



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-1412/1
ARG&JK:wlj:rs

2011 SENATE BILL 25

February 24, 2011 - Introduced by Senators GROTHMAN, WANGGAARD, LAZICH, VUKMIR, LASEE and MOULTON, cosponsored by Representatives NASS, RIPP, VOS, WYNN, PRIDEMORE, MURSAU, PETERSEN, NYGREN, KERKMAN, SUDER, AUGUST and LEMAHIEU. Referred to Committee on Transportation and Elections.

1 **AN ACT** *to repeal* 20.566 (1) (gc), 20.566 (1) (gh), 20.835 (4) (gc), 20.835 (4) (gh),
2 20.866 (2) (uq), 59.58 (6), 59.58 (7), 59.58 (7) (i) and (j), 66.1039, 71.05 (1) (c) 9.,
3 71.26 (1m) (j), 71.45 (1t) (j), 77.54 (9a) (er), 77.708, 77.76 (3r), 77.76 (5),
4 subchapter XIII (title) of chapter 77 [precedes 77.997], 77.9971, 77.9972,
5 77.9973, 85.062 (3) (c), 85.11, 227.01 (13) (yL) and 345.05 (1) (ag); **to renumber**
6 77.9973; **to amend** 20.395 (6) (af), 32.02 (11), 32.05 (1) (a), 32.07 (2), 40.02 (28),
7 59.58 (7) (e) (intro.), 66.0301 (1) (a), 66.0903 (1) (d), 66.1039 (4) (s) 1., 67.01 (5),
8 70.11 (2), 71.26 (1) (b), chapter 77 (title), subchapter V (title) of chapter 77
9 [precedes 77.70], 77.71, 77.73 (2), 77.73 (3), 77.75, 77.76 (1), 77.76 (2), 77.76 (4),
10 77.77 (1), 77.77 (3), 77.78, 85.063 (3) (b) 1., 85.064 (1) (b), 111.70 (1) (j), 345.05
11 (2) and 611.11 (4) (a); **to create** 77.708 (3) and 77.9973 (2) of the statutes; and
12 **to affect** 2009 Wisconsin Act 28, section 9150 (1); **relating to:** eliminating
13 authorization to create a regional transit authority, dissolving any existing

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- 1 regional transit authority and the Southeastern Regional Transit Authority,
2 and eliminating the Southeast Wisconsin transit capital assistance program.
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Analysis by the Legislative Reference Bureau

The Biennial Budget Act, 2009 Wisconsin Act 28 (Act 28), authorized the creation of several new regional transit authorities (RTAs): the Dane County RTA, the Chippewa Valley RTA, and the Chequamegon Bay RTA. Each RTA, once created, is a public body corporate and politic and a separate governmental entity. An RTA's authority is vested in its board of directors, and its bylaws govern its management, operations, and administration. Among its powers, an RTA may operate a transportation system or provide for its operation by contracting with a public or private organization; impose, by its board of directors adopting a resolution, a sales and use tax in the RTA's jurisdictional area at a rate not exceeding 0.5 percent of the gross receipts or sales price if certain conditions are satisfied; acquire property by condemnation; and issue tax-exempt revenue bonds. An RTA has a duty to provide, or contract for the provision of, transit service within the RTA's jurisdictional area. Rates and other charges received by an RTA must be used only for the general expenses and capital expenditures of the RTA, to pay interest, amortization, and retirement charges on the RTA's revenue bonds, and for specific purposes of the RTA and may not be transferred to any political subdivision.

This bill eliminates authorization to create an RTA and dissolves the Dane County RTA, the Chippewa Valley RTA, and the Chequamegon Bay RTA to the extent previously created. Any such RTA is dissolved 90 days after enactment of the bill, but no RTA may impose sales and use tax after enactment of the bill.

Act 28 also created the Southeastern Regional Transit Authority (SERTA) as a successor entity to what was often referred to as the KRM authority. SERTA is a public body corporate and politic and a separate governmental entity; it consists of the counties of Kenosha, Racine, and Milwaukee. The jurisdictional area of SERTA is the geographic area formed by the combined territorial boundaries of the counties of Kenosha, Racine, and Milwaukee. The powers of SERTA are vested in its board of directors. SERTA's powers are limited but include all powers necessary and convenient to create, construct, and manage a commuter rail transit system connecting the cities of Kenosha, Racine, and Milwaukee (KRM commuter rail line). Upon approval by its board of directors, SERTA may impose a rental car transaction fee in the counties of Kenosha, Racine, and Milwaukee. SERTA was required to submit, by July 1, 2010, an application to the Federal Transit Administration for funding to enter the preliminary engineering phase for the KRM commuter rail line.

This bill dissolves SERTA after a winding down period of 90 days, during which SERTA may not impose the rental car transaction fee. The bill also eliminates the Department of Transportation's Southeast Wisconsin transit capital assistance program, under which SERTA is the only eligible grant applicant for the program.

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

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

- 1 **SECTION 1.** 20.395 (6) (af) of the statutes is amended to read:
- 2 20.395 **(6)** (af) *Principal repayment and interest, local roads for job preservation*
- 3 *program, transit improvements, and major highway and rehabilitation projects,*
- 4 *state funds.* From the general fund, a sum sufficient to reimburse s. 20.866 (1) (u)
- 5 for the payment of principal and interest costs incurred in financing the local roads
- 6 for job preservation program under s. 86.312, ~~transit capital improvements under s.~~
- 7 ~~85.11, as provided under s. 20.866 (2) (uq),~~ and major highway and rehabilitation
- 8 projects, as provided under ss. 20.866 (2) (uum) and (uur), 84.555, and 84.95, to make
- 9 the payments determined by the building commission under s. 13.488 (1) (m) that are
- 10 attributable to the proceeds of obligations incurred in financing the local roads for
- 11 job preservation program under s. 86.312, and to make payments under an
- 12 agreement or ancillary arrangement entered into under s. 18.06 (8) (a).
- 13 **SECTION 2.** 20.566 (1) (gc) of the statutes is repealed.
- 14 **SECTION 3.** 20.566 (1) (gh) of the statutes is repealed.
- 15 **SECTION 4.** 20.835 (4) (gc) of the statutes is repealed.
- 16 **SECTION 5.** 20.835 (4) (gh) of the statutes is repealed.
- 17 **SECTION 6.** 20.866 (2) (uq) of the statutes is repealed.
- 18 **SECTION 7.** 32.02 (11) of the statutes is amended to read:
- 19 32.02 **(11)** Any housing authority created under ss. 66.1201 to 66.1211;
- 20 redevelopment authority created under s. 66.1333; community development
- 21 authority created under s. 66.1335; local cultural arts district created under subch.

SENATE BILL 25**SECTION 7**

1 V of ch. 229, subject to s. 229.844 (4) (c); or local exposition district created under
2 subch. II of ch. 229; ~~or transit authority created under s. 66.1039.~~

3 **SECTION 8.** 32.05 (1) (a) of the statutes is amended to read:

4 32.05 (1) (a) Except as provided under par. (b), a county board of supervisors
5 or a county highway committee when so authorized by the county board of
6 supervisors, a city council, a village board, a town board, a sewerage commission
7 governing a metropolitan sewerage district created by ss. 200.05 or 200.21 to 200.65,
8 the secretary of transportation, a commission created by contract under s. 66.0301,
9 a joint local water authority created by contract under s. 66.0823, ~~a transit authority~~
10 ~~created under s. 66.1039~~, a housing authority under ss. 66.1201 to 66.1211, a local
11 exposition district created under subch. II of ch. 229, a local cultural arts district
12 created under subch. V of ch. 229, a redevelopment authority under s. 66.1333 or a
13 community development authority under s. 66.1335 shall make an order providing
14 for the laying out, relocation and improvement of the public highway, street, alley,
15 storm and sanitary sewers, watercourses, water transmission and distribution
16 facilities, mass transit facilities, airport, or other transportation facilities, gas or
17 leachate extraction systems to remedy environmental pollution from a solid waste
18 disposal facility, housing project, redevelopment project, cultural arts facilities,
19 exposition center or exposition center facilities which shall be known as the
20 relocation order. This order shall include a map or plat showing the old and new
21 locations and the lands and interests required. A copy of the order shall, within 20
22 days after its issue, be filed with the county clerk of the county wherein the lands are
23 located or, in lieu of filing a copy of the order, a plat may be filed or recorded in
24 accordance with s. 84.095.

25 **SECTION 9.** 32.07 (2) of the statutes is amended to read:

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1 32.07 (2) The petitioner shall determine necessity if application is by the state
2 or any commission, department, board or other branch of state government or by a
3 city, village, town, county, school district, board, commission, public officer,
4 commission created by contract under s. 66.0301, joint local water authority under
5 s. 66.0823, ~~transit authority created under s. 66.1039~~, redevelopment authority
6 created under s. 66.1333, local exposition district created under subch. II of ch. 229,
7 local cultural arts district created under subch. V of ch. 229, housing authority
8 created under ss. 66.1201 to 66.1211 or for the right-of-way of a railroad up to 100
9 feet in width, for a telegraph, telephone or other electric line, for the right-of-way
10 for a gas pipeline, main or service or for easements for the construction of any
11 elevated structure or subway for railroad purposes.

12 **SECTION 10.** 40.02 (28) of the statutes is amended to read:

13 40.02 (28) “Employer” means the state, including each state agency, any
14 county, city, village, town, school district, other governmental unit or
15 instrumentality of 2 or more units of government now existing or hereafter created
16 within the state, any federated public library system established under s. 43.19
17 whose territory lies within a single county with a population of 500,000 or more, a
18 local exposition district created under subch. II of ch. 229, ~~a transit authority created~~
19 ~~under s. 66.1039~~, and a long-term care district created under s. 46.2895, except as
20 provided under ss. 40.51 (7) and 40.61 (3). “Employer” does not include a local
21 cultural arts district created under subch. V of ch. 229. Each employer shall be a
22 separate legal jurisdiction for OASDHI purposes.

23 **SECTION 11.** 59.58 (6) of the statutes is repealed.

24 **SECTION 12.** 59.58 (7) of the statutes, as affected by 2011 Wisconsin Act ... (this
25 act), is repealed.

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1 **SECTION 13.** 59.58 (7) (e) (intro.) of the statutes is amended to read:

2 59.58 (7) (e) (intro.) The Subject to s. 77.9973 (2), the authority may impose the
3 fees under subch. XIII of ch. 77. From the fees, the authority may do all of the
4 following:

5 **SECTION 14.** 59.58 (7) (i) and (j) of the statutes are repealed.

6 **SECTION 15.** 66.0301 (1) (a) of the statutes is amended to read:

7 66.0301 (1) (a) Except as provided in pars. (b) and (c), in this section
8 “municipality” means the state or any department or agency thereof, or any city,
9 village, town, county, school district, public library system, public inland lake
10 protection and rehabilitation district, sanitary district, farm drainage district,
11 metropolitan sewerage district, sewer utility district, solid waste management
12 system created under s. 59.70 (2), local exposition district created under subch. II of
13 ch. 229, local professional baseball park district created under subch. III of ch. 229,
14 local professional football stadium district created under subch. IV of ch. 229, local
15 cultural arts district created under subch. V of ch. 229, ~~transit authority created~~
16 ~~under s. 66.1039~~, long-term care district under s. 46.2895, water utility district,
17 mosquito control district, municipal electric company, county or city transit
18 commission, commission created by contract under this section, taxation district,
19 regional planning commission, housing authority created under s. 66.1201,
20 redevelopment authority created under s. 66.1333, community development
21 authority created under s. 66.1335, or city-county health department.

22 **SECTION 16.** 66.0903 (1) (d) of the statutes is amended to read:

23 66.0903 (1) (d) “Local governmental unit” means a political subdivision of this
24 state, a special purpose district in this state, an instrumentality or corporation of
25 such a political subdivision or special purpose district, a combination or subunit of

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1 any of the foregoing or an instrumentality of the state and any of the foregoing.
2 ~~“Local governmental unit” includes a regional transit authority created under s.~~
3 ~~66.1039 and the southeastern regional transit authority created under s. 59.58 (7).~~

4 **SECTION 17.** 66.1039 of the statutes, as affected by 2011 Wisconsin Act (this
5 act), is repealed.

6 **SECTION 18.** 66.1039 (4) (s) 1. of the statutes is amended to read:

7 66.1039 (4) (s) 1. Impose, by the adoption of a resolution by the board of
8 directors, the taxes under subch. V of ch. 77 in the authority’s jurisdictional area,
9 except that no taxes may be imposed under this paragraph unless the resolution of
10 the board of directors is adopted prior to the effective date of this subdivision [LRB
11 inserts date]. If an authority adopts a resolution to impose the taxes, it shall deliver
12 a certified copy of the resolution to the department of revenue at least 120 days before
13 its effective date. The authority may, by adoption of a resolution by the board of
14 directors, repeal the imposition of taxes under subch. V of ch. 77 and shall deliver a
15 certified copy of the repeal resolution to the department of revenue at least 120 days
16 before its effective date.

17 **SECTION 19.** 67.01 (5) of the statutes is amended to read:

18 67.01 (5) “Municipality” means any of the following which is authorized to levy
19 a tax: a county, city, village, town, school district, board of park commissioners,
20 technical college district, metropolitan sewerage district created under ss. 200.01 to
21 200.15 or 200.21 to 200.65, town sanitary district under subch. IX of ch. 60, ~~transit~~
22 ~~authority created under s. 66.1039~~, public inland lake protection and rehabilitation
23 district established under s. 33.23, 33.235, or 33.24, and any other public body
24 empowered to borrow money and issue obligations to repay the money out of public
25 funds or revenues. “Municipality” does not include the state.

SENATE BILL 25**SECTION 20**

1 **SECTION 20.** 70.11 (2) of the statutes is amended to read:

2 70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION.
3 Property owned by any county, city, village, town, school district, technical college
4 district, public inland lake protection and rehabilitation district, metropolitan
5 sewerage district, municipal water district created under s. 198.22, joint local water
6 authority created under s. 66.0823, ~~transit authority created under s. 59.58 (7) or~~
7 ~~66.1039~~, long-term care district under s. 46.2895 or town sanitary district; lands
8 belonging to cities of any other state used for public parks; land tax-deeded to any
9 county or city before January 2; but any residence located upon property owned by
10 the county for park purposes that is rented out by the county for a nonpark purpose
11 shall not be exempt from taxation. Except as to land acquired under s. 59.84 (2) (d),
12 this exemption shall not apply to land conveyed after August 17, 1961, to any such
13 governmental unit or for its benefit while the grantor or others for his or her benefit
14 are permitted to occupy the land or part thereof in consideration for the conveyance.
15 Leasing the property exempt under this subsection, regardless of the lessee and the
16 use of the leasehold income, does not render that property taxable.

17 **SECTION 21.** 71.05 (1) (c) 9. of the statutes is repealed.

18 **SECTION 22.** 71.26 (1) (b) of the statutes is amended to read:

19 71.26 (1) (b) *Political units.* Income received by the United States, the state
20 and all counties, cities, villages, towns, school districts, technical college districts,
21 joint local water authorities created under s. 66.0823, ~~transit authorities created~~
22 ~~under s. 59.58 (7) or 66.1039~~, long-term care districts under s. 46.2895 or other
23 political units of this state.

24 **SECTION 23.** 71.26 (1m) (j) of the statutes is repealed.

25 **SECTION 24.** 71.45 (1t) (j) of the statutes is repealed.

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SECTION 25. Chapter 77 (title) of the statutes is amended to read:

CHAPTER 77

**TAXATION OF FOREST CROPLANDS; REAL ESTATE TRANSFER FEES;
SALES AND USE TAXES; COUNTY, TRANSIT AUTHORITY, AND
SPECIAL DISTRICT SALES AND USE TAXES; MANAGED FOREST
LAND;
RECYCLING SURCHARGE; LOCAL FOOD AND BEVERAGE TAX;
LOCAL RENTAL CAR TAX; PREMIER RESORT AREA TAXES;
STATE RENTAL VEHICLE FEE; DRY CLEANING FEES;
SOUTHEASTERN REGIONAL TRANSIT AUTHORITY FEE**

SECTION 26. 77.54 (9a) (er) of the statutes is repealed.

SECTION 27. Subchapter V (title) of chapter 77 [precedes 77.70] of the statutes is amended to read:

CHAPTER 77

SUBCHAPTER V

**COUNTY, TRANSIT AUTHORITY, AND
SPECIAL DISTRICT SALES AND USE TAXES**

SECTION 28. 77.708 of the statutes, as affected by 2011 Wisconsin Act (this act), is repealed.

SECTION 29. 77.708 (3) of the statutes is created to read:

77.708 (3) Retailers and the department of revenue may not collect a tax under sub. (1) for any transit authority created under s. 66.1039 after the effective date of this subsection [LRB inserts date], except that the department of revenue may

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1 collect from retailers taxes that accrued before the effective date of this subsection
2 [LRB inserts date], and fees, interest, and penalties that relate to those taxes.

3 **SECTION 30.** 77.71 of the statutes is amended to read:

4 **77.71 Imposition of county, ~~transit authority,~~ and special district sales**
5 **and use taxes.** Whenever a county sales and use tax ordinance is adopted under
6 s. 77.70, ~~a transit authority resolution is adopted under s. 77.708,~~ or a special district
7 resolution is adopted under s. 77.705 or 77.706, the following taxes are imposed:

8 (1) For the privilege of selling, licensing, leasing, or renting tangible personal
9 property and the items, property, and goods specified under s. 77.52 (1) (b), (c), and
10 (d), and for the privilege of selling, licensing, performing, or furnishing services a
11 sales tax is imposed upon retailers at the rates under s. 77.70 in the case of a county
12 tax, ~~at the rate under s. 77.708 in the case of a transit authority tax,~~ or at the rate
13 under s. 77.705 or 77.706 in the case of a special district tax of the sales price from
14 the sale, license, lease, or rental of tangible personal property and the items,
15 property, and goods specified under s. 77.52 (1) (b), (c), and (d), except property taxed
16 under sub. (4), sold, licensed, leased, or rented at retail in the county, or special
17 district, ~~or transit authority's jurisdictional area,~~ or from selling, licensing,
18 performing, or furnishing services described under s. 77.52 (2) in the county, or
19 special district, ~~or transit authority's jurisdictional area.~~

20 (2) An excise tax is imposed at the rates under s. 77.70 in the case of a county
21 tax, ~~at the rate under s. 77.708 in the case of a transit authority tax,~~ or at the rate
22 under s. 77.705 or 77.706 in the case of a special district tax of the purchase price
23 upon every person storing, using, or otherwise consuming in the county, or special
24 district, ~~or transit authority's jurisdictional area~~ tangible personal property, or
25 items, property, or goods specified under s. 77.52 (1) (b), (c), or (d), or services if the

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1 tangible personal property, item, property, good, or service is subject to the state use
2 tax under s. 77.53, except that a receipt indicating that the tax under sub. (1), (3),
3 or (4) has been paid relieves the buyer of liability for the tax under this subsection
4 and except that if the buyer has paid a similar local tax in another state on a purchase
5 of the same tangible personal property, item, property, good, or service that tax shall
6 be credited against the tax under this subsection and except that for motor vehicles
7 that are used for a purpose in addition to retention, demonstration, or display while
8 held for sale in the regular course of business by a dealer the tax under this
9 subsection is imposed not on the purchase price but on the amount under s. 77.53
10 (1m).

11 (3) An excise tax is imposed upon a contractor engaged in construction
12 activities within the county, or special district, ~~or transit authority's jurisdictional~~
13 ~~area~~, at the rates under s. 77.70 in the case of a county tax, ~~at the rate under s. 77.708~~
14 ~~in the case of a transit authority tax~~, or at the rate under s. 77.705 or 77.706 in the
15 case of a special district tax of the purchase price of tangible personal property or
16 items, property, or goods under s. 77.52 (1) (b), (c), or (d) that are used in constructing,
17 altering, repairing, or improving real property and that became a component part of
18 real property in that county or special district ~~or in the transit authority's~~
19 ~~jurisdictional area~~, except that if the contractor has paid the sales tax of a county,
20 ~~transit authority~~, or special district in this state on that tangible personal property,
21 item, property, or good, or has paid a similar local sales tax in another state on a
22 purchase of the same tangible personal property, item, property, or good, that tax
23 shall be credited against the tax under this subsection.

24 (4) An excise tax is imposed at the rates under s. 77.70 in the case of a county
25 tax, ~~at the rate under s. 77.708 in the case of a transit authority tax~~, or at the rate

SENATE BILL 25**SECTION 30**

1 under s. 77.705 or 77.706 in the case of a special district tax of the purchase price
2 upon every person storing, using, or otherwise consuming a motor vehicle, boat,
3 recreational vehicle, as defined in s. 340.01 (48r), or aircraft, if that property must
4 be registered or titled with this state and if that property is to be customarily kept
5 in a county that has in effect an ordinance under s. 77.70, ~~the jurisdictional area of~~
6 ~~a transit authority that has in effect a resolution under s. 77.708,~~ or in a special
7 district that has in effect a resolution under s. 77.705 or 77.706, except that if the
8 buyer has paid a similar local sales tax in another state on a purchase of the same
9 property that tax shall be credited against the tax under this subsection.

10 **SECTION 31.** 77.73 (2) of the statutes is amended to read:

11 77.73 (2) Counties, and special districts, ~~and transit authorities~~ do not have
12 jurisdiction to impose the tax under s. 77.71 (2) in regard to items, property, and
13 goods under s. 77.52 (1) (b), (c), and (d), and tangible personal property, except
14 snowmobiles, trailers, semitrailers, and all-terrain vehicles, purchased in a sale
15 that is consummated in another county or special district in this state, ~~or in another~~
16 ~~transit authority's jurisdictional area,~~ that does not have in effect an ordinance or
17 resolution imposing the taxes under this subchapter and later brought by the buyer
18 into the county, or special district, ~~or jurisdictional area of the transit authority that~~
19 has imposed a tax under s. 77.71 (2).

20 **SECTION 32.** 77.73 (3) of the statutes is amended to read:

21 77.73 (3) Counties, and special districts, ~~and transit authorities~~ have
22 jurisdiction to impose the taxes under this subchapter on retailers who file, or who
23 are required to file, an application under s. 77.52 (7) or who register, or who are
24 required to register, under s. 77.53 (9) or (9m), regardless of whether such retailers
25 are engaged in business in the county, or special district, ~~or transit authority's~~

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1 jurisdictional area, as provided in s. 77.51 (13g). A retailer who files, or is required
2 to file, an application under s. 77.52 (7) or who registers, or is required to register,
3 under s. 77.53 (9) or (9m) shall collect, report, and remit to the department the taxes
4 imposed under this subchapter for all counties, or special districts, ~~and transit~~
5 ~~authorities~~ that have an ordinance or resolution imposing the taxes under this
6 subchapter.

7 **SECTION 33.** 77.75 of the statutes is amended to read:

8 **77.75 Reports.** Every person subject to county, ~~transit authority,~~ or special
9 district sales and use taxes shall, for each reporting period, record that person's sales
10 made in the county, or special district, ~~or jurisdictional area of a transit authority~~
11 that has imposed those taxes separately from sales made elsewhere in this state and
12 file a report as prescribed by the department of revenue.

13 **SECTION 34.** 77.76 (1) of the statutes is amended to read:

14 77.76 (1) The department of revenue shall have full power to levy, enforce, and
15 collect county, ~~transit authority,~~ and special district sales and use taxes and may take
16 any action, conduct any proceeding, impose interest and penalties, and in all respects
17 proceed as it is authorized to proceed for the taxes imposed by subch. III. The
18 department of transportation and the department of natural resources may
19 administer the county, ~~transit authority,~~ and special district sales and use taxes in
20 regard to items under s. 77.61 (1).

21 **SECTION 35.** 77.76 (2) of the statutes is amended to read:

22 77.76 (2) Judicial and administrative review of departmental determinations
23 shall be as provided in subch. III for state sales and use taxes, and no county, ~~transit~~
24 ~~authority,~~ or special district may intervene in any matter related to the levy,
25 enforcement, and collection of the taxes under this subchapter.

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1 **SECTION 36.** 77.76 (3r) of the statutes is repealed.

2 **SECTION 37.** 77.76 (4) of the statutes is amended to read:

3 77.76 (4) There shall be retained by the state 1.5% of the taxes collected for
4 taxes imposed by special districts under ss. 77.705 and 77.706 ~~and transit authorities~~
5 ~~under s. 77.708~~ and 1.75% of the taxes collected for taxes imposed by counties under
6 s. 77.70 to cover costs incurred by the state in administering, enforcing, and
7 collecting the tax. All interest and penalties collected shall be deposited and retained
8 by this state in the general fund.

9 **SECTION 38.** 77.76 (5) of the statutes is repealed.

10 **SECTION 39.** 77.77 (1) of the statutes is amended to read:

11 77.77 (1) (a) The sales price from services subject to the tax under s. 77.52 (2)
12 or the lease, rental, or license of tangible personal property and property, items, and
13 goods specified under s. 77.52 (1) (b), (c), and (d), is subject to the taxes under this
14 subchapter, and the incremental amount of tax caused by a rate increase applicable
15 to those services, leases, rentals, or licenses is due, beginning with the first billing
16 period starting on or after the effective date of the county ordinance, special district
17 resolution, ~~transit authority resolution~~, or rate increase, regardless of whether the
18 service is furnished or the property, item, or good is leased, rented, or licensed to the
19 customer before or after that date.

20 (b) The sales price from services subject to the tax under s. 77.52 (2) or the lease,
21 rental, or license of tangible personal property and property, items, and goods
22 specified under s. 77.52 (1) (b), (c), and (d), is not subject to the taxes under this
23 subchapter, and a decrease in the tax rate imposed under this subchapter on those
24 services first applies, beginning with bills rendered on or after the effective date of
25 the repeal or sunset of a county ordinance, or special district resolution, ~~or transit~~

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1 authority resolution imposing the tax or other rate decrease, regardless of whether
2 the service is furnished or the property, item, or good is leased, rented, or licensed
3 to the customer before or after that date.

4 **SECTION 40.** 77.77 (3) of the statutes is amended to read:

5 77.77 (3) The sale of building materials to contractors engaged in the business
6 of constructing, altering, repairing or improving real estate for others is not subject
7 to the taxes under this subchapter, and the incremental amount of tax caused by the
8 rate increase applicable to those materials is not due, if the materials are affixed and
9 made a structural part of real estate, and the amount payable to the contractor is
10 fixed without regard to the costs incurred in performing a written contract that was
11 irrevocably entered into prior to the effective date of the county ordinance, special
12 district resolution, ~~transit authority resolution~~, or rate increase or that resulted from
13 the acceptance of a formal written bid accompanied by a bond or other performance
14 guaranty that was irrevocably submitted before that date.

15 **SECTION 41.** 77.78 of the statutes is amended to read:

16 **77.78 Registration.** No motor vehicle, boat, snowmobile, recreational vehicle,
17 as defined in s. 340.01 (48r), trailer, semitrailer, all-terrain vehicle or aircraft that
18 is required to be registered by this state may be registered or titled by this state
19 unless the registrant files a sales and use tax report and pays the county tax, ~~transit~~
20 ~~authority tax~~, and special district tax at the time of registering or titling to the state
21 agency that registers or titles the property. That state agency shall transmit those
22 tax revenues to the department of revenue.

23 **SECTION 42.** Subchapter XIII (title) of chapter 77 [precedes 77.997] of the
24 statutes is repealed.

25 **SECTION 43.** 77.9971 of the statutes is repealed.

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1 **SECTION 44.** 77.9972 of the statutes is repealed.

2 **SECTION 45.** 77.9973 of the statutes is renumbered 77.9973 (1).

3 **SECTION 46.** 77.9973 of the statutes, as affected by 2011 Wisconsin Act ... (this
4 act), is repealed.

5 **SECTION 47.** 77.9973 (2) of the statutes is created to read:

6 77.9973 (2) Retailers and the department of revenue may not collect fees under
7 this subchapter for the southeastern regional transit authority after the effective
8 date of this subsection ... [LRB inserts date], except that the department of revenue
9 may collect from retailers fees that accrued before the effective date of this subsection
10 ... [LRB inserts date], and fees, interest, and penalties that relate to those taxes.

11 **SECTION 48.** 85.062 (3) (c) of the statutes is repealed.

12 **SECTION 49.** 85.063 (3) (b) 1. of the statutes is amended to read:

13 85.063 (3) (b) 1. Upon completion of a planning study under sub. (2), or, to the
14 satisfaction of the department, of a study under s. 85.022, a political subdivision in
15 a county, ~~or a transit authority created under s. 66.1039~~, that includes the urban area
16 may apply to the department for a grant for property acquisition for an urban rail
17 transit system.

18 **SECTION 50.** 85.064 (1) (b) of the statutes is amended to read:

19 85.064 (1) (b) "Political subdivision" means any city, village, town, county, or
20 transit commission organized under s. 59.58 (2) or 66.1021 or recognized under s.
21 66.0301, ~~or transit authority created under s. 66.1039~~ within this state ~~or the~~
22 ~~southeastern regional transit authority under s. 59.58 (7).~~

23 **SECTION 51.** 85.11 of the statutes is repealed.

24 **SECTION 52.** 111.70 (1) (j) of the statutes is amended to read:

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1 111.70 (1) (j) “Municipal employer” means any city, county, village, town,
2 metropolitan sewerage district, school district, long-term care district, ~~transit~~
3 ~~authority under s. 59.58 (7) or 66.1039~~, or any other political subdivision of the state,
4 or instrumentality of one or more political subdivisions of the state, that engages the
5 services of an employee and includes any person acting on behalf of a municipal
6 employer within the scope of the person’s authority, express or implied, but
7 specifically does not include a local cultural arts district created under subch. V of
8 ch. 229.

9 **SECTION 53.** 227.01 (13) (yL) of the statutes is repealed.

10 **SECTION 54.** 345.05 (1) (ag) of the statutes is repealed.

11 **SECTION 55.** 345.05 (2) of the statutes is amended to read:

12 345.05 (2) A person suffering any damage proximately resulting from the
13 negligent operation of a motor vehicle owned and operated by a municipality ~~or~~
14 ~~authority~~, which damage was occasioned by the operation of the motor vehicle in the
15 course of its business, may file a claim for damages against the municipality ~~or~~
16 ~~authority~~ concerned and the governing body of the municipality, ~~or the board of~~
17 ~~directors of the authority~~, may allow, compromise, settle and pay the claim. In this
18 subsection, a motor vehicle is deemed owned and operated by a municipality ~~or~~
19 ~~authority~~ if the vehicle is either being rented or leased, or is being purchased under
20 a contract whereby the municipality ~~or authority~~ will acquire title.

21 **SECTION 56.** 611.11 (4) (a) of the statutes is amended to read:

22 611.11 (4) (a) In this subsection, “municipality” has the meaning given in s.
23 345.05 (1) (c), ~~but also includes any transit authority created under s. 66.1039.~~

24 **SECTION 57.** 2009 Wisconsin Act 28, section 9150 (1) is repealed.

25 **SECTION 58. Nonstatutory provisions.**

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1 (1) DISSOLUTION OF REGIONAL TRANSIT AUTHORITIES. Any authority created under
2 section 66.1039, 2009 stats., is dissolved on the effective date of this subsection.

3 (2) DISSOLUTION OF SOUTHEASTERN REGIONAL TRANSIT AUTHORITY. The authority
4 under section 59.58 (7), 2009 stats., is dissolved on the effective date of this
5 subsection.

6 (3) WINDING DOWN OF SOUTHEASTERN REGIONAL TRANSIT AUTHORITY. After the
7 effective date of this subsection, the counties of Kenosha, Racine, and Milwaukee,
8 and all members of the governing body of the authority under section 59.58 (7) of the
9 statutes, shall begin the process of winding down the authority and shall complete
10 the process by the time the authority is dissolved as provided in subsection (2).
11 Unless the counties of Kenosha, Racine, and Milwaukee agree otherwise, all assets
12 and liabilities of the authority under section 59.58 (7), 2009 stats., including any
13 accumulated moneys received from the fees imposed under subchapter XIII of
14 chapter 77 of the statutes, shall be divided and distributed equally among these 3
15 counties and shall become the assets and liabilities of the counties of Kenosha,
16 Racine, and Milwaukee.

17 **SECTION 59. Effective dates.** This act takes effect on the 90th day after the
18 day of publication, except as follows:

19 (1) The treatment of sections 59.58 (7) (e) (intro.), (i), and (j) and 66.1039 (4) (s)
20 1. of the statutes, the renumbering of section 77.9973 of the statutes, and the creation
21 of sections 77.708 (3) and 77.9973 (2) of the statutes and SECTION 58 (3) of this act take
22 effect on the 10th day after the day of publication.

23 **(END)**