

1999 ASSEMBLY BILL 958

March 30, 2000 – Introduced by Representatives PLALE, RILEY, KRUG, BOCK and SINICKI. Referred to Joint committee on Finance.

1 **AN ACT to repeal** 20.395 (2) (dq); **to amend** 20.395 (4) (aq), 20.395 (9) (rd) and
2 20.395 (9) (td); and **to create** 20.395 (2) (dr) and 114.41 of the statutes; **relating**
3 **to:** financial assistance for an air carrier that operates from a hub facility,
4 creating an airport financing committee, granting rule-making authority and
5 making appropriations.

Analysis by the Legislative Reference Bureau

This bill creates a grant program administered by the department of transportation to award grants totaling \$1,500,000 annually to air carriers having a hub facility in this state. The bill defines “air carrier” as any person engaged in the business of transportation in aircraft of persons or property for hire on regularly scheduled flights. The bill defines “hub facility” as a facility at an airport from which an air carrier company operated at least 45 common carrier departing flights each weekday in the prior year and from which it transported passengers to at least 15 nonstop destinations.

Under current law, revenues derived from aeronautics activities in this state, including moneys received from taxes on air carrier companies, from aircraft registration fees and from general aviation fuel taxes, are deposited in the segregated transportation fund. Aeronautics activities are funded from a sum certain appropriation in the segregated transportation fund.

Beginning on July 1, 2003, this bill directs all revenues derived from aeronautics activities that are currently deposited in the transportation fund to a

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new appropriation. Aeronautics activities are funded from these receipts, instead of from a sum certain appropriation.

Finally, the bill creates an airport financing committee consisting of members appointed by the governor. The bill requires the committee to review and evaluate this state's airport system needs and the current system of funding those needs and to recommend changes, if any, to better meet those needs. The bill requires the committee to submit a report not later than December 31, 2000, to the legislature and to the governor containing the committee's evaluation, findings and recommendations. The committee's recommendations, if any, should, if enacted, generate revenue in amounts equal to or greater than the sum of moneys appropriated for aeronautical activities in fiscal year 2001.

For further information see the *state* 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 (2) (dq) of the statutes, as affected by 1999 Wisconsin Act 9,
2 is repealed.

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

4 20.395 **(2)** (dr) *Aeronautical activities, state funds.* All moneys received from
5 taxes on air carrier companies under ch. 76, from aircraft registration fees under s.
6 114.20, from general aviation fuel taxes under subch. III of ch. 78 and from any other
7 tax or fee received from an aeronautical activity and deposited in the transportation
8 fund, except moneys appropriated under pars. (dv) and (dx) and sub. (4) (es), and all
9 moneys transferred under 1999 Wisconsin Act (this act), section 8 (1), for the
10 purposes of the state's share of airport projects under ss. 114.34 and 114.35; for
11 developing air marking and other air navigational facilities; for administration of the
12 powers and duties of the secretary of transportation under s. 114.31; for costs
13 associated with aeronautical activities under s. 114.31, except for the program under
14 s. 114.31 (3) (b); for awarding grants under s. 114.41; and for the administration of

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1 other aeronautical activities, except aircraft registration under s. 114.20, authorized
2 by law.

3 **SECTION 3.** 20.395 (4) (aq) of the statutes is amended to read:

4 20.395 (4) (aq) *Departmental management and operations, state funds.* The
5 amounts in the schedule for departmental planning and administrative activities
6 and the administration and management of departmental programs except those
7 programs under subs. (2) (bq), (cq) and ~~(dq)~~ (dr) and (3) (iq), including those activities
8 in s. 85.07 and including not less than \$220,000 in each fiscal year to reimburse the
9 department of justice for legal services provided the department under s. 165.25 (4)
10 (a) and including activities related to the demand management and ride-sharing
11 program under s. 85.24 that are not funded from the appropriation under sub. (1)
12 (bs), (bv) or (bx), the minority civil engineer scholarship and loan repayment
13 incentive grant program under s. 85.107, the Type 1 motorcycle, moped and motor
14 bicycle safety program under s. 85.30 and to match federal funds for mass transit
15 planning.

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

17 20.395 (9) (rd) *Airport construction major cost carry-over.* When an airport
18 development project is approved by the governor under s. 114.33 (3), the moneys
19 allocated for the project from sub. (2) ~~(dq)~~ (dr) shall be considered encumbered and
20 carried-over to subsequent years to meet the state's share of the project.

21 **SECTION 5.** 20.395 (9) (td) of the statutes, as affected by 1999 Wisconsin Act 9,
22 is amended to read:

23 20.395 (9) (td) *Real estate major cost carry-over.* Subject to s. 86.255, when a
24 highway, airport or railroad land acquisition project is approved by the secretary

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1 under s. 84.09, 85.09 or 114.33, the moneys allocated for the project from subs. (2)
2 (bq), ~~(dq)~~ (dr) and (eq) and (3) (bq), (cq) and (eq) may be considered encumbered.

3 **SECTION 6.** 114.41 of the statutes is created to read:

4 **114.41 Air carrier hub facility grant program. (1)** In this section:

5 (a) “Air carrier company” means any person engaged in the business of
6 transportation in aircraft of persons or property for hire on regularly scheduled
7 flights. In this paragraph, “aircraft” has the meaning given in s. 76.02 (1).

8 (b) “Hub facility” means a facility at an airport from which an air carrier
9 company operated at least 45 common carrier departing flights each weekday in the
10 prior year and from which it transported passengers to at least 15 nonstop
11 destinations, as defined by rule by the department of revenue, or transported cargo
12 to nonstop destinations, as defined by rule by the department of revenue.

13 **(2)** The department of transportation shall administer an air carrier hub
14 facility grant program. On July 1, 2003, and each July 1 thereafter, the department
15 shall award grants totaling \$1,500,000 to any air carrier having a hub facility in this
16 state. Grants under this section shall be paid from the appropriation under s. 20.395
17 (2) (dr).

18 **SECTION 7. Nonstatutory provisions.**

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

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

12 **SECTION 8. Appropriation changes.**

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

17 **SECTION 9. Initial applicability.**

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

21 **SECTION 10. Effective dates.** This act takes effect on the day after publication,
22 except as follows:

23 (1) The treatment of section 20.395 (2) (dq) and (dr), (4) (aq) and (9) (rd) and
24 (td) of the statutes and SECTION 8 (1) of this act take effect on July 1, 2003.

25

(END)