1999 DRAFTING REQUEST

Bill

Received: 03/28/2000 Wanted: Today For: Jeffrey Plale (608) 266-0610				Received By: jkreye Identical to LRB: By/Representing: traci												
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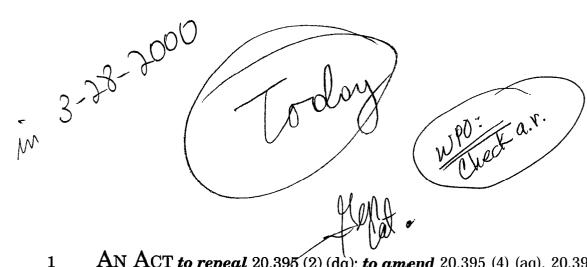
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1999 - 2000 LEGISLATURE

LRB-481/741 JK&PEN:kmg/cmh/cjs:jf

1999 BILL



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,

creating an airport financing committee, granting rule-making authority and

making appropriations.

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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 amually 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 of as an airport or any combination of airports in this state from which an air carrier company cumulatively operated at least 20 common carrier departing flights each weekday in the prior year, if the air carrier company's headquarters are in this state.

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.

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

SECTION 1. 20.395 (2) (dq) of the statutes, as affected by 1999 Wisconsin Act 9,
is repealed.

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

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

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

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

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

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

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

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

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

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

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

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

- (a) "Air carrier company" means any person engaged in the business of transportation in aircraft of persons or property for hire on regularly scheduled flights. In this paragraph, "aircraft" has the meaning given in s. 76.02 (1).
 - (b) "Hib facility" means and of the fall wing.

45 common carrier departing flights each weekday in the prior year and from which it transported passengers to at least 15 nonstop destinations, as defined by rule by the department of revenue, or transported cargo to nonstop destinations, as defined by rule by the department of revenue.

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

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

SECTION 7. Nonstatutory provisions.

(1) Airport financing committee. There is created an airport financing committee consisting of members appointed by the governor. The governor shall

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appoint members representing the department of transportation, the department of commerce, airport managers, airlines serving this state, the general aviation community, the people of this state, and private businesses having an interest in transportation policy and financing. The committee shall review and evaluate this state's airport system needs and the current system of funding those needs and shall recommend changes, if any, to better meet those needs. The committee shall evaluate, among other things: aircraft registration fees; aviation fuel taxes and fees; allocation of sales tax receipts from the sale of aircraft, parts and services to the appropriation account under section 20.395 (2) (dr) of the statutes, as created by this act, and allocation of other moneys to that appropriation account. 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. Not later than December 31, 2000, the committee shall submit a report containing the committee's evaluation, findings and recommendations to the governor, and to the legislature in the manner provided under section 13.172 (2) of the statutes.

SECTION 8. Appropriation changes.

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

SECTION 9. Initial applicability.

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

1	SECTION 10. Effective dates. This act takes effect on the day after publication,
2	except as follows:
3	(1) The treatment of section 20.395 (2) (dq) and (dr), (4) (aq) and (9) (rd) and
4	(td) of the statutes and Section 8 (1) of this act take effect on July 1, 2003.
5	(END)

SUBMITTAL FORM

LEGISLATIVE REFERENCE BUREAU Legal Section Telephone: 266-3561 5th Floor, 100 N. Hamilton Street

The attached draft is submitted 1 or your inspection. Please check each part carefully, proofread each word, and sign on the appropriate line(s) below.

Date: 03/28/2000	To: Representative Plale
	Relating to LRB drafting number: LIB-4836
<u>Topic</u> Hub facility grant	
Subject(s) Tax - utilities 1. JACKET the draft for introduction	W. Sur
in the Senate or the Assembly (check o	nly one). Only the requester under whose name the
drafting request is entered in the LRB's drafting red	cords may authorize the draft to be submitted. Please
allow one day for the preparation of the required co	ppies.
2. REDRAFT. See the changes indicated or attached	I
A revised draft will be submitted for your approval	with changes incorporated.
3. Obtain FISCAL ESTIMATE NOW , prior to intro	oduction
If the analysis indicates that a fiscal estimate is requ	uired because the proposal makes an appropriation or
increases or decreases existing appropriations or sta	ate or general local government fiscal liability or
revenues, you have the option to request the fiscal of	estimate prior to introduction. If you choose to
introduce the proposal without the fiscal estimate,	the fiscal estimate will be requested automatically upon
introduction. It takes about 10 days to obtain a fisc	al estimate. Requesting the fiscal estimate prior to
introduction retains your flexibility for possible red	rafting of the proposal.
If you have any questions regarding the above proced	ures, please call 266-3561. If you have any questions

relating to the attached draft, please feel free to call me.

Joseph T. Kreye, Legislative Attorney Telephone: (608) 266-2263