2604hs.** 125.34 (4) (a) of the statutes is amended to read:

5 125.34 (4) (a) Any retailer located outside the wholesaler's designated sales
6 territory for the brand. This paragraph does not apply if another wholesaler that has
7 been granted distribution rights for the brand in the designated sales territory where
8 the sale, transportation, or delivery occurs is unable to service this designated sales
9 territory and the brewer, brewpub, or out-of-state shipper granting distribution
10 rights has, notwithstanding sub. (3) (a), given consent for the sale, transportation,
11 or delivery, which consent shall be limited to the time period that another wholesaler
12 is unable to service this designated sales territory. ~~This paragraph does not apply if
13 the wholesaler is also a brewer and another wholesaler to whom this brewer has
14 granted distribution rights for the brand in the designated sales territory where the
15 sale, transportation, or delivery occurs has, notwithstanding sub. (3) (a), given
16 consent for the sale, transportation, or delivery or refused to service this territory.~~

17 **SECTION 2604jc.** 125.34 (5) of the statutes is amended to read:

18 125.34 (5) Except as provided in ~~sub. (6) (b) and s. ss. 125.29 (3m) (b) and (c),~~
19 125.295 (1) (e) and (g), and 125.30 (4), deliveries of fermented malt beverages to
20 retailers may be made only by wholesalers and shall be made to retailers only at their
21 retail premises. No retailer may transport fermented malt beverages from one retail
22 premises to another retail premises for purposes of selling the fermented malt
23 beverages at the other retail premises unless both retail premises are operated by
24 a ~~brewer or~~ brewpub holding the retail licenses.

1 **SECTION 2604je.** 125.34 (6) (a) of the statutes is renumbered 125.34 (6) and
2 amended to read:

3 125.34 (6) Except as provided in ~~pars. (b) and (c) and ss. 125.06 (1) and 125.31~~
4 ~~(1) and (3) ss. 125.29 (3), (3m) (b) and (c) and 125.30 (4)~~, a brewer or out-of-state
5 shipper may sell, transport, and deliver fermented malt beverages only to a
6 wholesaler, ~~which may be the brewer or out-of-state shipper itself if, in its activities~~
7 ~~as a wholesaler, it complies with the requirements under subs. (2) to (5).~~

8 **SECTION 2604jg.** 125.34 (6) (b) of the statutes is repealed.

9 **SECTION 2604ji.** 125.34 (6) (c) of the statutes is repealed.

10 **SECTION 2604g.** 125.68 (4) (c) 4. of the statutes is amended to read:

11 125.68 (4) (c) 4. Hotels and restaurants the principal business of which is the
12 furnishing of food, drinks or lodging to patrons, bowling centers, movie theaters,
13 indoor horseshoe-pitching facilities, curling clubs, golf courses and golf clubhouses
14 may remain open for the conduct of their regular business but may not sell
15 intoxicating liquor during the closing hours under subd. 1. or, with respect to the sale
16 of intoxicating liquor authorized under s. 125.51 (3r) (a), under subd. 3.

17 **SECTION 2605.** 132.001 (1m) of the statutes is created to read:

18 132.001 (1m) "Department" means the department of financial institutions.

19 **SECTION 2606.** 132.01 (1) of the statutes is amended to read:

20 132.01 (1) Any person, firm, partnership, corporation, association, or union of
21 workingmen, which has heretofore adopted or used or shall hereafter adopt or use
22 any mark for the purpose of designating, making known, or distinguishing any
23 goods, wares, merchandise, service, business, or other product of labor or
24 manufacture as having been made, manufactured, produced, prepared, packed, or
25 put on sale by such person, firm, partnership, corporation, association, or union of

1 workingmen, or by a member or members thereof, he, she, or they, if residents of this
2 or any other state of the United States, and such foreign corporations as may have
3 been duly licensed to transact business in the state of Wisconsin, may file an original,
4 a copy, or photographs, or cuts with specifications of the same for record ~~in the office~~
5 ~~of the secretary of state~~ with the department, by leaving 2 such originals, copies,
6 photographs, or cuts with specifications, the same being counterparts, facsimiles, or
7 drawings thereof, with ~~said secretary~~ the department and by filing therewith a
8 sworn statement, in such form as may be prescribed by the ~~secretary of state~~
9 department, specifying the name of the person, firm, partnership, corporation,
10 association, or union of workingmen, on whose behalf such mark is to be filed, the
11 class of merchandise and a separate description of the goods to which the same has
12 been or is intended to be appropriated, the residence, location, or place of business
13 of such party, that the party, on whose behalf such mark is to be filed, has the right
14 to the use of the same, and that no other person, or persons, firm, partnership,
15 corporation, association, or union of workingmen has such right either in the
16 identical form or in any such near resemblance thereto as may be calculated to
17 deceive, and that the originals, copies, photographs, or cuts, counterparts,
18 facsimiles, or drawings filed therewith are correct.

19 **SECTION 2607.** 132.01 (3) of the statutes is amended to read:

20 132.01 (3) For an original or renewal registration, or the recording of an
21 assignment, there shall be paid to the ~~secretary of state~~ department the fee of \$15.

22 **SECTION 2608.** 132.01 (5) of the statutes is amended to read:

23 132.01 (5) The ~~secretary of state~~ department may not register any mark which
24 consists of or comprises a replica or simulation of the flag, coat of arms, or insignia
25 of the United States of America, or of any state or municipality or any foreign nation.

1 **SECTION 2609.** 132.01 (6) of the statutes is amended to read:

2 132.01 (6) (a) A registration recorded or renewed under this section or s. 132.04
3 or 132.11 before May 1, 1990, is effective for 20 years. A registration may be renewed
4 on or after May 1, 1990, for 10-year periods upon application to the ~~secretary of state~~
5 department and payment of the same fee required for a registration. Application for
6 renewal shall be made within 6 months before the expiration of the 20-year
7 registration period or 10-year renewal period specified in this paragraph.

8 (b) A registration recorded under this section or s. 132.04 or 132.11 on or after
9 May 1, 1990, is effective for 10 years. A registration may be renewed for 10-year
10 periods upon application to the ~~secretary of state~~ department and payment of the
11 same fee required for a registration. Application for renewal shall be made within
12 6 months before the expiration of the 10-year period specified in this paragraph.

13 **SECTION 2610.** 132.01 (7) (intro.) of the statutes is amended to read:

14 132.01 (7) (intro.) The ~~secretary of state~~ department shall do all of the
15 following:

16 **SECTION 2611.** 132.01 (7) (b) of the statutes is amended to read:

17 132.01 (7) (b) Cancel from his or her register a registration of a mark under this
18 section upon the request of the registrant of the mark. The ~~secretary of state~~
19 department may not charge a fee for canceling a registration under this paragraph.

20 **SECTION 2612.** 132.01 (8) of the statutes is amended to read:

21 132.01 (8) Any person, firm, partnership, corporation, association or union who
22 claims a right to the use of subject matter conflicting with any registration by another
23 may bring action against such other in the circuit court for the county in which such
24 other resides, or in the circuit court for Dane County, and in any such action the right
25 to the use and registration of such subject matter shall be determined as between the

1 parties, and registration shall be granted or withheld or canceled by the secretary
2 of ~~state~~ department in accordance with the final judgment in any such action.
3 Nonuser for a period of at least 2 years continuing to the date of commencement of
4 any action in which abandonment is in issue shall be prima facie evidence of
5 abandonment to the extent of such nonuser.

6 **SECTION 2613.** 132.01 (9) of the statutes is amended to read:

7 132.01 (9) Title to any registration hereunder shall pass to any person, firm or
8 corporation succeeding to the registrant's business to which such registration
9 pertains. Written assignments of any such registration from a registrant to such a
10 successor may be filed with and shall be recorded by the ~~secretary of state~~
11 department upon payment of the fee specified in sub. (3). When such assignment is
12 recorded, a new registration shall be entered in the name of the assignee, and on such
13 registration and any subsequent certificates or registration of an assigned
14 registration the ~~secretary of state~~ department shall show the previous ownership
15 and dates of assignment thereof.

16 **SECTION 2614.** 132.031 of the statutes is amended to read:

17 **132.031 Certificate; evidence.** The ~~secretary of state~~ department shall
18 deliver to the person, corporation, association or union so filing or causing to be filed
19 any such mark, or any assignment of such subject matter previously registered, or
20 to any person, corporation, association or union renewing a registration, as many
21 duly attested certificates of the registration or renewal of the same as may be desired.
22 Any such certificate shall, in all suits and prosecutions arising out of or depending
23 upon any rights claimed under such mark, be prima facie evidence of the adoption
24 thereof and of the facts prerequisite to registrations thereof as required by s. 132.01.

25 **SECTION 2615.** 132.04 (1) of the statutes is amended to read:

1 132.04 (1) Any person who is the owner of cans, tubs, firkins, boxes, bottles,
2 casks, barrels, kegs, cartons, tanks, fountains, vessels or containers with his or her
3 names, brands, designs, trademarks, devices or other marks of ownership stamped,
4 impressed, labeled, blown in or otherwise marked thereon, may file with the
5 ~~secretary of state~~ department and record with the register of deeds of any county in
6 which the person has his or her principal place of business, a written statement or
7 description verified by affidavit of the owner or his or her agent, of the names, brands,
8 designs, trademarks, devices or other marks of ownership used by him or her, and
9 of the articles upon which they are used, or if the principal place of business is outside
10 the state, then a written statement or verified description may be recorded with the
11 register of deeds of any county. The statement shall be published as a class 3 notice,
12 under ch. 985, in the county, and a copy of the publication, proved as provided in s.
13 985.12, shall also be filed with the ~~secretary of state~~ department and recorded with
14 the register of deeds.

15 **SECTION 2616.** 132.04 (2) of the statutes is amended to read:

16 132.04 (2) All such written statements or descriptions and all such certificates
17 of publication so filed or recorded shall be subject at all reasonable hours to public
18 inspection. The ~~secretary of state~~ department and the register of deeds shall deliver
19 to all applicants certified copies of all such written statements or descriptions or
20 names, brands, designs, trademarks, devices, or other marks of ownership and of all
21 certificates of publication filed or recorded with them and such certified copies shall
22 be admissible in evidence in all prosecutions under ss. 132.04 to 132.08, and shall be
23 prima facie evidence that this section has been complied with, and of the title of the
24 owner named therein to the property upon which the name, brand, design,

1 trademark, device, or other marks of ownership of the owner appear as described
2 therein.

3 **SECTION 2617.** 132.04 (3) of the statutes is amended to read:

4 132.04 (3) The ~~secretary of state~~ department shall receive a fee of \$15 and the
5 register of deeds shall receive the fee specified in s. 59.43 (2) (ag) or (e) for each
6 statement and certificate of publication filed or recorded and shall also receive the
7 fee specified in s. 59.43 (2) (b) for each certified copy of such statement and certificate
8 of publication, to be paid for by the person filing, recording or applying for the same.

9 **SECTION 2618.** 132.04 (4) of the statutes is amended to read:

10 132.04 (4) (a) The ~~secretary of state~~ department and register of deeds shall
11 cancel a statement or description under this section upon the request of the person
12 named in the records of the ~~secretary of state~~ department or register of deeds as the
13 owner of marks of ownership described in the statement or description.

14 (b) The ~~secretary of state~~ department and register of deeds may not charge a
15 fee for canceling a statement or description under par. (a).

16 **SECTION 2619.** 132.11 (1) (intro.) of the statutes is amended to read:

17 132.11 (1) (intro.) The ~~secretary of state~~ department shall do all of the
18 following:

19 **SECTION 2620.** 132.11 (1) (c) of the statutes is amended to read:

20 132.11 (1) (c) Cancel the description of a name, brand or trademark recorded
21 under par. (a) upon the request of the person, firm or corporation named in the
22 records of the ~~secretary of state~~ department as the owner of the name, brand or
23 trademark. The ~~secretary of state~~ department may not charge a fee for canceling a
24 description under this paragraph.

25 **SECTION 2621.** 132.16 (1m) of the statutes is amended to read:

1 132.16 (1m) Any organization may register, ~~in the office of the secretary of~~
2 ~~state, with the department~~ a facsimile, duplicate, or description of any of the
3 organization's identifying information and may, by reregistration, alter or cancel the
4 organization's identifying information.

5 **SECTION 2622.** 132.16 (2) of the statutes is amended to read:

6 132.16 (2) Application for registration or reregistration under sub. (1m) shall
7 be made by the organization's chief officer or officers upon forms provided by the
8 ~~secretary of state~~ department. The registration shall be for the use, benefit, and on
9 behalf of the organization and the organization's current and future individual
10 members throughout this state.

11 **SECTION 2623.** 132.16 (3) of the statutes is amended to read:

12 132.16 (3) The ~~secretary of state~~ department shall keep a properly indexed file
13 of all registrations under this section, which shall also show any alterations or
14 cancelations by reregistration.

15 **SECTION 2624.** 132.16 (5) of the statutes is amended to read:

16 132.16 (5) Upon granting registration under this section, the ~~secretary of state~~
17 department shall issue ~~his or her~~ a certificate to the petitioners, setting forth the fact
18 of the registration.

19 **SECTION 2625.** 132.16 (6) of the statutes is amended to read:

20 132.16 (6) The fees of the ~~secretary of state~~ department for registration or
21 reregistration under this section, searches made by the ~~secretary of state~~
22 department, and certificates issued by the ~~secretary of state~~ department under this
23 section, shall be the same as provided by law for similar services. The fees collected
24 under this section shall be paid by the ~~secretary of state~~ department into the state
25 treasury.

1 **SECTION 2626.** 137.01 (1) (a) of the statutes is amended to read:

2 137.01 (1) (a) The governor shall appoint notaries public who shall be United
3 States residents and at least 18 years of age. Applicants who are not attorneys shall
4 file an application with the ~~secretary of state~~ department of financial institutions
5 and pay a \$20 fee.

6 **SECTION 2627.** 137.01 (1) (b) of the statutes is amended to read:

7 137.01 (1) (b) The secretary of state financial institutions shall satisfy himself
8 or herself that the applicant has the equivalent of an 8th grade education, is familiar
9 with the duties and responsibilities of a notary public and, subject to ss. 111.321,
10 111.322 and 111.335, does not have an arrest or conviction record.

11 **SECTION 2628.** 137.01 (1) (d) of the statutes is amended to read:

12 137.01 (1) (d) Qualified applicants shall be notified by the ~~secretary of state~~
13 department of financial institutions to take and file the official oath and execute and
14 file an official bond in the sum of \$500, with a surety executed by a surety company
15 and approved by the secretary of state financial institutions.

16 **SECTION 2629.** 137.01 (1) (e) of the statutes is amended to read:

17 137.01 (1) (e) The qualified applicant shall file his or her signature, post-office
18 address and an impression of his or her official seal, or imprint of his or her official
19 rubber stamp with the ~~secretary of state~~ department of financial institutions.

20 **SECTION 2630.** 137.01 (1) (g) of the statutes is amended to read:

21 137.01 (1) (g) At least 30 days before the expiration of a commission the
22 ~~secretary of state~~ department of financial institutions shall mail notice of the
23 expiration date to the holder of a commission.

24 **SECTION 2631.** 137.01 (2) (a) of the statutes is amended to read:

1 137.01 (2) (a) Except as provided in par. (am), any United States resident who
2 is licensed to practice law in this state is entitled to a permanent commission as a
3 notary public upon application to the ~~secretary of state~~ department of financial
4 institutions and payment of a \$50 fee. The application shall include a certificate of
5 good standing from the supreme court, the signature and post-office address of the
6 applicant and an impression of the applicant's official seal, or imprint of the
7 applicant's official rubber stamp.

8 **SECTION 2632.** 137.01 (2) (am) of the statutes is amended to read:

9 137.01 (2) (am) If a United States resident has his or her license to practice law
10 in this state suspended or revoked, upon reinstatement of his or her license to
11 practice law in this state, the person may be entitled to receive a certificate of
12 appointment as a notary public for a term of 4 years. An eligible notary appointed
13 under this paragraph is entitled to reappointment for 4-year increments. At least
14 30 days before the expiration of a commission under this paragraph the ~~secretary of~~
15 ~~state~~ department of financial institutions shall mail notice of the expiration date to
16 the holder of the commission.

17 **SECTION 2633.** 137.01 (2) (b) of the statutes is amended to read:

18 137.01 (2) (b) The ~~secretary of state~~ financial institutions shall issue a
19 certificate of appointment as a notary public to persons who qualify under the
20 requirements of this subsection. The certificate shall state that the notary
21 commission is permanent or is for 4 years.

22 **SECTION 2634.** 137.01 (2) (c) of the statutes is amended to read:

23 137.01 (2) (c) The supreme court shall file with the ~~secretary of state~~
24 department of financial institutions notice of the surrender, suspension or revocation

1 of the license to practice law of any attorney who holds a permanent commission as
2 a notary public. Such notice shall be deemed a revocation of said commission.

3 **SECTION 2635.** 137.01 (6) (a) of the statutes is amended to read:

4 137.01 (6) (a) The secretary of state financial institutions may certify to the
5 official qualifications of any notary public and to the genuineness of the notary
6 public's signature and seal or rubber stamp.

7 **SECTION 2636.** 137.01 (6m) of the statutes is amended to read:

8 137.01 (6m) CHANGE OF RESIDENCE. A notary public does not vacate his or her
9 office by reason of his or her change of residence within the United States. Written
10 notice of any change of address shall be given to the ~~secretary of state~~ department
11 of financial institutions within 10 days of the change.

12 **SECTION 2637.** 137.01 (7) of the statutes is amended to read:

13 137.01 (7) OFFICIAL RECORDS TO BE FILED. When any notary public ceases to hold
14 office, the notary public, or in case of the notary public's death the notary public's
15 personal representative, shall deposit the notary public's official records and papers
16 ~~in the office of the secretary of state~~ with the department of financial institutions.

17 If the notary or personal representative, after the records and papers come to his or
18 her hands, neglects for 3 months to deposit them, he or she shall forfeit not less than
19 \$50 nor more than \$500. If any person knowingly destroys, defaces, or conceals any
20 records or papers of any notary public, the person shall forfeit not less than \$50 nor
21 more than \$500, and shall be liable for all damages resulting to the party injured.
22 The ~~secretary of state~~ department of financial institutions shall receive and safely
23 keep all such papers and records.

24 **SECTION 2637m.** 138.045 of the statutes is created to read:

1 **138.045 Method of calculating interest.** Interest on any note, bond, or
2 other instrument computed on the declining unpaid principal balance from time to
3 time outstanding may be computed and charged on actual unpaid balances at 1/360
4 of the annual rate for the actual number of days outstanding if the use of this
5 calculation method is disclosed in the note, bond, or other instrument. This section
6 does not apply to pawnbrokers' loans under s. 138.10.

7 **SECTION 2637d.** 138.09 (1a) (a) of the statutes is amended to read:

8 138.09 (1a) (a) Banks, savings banks, savings and loan associations, trust
9 companies, credit unions, or any of their affiliates.

10 **SECTION 2637gc.** 138.14 (1) (bd) of the statutes is created to read:

11 138.14 (1) (bd) "Consumer report" has the meaning given in 15 USC 1681a (d).

12 **SECTION 2637gd.** 138.14 (1) (be) of the statutes is created to read:

13 138.14 (1) (be) "Consumer reporting agency" has the meaning given in 15 USC
14 1681a (f).

15 **SECTION 2637gf.** 138.14 (1) (k) 1. of the statutes is amended to read:

16 138.14 (1) (k) 1. A transaction between an individual with an account at a
17 financial establishment and another person, including a person who is not physically
18 located in this state, in which the person agrees to accept from the individual one or
19 more checks, to hold the check or checks for a period of time before negotiating or
20 presenting the check or checks for payment, and to loan to the individual, for a term
21 of 90 days or less, before negotiating or presenting the check or checks for payment,
22 an amount that is agreed to by the individual.

23 **SECTION 2637gg.** 138.14 (1) (k) 2. of the statutes is amended to read:

24 138.14 (1) (k) 2. A transaction between an individual with an account at a
25 financial establishment and another person, including a person who is not physically

1 located in this state, in which the person agrees to accept the individual's
2 authorization to initiate one or more electronic fund transfers from the account, to
3 wait a period of time before initiating the electronic fund transfer or transfers, and
4 to loan to the individual, for a term of 90 days or less, before initiating the electronic
5 fund transfer or transfers, an amount that is agreed to by the individual.

6 **SECTION 2637gi.** 138.14 (3) of the statutes is amended to read:

7 138.14 (3) EXEMPTIONS. This section does not apply to banks, savings banks,
8 savings and loan associations, trust companies, credit unions, or any of their
9 affiliates.

10 **SECTION 2637gk.** 138.14 (7) (e) 6. of the statutes is amended to read:

11 138.14 (7) (e) 6. The number of payday loans made during the preceding year
12 that resulted in repayment under sub. (11g) (a).

13 **SECTION 2637gm.** 138.14 (9g) (a) 6. of the statutes is amended to read:

14 138.14 (9g) (a) 6. Disclose to the applicant the payment requirements that may
15 apply under sub. (11g) (a) if the loan is not paid in full at the end of the loan term.

16 **SECTION 2637go.** 138.14 (9m) of the statutes is created to read:

17 138.14 (9m) INCOME VERIFICATION. Before entering into a payday loan with an
18 applicant that has not previously been a customer of the licensee, the licensee may
19 request the applicant's consumer report from a consumer reporting agency as part
20 of the licensee's underwriting process and the licensee may rely on the consumer
21 report as a permissible method of income verification in making the payday loan.
22 The licensee may also rely on the same consumer report in underwriting and making
23 subsequent payday loans to the same customer.

24 **SECTION 2637gq.** 138.14 (9r) (c) 4. of the statutes is amended to read: