

2013 DRAFTING REQUEST

Senate Amendment (SA-AB40)

Received: **6/19/2013** Received By: **chanaman**
Wanted: **Soon** Same as LRB:
For: **Chris Larson (608) 266-7505** By/Representing: **Sarah Barry**
May Contact: Drafter: **chanaman**
Subject: **State Govt - miscellaneous** Addl. Drafters:
Extra Copies:

Submit via email: **YES**
Requester's email: **Sen.Larson@legis.wisconsin.gov**
Carbon copy (CC) to: **vicki.holten@legis.wisconsin.gov**
jbauer@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Jobs package

Instructions:

Compile b0642, b0645, b0731, b0639, b0720, b0721, b0716, b0622, b0715, b0644

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	chanaman 6/20/2013	csicilia 6/20/2013	phenry 6/20/2013	_____	sbasford 6/20/2013	sbasford 6/20/2013	

FE Sent For:

<END>

2013 DRAFTING REQUEST

Senate Amendment (SA-AB40)

Received: 6/19/2013 Received By: chanaman
Wanted: Soon Same as LRB:
For: Chris Larson (608) 266-7505 By/Representing: Sarah Barry
May Contact: Drafter: chanaman
Subject: State Govt - miscellaneous Addl. Drafters:
Extra Copies:

Submit via email: YES
Requester's email: Sen.Larson@legis.wisconsin.gov
Carbon copy (CC) to: vicki.holten@legis.wisconsin.gov
jbauer@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Jobs package

Instructions:

✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓ ✓
Compile b0642, b0645, b0731, b0639, b0720, b0721, b0716, b0622, b0715, b0644

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
--------------	----------------	-----------------	--------------	----------------	------------------	-----------------	-----------------

/1 chanaman

lcs 6/20/13
Go ph p/ham

FE Sent For:

<END>



all
All

SENATE AMENDMENT,
TO ASSEMBLY BILL 40

Comm
for
question

SA

as shown by
assembly
substitute
amendment 1

1 At the locations indicated, amend the bill as follows:

2 1. Page 25, line 9: delete lines 9 to 22.

3 2. Page 26, line 24: delete the material beginning with that line and ending
4 with page 27, line 6.

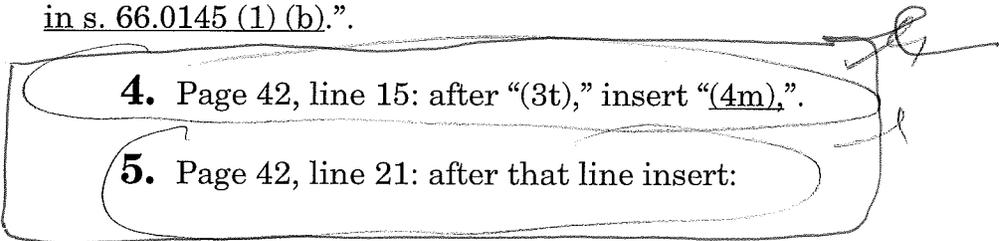
5 3. Page 41, line 13: after that line insert:

6 "SECTION 90b. 16.72 (2) (c) of the statutes is amended to read:

7 16.72 (2) (c) To the extent possible, the department shall write specifications
8 so as to permit the purchase of materials manufactured in the United States, as
9 defined in s. 16.754 (1) (b), or the purchase of local products or services, as defined
10 in s. 66.0145 (1) (b)."

11 4. Page 42, line 15: after "(3t)," insert "(4m)."

12 5. Page 42, line 21: after that line insert:



1 “SECTION 99m. 16.75 (1) (a) 2. of the statutes is repealed.”

2 **6.** Page 45, line 20: after that line insert:

3 “SECTION 115c. 16.75 (4m) of the statutes is created to read:

4 16.75 (4m) (a) In this subsection, “Wisconsin business” means a business that
5 has at least 50 percent of its operations in Wisconsin or that plans to have at least
6 50 percent of its operations in Wisconsin by the end of the year following the
7 solicitation of the bid or proposal.

8 (b) 1. The department, any other designated purchasing agent under s. 16.71
9 (1), and any agency making purchases under s. 16.74 shall attempt to maximize the
10 amount paid under this subchapter in each fiscal year to Wisconsin businesses.

11 2. Except as provided under sub. (7), the department, any other designated
12 purchasing agent under s. 16.71 (1), and any agency making purchases under s.
13 16.74 may purchase materials, supplies, equipment, and contractual services from
14 any Wisconsin business submitting a qualified responsible competitive bid that is no
15 more than 5 percent higher than the apparent low bid or submitting a competitive
16 proposal that is no more than 5 percent higher than the most advantageous
17 proposal.”

18 **7.** Page 46, line 17: after that line insert:

19 “SECTION 122bb. 16.754 (title) of the statutes is amended to read:

20 **16.754 (title) Preference for local products and services and**
21 **American-made materials.**

22 SECTION 122bd. 16.754 (1) (a) of the statutes is renumbered 16.754 (1) (ar).

23 SECTION 122bf. 16.754 (1) (am) of the statutes is created to read:

1 16.754 (1) (am) "Local product or service" has the meaning given in s. 66.0145
2 (1) (b).

3 **SECTION 122bh.** 16.754 (2) (title) of the statutes is amended to read:

4 16.754 (2) (title) PURCHASE PREFERENCE PREFERENCES.

5 **SECTION 122bj.** 16.754 (2) of the statutes is renumbered 16.754 (2) (b).

6 **SECTION 122bL.** 16.754 (2) (a) of the statutes is created to read:

7 16.754 (2) (a) The department, any other designated purchasing agent under
8 s. 16.71 (1), and any agency making purchases under s. 16.74 shall attempt to ensure
9 that at least 20 percent of the total amount expended under this subchapter in each
10 fiscal year is for local products or services and it shall be a further goal that the
11 percentage of the total amount expended in any fiscal year for local products or
12 services will not be lower than the percentage of the total amount expended in the
13 previous fiscal year for local products or services.

14 **SECTION 122bn.** 16.754 (2m) of the statutes is created to read:

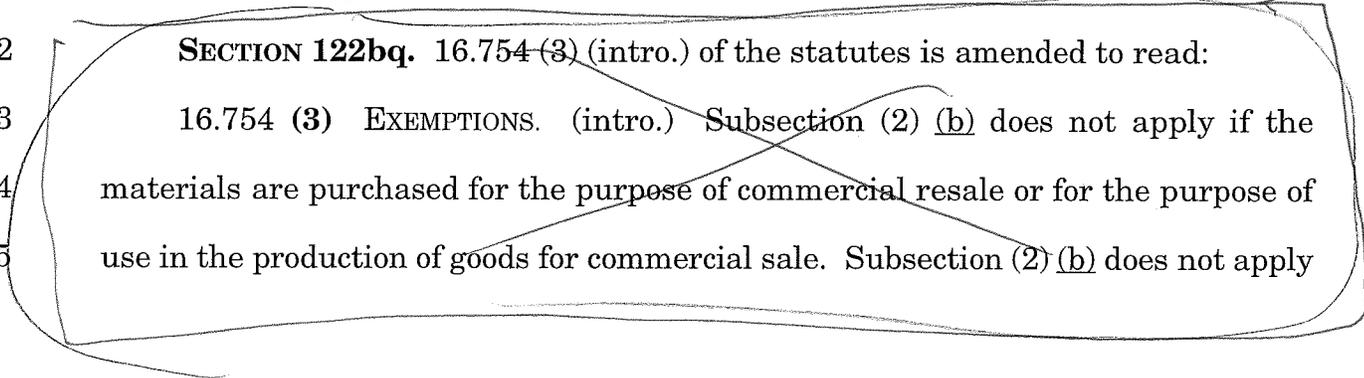
15 16.754 (2m) DATA. For purposes of measuring compliance with sub. (2) (a), the
16 department shall collect from a person who responds to a proposal or submits a bid
17 for a contract information regarding the person's principal place of business. The
18 department shall make available to the public on its Internet site the data it collects
19 under this subsection as well as an annual evaluation of how well the department,
20 its designated purchasing agents, and any agency making purchases under s. 16.74
21 are meeting the goal under sub. (2) (a).

22 **SECTION 122bq.** 16.754 (3) (intro.) of the statutes is amended to read:

23 16.754 (3) EXEMPTIONS. (intro.) Subsection (2) (b) does not apply if the
24 materials are purchased for the purpose of commercial resale or for the purpose of
25 use in the production of goods for commercial sale. Subsection (2) (b) does not apply

material from pp. 4-5

material from page 5



de

1 to the purchase of stationery and printing materials. Subsection (2) (b) does not
 2 apply if the department determines, under s. 16.75 (1) (a) 2., that the foreign nation
 3 or subdivision thereof in which the vendor is domiciled does not give preference to
 4 vendors domiciled in that nation or subdivision in making governmental purchases.
 5 Subsection (2) (b) does not apply if the department or other person having
 6 contracting authority in respect to the purchase determines that:”

7 **8.** Page 46, line 17: after that line insert:

8 **SECTION 120c.** 16.754 (2) of the statutes is amended to read:

9 16.754 (2) **PURCHASE PREFERENCE.** Notwithstanding s. 16.75 (1) (a) 2., (2), (2m),
 10 and (6), when all other factors are substantially equal (the state shall purchase
 11 materials which are manufactured to the greatest extent in the United States.

12 **SECTION 121c.** 16.754 (3) (intro.) of the statutes is amended to read:

13 16.754 (3) **EXEMPTIONS.** (intro.) Subsection (2) does not apply if the materials
 14 are purchased for the purpose of commercial resale or for the purpose of use in the
 15 production of goods for commercial sale. Subsection (2) does not apply to the
 16 purchase of stationery and printing materials. Subsection (2) does not apply if the
 17 department determines, under s. 16.75 (1) (a) 2., that the foreign nation or
 18 subdivision thereof in which the vendor is domiciled does not give preference to
 19 vendors domiciled in that nation or subdivision in making governmental purchases.
 20 Subsection (2) does not apply if the department or other person having contracting
 21 authority in respect to the purchase determines that:”

22 **9.** Page 46, line 17: after that line insert:

23 **SECTION 120d.** 16.754 (2) of the statutes is renumbered 16.754 (2) (a) and
 24 amended to read:

move to page 38
move to page 38

renumbered 16.754 (2) (a) and

(b) making purchases

b

bj

move to page 3 line 5

1 16.754 (2) (a) Notwithstanding s. 16.75 (1) (a) 2., (2), (2m) and (6), when all
2 other factors are substantially equal making purchases, the state shall purchase
3 materials which are manufactured to the greatest extent in the United States.

move to page 3, line 13

4 ~~SECTION 120e.~~ 16.754 (2) (b) of the statutes is created to read:
5 16.754 (2) (b) Any contract entered into by the state for the construction, repair,
6 bm or modification of a public works or public improvement project must contain a
7 provision that the contractor will use materials that are manufactured in the United
8 States in the performance of the contract.

9 **SECTION 120f.** 16.754 (3) (intro.) and (a) of the statutes are amended to read:
10 16.754 (3) EXEMPTIONS. (intro.) Subsection (2) (a) does not apply if the
11 materials are purchased for the purpose of commercial resale or for the purpose of
12 use in the production of goods for commercial sale. Subsection (2) does not apply to
13 the purchase of stationery and printing materials. ~~Subsection (2) does not apply if~~
14 ~~the department determines, under s. 16.75 (1) (a) 2., that the foreign nation or~~
15 ~~subdivision thereof in which the vendor is domiciled does not give preference to~~
16 ~~vendors domiciled in that nation or subdivision in making governmental purchases.~~
17 Subsection (2) does not apply if the department or other person having contracting
18 authority in respect to the purchase determines that any of the following:

19 (a) The materials are not manufactured in the United States in sufficient or
20 reasonably available quantities; ~~or.~~”

21 **10.** Page 113, line 2: increase the dollar amount for fiscal year 2013-14 by
22 \$211,200 and increase the dollar amount for fiscal year 2014-15 by \$211,200 for the
23 purpose of funding financial assistance for paratuberculosis testing.

1 **11.** Page 114, line 13: increase the dollar amount for fiscal year 2013–14 by
2 \$250,000 and increase the dollar amount for fiscal year 2014–15 by \$250,000 for the
3 purpose of funding farm to school grants.

4 **12.** Page 114, line 15: increase the dollar amount for fiscal year 2013–14 by
5 \$321,000 and increase the dollar amount for fiscal year 2014–15 by \$321,000 for the
6 purpose of providing funding for agricultural research and development grants.

7 **13.** Page 115, line 6: after that line insert:

8 “(s) Grazing lands conservation SEG A 375,500 375,500”.

9 **14.** Page 145, line 11: after that line insert:

10 “(aj) Workforce growth program GPR A 10,000,000 –0–”.

11 **15.** Page 206, line 6: increase the dollar amount for fiscal year 2013–14 by
12 \$786,600 and increase the dollar amount for fiscal year 2014–15 by \$1,205,500 to
13 increase the authorized FTE positions for the Wisconsin Employment Relations
14 Commission by 11.49 GPR positions.

15 **16.** Page 206, line 8: increase the dollar amount for fiscal year 2013–14 by
16 \$245,600 and increase the dollar amount for fiscal year 2014–15 by \$327,400 to
17 increase the authorized FTE positions for the Wisconsin Employment Relations
18 Commission by 5.0 PR positions.

19 **17.** Page 229, line 3: increase the dollar amount for fiscal year 2013–14 by
20 \$250,000 and increase the dollar amount for fiscal year 2014–15 by \$250,000 for the
21 purposes for which the appropriation is made.

1 **18.** Page 292, line 14: decrease the dollar amount for fiscal year 2013–14 by
2 \$18,835,800 and decrease the dollar amount for fiscal year 2014–15 by \$18,835,800
3 for the purposes for which the appropriation is made.

4 **19.** Page 312, line 5: delete that line.

5 **20.** Page 326, line 9: after that line insert:

6 “**SECTION 252m.** 20.292 (1) (aj) of the statutes is created to read:

7 20.292 (1) (aj) *Workforce growth program.* The amounts in the schedule for
8 grants to technical college districts under s. 38.39.”

9 **21.** Page 458, line 2: before “118.15” insert “38.39”.

10 **22.** Page 463, line 21: after that line insert:

11 “**SECTION 657m.** 38.39 of the statutes is created to read:

12 **38.39 Workforce growth program.** (1) A district board may obtain grants
13 under sub. (2) for the purpose of partnering with a business, consortium of
14 businesses, local workforce development board established under 29 USC 2832, or
15 economic development organization, that is located or provides service in the district,
16 in a project to help meet local needs for supporting sectors of the economy with a
17 documented skills gap or high workforce shortage, which could include
18 manufacturing, energy, information technology, skilled trades, and health care. A
19 project may provide for activities that address development of individuals prior to
20 entering the workforce and workforce training, which could include one or more of
21 the following:

22 (a) Job training scholarships based on local labor market needs.

23 (b) Building or infrastructure construction.

24 (c) Equipment and material purchases.

1 (d) Faculty hiring.

2 (e) Development in partnership with industry of curricula, based on industry
3 standards, that lead to certificates or degrees.

4 (f) Student career support services, including job placement and business
5 recruitment.

6 (2) From the appropriation under s. 20.292 (1) (aj), the board shall award
7 grants to district boards that apply to the board to fund the costs of projects under
8 sub. (1). The board shall consider the speed by which the activities specified in
9 applications could meet training and employment needs and give a preference in
10 awarding the grants to projects that seek to eliminate waiting lists for courses
11 pertaining to jobs with high employment demand.”.

12 ✓ **23.** Page 564, line 15: after that line insert:

13 “SECTION 987r. 49.155 (1g) (ac) of the statutes is amended to read:

14 49.155 (1g) (ac) A child care scholarship and bonus program, in the amount of
15 at least \$3,975,000 per fiscal year, plus \$6,935,800 in each of fiscal years 2013–14 and
16 2014–15 for that program and a program to reward child care workers who have
17 received advanced training.”.

18 ✓ **24.** Page 567, line 21: delete lines 21 to 25 and substitute:

19 “SECTION 1001c. 49.155 (6) (e) 3. (intro.) of the statutes is amended to read:

20 49.155 (6) (e) 3. (intro.) Beginning on July 1, 2012 the effective date of this
21 subdivision [LRB inserts date], the department may shall modify a child care
22 provider’s ~~reimbursement~~ payment rate under subd. 2. on the basis of the provider’s
23 quality rating, as described in the quality rating plan, in the following manner:”.

24 ✓ **25.** Page 568, line 4: delete lines 4 to 24 and substitute:

1 “SECTION 1003c. 49.155 (6) (e) 3. b. of the statutes is amended to read:

2 49.155 (6) (e) 3. b. For a child care provider who receives a 2–star rating, the
3 department ~~may reduce~~ shall pay the maximum reimbursement payment rate by up
4 to ~~5~~ percent.

5 SECTION 1004c. 49.155 (6) (e) 3. c. of the statutes is amended to read:

6 49.155 (6) (e) 3. c. For a child care provider who receives a 3–star rating, the
7 department ~~may pay up to~~ shall increase the maximum reimbursement payment
8 rate by 5 percent.

9 SECTION 1005c. 49.155 (6) (e) 3. d. of the statutes is amended to read:

10 49.155 (6) (e) 3. d. For a child care provider who receives a 4–star rating, the
11 department ~~may~~ shall increase the maximum reimbursement payment rate by up
12 to ~~5~~ 10 percent.

13 SECTION 1007c. 49.155 (6) (e) 3. e. of the statutes is amended to read:

14 49.155 (6) (e) 3. e. For a child care provider who receives a 5–star rating, ~~the~~
15 department ~~may increase the maximum reimbursement rate by up to 10 percent,~~
16 ~~except that beginning on January 1, 2013, the department may~~ shall increase the
17 maximum reimbursement payment rate ~~for such a child care provider by up to 25~~
18 percent.”.

✓ 19 **26.** Page 576, line 8: increase the underscored dollar amount by \$10,700,000.

✓ 20 **27.** Page 576, line 9: increase the underscored dollar amount by \$10,700,000.

✓ 21 **28.** Page 576, line 19: after “2012–13” insert “, including an increase of
22 \$1,200,000 in each of fiscal years 2013–14 and 2014–15 for mini–grants under child
23 care quality rating system contracts”.

✓ 24 **29.** Page 576, line 19: increase the underscored dollar amount by \$8,135,800.

1 **30.** Page 578, line 14: delete lines 14 to 18.

2 **31.** Page 665, line 15: after that line insert:

3 “**SECTION 1265v.** 66.0145 of the statutes is created to read:

4 **66.0145 Purchases of Wisconsin goods and services. (1) DEFINITIONS.** In
5 this section:

6 (a) “Local governmental unit” has the meaning given in s. 66.0135 (1) (c).

7 (b) “Local product or service” means a product or service that is purchased from
8 a person whose principal place of business is located in this state.

9 **(2) PURCHASING GOALS.** (a) It shall be a goal of a local governmental unit that,
10 annually, at least 20 percent of the aggregate value of purchases of products and
11 services by that local governmental unit shall be local products or services, and it
12 shall be a further goal of the local governmental unit that the percentage of the
13 aggregate value of routine purchases of products and services in any year that are
14 local products and services will not be lower than the aggregate value of such routine
15 purchases in the previous year.

16 (b) A local governmental unit shall evaluate its performance in reaching the
17 goals specified in par. (a) and shall annually make this evaluation available to the
18 public, except that these requirements do not apply to any local governmental unit
19 whose governing body enacts an ordinance, adopts a resolution, or takes other official
20 action stating that it chooses not to conduct an evaluation of its performance in
21 reaching the goals.”.

22 **32.** Page 684, line 3: after that line insert:

23 “**SECTION 1277k.** 66.0901 (1m) (b) of the statutes is amended to read:

1 66.0901 (1m) (b) Except when necessary to secure federal aid and except as
2 provided in sub. (10), a political subdivision may not use a bidding method that gives
3 preference based on the geographic location of the bidder or that uses criteria other
4 than the lowest responsible bidder in awarding a contract.

5 **SECTION 1277L.** 66.0901 (10) of the statutes is created to read:

6 66.0901 (10) MATERIALS MANUFACTURED IN THE UNITED STATES. Any public
7 contract entered into by a municipality must contain a provision that the contractor
8 will use materials that are manufactured in the United States in the performance
9 of the contract.”.

10 **33.** Page 703, line 9: after “(5k),” insert “(5p),”.

11 **34.** Page 707, line 5: after “(5k),” insert “(5p),”.

12 **35.** Page 739, line 14: after that line insert:

13 **SECTION 1345kb.** 71.07 (5p) of the statutes is created to read:

14 71.07 (5p) STEVE HILGENBERG COMMUNITY DEVELOPMENT CREDIT. (a) *Definition.*

15 In this subsection, “claimant” means a person who files a claim under this subsection.

16 (b) *Filing claims.* Subject to the limitations provided under this subsection and
17 the requirements under s. 238.17, for taxable years beginning after December 31,
18 2012, and before January 1, 2015, except as provided under s. 238.17 (5) (cm), a
19 claimant may claim as a credit against the tax imposed under s. 71.02, up to the
20 amount of the tax, for the taxable year in which the investment is made, an amount
21 equal to 10 percent of the claimant’s qualified investment in a community
22 development financial institution, if the investment is at least \$10,000, but not more
23 than \$150,000, or 12 percent of the claimant’s qualified investment in a community

1 development financial institution, if the investment is more than \$150,000, but not
2 more than \$500,000.

3 (c) *Limitations.* 1. Partnerships, limited liability companies, and tax-option
4 corporations may not claim the credit under this subsection, but the eligibility for,
5 and the amount of, the credit are based on their payment of amounts under par. (b).
6 A partnership, limited liability company, or tax-option corporation shall compute
7 the amount of credit that each of its partners, members, or shareholders may claim
8 and shall provide that information to each of them. Partners, members of limited
9 liability companies, and shareholders of tax-option corporations may claim the
10 credit in proportion to their ownership interests.

11 2. A person who makes an investment in a community development financial
12 institution in a taxable year, withdraws the investment in that taxable year, and
13 immediately reinvests the proceeds into another community development financial
14 institution may claim only one credit under this subsection for that taxable year,
15 based on the lesser of all such investments in that taxable year. Investments in a
16 community development financial institution made before the effective date of this
17 subdivision [LRB inserts date], may not be withdrawn prior to the end of their
18 contractual term and reinvested in a community development financial institution
19 in order to claim a credit under this subsection.

20 3. A claimant who withdraws a qualified investment from a community
21 development financial institution prior to the date of withdrawal specified in the
22 written notice provided to the claimant under s. 238.17 (5) (b) and who does not
23 immediately reinvest the proceeds of the qualified investment as a qualified
24 investment in another community development financial institution shall add to the

1 claimant's liability for taxes imposed under s. 71.02 one of the following percentages
2 of the amount of the credits received under this subsection:

3 a. If the withdrawal occurs during the first year after the date on which the
4 claimant made the qualified investment, 100 percent.

5 b. If the withdrawal occurs during the 2nd year after the date on which the
6 claimant made the qualified investment, 75 percent.

7 c. If the withdrawal occurs during the 3rd year after the date on which the
8 claimant made the qualified investment, 50 percent.

9 d. If the withdrawal occurs during the 4th year after the date on which the
10 claimant made the qualified investment, 25 percent.

11 e. If the withdrawal occurs during the 5th year after the date on which the
12 claimant made the qualified investment, 10 percent.

13 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under
14 s. 71.28 (4), applies to the credit under this subsection.”.

15 **36.** Page 744, line 19: after that line insert:

16 “SECTION 1348fb. 71.10 (4) (cs) of the statutes is created to read:

17 71.10 (4) (cs) Steve Hilgenberg community development credit under s. 71.07
18 (5p).”.

19 **37.** Page 746, line 14: after “(5k),” insert “(5p).”.

20 **38.** Page 761, line 25: after that line insert:

21 “SECTION 1373b. 71.26 (2) (a) 4. of the statutes is amended to read:

22 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),
23 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r),
24 (3rm), (3rn), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5p), (5r), (5rm), (6n), (8r),

1 and (9s) and not passed through by a partnership, limited liability company, or
2 tax-option corporation that has added that amount to the partnership's, limited
3 liability company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k)
4 (g).”.

5 **39.** Page 796, line 16: after that line insert:

6 “**SECTION 1396hb.** 71.28 (5p) of the statutes is created to read:

7 71.28 (5p) STEVE HILGENBERG COMMUNITY DEVELOPMENT CREDIT. (a) *Definition.*

8 In this subsection, “claimant” means a person who files a claim under this subsection.

9 (b) *Filing claims.* Subject to the limitations provided under this subsection and
10 the requirements under s. 238.17, for taxable years beginning after December 31,
11 2012, and before January 1, 2015, except as provided under s. 238.17 (5) (cm), a
12 claimant may claim as a credit against the tax imposed under s. 71.23, up to the
13 amount of the tax, for the taxable year in which the investment is made, an amount
14 equal to 10 percent of the claimant's qualified investment in a community
15 development financial institution, if the investment is at least \$10,000, but not more
16 than \$150,000, or 12 percent of the claimant's qualified investment in a community
17 development financial institution, if the investment is more than \$150,000, but not
18 more than \$500,000.

19 (c) *Limitations.* 1. Partnerships, limited liability companies, and tax-option
20 corporations may not claim the credit under this subsection, but the eligibility for,
21 and the amount of, the credit are based on their payment of amounts under par. (b).
22 A partnership, limited liability company, or tax-option corporation shall compute
23 the amount of credit that each of its partners, members, or shareholders may claim
24 and shall provide that information to each of them. Partners, members of limited

1 liability companies, and shareholders of tax-option corporations may claim the
2 credit in proportion to their ownership interests.

3 2. A person who makes an investment in a community development financial
4 institution in a taxable year, withdraws the investment in that taxable year, and
5 immediately reinvests the proceeds into another community development financial
6 institution may claim only one credit under this subsection for that taxable year,
7 based on the lesser of all such investments in that taxable year. Investments in a
8 community development financial institution made before the effective date of this
9 subdivision ... [LRB inserts date], may not be withdrawn prior to the end of their
10 contractual term and reinvested in a community development financial institution
11 in order to claim a credit under this subsection.

12 3. A claimant who withdraws a qualified investment from a community
13 development financial institution prior to the date of withdrawal specified in the
14 written notice provided to the claimant under s. 238.17 (5) (b) and who does not
15 immediately reinvest the proceeds of the qualified investment as a qualified
16 investment in another community development financial institution shall add to the
17 claimant's liability for taxes imposed under s. 71.23 one of the following percentages
18 of the amount of the credits received under this subsection:

19 a. If the withdrawal occurs during the first year after the date on which the
20 claimant made the qualified investment, 100 percent.

21 b. If the withdrawal occurs during the 2nd year after the date on which the
22 claimant made the qualified investment, 75 percent.

23 c. If the withdrawal occurs during the 3rd year after the date on which the
24 claimant made the qualified investment, 50 percent.

1 d. If the withdrawal occurs during the 4th year after the date on which the
2 claimant made the qualified investment, 25 percent.

3 e. If the withdrawal occurs during the 5th year after the date on which the
4 claimant made the qualified investment, 10 percent.

5 (d) *Administration*. Subsection (4) (e) to (h), as it applies to the credit under
6 sub. (4), applies to the credit under this subsection.”.

7 ✓ **40.** Page 798, line 24: after that line insert:

8 “**SECTION 1398Lb.** 71.30 (3) (dr) of the statutes is created to read:

9 71.30 (3) (dr) Steve Hilgenberg community development credit under s. 71.28
10 (5p).”.

11 ✓ **41.** Page 806, line 20: after “(5k),” insert “(5p).”.

12 ✓ **42.** Page 816, line 12: after that line insert:

13 “**SECTION 1419db.** 71.45 (2) (a) 10. of the statutes is amended to read:

14 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
15 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),
16 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5p), (5r), (5rm), (6n), (8r), and (9s) and not
17 passed through by a partnership, limited liability company, or tax-option
18 corporation that has added that amount to the partnership’s, limited liability
19 company’s, or tax-option corporation’s income under s. 71.21 (4) or 71.34 (1k) (g) and
20 the amount of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).”.

21 ✓ **43.** Page 832, line 8: after that line insert:

22 “**SECTION 1432eb.** 71.47 (5p) of the statutes is created to read:

23 71.47 (5p) **STEVE HILGENBERG COMMUNITY DEVELOPMENT CREDIT.** (a) *Definition.*

24 In this subsection, “claimant” means a person who files a claim under this subsection.

1 (b) *Filing claims.* Subject to the limitations provided under this subsection and
2 the requirements under s. 238.17, for taxable years beginning after December 31,
3 2012, and before January 1, 2015, except as provided under s. 238.17 (5) (cm), a
4 claimant may claim as a credit against the tax imposed under s. 71.43, up to the
5 amount of the tax, for the taxable year in which the investment is made, an amount
6 equal to 10 percent of the claimant's qualified investment in a community
7 development financial institution, if the investment is at least \$10,000, but not more
8 than \$150,000, or 12 percent of the claimant's qualified investment in a community
9 development financial institution, if the investment is more than \$150,000, but not
10 more than \$500,000.

11 (c) *Limitations.* 1. Partnerships, limited liability companies, and tax-option
12 corporations may not claim the credit under this subsection, but the eligibility for,
13 and the amount of, the credit are based on their payment of amounts under par. (b).
14 A partnership, limited liability company, or tax-option corporation shall compute
15 the amount of credit that each of its partners, members, or shareholders may claim
16 and shall provide that information to each of them. Partners, members of limited
17 liability companies, and shareholders of tax-option corporations may claim the
18 credit in proportion to their ownership interests.

19 2. A person who makes an investment in a community development financial
20 institution in a taxable year, withdraws the investment in that taxable year, and
21 immediately reinvests the proceeds into another community development financial
22 institution may claim only one credit under this subsection for that taxable year,
23 based on the lesser of all such investments in that taxable year. Investments in a
24 community development financial institution made before the effective date of this
25 subdivision [LRB inserts date], may not be withdrawn prior to the end of their

1 contractual term and reinvested in a community development financial institution
2 in order to claim a credit under this subsection.

3 3. A claimant who withdraws a qualified investment from a community
4 development financial institution prior to the date of withdrawal specified in the
5 written notice provided to the claimant under s. 238.17 (5) (b) and who does not
6 immediately reinvest the proceeds of the qualified investment as a qualified
7 investment in another community development financial institution shall add to the
8 claimant's liability for taxes imposed under s. 71.43 one of the following percentages
9 of the amount of the credits received under this subsection:

10 a. If the withdrawal occurs during the first year after the date on which the
11 claimant made the qualified investment, 100 percent.

12 b. If the withdrawal occurs during the 2nd year after the date on which the
13 claimant made the qualified investment, 75 percent.

14 c. If the withdrawal occurs during the 3rd year after the date on which the
15 claimant made the qualified investment, 50 percent.

16 d. If the withdrawal occurs during the 4th year after the date on which the
17 claimant made the qualified investment, 25 percent.

18 e. If the withdrawal occurs during the 5th year after the date on which the
19 claimant made the qualified investment, 10 percent.

20 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under
21 s. 71.28 (4), applies to the credit under this subsection.”.

22 ✓ **44.** Page 834, line 17: after that line insert:

23 “SECTION 1434Lb. 71.49 (1) (dr) of the statutes is created to read:

1 71.49 (1) (dr) Steve Hilgenberg community development credit under s. 71.47
2 (5p).”.

3 **45.** Page 850, line 7: after that line insert:

4 “**SECTION 1467hb.** 76.634 of the statutes is created to read:

5 **76.634 Steve Hilgenberg community development credit. (1) FILING**
6 **CLAIMS.** Subject to the limitations provided under this subsection and the
7 requirements under s. 238.17, for taxable years beginning after December 31, 2012,
8 and before January 1, 2015, except as provided under s. 238.17 (5) (cm), an insurer
9 may claim as a credit against the fees due under s. 76.60, 76.63, 76.65, 76.66, or 76.67
10 for the taxable year in which the investment is made, an amount equal to 10 percent
11 of the insurer’s qualified investment in a community development financial
12 institution, if the investment is at least \$10,000, but not more than \$150,000, or 12
13 percent of the insurer’s qualified investment in a community development financial
14 institution, if the investment is more than \$150,000, but not more than \$500,000.

15 **(2) CARRY-FORWARD.** If the credit under sub. (1) is not entirely offset against the
16 fees under s. 76.60, 76.63, 76.65, 76.66, or 76.67 otherwise due, the unused balance
17 may be carried forward and credited against those fees for the following 15 years to
18 the extent that it is not offset by those fees otherwise due in all the years between
19 the year in which the expense was made and the year in which the carry-forward
20 credit is claimed.

21 **(3) LIMITATIONS.** (a) No credit may be allowed under this section unless the
22 insurer includes with the insurer’s annual return under s. 76.64 a copy of the
23 insurer’s certification for tax benefits under s. 238.17 (5) (b).

1 (b) An insurer who makes an investment in a community development
2 financial institution in a taxable year, withdraws the investment in that taxable
3 year, and immediately reinvests the proceeds into another community development
4 financial institution may claim only one credit under this section for that taxable
5 year, based on the lesser of all such investments in that taxable year. Investments
6 in a community development financial institution made before the effective date of
7 this paragraph [LRB inserts date], may not be withdrawn prior to the end of their
8 contractual term and reinvested in a community development financial institution
9 in order to claim a credit under this section.

10 (4) REPAYMENT. An insurer who claims a credit under this section and who
11 withdraws a qualified investment from a community development financial
12 institution prior to the date of withdrawal specified in the written notice provided to
13 the insurer under s. 238.17 (5) (b) and does not immediately reinvest the proceeds
14 of the qualified investment as a qualified investment in another community
15 development financial institution shall add to the insurer's liability for fees imposed
16 under s. 76.60, 76.63, 76.65, 76.66, or 76.67 one of the following percentages of the
17 amount of the credits received under this subsection:

18 (a) If the withdrawal occurs during the first year after the date on which the
19 insurer made the qualified investment, 100 percent.

20 (b) If the withdrawal occurs during the 2nd year after the date on which the
21 insurer made the qualified investment, 75 percent.

22 (c) If the withdrawal occurs during the 3rd year after the date on which the
23 insurer made the qualified investment, 50 percent.

24 (d) If the withdrawal occurs during the 4th year after the date on which the
25 insurer made the qualified investment, 25 percent.

1 (e) If the withdrawal occurs during the 5th year after the date on which the
2 insurer made the qualified investment, 10 percent.”.

3 / **46.** Page 852, line 25: after that line insert:

4 “**SECTION 1473fb.** 76.67 (2) of the statutes is amended to read:

5 76.67 (2) If any domestic insurer is licensed to transact insurance business in
6 another state, this state may not require similar insurers domiciled in that other
7 state to pay taxes greater in the aggregate than the aggregate amount of taxes that
8 a domestic insurer is required to pay to that other state for the same year less the
9 credits under ss. 76.634, 76.635, 76.636, 76.637, 76.638, and 76.655, except that the
10 amount imposed shall not be less than the total of the amounts due under ss. 76.65
11 (2) and 601.93 and, if the insurer is subject to s. 76.60, 0.375% of its gross premiums,
12 as calculated under s. 76.62, less offsets allowed under s. 646.51 (7) or under ss.
13 76.634, 76.635, 76.636, 76.637, 76.638, and 76.655 against that total, and except that
14 the amount imposed shall not be less than the amount due under s. 601.93.”.

15 / **47.** Page 910, line 8: delete that line.

16 / **48.** Page 1084, line 6: delete that line.

17 / **49.** Page 1084, line 21: delete lines 21 to 24.

18 / **50.** Page 1110, line 24: after that line insert:

19 “**SECTION 2068d.** 238.17 of the statutes is created to read:

20 **238.17 Certification of investments in community development**
21 **financial institutions.** (1) **DEFINITIONS.** In this section:

22 (a) “Community development financial institution” means an entity that
23 satisfies all of the following:

1 1. The entity is certified by the fund under 12 CFR 1805.201 as meeting the
2 eligibility requirements for a community development financial institution under 12
3 CFR 1805.200 and 1805.201 (b).

4 2. The entity is organized under the laws of this state.

5 3. The entity uses qualified investments for which a person may be certified for
6 tax credits under sub. (2) (a) for projects that are based in this state.

7 (b) “Fund” means the Community Development Financial Institutions Fund
8 established under 12 USC 4703 (a).

9 (c) 1. Subject to subd. 2., “qualified investment” means a deposit or loan that
10 pays no interest to the person who made the deposit or loan, if the deposit or loan has
11 a value of at least \$10,000 and is made for a period of at least 60 months.

12 2. A community development financial institution that receives an investment
13 described under subd. 1. shall have complete control over the entire investment
14 amount, including any interest earned on the investment, for the duration of the
15 investment period, but the investment may be subject to any additional terms and
16 conditions of the investment agreement between the community development
17 financial institution and the investor which are not inconsistent with the
18 requirements of this section.

19 **(2) CERTIFICATION; REGISTRATION AND REPORTING REQUIRED.** (a) Subject to the
20 limits under sub. (4), the corporation may certify a person under this section to claim
21 tax credits under s. 71.07 (5p), 71.28 (5p), 71.47 (5p), or 76.634 if the person applies
22 to the corporation on a form prepared by the corporation and submits evidence
23 satisfactory to the corporation that the person has made a qualified investment in
24 a community development financial institution that is registered under par. (b).

1 (b) 1. The corporation may register a community development financial
2 institution if the community development financial institution applies to the
3 corporation on a form prepared by the corporation. The corporation may revoke the
4 registration of a community development financial institution if the entity no longer
5 meets the eligibility requirements for certification as a community development
6 financial institution by the fund or fails to comply with the requirements of this
7 paragraph.

8 2. A community development financial institution registered under this section
9 shall annually, within 90 days after the last day of the preceding calendar year,
10 submit a report containing financial statements of the community development
11 financial institution, prepared according to generally accepted accounting principles
12 and including all of the following information for the preceding calendar year, to the
13 corporation:

14 a. The material events certification form required by the federal department
15 of the treasury.

16 b. Certification, in the form and manner prescribed by the corporation, that the
17 community development financial institution satisfies the criteria under sub. (1) (a)
18 1. to 3.

19 c. Any other information the corporation considers relevant.

20 **(3) ELIGIBILITY.** (a) Except as provided in par. (b), a person certified under sub.
21 (2) (a) is eligible to claim tax credits under s. 71.07 (5p), 71.28 (5p), 71.47 (5p), or
22 76.634.

23 (b) If the registration of a community development financial institution in
24 which a person certified under sub. (2) (a) has made a qualified investment is revoked
25 by the corporation, and not reinstated by the corporation within 120 days following

1 the revocation, or if the entity fails to meet the eligibility requirements for more than
2 120 consecutive days for certification as a community development financial
3 institution by the fund, the person certified under sub. (2) (a) may do any of the
4 following:

5 1. Subject to s. 71.07 (5p) (c) 3., 71.28 (5p) (c) 3., 71.47 (5p) (c) 3., or 76.634 (4),
6 withdraw the qualified investment.

7 2. Immediately reinvest the proceeds of the qualified investment as a qualified
8 investment in another community development financial institution for the duration
9 of the investment period.

10 (4) LIMITS. No more than \$1,000,000 in tax benefits may be claimed under this
11 section in any calendar year.

12 (5) DUTIES OF THE CORPORATION. The corporation shall do all of the following:

13 (a) Notify the department of revenue of every certification issued under sub.
14 (2) (a) and include the dates on which any such certification is granted and the date
15 on which the applicant may withdraw a qualified investment made in a community
16 development financial institution, which date shall be no earlier than the first day
17 of the 61st month after the qualified investment was made.

18 (b) Provide to each applicant for certification under sub. (2) (a) a dated written
19 notice indicating the corporation's decision to grant or deny certification. If
20 certification is granted, the notice shall include the date on which the applicant may
21 withdraw the qualified investment, which date shall be no earlier than the first day
22 of the 61st month after the qualified investment was made.

23 (c) Notify the department of revenue of each community development financial
24 institution registered under sub. (2) (b).

1 (cm) Determine whether to certify persons to claim tax credits under ss. 71.07
2 (5p), 71.28 (5p), 71.47 (5p), and 76.634 for taxable years beginning after December
3 31, 2014, and to notify the department of revenue of that determination.

4 (d) Establish policies to administer this section.”.

5 **51.** Page 1277, line 1: delete lines 1 to 11.

6 **52.** Page 1363, line 26: after that line insert:

7 ~~“(1q) PREFERENCE FOR WISCONSIN BUSINESS IN STATE PROCUREMENT. The
8 treatment of section 16.75 (4m) of the statutes first applies to bids or proposals
9 solicited on the effective date of this subsection.”.~~

10 **53.** Page 1363, line 26: after that line insert:

11 ~~“(1f) PROCUREMENT PREFERENCE FOR MATERIALS MANUFACTURED IN UNITED STATES.
12 The treatment of sections 16.754 (3) (intro.) and (a) and 66.0901 (1m) (b) and (10) of
13 the statutes, the renumbering and amendment of section 16.754 (2) of the statutes,
14 and the creation of section 16.754 (2) (b) of the statutes first apply to contracts
15 entered into in the fiscal year that begins in the year after this subsection takes
16 effect.”~~

17 **54.** Page 1364, line 8: after that line insert:

18 ~~“(2h) PROCUREMENT PREFERENCES.
19 (a) The creation of section 16.754 (2) (a) of the statutes first applies to purchases
20 made in the fiscal year that begins in the year after this subsection takes effect.~~

21 (b) The treatment of section 16.754 (2m) of the statutes first applies to
22 responses made and bids submitted in the fiscal year that begins in the year after
23 this subsection takes effect.”.

24 **55.** Page 1366, line 19: delete lines 19 to 21.

