



## 2015 ASSEMBLY BILL 593

December 10, 2015 – Introduced by Representatives WACHS, SUBECK, SPREITZER, POPE, BERCEAU, OHNSTAD and BOWEN, cosponsored by Senators VINEHOUT, CARPENTER and RISSER. Referred to Committee on Transportation.

1     **AN ACT** *to amend* 32.02 (11), 32.05 (1) (a), 32.07 (2), 40.02 (28), 66.0301 (1) (a),  
2           66.0903 (1) (d), 67.01 (5), 70.11 (2), 71.26 (1) (b), chapter 77 (title), subchapter  
3           V (title) of chapter 77 [precedes 77.70], 77.71, 77.73 (2), 77.73 (3), 77.75, 77.76  
4           (1), 77.76 (2), 77.76 (4), 77.77 (1), 77.77 (3), 77.78, 85.064 (1) (b), 345.05 (2) and  
5           611.11 (4) (a); *to repeal and recreate* 111.70 (1) (j); and *to create* 20.566 (1)  
6           (gc), 20.835 (4) (gc), 66.1039, 77.54 (9a) (er), 77.708, 77.76 (3r) and 345.05 (1)  
7           (ag) of the statutes; **relating to:** authorizing the creation of a Chippewa Valley  
8           regional transit authority and making appropriations.

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### *Analysis by the Legislative Reference Bureau*

The 2009 Biennial Budget Act (2009 Act 28) authorized the creation of several regional transit authorities (RTAs): the Dane County RTA, the Chippewa Valley RTA, and the Chequamegon Bay RTA. Under 2009 Act 28, 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



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1           **SECTION 2.** 20.566 (1) (gc) of the statutes is created to read:

2           20.566 (1) (gc) *Administration of transit authority taxes.* From the moneys  
3 received from the appropriation account under s. 20.835 (4) (gc), the amounts in the  
4 schedule for the purpose of administering the transit authority taxes imposed under  
5 s. 77.708. Notwithstanding s. 20.001 (3) (a), at the end of the fiscal year the  
6 unencumbered balance in this appropriation account shall be transferred to the  
7 appropriation account under s. 20.835 (4) (gc).

8           **SECTION 3.** 20.835 (4) (gc) of the statutes is created to read:

9           20.835 (4) (gc) *Transit authority taxes.* All moneys received from the taxes  
10 imposed under s. 77.708, and from the appropriation account under s. 20.566 (1) (gc),  
11 for the purpose of distribution to the transit authorities that adopt a resolution  
12 imposing taxes under subch. V of ch. 77, except that 1.5 percent of those tax revenues  
13 collected under subch. V of ch. 77 shall be credited to the appropriation account under  
14 s. 20.566 (1) (gc).

15           **SECTION 4.** 32.02 (11) of the statutes is amended to read:

16           32.02 (11) Any housing authority created under ss. 66.1201 to 66.1211;  
17 redevelopment authority created under s. 66.1333; community development  
18 authority created under s. 66.1335; local cultural arts district created under subch.  
19 V of ch. 229, subject to s. 229.844 (4) (c); ~~or~~ local exposition district created under  
20 subch. II of ch. 229; or transit authority created under s. 66.1039.

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

22           32.05 (1) (a) Except as provided under par. (b), a county board of supervisors  
23 or a county highway committee when so authorized by the county board of  
24 supervisors, a city council, a village board, a town board, a sewerage commission  
25 governing a metropolitan sewerage district created by ss. 200.05 or 200.21 to 200.65,

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

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

19 32.07 (2) The petitioner shall determine necessity if application is by the state  
20 or any commission, department, board or other branch of state government or by a  
21 city, village, town, county, school district, board, commission, public officer,  
22 commission created by contract under s. 66.0301, joint local water authority under  
23 s. 66.0823, transit authority created under s. 66.1039, redevelopment authority  
24 created under s. 66.1333, local exposition district created under subch. II of ch. 229,  
25 local cultural arts district created under subch. V of ch. 229, housing authority

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1 created under ss. 66.1201 to 66.1211 or for the right-of-way of a railroad up to 100  
2 feet in width, for a telegraph, telephone or other electric line, for the right-of-way  
3 for a gas pipeline, main or service or for easements for the construction of any  
4 elevated structure or subway for railroad purposes.

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

6 40.02 (28) "Employer" means the state, including each state agency, any  
7 county, city, village, town, school district, other governmental unit or  
8 instrumentality of 2 or more units of government now existing or hereafter created  
9 within the state, any federated public library system established under s. 43.19  
10 whose territory lies within a single county with a population of 500,000 or more, a  
11 local exposition district created under subch. II of ch. 229, a transit authority created  
12 under s. 66.1039, and a long-term care district created under s. 46.2895, except as  
13 provided under ss. 40.51 (7) and 40.61 (3). "Employer" does not include a local  
14 cultural arts district created under subch. V of ch. 229. Each employer shall be a  
15 separate legal jurisdiction for OASDHI purposes.

16 **SECTION 8.** 66.0301 (1) (a) of the statutes, as affected by 2015 Wisconsin Act 55,  
17 is amended to read:

18 66.0301 (1) (a) Except as provided in pars. (b) and (c), in this section  
19 "municipality" means the state or any department or agency thereof, or any city,  
20 village, town, county, or school district, the opportunity schools and partnership  
21 programs under subch. IX of ch. 115 and subch. II of ch. 119, the superintendent of  
22 schools opportunity schools and partnership program under s. 119.33, or any public  
23 library system, public inland lake protection and rehabilitation district, sanitary  
24 district, farm drainage district, metropolitan sewerage district, sewer utility district,  
25 solid waste management system created under s. 59.70 (2), local exposition district

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1 created under subch. II of ch. 229, local professional baseball park district created  
2 under subch. III of ch. 229, local professional football stadium district created under  
3 subch. IV of ch. 229, local cultural arts district created under subch. V of ch. 229,  
4 transit authority created under s. 66.1039, long-term care district under s. 46.2895,  
5 water utility district, mosquito control district, municipal electric company, county  
6 or city transit commission, commission created by contract under this section,  
7 taxation district, regional planning commission, housing authority created under s.  
8 66.1201, redevelopment authority created under s. 66.1333, community  
9 development authority created under s. 66.1335, or city-county health department.

10 **SECTION 9.** 66.0903 (1) (d) of the statutes is amended to read:

11 66.0903 (1) (d) “Local governmental unit” means a political subdivision of this  
12 state, a special purpose district in this state, an instrumentality or corporation of  
13 such a political subdivision or special purpose district, a combination or subunit of  
14 any of the foregoing or an instrumentality of the state and any of the foregoing.  
15 “Local governmental unit” includes a regional transit authority created under s.  
16 66.1039.

17 **SECTION 10.** 66.1039 of the statutes is created to read:

18 **66.1039 Transit authorities. (1) DEFINITIONS.** In this section:

19 (a) “Authority” means a transit authority created under this section.

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

22 (c) “Common carrier” means any of the following:

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

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

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

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

2           (d) “Comprehensive unified local transportation system” means a  
3 transportation system that is comprised of motor bus lines and any other local public  
4 transportation facilities, the major portion of which is located within, or the major  
5 portion of the service of which is supplied to the inhabitants of, the jurisdictional area  
6 of the authority.

7           (e) “Municipality” means any city, village, or town.

8           (f) “Participating political subdivision” means a political subdivision that is a  
9 member of an authority, either from the time of creation of the authority or by later  
10 joining the authority.

11           (g) “Political subdivision” means a municipality or county.

12           (h) “Transportation system” means all land, shops, structures, equipment,  
13 property, franchises, and rights of whatever nature required for transportation of  
14 passengers within the jurisdictional area of the authority and, only to the extent  
15 specifically authorized under this section, outside the jurisdictional area of the  
16 authority. “Transportation system” includes elevated railroads, subways,  
17 underground railroads, motor vehicles, motor buses, and any combination thereof,  
18 and any other form of mass transportation, but does not include transportation  
19 excluded from the definition of “common motor carrier” under s. 194.01 (1) or charter  
20 or contract operations to, from, or between points that are outside the jurisdictional  
21 area of the authority.

22           **(2) CREATION OF TRANSIT AUTHORITIES.** (c) *Chippewa Valley regional transit*  
23 *authority.* 1. The Chippewa Valley regional transit authority, a public body corporate  
24 and politic and a separate governmental entity, is created if the governing body of  
25 Eau Claire County adopts a resolution authorizing the county to become a member

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1 of the authority and the resolution is ratified by the electors at a referendum held in  
2 Eau Claire County. Once created, this authority may transact business and exercise  
3 any powers granted to it under this section.

4 2. If an authority is created under subd. 1., any municipality located in whole  
5 or in part within Eau Claire County shall be a member of the authority.

6 3. After an authority is created under subd. 1., Chippewa County may join the  
7 authority created under subd. 1. if the governing body of Chippewa County adopts  
8 a resolution to join the authority and the resolution is ratified by the electors at a  
9 referendum held in Chippewa County.

10 4. If Chippewa County joins an authority as provided in subd. 3., any  
11 municipality located in whole or in part within Chippewa County shall be a member  
12 of the authority.

13 5. The jurisdictional area of the authority created under this paragraph is the  
14 territorial boundaries of Eau Claire County or, if Chippewa County also joins the  
15 authority as provided in subd. 3., the combined territorial boundaries of Eau Claire  
16 County and Chippewa County.

17 6. If Chippewa County joins an authority under subd. 3. after it is created, the  
18 authority shall provide the department of revenue with a certified copy of the  
19 resolution that approves the joining and the referendum results ratifying the  
20 resolution. The county's joining of the authority shall take effect on the first day of  
21 the calendar quarter that begins at least 120 days after the department receives this  
22 information.

23 **(3) TRANSIT AUTHORITY GOVERNANCE.** (a) The powers of an authority shall be  
24 vested in its board of directors. Directors shall be appointed for 4-year terms. A  
25 majority of the board of directors' full authorized membership constitutes a quorum

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1 for the purpose of conducting the authority's business and exercising its powers.  
2 Action may be taken by the board of directors upon a vote of a majority of the directors  
3 present and voting, unless the bylaws of the authority require a larger number.

4 (d) 1. If an authority is created under sub. (2) (c), the board of directors of the  
5 authority shall be determined by resolution of the governing body of Eau Claire  
6 County or, if Chippewa County also joins the authority as provided in sub. (2) (c) 3.,  
7 by resolution of the governing bodies of Eau Claire County and Chippewa County,  
8 except that all of the following shall apply:

9 a. The board of directors shall consist of not more than 17 members.

10 b. The board of directors shall include at least 3 members from Eau Claire  
11 County, appointed by the county executive and approved by the county board.

12 c. If Chippewa County joins the authority as provided in sub. (2) (c) 3., the board  
13 of directors shall include at least 3 members from Chippewa County, appointed by  
14 the county executive and approved by the county board.

15 d. The board of directors shall include at least one member from the most  
16 populous city of each county that is a member, appointed by the mayor of the city and  
17 approved by the common council of the city.

18 e. The board of directors shall include at least one member from the authority's  
19 jurisdictional area, appointed by the governor.

20 2. If Chippewa County joins the authority as provided in sub. (2) (c) 3. and the  
21 governing bodies of Eau Claire County and Chippewa County are unable to agree  
22 upon a composition of the board of directors as specified in subd. 1., the board of  
23 directors of the authority shall be limited to the minimum members specified in subd.

24 1. b. to e.

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1 (fm) If any provision of this subsection provides for the appointment of a  
2 member of an authority's board of directors by the mayor of a city that has no mayor,  
3 the appointment shall instead be made by the chairperson of the common council.  
4 If any provision of this subsection provides for the appointment of a member of an  
5 authority's board of directors by the county executive of a county that has no county  
6 executive, the appointment shall be made by the chairperson of the county board.

7 (g) The bylaws of an authority shall govern its management, operations, and  
8 administration, consistent with the provisions of this section, and shall include  
9 provisions specifying all of the following:

- 10 1. The functions or services to be provided by the authority.
- 11 2. The powers, duties, and limitations of the authority.
- 12 3. The maximum rate of the taxes that may be imposed by the authority under  
13 sub. (4) (s), not to exceed the maximum rate specified in s. 77.708 (1).
- 14 4. The composition of the board of directors of the authority, as determined  
15 under par. (d).

16 **(4) POWERS.** Notwithstanding s. 59.84 (2) and any other provision of this  
17 chapter or ch. 59 or 85, an authority may do all of the following, to the extent  
18 authorized in the authority's bylaws:

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

21 (b) Acquire a comprehensive unified local transportation system and provide  
22 funds for the operation and maintenance of the system. Upon the acquisition of a  
23 comprehensive unified local transportation system, the authority may:

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

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

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

6           4. Maintain and improve railroad rights-of-way and improvements on these  
7 rights-of-way for future use.

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

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

12          (e) Apply for federal aids to purchase transportation facilities considered  
13 essential for the authority's operation.

14          (f) Coordinate specialized transportation services, as defined in s. 85.21 (2) (g),  
15 for residents who reside within the jurisdictional area and who are disabled or aged  
16 60 or older, including services funded under 42 USC 3001 to 3057n, 42 USC 5001, and  
17 42 USC 5011 (b), under ss. 49.43 to 49.499 and 85.21, and under other public funds  
18 administered by the county. An authority may contract with a county that is a  
19 participating political subdivision for the authority to provide specialized  
20 transportation services, but an authority is not an eligible applicant under s. 85.21  
21 (2) (e) and may not receive payments directly from the department of transportation  
22 under s. 85.21.

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

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

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

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

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

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

15 (m) Have and use a corporate seal.

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

19 (o) Incur debts, liabilities, or obligations including the borrowing of money and  
20 the issuance of bonds under subs. (7) and (10).

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

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

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

6 (s) 1. Impose, by the adoption of a resolution by the board of directors, the taxes  
7 under subch. V of ch. 77 in the authority's jurisdictional area. If an authority adopts  
8 a resolution to impose the taxes, or to change the rate after the taxes are imposed,  
9 it shall deliver a certified copy of the resolution to the department of revenue at least  
10 120 days before its effective date. The authority may, by adoption of a resolution by  
11 the board of directors, repeal the imposition of taxes under subch. V of ch. 77 and  
12 shall deliver a certified copy of the repeal resolution to the department of revenue at  
13 least 120 days before its effective date.

14 2. If an authority adopts a resolution to impose the tax, as provided in subd.  
15 1., an authority shall specify to the department of revenue, as provided in this  
16 subdivision, the exact boundaries of the authority's jurisdictional area. If the  
17 boundaries are the same as the county lines on all sides of the authority's  
18 jurisdictional area, the resolution shall specify the county or counties that comprise  
19 the authority's entire jurisdictional area. If the boundaries are other than a county  
20 line on any side of the authority's jurisdictional area, the authority shall provide the  
21 department with a complete list of all the 9-digit zip codes that are entirely within  
22 the authority's jurisdictional area and a complete list of all the street addresses that  
23 are within the authority's jurisdictional area and not included in any 9-digit zip code  
24 that is entirely within the authority's jurisdictional area. The authority shall  
25 provide a certified copy of the information required under this subdivision to the

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1 department, in the manner, format, and layout prescribed by the department, at  
2 least 120 days prior to the first day of the calendar quarter before the effective date  
3 of the tax imposed under subd. 1. If the boundaries of the authority's jurisdictional  
4 area subsequently change, the authority shall submit a certified copy of the  
5 information required under this subdivision to the department at least 120 days  
6 prior to the first day of the calendar quarter before the effective date of such change,  
7 in the manner, format, and layout prescribed by the department.

8 3. Notwithstanding subd. 1., an authority created under sub. (2) (c) may not  
9 impose the taxes authorized under subd. 1. unless the authorizing resolution or  
10 resolutions under sub. (2) (c) 1. and, if applicable, sub. (2) (c) 3., as well as the  
11 referendum question on the referendum ballot specified in sub. (2) (c) 1. and, if  
12 applicable, sub. (2) (c) 3., each clearly identifies the maximum rate of the taxes that  
13 may be imposed by the authority under subd. 1. For purposes of this subdivision, the  
14 maximum tax rates identified in the authorizing resolution or resolutions under sub.  
15 (2) (c) 3., and the corresponding referendum question, are the same as those  
16 identified for purposes of sub. (2) (c) 1.

17 4. If an authority created under sub. (2) (c) adopts a resolution to impose the  
18 taxes under subd. 1., no political subdivision that is a member of the authority may  
19 levy property taxes for transit purposes in excess of the amount of property taxes  
20 levied for transit purposes in the year before the year in which the taxes are imposed  
21 under subd. 1.

22 **(5) LIMITATIONS ON AUTHORITY POWERS.** (a) Notwithstanding sub. (4) (a), (b), (c),  
23 (d), (q), and (r), no authority, and no public or private organization with which an  
24 authority has contracted for service, may provide service outside the jurisdictional  
25 area of the authority unless the authority receives financial support for the service

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1 under a contract with a public or other private organization for the service or unless  
2 it is necessary in order to provide service to connect residents within the authority's  
3 jurisdictional area to transit systems in adjacent counties.

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

13 (c) In exercising its powers under sub. (4), an authority shall consider any plan  
14 of a metropolitan planning organization under 23 USC 134 that covers any portion  
15 of the authority's jurisdictional area.

16 **(6) AUTHORITY OBLIGATIONS TO EMPLOYEES OF MASS TRANSPORTATION SYSTEMS.** (a)  
17 An authority acquiring a comprehensive unified local transportation system for the  
18 purpose of the authority's operation of the system shall assume all of the employer's  
19 obligations under any contract between the employees and management of the  
20 system to the extent allowed by law.

21 (b) An authority acquiring, constructing, controlling, or operating a  
22 comprehensive unified local transportation system shall negotiate an agreement  
23 with the representative of the labor organization that covers the employees affected  
24 by the acquisition, construction, control, or operation to protect the interests of  
25 employees affected. This agreement shall include all of the provisions identified in

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1 s. 59.58 (4) (b) 1. to 8. and may include provisions identified in s. 59.58 (4) (c). An  
2 affected employee has all the rights and the same status under subch. IV of ch. 111  
3 that he or she enjoyed immediately before the acquisition, construction, control, or  
4 operation and may not be required to serve a probationary period if he or she attained  
5 permanent status before the acquisition, construction, control, or operation.

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

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

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

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

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

23 **(8) ISSUANCE OF BONDS.** (a) Bonds of an authority shall be authorized by  
24 resolution of the board of directors. The bonds may be issued under such a resolution  
25 or under a trust indenture or other security instrument. The bonds may be issued

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1 in one or more series and may be in the form of coupon bonds or registered bonds  
2 under s. 67.09. The bonds shall bear the dates, mature at the times, bear interest  
3 at the rates, be in the denominations, have the rank or priority, be executed in the  
4 manner, be payable in the medium of payment and at the places, and be subject to  
5 the terms of redemption, with or without premium, as the resolution, trust  
6 indenture, or other security instrument provides. Bonds of an authority are issued  
7 for an essential public and governmental purpose and are public instrumentalities  
8 and, together with interest and income, are exempt from taxes.

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

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

15 **(9) COVENANTS.** An authority may do all of the following in connection with the  
16 issuance of bonds:

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

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

20 (c) Covenant as to charge fees, rates, rents, and charges sufficient to meet  
21 operating and maintenance expenses, renewals, and replacements of any  
22 transportation system, principal and debt service on bond creation and maintenance  
23 of any reserves required by a bond resolution, trust indenture, or other security  
24 instrument and to provide for any margins or coverages over and above debt service

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1 on the bonds that the board of directors considers desirable for the marketability of  
2 the bonds.

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

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

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

14 (g) Covenant as to the purposes to which the proceeds from the sale of any bonds  
15 may be applied, and as to the pledge of such proceeds to secure the payment of the  
16 bonds.

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

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

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

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

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

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

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

13          (o) Execute all instruments necessary or convenient in the exercise of the  
14 powers granted under this section or in the performance of covenants or duties,  
15 which may contain such covenants and provisions as a purchaser of the bonds of the  
16 authority may reasonably require.

17          **(10) REFUNDING BONDS.** An authority may issue refunding bonds for the  
18 purpose of paying any of its bonds at or prior to maturity or upon acceleration or  
19 redemption. An authority may issue refunding bonds at such time prior to the  
20 maturity or redemption of the refunded bonds as the authority deems to be in the  
21 public interest. The refunding bonds may be issued in sufficient amounts to pay or  
22 provide the principal of the bonds being refunded, together with any redemption  
23 premium on the bonds, any interest accrued or to accrue to the date of payment of  
24 the bonds, the expenses of issue of the refunding bonds, the expenses of redeeming  
25 the bonds being refunded, and such reserves for debt service or other capital or

1 current expenses from the proceeds of such refunding bonds as may be required by  
2 the resolution, trust indenture, or other security instruments. To the extent  
3 applicable, refunding bonds are subject to subs. (8) and (9).

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

- 6 1. Public officers and agencies of the state.
- 7 2. Local governmental units, as defined in s. 19.42 (7u).
- 8 3. Insurance companies.
- 9 4. Trust companies.
- 10 5. Banks.
- 11 6. Savings banks.
- 12 7. Savings and loan associations.
- 13 8. Investment companies.
- 14 9. Personal representatives.
- 15 10. Trustees.
- 16 11. Other fiduciaries not listed in this paragraph.

17 (b) The authority's bonds are securities that may be deposited with and  
18 received by any officer or agency of the state or any local governmental unit, as  
19 defined in s. 19.42 (7u), for any purpose for which the deposit of bonds or obligations  
20 of the state or any local governmental unit is authorized by law.

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

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1 subdivision. The authority shall maintain an accounting system in accordance with  
2 generally accepted accounting principles and shall have its financial statements and  
3 debt covenants audited annually by an independent certified public accountant.

4 **(13) WITHDRAWAL FROM AUTHORITY.** (a) A participating political subdivision that  
5 becomes a member of an authority under sub. (2) (c) 4. shall withdraw from the  
6 authority if the county in which the municipality is located withdraws from the  
7 authority under this subsection and a participating political subdivision that joined  
8 an authority under sub. (2) (c) 3. may withdraw from an authority if all of the  
9 following conditions are met:

10 1. The governing body of the political subdivision adopts a resolution  
11 requesting withdrawal of the political subdivision from the authority.

12 2. The political subdivision has paid, or made provision for the payment of, all  
13 obligations of the political subdivision to the authority.

14 (b) If a participating political subdivision withdraws from an authority, the  
15 authority shall provide the department of revenue with a certified copy of the  
16 resolution that approves the withdrawal. The withdrawal is effective on the first day  
17 of the calendar quarter that begins at least 120 days after the department receives  
18 the certified copy of the resolution approving the withdrawal. If the authority from  
19 which the political subdivision withdraws continues to exist after the withdrawal,  
20 the authority shall provide information describing the exact boundaries of its  
21 jurisdictional area, as provided in sub. (4) (s) 2.

22 **(14) DUTY TO PROVIDE TRANSIT SERVICE.** An authority shall provide, or contract  
23 for the provision of, transit service within the authority's jurisdictional area.

24 **(17) OTHER STATUTES.** This section does not limit the powers of political  
25 subdivisions to enter into intergovernmental cooperation or contracts or to establish

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1 separate legal entities under s. 66.0301 or 66.1021 or any other applicable law, or  
2 otherwise to carry out their powers under applicable statutory provisions. Section  
3 66.0803 (2) does not apply to an authority.

4 **SECTION 11.** 67.01 (5) of the statutes is amended to read:

5 67.01 (5) "Municipality" means any of the following which is authorized to levy  
6 a tax: a county, city, village, town, school district, board of park commissioners,  
7 technical college district, metropolitan sewerage district created under ss. 200.01 to  
8 200.15 or 200.21 to 200.65, town sanitary district under subch. IX of ch. 60, transit  
9 authority created under s. 66.1039, public inland lake protection and rehabilitation  
10 district established under s. 33.23, 33.235, or 33.24, and any other public body  
11 empowered to borrow money and issue obligations to repay the money out of public  
12 funds or revenues. "Municipality" does not include the state.

13 **SECTION 12.** 70.11 (2) of the statutes is amended to read:

14 70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION.  
15 Property owned by any county, city, village, town, school district, technical college  
16 district, public inland lake protection and rehabilitation district, metropolitan  
17 sewerage district, municipal water district created under s. 198.22, joint local water  
18 authority created under s. 66.0823, transit authority created under s. 66.1039,  
19 long-term care district under s. 46.2895 or town sanitary district; lands belonging  
20 to cities of any other state used for public parks; land tax-deeded to any county or  
21 city before January 2; but any residence located upon property owned by the county  
22 for park purposes that is rented out by the county for a nonpark purpose shall not  
23 be exempt from taxation. Except as to land acquired under s. 59.84 (2) (d), this  
24 exemption shall not apply to land conveyed after August 17, 1961, to any such  
25 governmental unit or for its benefit while the grantor or others for his or her benefit

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1 are permitted to occupy the land or part thereof in consideration for the conveyance.  
2 Leasing the property exempt under this subsection, regardless of the lessee and the  
3 use of the leasehold income, does not render that property taxable.

4 **SECTION 13.** 71.26 (1) (b) of the statutes is amended to read:

5 71.26 (1) (b) *Political units.* Income received by the United States, the state  
6 and all counties, cities, villages, towns, school districts, technical college districts,  
7 joint local water authorities created under s. 66.0823, transit authorities created  
8 under s. 66.1039, long-term care districts under s. 46.2895 or other political units  
9 of this state.

10 **SECTION 14.** 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; ECONOMIC****DEVELOPMENT SURCHARGE; LOCAL FOOD****AND BEVERAGE TAX; LOCAL RENTAL****CAR TAX; PREMIER RESORT AREA****TAXES; STATE RENTAL VEHICLE FEE;****DRY CLEANING FEES**

23 **SECTION 15.** 77.54 (9a) (er) of the statutes is created to read:

24 77.54 (9a) (er) Any transit authority created under s. 66.1039.

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1           **SECTION 16.** Subchapter V (title) of chapter 77 [precedes 77.70] of the statutes  
2 is amended to read:

**CHAPTER 77****SUBCHAPTER V****COUNTY, TRANSIT AUTHORITY, AND****SPECIAL DISTRICT SALES AND USE****TAXES**

8           **SECTION 17.** 77.708 of the statutes is created to read:

9           **77.708 Adoption by resolution; transit authority.** (1) A transit authority  
10 created under s. 66.1039, by resolution under s. 66.1039 (4) (s), may impose a sales  
11 tax and a use tax under this subchapter at a rate of 0.1, 0.2, 0.3, 0.4, or 0.5 percent  
12 of the sales price or purchase price. Those taxes may be imposed only in their  
13 entirety. The resolution shall be effective on the first day of the first calendar quarter  
14 that begins at least 120 days after a certified copy of the resolution is delivered to the  
15 department of revenue.

16           **(2)** Retailers and the department of revenue may not collect a tax under sub.  
17 (1) for any transit authority created under s. 66.1039 beginning on the first day of  
18 the calendar quarter that is at least 120 days after a certified copy of the repeal  
19 resolution under s. 66.1039 (4) (s) is delivered to the department of revenue, except  
20 that the department of revenue may collect from retailers taxes that accrued before  
21 such calendar quarter and fees, interest, and penalties that relate to those taxes.

22           **SECTION 18.** 77.71 of the statutes is amended to read:

23           **77.71 Imposition of county, transit authority, and special district sales**  
24 **and use taxes.** Whenever a county sales and use tax ordinance is adopted under

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1 s. 77.70, a transit authority resolution is adopted under s. 77.708, or a special district  
2 resolution is adopted under s. 77.705 or 77.706, the following taxes are imposed:

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

15 (2) An excise tax is imposed at the rates under s. 77.70 in the case of a county  
16 tax, at the rate under s. 77.708 in the case of a transit authority tax, or at the rate  
17 under s. 77.705 or 77.706 in the case of a special district tax of the purchase price  
18 upon every person storing, using, or otherwise consuming in the county ~~or~~, special  
19 district, or transit authority's jurisdictional area tangible personal property, or  
20 items, property, or goods specified under s. 77.52 (1) (b), (c), or (d), or services if the  
21 tangible personal property, item, property, good, or service is subject to the state use  
22 tax under s. 77.53, except that a receipt indicating that the tax under sub. (1), (3),  
23 or (4) has been paid relieves the buyer of liability for the tax under this subsection  
24 and except that if the buyer has paid a similar local tax in another state on a purchase  
25 of the same tangible personal property, item, property, good, or service that tax shall

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1 be credited against the tax under this subsection and except that for motor vehicles  
2 that are used for a purpose in addition to retention, demonstration, or display while  
3 held for sale in the regular course of business by a dealer the tax under this  
4 subsection is imposed not on the purchase price but on the amount under s. 77.53  
5 (1m).

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

19 (4) An excise tax is imposed at the rates under s. 77.70 in the case of a county  
20 tax, at the rate under s. 77.708 in the case of a transit authority tax, or at the rate  
21 under s. 77.705 or 77.706 in the case of a special district tax of the purchase price  
22 upon every person storing, using, or otherwise consuming a motor vehicle, boat,  
23 recreational vehicle, as defined in s. 340.01 (48r), or aircraft, if that property must  
24 be registered or titled with this state and if that property is to be customarily kept  
25 in a county that has in effect an ordinance under s. 77.70, the jurisdictional area of

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1 a transit authority that has in effect a resolution under s. 77.708, or in a special  
2 district that has in effect a resolution under s. 77.705 or 77.706, except that if the  
3 buyer has paid a similar local sales tax in another state on a purchase of the same  
4 property that tax shall be credited against the tax under this subsection.

5 **SECTION 19.** 77.73 (2) of the statutes is amended to read:

6 77.73 (2) Counties ~~and, special districts, and transit authorities~~ do not have  
7 jurisdiction to impose the tax under s. 77.71 (2) in regard to items, property, and  
8 goods under s. 77.52 (1) (b), (c), and (d), and tangible personal property, except  
9 snowmobiles, trailers, semitrailers, all-terrain vehicles, and utility terrain vehicles,  
10 purchased in a sale that is consummated in another county or special district in this  
11 state, or in another transit authority's jurisdictional area, that does not have in effect  
12 an ordinance or resolution imposing the taxes under this subchapter and later  
13 brought by the buyer into the county ~~or, special district, or jurisdictional area of the~~  
14 transit authority that has imposed a tax under s. 77.71 (2).

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

16 77.73 (3) Counties ~~and, special districts, and transit authorities~~ have  
17 jurisdiction to impose the taxes under this subchapter on retailers who file, or who  
18 are required to file, an application under s. 77.52 (7) or who register, or who are  
19 required to register, under s. 77.53 (9) or (9m), regardless of whether such retailers  
20 are engaged in business in the county ~~or, special district, or transit authority's~~  
21 jurisdictional area, as provided in s. 77.51 (13g). A retailer who files, or is required  
22 to file, an application under s. 77.52 (7) or who registers, or is required to register,  
23 under s. 77.53 (9) or (9m) shall collect, report, and remit to the department the taxes  
24 imposed under this subchapter for all counties ~~or, special districts, and transit~~

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1 authorities that have an ordinance or resolution imposing the taxes under this  
2 subchapter.

3 **SECTION 21.** 77.75 of the statutes is amended to read:

4 **77.75 Reports.** Every person subject to county, transit authority, or special  
5 district sales and use taxes shall, for each reporting period, record that person's sales  
6 made in the county ~~or~~, special district, or jurisdictional area of a transit authority  
7 that has imposed those taxes separately from sales made elsewhere in this state and  
8 file a report as prescribed by the department of revenue.

9 **SECTION 22.** 77.76 (1) of the statutes is amended to read:

10 **77.76 (1)** The department of revenue shall have full power to levy, enforce, and  
11 collect county, transit authority, and special district sales and use taxes and may take  
12 any action, conduct any proceeding, impose interest and penalties, and in all respects  
13 proceed as it is authorized to proceed for the taxes imposed by subch. III. The  
14 department of transportation and the department of natural resources may  
15 administer the county, transit authority, and special district sales and use taxes in  
16 regard to items under s. 77.61 (1).

17 **SECTION 23.** 77.76 (2) of the statutes is amended to read:

18 **77.76 (2)** Judicial and administrative review of departmental determinations  
19 shall be as provided in subch. III for state sales and use taxes, and no county, transit  
20 authority, or special district may intervene in any matter related to the levy,  
21 enforcement, and collection of the taxes under this subchapter.

22 **SECTION 24.** 77.76 (3r) of the statutes is created to read:

23 **77.76 (3r)** From the appropriation under s. 20.835 (4) (gc) the department of  
24 revenue shall distribute 98.5 percent of the taxes reported for each transit authority  
25 that has imposed taxes under this subchapter, minus the transit authority portion

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1 of the retailers' discount, to the transit authority no later than the end of the 3rd  
2 month following the end of the calendar quarter in which such amounts were  
3 reported. At the time of distribution the department of revenue shall indicate the  
4 taxes reported by each taxpayer. In this subsection, the "transit authority portion  
5 of the retailers' discount" is the amount determined by multiplying the total  
6 retailers' discount by a fraction the numerator of which is the gross transit authority  
7 sales and use taxes payable and the denominator of which is the sum of the gross  
8 state and transit authority sales and use taxes payable. The transit authority taxes  
9 distributed shall be increased or decreased to reflect subsequent refunds, audit  
10 adjustments, and all other adjustments of the transit authority taxes previously  
11 distributed. Interest paid on refunds of transit authority sales and use taxes shall  
12 be paid from the appropriation under s. 20.835 (4) (gc) at the rate paid by this state  
13 under s. 77.60 (1) (a). Any transit authority receiving a report under this subsection  
14 is subject to the duties of confidentiality to which the department of revenue is  
15 subject under s. 77.61 (5).

16 **SECTION 25.** 77.76 (4) of the statutes is amended to read:

17 77.76 (4) There shall be retained by the state 1.5% of the taxes collected for  
18 taxes imposed by special districts under ss. 77.705 and 77.706 and transit authorities  
19 under s. 77.708 and 1.75% of the taxes collected for taxes imposed by counties under  
20 s. 77.70 to cover costs incurred by the state in administering, enforcing, and  
21 collecting the tax. All interest and penalties collected shall be deposited and retained  
22 by this state in the general fund.

23 **SECTION 26.** 77.77 (1) of the statutes is amended to read:

24 77.77 (1) (a) The sales price from services subject to the tax under s. 77.52 (2)  
25 or the lease, rental, or license of tangible personal property and property, items, and

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1 goods specified under s. 77.52 (1) (b), (c), and (d), is subject to the taxes under this  
2 subchapter, and the incremental amount of tax caused by a rate increase applicable  
3 to those services, leases, rentals, or licenses is due, beginning with the first billing  
4 period starting on or after the effective date of the county ordinance, special district  
5 resolution, transit authority resolution, or rate increase, regardless of whether the  
6 service is furnished or the property, item, or good is leased, rented, or licensed to the  
7 customer before or after that date.

8 (b) The sales price from services subject to the tax under s. 77.52 (2) or the lease,  
9 rental, or license of tangible personal property and property, items, and goods  
10 specified under s. 77.52 (1) (b), (c), and (d), is not subject to the taxes under this  
11 subchapter, and a decrease in the tax rate imposed under this subchapter on those  
12 services first applies, beginning with bills rendered on or after the effective date of  
13 the repeal or sunset of a county ordinance ~~or~~, special district resolution, or transit  
14 authority resolution imposing the tax or other rate decrease, regardless of whether  
15 the service is furnished or the property, item, or good is leased, rented, or licensed  
16 to the customer before or after that date.

17 **SECTION 27.** 77.77 (3) of the statutes is amended to read:

18 77.77 (3) The sale of building materials to contractors engaged in the business  
19 of constructing, altering, repairing or improving real estate for others is not subject  
20 to the taxes under this subchapter, and the incremental amount of tax caused by the  
21 rate increase applicable to those materials is not due, if the materials are affixed and  
22 made a structural part of real estate, and the amount payable to the contractor is  
23 fixed without regard to the costs incurred in performing a written contract that was  
24 irrevocably entered into prior to the effective date of the county ordinance, special  
25 district resolution, transit authority resolution, or rate increase or that resulted from

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1 the acceptance of a formal written bid accompanied by a bond or other performance  
2 guaranty that was irrevocably submitted before that date.

3 **SECTION 28.** 77.78 of the statutes is amended to read:

4 **77.78 Registration.** No motor vehicle, boat, snowmobile, recreational vehicle,  
5 as defined in s. 340.01 (48r), trailer, semitrailer, all-terrain vehicle, utility terrain  
6 vehicle, or aircraft that is required to be registered by this state may be registered  
7 or titled by this state unless the registrant files a sales and use tax report and pays  
8 the county tax, transit authority tax, and special district tax at the time of registering  
9 or titling to the state agency that registers or titles the property. That state agency  
10 shall transmit those tax revenues to the department of revenue.

11 **SECTION 29.** 85.064 (1) (b) of the statutes is amended to read:

12 85.064 (1) (b) "Political subdivision" means any city, village, town, county, or  
13 transit commission organized under s. 59.58 (2) or 66.1021 or recognized under s.  
14 66.0301, or transit authority created under s. 66.1039 within this state.

15 **SECTION 30.** 111.70 (1) (j) of the statutes is repealed and recreated to read:

16 111.70 (1) (j) "Municipal employer" means any city, county, village, town,  
17 metropolitan sewerage district, school district, long-term care district, transit  
18 authority under s. 66.1039, local cultural arts district created under subch. V of ch.  
19 229, or any other political subdivision of the state, or instrumentality of one or more  
20 political subdivisions of the state, that engages the services of an employee and  
21 includes any person acting on behalf of a municipal employer within the scope of the  
22 person's authority, express or implied.

23 **SECTION 31.** 345.05 (1) (ag) of the statutes is created to read:

24 345.05 (1) (ag) "Authority" means a transit authority created under s. 66.1039.

25 **SECTION 32.** 345.05 (2) of the statutes is amended to read:

