

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 941**

March 28, 2000 – Offered by Representatives STONE, JENSEN, KAUFERT, GARD,
WALKER and DUFF.

1 **AN ACT** *to repeal* 20.395 (2) (dq); *to amend* 20.395 (4) (aq), 20.395 (9) (rd), 20.395
2 (9) (td), 76.02 (1) and 78.55 (1); and *to create* 20.395 (2) (dc), 20.395 (2) (dr),
3 20.395 (2) (dt) and 70.11 (40) of the statutes; **relating to:** a property tax
4 exemption for an air carrier that operates from a hub facility, creating an
5 airport financing committee, granting rule-making authority and making
6 appropriations.

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

7 **SECTION 1.** 20.395 (2) (dc) of the statutes is created to read:
8 20.395 (2) (dc) *Aeronautical activities matching supplement, state funds.* From
9 the general fund, a sum sufficient in each fiscal year equal to one-half of the
10 difference between \$11,800,000 and the amounts received under par. (dr) during the
11 preceding fiscal year, or equal to \$1,650,000, whichever is less, for the purposes of the

1 state's share of airport projects under ss. 114.34 and 114.35; for developing air
2 marking and other air navigational facilities; for administration of the powers and
3 duties of the secretary of transportation under s. 114.31; for costs associated with
4 aeronautical activities under s. 114.31, except for the program under s. 114.31 (3) (b);
5 and for the administration of other aeronautical activities, except aircraft
6 registration under s. 114.20, authorized by law. No moneys may be encumbered from
7 this appropriation for any fiscal year in excess of the amounts encumbered from the
8 appropriation under par. (dt) for that fiscal year. No moneys may be encumbered
9 from this appropriation for any fiscal year if the amounts received under par. (dr)
10 during the previous fiscal year are equal to or greater than \$11,800,000.

11 **SECTION 2.** 20.395 (2) (dq) of the statutes, as affected by 1999 Wisconsin Act 9,
12 is repealed.

13 **SECTION 3.** 20.395 (2) (dr) of the statutes is created to read:

14 20.395 (2) (dr) *Aeronautical activities, state funds.* All moneys received from
15 taxes on air carrier companies under ch. 76, from aircraft registration fees under s.
16 114.20, from general aviation fuel taxes under subch. III of ch. 78 and from any other
17 tax or fee received from an aeronautical activity and deposited in the transportation
18 fund, except moneys appropriated under pars. (dv) and (dx) and sub. (4) (es), and all
19 moneys transferred under 1999 Wisconsin Act (this act), section 12 (1), for the
20 purposes of the state's share of airport projects under ss. 114.34 and 114.35; for
21 developing air marking and other air navigational facilities; for administration of the
22 powers and duties of the secretary of transportation under s. 114.31; for costs
23 associated with aeronautical activities under s. 114.31, except for the program under
24 s. 114.31 (3) (b); and for the administration of other aeronautical activities, except
25 aircraft registration under s. 114.20, authorized by law.

1 **SECTION 4.** 20.395 (2) (dt) of the statutes is created to read:

2 20.395 **(2)** (dt) *Aeronautical activities supplement, state funds.* A sum sufficient
3 in each fiscal year equal to one-half of the difference between \$11,800,000 and the
4 amounts received under par. (dr) during the preceding fiscal year, or equal to
5 \$1,650,000, whichever is less, for the purposes of the state's share of airport projects
6 under ss. 114.34 and 114.35; for developing air marking and other air navigational
7 facilities; for administration of the powers and duties of the secretary of
8 transportation under s. 114.31; for costs associated with aeronautical activities
9 under s. 114.31, except for the program under s. 114.31 (3) (b); and for the
10 administration of other aeronautical activities, except aircraft registration under s.
11 114.20, authorized by law. No moneys may be encumbered from this appropriation
12 for any fiscal year in excess of the amounts encumbered from the appropriation
13 under par. (dc) for that fiscal year. No moneys may be encumbered from this
14 appropriation for any fiscal year if the amounts received under par. (dr) during the
15 previous fiscal year are equal to or greater than \$11,800,000.

16 **SECTION 5.** 20.395 (4) (aq) of the statutes is amended to read:

17 20.395 **(4)** (aq) *Departmental management and operations, state funds.* The
18 amounts in the schedule for departmental planning and administrative activities
19 and the administration and management of departmental programs except those
20 programs under subs. (2) (bq), (cq) ~~and (dq), (dc), (dr) and (dt)~~ and (3) (iq), including
21 those activities in s. 85.07 and including not less than \$220,000 in each fiscal year
22 to reimburse the department of justice for legal services provided the department
23 under s. 165.25 (4) (a) and including activities related to the demand management
24 and ride-sharing program under s. 85.24 that are not funded from the appropriation
25 under sub. (1) (bs), (bv) or (bx), the minority civil engineer scholarship and loan

1 repayment incentive grant program under s. 85.107, the Type 1 motorcycle, moped
2 and motor bicycle safety program under s. 85.30 and to match federal funds for mass
3 transit planning.

4 **SECTION 6.** 20.395 (9) (rd) of the statutes is amended to read:

5 20.395 **(9)** (rd) *Airport construction major cost carry-over.* When an airport
6 development project is approved by the governor under s. 114.33 (3), the moneys
7 allocated for the project from sub. (2) ~~(dq)~~ (dc), (dr) and (dt) shall be considered
8 encumbered and carried-over to subsequent years to meet the state's share of the
9 project.

10 **SECTION 7.** 20.395 (9) (td) of the statutes, as affected by 1999 Wisconsin Act 9,
11 is amended to read:

12 20.395 **(9)** (td) *Real estate major cost carry-over.* Subject to s. 86.255, when a
13 highway, airport or railroad land acquisition project is approved by the secretary
14 under s. 84.09, 85.09 or 114.33, the moneys allocated for the project from subs. (2)
15 (bq), ~~(dq)~~ (dc), (dr), (dt) and (eq) and (3) (bq), (cq) and (eq) may be considered
16 encumbered.

17 **SECTION 8.** 70.11 (40) of the statutes is created to read:

18 70.11 **(40)** HUB FACILITY. (a) In this subsection:

19 1. "Air carrier company" means any person engaged in the business of
20 transportation in aircraft of persons or property for hire on regularly scheduled
21 flights. In this subdivision, "aircraft" has the meaning given in s. 76.02 (1).

22 2. "Hub facility" means any of the following:

23 a. A facility at an airport from which an air carrier company operated at least
24 45 common carrier departing flights each weekday in the prior year and from which
25 it transported passengers to at least 15 nonstop destinations, as defined by rule by

1 the department of revenue, or transported cargo to nonstop destinations, as defined
2 by rule by the department of revenue.

3 b. An airport or any combination of airports in this state from which an air
4 carrier company cumulatively operated at least 20 common carrier departing flights
5 each weekday in the prior year, if the air carrier company's headquarters, as defined
6 by rule by the department of revenue, is in this state.

7 (b) Property owned by an air carrier company that operates a hub facility in this
8 state, if the property is used in the operation of the air carrier company.

9 **SECTION 9.** 76.02 (1) of the statutes is amended to read:

10 76.02 (1) "Air carrier company" means any person engaged in the business of
11 transportation in aircraft of persons or property for hire on regularly scheduled
12 flights, except an air carrier company whose property is exempt from taxation under
13 s. 70.11 (40) (b). In this subsection, "aircraft" means a completely equipped operating
14 unit, including spare flight equipment, used as a means of conveyance in air
15 commerce.

16 **SECTION 10.** 78.55 (1) of the statutes is amended to read:

17 78.55 (1) "Air carrier company" has the meaning given in s. ~~76.02 (1)~~ 70.11 (40)
18 (a) 1.

19 **SECTION 11. Nonstatutory provisions.**

20 (1) AIRPORT FINANCING COMMITTEE. There is created an airport financing
21 committee consisting of members appointed by the governor. The governor shall
22 appoint members representing the department of transportation, the department of
23 commerce, airport managers, airlines serving this state, the general aviation
24 community, the people of this state, and private businesses having an interest in
25 transportation policy and financing. The committee shall review and evaluate this

1 state's airport system needs and the current system of funding those needs and shall
2 recommend changes, if any, to better meet those needs. The committee shall
3 evaluate, among other things: aircraft registration fees; aviation fuel taxes and fees;
4 allocation of sales tax receipts from the sale of aircraft, parts and services to the
5 appropriation account under section 20.395 (2) (dr) of the statutes, as created by this
6 act, and allocation of other moneys to that appropriation account. The committee's
7 recommendations, if any, should, if enacted, generate revenue in amounts equal to
8 or greater than the sum of moneys appropriated for aeronautical activities in fiscal
9 year 2001. Not later than December 31, 2000, the committee shall submit a report
10 containing the committee's evaluation, findings and recommendations to the
11 governor, and to the legislature in the manner provided under section 13.172 (2) of
12 the statutes.

13 **SECTION 12. Appropriation changes.**

14 (1) The unencumbered balance of the appropriation to the department of
15 transportation under section 20.395 (2) (dq) of the statutes immediately before the
16 effective date of this subsection is transferred to the appropriation account under
17 section 20.395 (2) (dr) of the statutes, as created by this act.

18 **SECTION 13. Initial applicability.**

19 (1) HUB FACILITY. The treatment of sections 70.11 (40), 76.02 (1) and 78.55 (1)
20 of the statutes first applies to the property tax assessments as of January 1, 2001.

21 (2) REVENUES RECEIVED FROM AD VALOREM TAX ON AIR CARRIERS. The treatment of
22 section 20.395 (2) (dr) of the statutes first applies to moneys received from taxes and
23 fees on July 1, 2003.

24 **SECTION 14. Effective dates.** This act takes effect on the day after publication,
25 except as follows:

