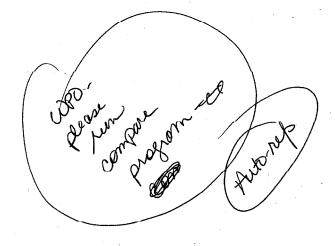


State of Misconsin 1999 - 2000 LEGISLATURE

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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION





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AN ACT to repeal 20.255 (3) (er); to amend 38.15 (3) (c) 3. and 4., 49.1475, 49.157, 66.462 (1) (c), 66.462 (2), 71.05 (6) (a) 15., 71.08 (1) (intro.), 71.21 (4), 71.26 (2) (a), 71.28 (1dx) (b) 1., 71.34 (1) (g), 71.45 (2) (a) 10., 77.92 (4), 281.60 (2r) (a), 292.15 (2) (at) (intro.) and 6., 292.24 (title), (2) (intro.), (a), (b), (c), (f), (g) and (3) (a) to (c), 292.26 (2) (intro.), 560.14 (4m) (a) (intro.) and 560.33 (1) (c); and to create 20.255 (2) (dr) and (3) (er), 38.04 (27), 38.12 (12), 49.143 (2) (a) 11., 49.143 (2) (er), 49.175 (1) (nm), 71.07 (5r), 71.10 (4) (k), 71.28 (1dx) (b) 1m., 71.28 (1dx) (f), 71.28 (5r), 71.30 (3) (g), 71.47 (5r), 71.49 (1) (g), 106.01 (11), 115.28 (42), 115.455, 292.11 (14), 292.15 (2) (at) 7., 292.15 (8), 292.31 (11), 560.14 (4m) (c), 560.25, 560.31 (2) (g) and 560.34 (1r) of the statutes; relating to: job retention programs; productivity enhancement training tax credit; applied technology centers; amending the certified capital company program and provides for the development of state state venture capital development and the sunitar manufal remained for the state venture capital development and the sunitar manufal remained for the state venture capital development and two states are multipostate venture capital development and the sunitar manufal remained for the state venture capital development and two states are multipostate venture capital development and two states are multipostated and wisconsin world geography fund; low-income immersion instruction grant and Wisconsin world geography fund; low-income

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Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

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

PREFATORY NOTE: This draft was prepared for the joint legislative council's special committee on state strategies for economic development.

The draff makes numerous changes to state laws in a variety of subject matters. Among other things, the draff does the following:

•Creates a statewide job retention skills development program within the technical college system.

•Provides a business tax credit for expenses incurred by a business to provide certain training to the business's incurred work force. employes

•Modifies the technical college district board applied technology center program to allow full use of donated funds and to extend the sunset date of the program.

•Modifies the certified capital companies (CAPCO) program.

•Expands the scope of the state's venture capital fair grant program.

•Establishes a foreign language immersion the department of public instruction (DPI).

 \bullet Appropriates \$500,000 for the establishment of the Wisconsin world geography fund.

•Provides additional emphasis on transportation under the Wisconsin Works (W-2) program by expanding eligibility for W-2 transportation, requiring the establishment of local W-2 transportation advisory committees and requiring W-2 agencies to account for their W-2 related transportation expenditures.

•Requires the department of workforce development (DWD) to ereats an advanced journeyworker credential pilot program.

•Modifies a number of provisions of state law relating to brownfields and environmental remediation tax incremental finance districts.

The provisions of the draft are more fully explained below.

Job Retention Skills Development Program

district

This requires the technical college system board (**Declaration**) to establish a attackwide job retention skills development program to assist employers to retain new employes, build the job skill levels of those employes and assist those employes to attain higher wages and long-term careers. Under the deal, the program must be available to all employers in the state and to the extent practicable, must be provided at employment sites.

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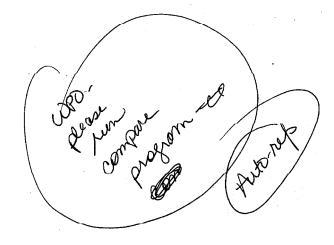


State of Misconsin 1999 - 2000 LEGISLATURE

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

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- •Creates a statewide job retention skills development program within the technical college system.
- •Provides a business tax credit for expenses incurred by a business to provide certain training to the business's incumbent work force. -employes
- Modifies the technical college district board applied technology center program to allow full use of donated funds and to extend the sunset date of the program.
 - Modifies the certified capital companies (CAPCO) program.
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•Provides additional emphasis on transportation under the Wisconsin Works (W-2) program by expanding eligibility for W-2 transportation, requiring the establishment of local W-2 transportation advisory committees and requiring W-2 agencies to account for their W-2 related transportation expenditures.

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Job Retention Skills Development Program

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The program must emphasize job retention skills development for employes with incomes at or below 200% of the federal poverty line who are current or former recipients of public assistance, employes in the first 6 months of employment with their employer and entry-level employes.

In establishing the program, the board must consult with employers, technical college district boards, W-2 agencies, local units of government and labor organizations. The program must include elements relating to the skills needed to show up for work on time, to work effectively in a team, to communicate with supervisors and coworkers and to solve basic job-related personal and interpersonal problems.

The dree requires the board, in consultation with employers, district boards and the department of workforce development, to develop standards to assess the job retention skills competencies of participants before and after participation in the program. The program sunsets on December 31, 2004.

Further, the craft requires technical college district boards to effect the program to assist employers providing ongoing job retention skills development and reinforcement activities in the work place. The draft also allows district boards to charge employers a fee for the program and services offered to employers. The draft dissets \$200,000 of federal temporary assistance for needy families block grant funds to be used to implement the program.

Finally, the draft requires W-2 agencies to provide case management services to individuals that move from W-2 employment positions to unsubsidized employment and coordinate those services with the job retention skills development program. [SECTIONS 4, W 9, 11 and 4900.]

Productivity Enhancement Training Expense Tax Credit

This draft provides a nonrefundable business tax credit for expenses made by a business to provide certain training to the business's incurabent work force. The credit equals 100% of the business's certified training expenses, up to a maximum of \$7,500 per year. Eligible training expenses include up to \$2,000 incurred for pre-training assessment and consultation services. The credit may not be claimed for amounts deducted by the business under the Internal Revenue Code as ordinary and necessary business expenses. Unused credits may be carried forward for up to 15 years. Under the draft, sole proprietorships, corporations and insurers may claim the credit. Partnerships, limited liability companies and tax option corporations compute the credit but pass it on

The purpose of the credit is to encourage businesses to provide training to their izenthent work force to improve the workers for high-skill and high-wage jobs.

to the partners, members and shareholders in proportion to their ownership interests.

To qualify for the credit, the department of commerce must certify the business's productivity enhancement training expenses. To be eligible to have its expenses certified, the business must submit to the department of commerce a productivity enhancement training plan which widt:) (1) increase the incumbent work forces productivity; and (2) result in the work force holding higher skilled jobs and higher paying jobs. In addition, the business must receive pre-training needs assessment and consultation from an experienced provider of productivity assessments, as approved by the department of commerce. Finally, the business must submit an accounting of its productivity enhancement training expenses so that the department of commerce may determine if the expenses were incurred under the training plan.

Each business that has its expenses certified and that claims the tax credit must report to the department of commerce by March 1 of the year after reserving the certification on the results of its productivity enhancement training and its success in

employes holding jobs that require higher degrees of skill to perform and that pay higher wases than their current

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No business may be centified for tax credits for any taxable year beginning after

meeting the goals established in its productivity enhancement training plan. The department is required to report to the legislature by December 1 annually on the effectiveness of the program.

The tax credit is available for two years beginning or or after January 1, 2000 and December 31, 2008. [Sections 14-19, 23-29, 43 and 48 (3).]

Applied Technology Centers "1" (+0) (+0) "6

Under current law, as created by 1999 Wisconsin Act 9, technical college district boards may expend up to \$5,000,000 for the purchase or construction of facilities to be used as applied technology centers without approval of voters in a referendum. To do so, the district board must adopt a resolution and gain the approval of the technical college system board. The approval process must be developed by the technical college system board in consultation with representatives of business and labor interests.

To gain approval, the district board must demonstrate all of the following:

- 1. That the proposed applied technology center is likely to increase or retain the number of jobs in the region that require a high level of skill and provide a high level of wages.
- That the productivity of workers that would use the applied technology center is likely to increase.
- 3. That a commitment exists from businesses in the region to fund 30% of the capital costs of the applied technology center, 100% of the direct operating costs of services provided under a contract at the applied technology center and 20% of the indirect operating costs of services provided under a contract at the applied technology center.
- 4. That representatives of labor and business interests were consulted on the development of the proposed applied technology center.

The district board must report to the technical college system board on the changes in wages, productivity and skill levels of workers that have been directly served by the applied technology center.

ed technology center.

Expenditures must be made km/January 1, 2002.

The traff makes changes to current law. First, the deaff provides that the \$5,000,000 limit does not apply to gifts, grants or federal funds. Also, the draft extends the date by which expenditures may be made to December 31, 2002. [Section 6.]

CAPCO

Under the program, an insurance company may receive a credit on its insurance premiums tax for its investments in a CAPCO if the CAPCO uses these funds from the insurer to invest as venture capital in designated small businesses in Wisconsin. These venture capital investments are referred to invest as "qualified investments". The courses with a qualified investments on supporting the creation and expansion of the providing seed capital rather than later stage financing, by doing the following:

| Lower for the company (CAPCO) program (C

1. Lewers the average annual net income of a qualified business that a CAPCO may invest in from \$2,000,000 to \$1,000,000.

2. Discludes a CAPCO's qualified investment from being used to replace existing sources of financing.

3. Macrines a CAPCO to have professional staff based in the state to manage its investments in qualified businesses in Wisconsin to ensure that the CAPCO will be able to provide the direct assistance that a start—up from needs. [Sections 44, 46 and 49 (3).]

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Current law generally requires a person who possesses or controls a hazardous substance that is discharged or who causes the discharge of a hazardous substance to restore the environment to the extent practicable and to minimize the harmful effects of the discharge on the environment. Current law generally exempts a local governmental unit from these clean—up requirements with respect to hazardous substance discharges on land acquired in specified ways, such as through tax delinquency proceedings and condemnation.

Current law, as amended by 1999 Wisconsin Act 9, exempts a local governmental unit that has acquired property in one of the specified ways from certain liability requirements with respect to the existence of a hazardous waste if, among other things, the waste is identified by an environmental investigation, the waste is cleaned up, the local unit of government maintains and monitors the property and does not engage in activities that are inconsistent with the maintenance of the property. The descriptions this exemption to cover the existence of solid waste, subject to the same conditions as apply to the existence of hazardous waste. [Section 38.]

Provide Flexibility With Development Zone Tax Credits for Remediation

Under current law, a person may claim an income tax credit for up to 50% of the person's environmental remediation expenses that recent in a development zone. Under current law, the credit may not be transferred between persons, and a municipality or nonprofit organization that engages in remedial remediation activities in a development zone may not claim a credit.

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This dead provides that any person eligible to claim a credit for remediation expenses incurred in a development zone may transfer to any other person subject to taxation in Wassania the right to claim the endir. In addition, the draw provides that a person may claim a credit for 50% of the amount expended by a municipality or a tax-exempt or nonprofit organization for environmental remediation in a development zone if the municipality or organization has entered into an exclusive written agreement with the person claiming the credit. The draw requires the department of revenue (DOR) to promulgate rules implementing the credit transfer provisions. [Sections 20 522 and 48 (4).]

• Modify the DWR Land Recycling Loan Program

Under the land recycling loan program, the state provides loans to cities, villages, towns and counties (political subdivisions) for projects to remedy environmental contamination at sites owned by political subdivisions where the environmental contamination has affected, or threatens to affect, groundwater or surface water.

The draft provides that land recycling loans may not be made for the purpose of refinancing site investigations. [Section 33.] "49"

Modify Environmental Remediation Tax Incremental Financing District

Under current law, a city, village, town or county (political subdivision) may create an environmental remediation tax incremental district (ERTID) to defray the costs of remediating contaminated property that is owned by the political subdivision. The mechanism for financing costs that are eligible for remediation is very similar to the mechanism under the tax incremental financing (TIF) program. If the remediated property is transferred to another person and is then subject to property taxation, environmental remediation (ER) tax incremental financing may be used to allocate some of the property taxes that are levied on the property to the political subdivision to pay for the costs of remediation.

Under current law, as amended by 1999 Wisconsin Act 9, "eligible costs" include capital costs, financing costs and certain administrative and professional service costs

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incurred for the investigation, removal, containment or monitoring of, the environment affected by, environmental pollution, property acquisition costs and demolition costs. The traff expands eligible costs" to include the cancellation of delinquent taxes.

Also, if the property that is being remediated is sold by a political subdivision, the creat prohibits it from being sold or transferred to any person who is responsible for the environmental pollution that is remediated. [Sections 12, 13 and 48 (1).]

environmental pollution that is remediated. [SECTIONS 12, 13 and 48 (1).]

Current law, as amended by 1999 Wisconsin Act 9, provides that a voluntary party is not liable with respect to a purposeduent discharge of a hazardous substance on or originating from a property if the discharge occurred before an environmental investigation is complete and if certain other requirements are met. Those other requirements include: an environmental investigation is conducted and is approved by the DNR, the voluntary party enters into a cleanup agreement with the DNR, if required by the DNR; the voluntary party obtains and maintains insurance to cover the costs of restoring the environment; a 2nd discharge that control before the investigation is completed is discovered after the investigation is approved and before the original cleanup if regulated by the DNR, is complete. The draft modifies these requirements to exempt from liability voluntary parties who discover a subsequent discharge after doing all of the above and after conducting a 2nd environmental investigation and having it approved by the DNR. Thus, under the craft, a voluntary party is exempt from the requirements to clean up and subsequent hazardous substance discharge discovered after the 2nd environmental investigation is approved.

Expand the Liability Protections for Local Units of Government

Generally, current law provides that a local governmental unit is immune from civil liability for a discharge of a hazardous substance on or from property formerly owned or controlled by the local governmental unit if the property is no longer owned by the local governmental unit at the discharge is discovered and if the property was acquired by the local governmental unit in certain ways. Those ways include the acquisition of the property through tax delinquency proceedings, as the result of an order of a bankruptcy court, through condemnation or in pursuit of slum clearance or blight elimination.

The draft expands this immunity to property acquired in these ways that is still owned or controlled by the local unit of government at the time the discharge is discovered. [Sections 35, 36 and 39.]

•Require Use of Natural Attenuation in Area (Vide Groundwater Approaches and Consideration of Groundwater Use in Conducting Cleanups

Current law gives the DNR authority to promulgate administrative rules governing brownhelds cleanup. Under current administrative rules, one of the criteria for case closure approval in a situation in which hazardous substance discharges into groundwater exceed enforcement standards or preventive action limits is that among other things, groundwater contamination exceeding those standards or limits will not migrate beyond the boundaries of the property or properties for which groundwater use restrictions have been recorded.

Under the dream, when determining the criteria for closure of a case involving groundwater contamination exceeding enforcement standards or preventive action limits, DNR is required to consider institutional controls, including municipal ordinances, that provide adequate notice to the public of groundwater contamination in the area affected by the groundwater contamination to be equivalent to recorded groundwater use restrictions. [Sections 34, 37 and 40.]

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contaminated property

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Each 8812 (12) JOB HELENGION SCHEES PROCHAME (2) / Photostrict board shall make 1 available to all employers in the district a job retention skills program as described 2 in \$1/38164/1277 3 To the extent practicable, the district board shall assist employers in providing ongoing job retention skills development and reinforcement activities in 6 the workplace. (b) The district board may charge employers a fee for the program and services 7 offered under this minisection. 8 9 (s) this still section does not apply after December 31, 2004. SECTION 6. 38.15 (3) (c) 3. and 4. of the statutes, as created by 1999 Wisconsin 10 auto ref. "f" plain text Act 9, are amended to read: 11 38.15 (3) (c) 3. The capital expenditure is made before January 1 herenber 31, 12 2002. 2003 13 4. The total amount of capital expenditures made by the district board under 14 this paragraph does not exceed \$5,000,000, excluding moneys received from gifts. 15 grants or federal funds. 16 49.143.(2).(a) 11 fof the statutes is created to read: (17)49,157(2) 49.157 40000 (2) Establish an advisory committee on transportation strategies 18 The advisory committee shall consist and planning consisting of local transit or transportation providers, employers, child 19 care providers, a representative of a community organization that serves 20 participants, a representative of a Wisconsin works agency and other persons 21 . The advisory committee shall considered appropriate by the steering committee make recommendations to the 22 steering committee on ways to provide affordable and sufficient transportation 23

A community steering committee established under 5.49,143 (2) (a) shall

services and other services conducive to stable employment.

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SECTION 8

49-157 (3)

SECTION (8) 44/1434(2)(431) of the statutes is created to read:

49. 157 (2) A Wisconsin works agency shall, (2) Provide to the department an accounting of the amount

expended on Wisconsin works-related transportation services in each year of the

(contract) in a manner prescribed by the department

49.1475 of the statutes, as created by 1999 Wisconsin Act 9, is SECTION (9) amended to read:

49.1475 Follow-up services. Following any follow-up period required by the contract entered into under s. 49.143, a Wisconsin works agency may shall provide case management services for an individual who moves from a Wisconsin works employment position to unsubsidized employment to help the individual retain the unsubsidized employment. Case management services may include the provision of employment skills training; English as a 2nd language classes, if the Wisconsin works agency determines that the course will facilitate the individual's efforts to retain employment; a course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency of high school graduation; A Wisconsin works agency 8888126e services or other remedial education courses. coordinated with a program offered by a technical college under s. RONIAMANT The Wisconsin works agency may provide case management services regardless of the renumbered 49.157(1) and individual's income and assets levels.

SECTION 10 49.157 of the statutes is amended to read:

49.157 Wisconsin works transportation assistances A Wisconsin works agency may provide transportation assistance in the manner prescribed by the In addition to any other eligibility criteria established by the department. department, an individual is eligible for transportation assistance if the gross income of the Wisconsin works group of which the individual is a member is at or

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below 165% of the poverty line. In calculating gross income under this because the Wisconsin works agency shall include the items specified in s. 49.145 (3) (b) 1. 43.

A noncustodial parent of a dependent child is eligible for transportation assistance under this section if the dependent child's custodial parent is a participant and if the noncustodial parent is subject to a child support order. The Wisconsin works agency shall limit any financial assistance granted under this subsection to financial assistance for public transportation if a form of public transportation that meets the needs of the participant is available.

SECTION (1). 49.175 (1) (1) of the statutes is created to read:

49.175 (1) (pm) Job retention skills development programs. For partners to the Wisconsin technical college system board for implementation costs of the job retention skills development program under s. 88.04.1271, \$200,000 in fiscal year 1999–2000.

SECTION 12. 66.462 (1) (c) of the statutes, as amended by 1999 Wisconsin Act 9, is amended to read:

administrative and professional service costs, incurred or estimated to be incurred by a political subdivision, for the investigation, removal, containment or monitoring of, or the restoration of soil, air, surface water, sediments or groundwater affected by, environmental pollution, including monitoring costs incurred within 2 years after the date on which the department of natural resources certifies that environmental pollution on the property has been remediated, cancellation of delinquent taxes. property acquisition costs, demolition costs including asbestos removal, and removing and disposing of underground storage tanks or abandoned containers, as defined in s. 292.41 (1), except that for any parcel of land "eligible costs" shall be

reduced by any amounts received from persons responsible for the discharge, as defined in s. 292.01 (3), of a hazardous substance on the property to pay for the costs of remediating environmental pollution on the property, by any amounts received, or reasonably expected by the political subdivision to be received, from a local, state or federal program for the remediation of contamination in the district that do not require reimbursement or repayment and by the amount of net gain from the sale of the property by the political subdivision. "Eligible costs" associated with groundwater affected by environmental pollution include investigation and remediation costs for groundwater that is located in, and extends beyond, the property that is being remediated.

SECTION (13. 66.462 (2) of the statutes, as proceeded by 1999 Wisconsin Act 9, renumbered (26.462 (2) (a)) and

is amended to read:

subdivision that develops, and whose governing body approves, a written proposal to remediate environmental pollution may use an environmental remediation tax increment to pay the eligible costs of remediating environmental pollution on contiguous parcels of property that are located within the political subdivision and that are not part of a tax incremental district created under s. 66.46, as provided in this section, except that a political subdivision may use an environmental remediation tax increment to pay the cost of remediating environmental pollution of groundwater without regard to whether the property above the groundwater is owned by the political subdivision. If the political subdivision owns the property that is being remediated, the political subdivision may not sell or otherwise transfer the property to any person who is responsible for the environmental pollution that is remediated. No political subdivision may submit an application to the department

under sub. (4) until the joint review board approves the political subdivision's written 1 2 proposal under sub. (3). 6 auro ref SECTION 14. 71.05 (6) (a) 15. of the statutes is amended to read: 3 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de), 4 (2di), (2dj), (2dL), (2dr), (2ds), (2dx) and, (3s) and (5r) not passed through by a 5 partnership, limited liability company or tax-option corporation that has added that 6 amount to the partnership's, company's or tax-option corporation's income under s. 7 INS, 15-10 71.21 (4) or 71.34 (1) (g). 8 SECTION 15. 71.07 (5r) of the statutes is created to read: 9 71.07 (5r) Productivity enhancement training credit. 10 member of a limited liability company or a shareholder of a tax-option corporation 11 claim as a may credit against taxes otherwise due under this chapter an amount equal to 100% (12)of the amount of the partner's, member's or shareholder's productivity enhancement 13 training expenses certified by the department of commerce under s. 560.2 in the tax year for which the expenses are certified not to exceed \$7,500. (c) (b) The carry forward provisions of s. 71.28 (5r) (8) and (f) as they apply to the credit under s. 71.28 (5r) apply to the credit under this subsection. 17 (d) (e) A partner, member of a limited liability company or a shareholder of a 18) tax-option corporation may not claim the credit under par. (40) for any productivity 19 enhancement training expenses that the partner, member or shareholder deducted 20 from gross income for Wisconsin/purposes under section 162 of the Internal Revenue 21 Code. 22 (e) (e) Partnerships, limited liability companies and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, 24 the credit are based on their productivity enhancement training expenses certified

under s. 560.2 A partnership, limited liability company or tax-option corporation shall compute the amount of credit that each of its partners, members or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies and shareholders of tax-option corporations may claim the credit in proportion to their ownership interest.

(e) In this subsection, "productivity enhancement training expenses" means expenses certified under s. 560.25 of a partnership, limited liability company or tax-option corporation in providing training which is designed to improve the productivity of the partnership's limited liability company's or tax-option corporation's incumbent work force and promote or provide workers for high-skill, high-wage jobs. "Productivity enhancement training expenses" includes expenses incurred for assessment and consultation under s. 560.25 (4) (b), not to exceed \$2,000.

(f) No credit may be taken under this subsection for any taxover that begins after December 31, 2008.

SECTION 16. 71.08 (1) (intro.) of the statutes is amended to read:

71.08 (1) Imposition. (intro.) If the tax imposed on a natural person, married couple filing jointly, trust or estate under s. 71.02, not considering the credits under ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2fd), (3m), (3s), (6) and (9e), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m) and, (3) and (5r) and 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m) and, (3) and (5r) and subchs. VIII and IX and payments to other states under s. 71.07 (7), is less than the tax under this section, there is imposed on that natural person, married couple filing jointly, trust or estate, instead of the tax under s. 71.02, an alternative minimum tax computed as follows:

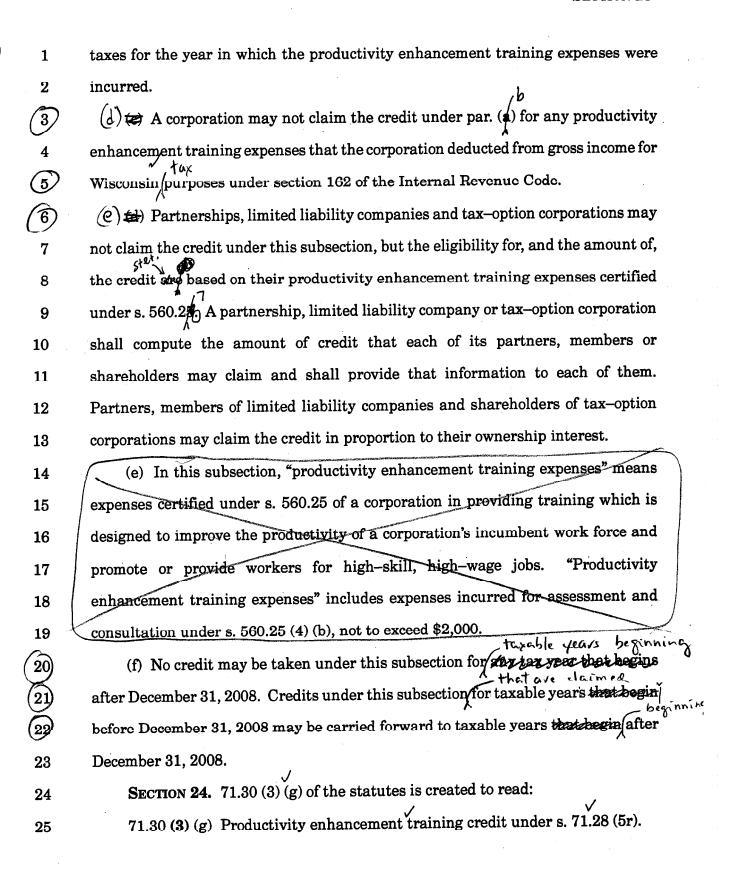
1	SECTION 17. 71.10 (4) (k) of the statutes is created to read:
2	71.10 (4) (k) Productivity enhancement training credit under s. 71.07 (5r).
3	SECTION 18. 71.21 (4) of the statutes is amended to read:
4	71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
5	(2dj), (2dL), (2ds), (2dx) and, (3s) and (5r) and passed through to partners shall be
6	added to the partnership's income.
$\left(7\right)$	SECTION 19. 71.26 (2) (a) of the statutes is amended to read:
8	71.26 (2) (a) Corporations in general. The "net income" of a corporation means
9	the gross income as computed under the internal revenue code Internal Revenue
10	Code as modified under sub. (3) minus the amount of recapture under s. 71.28 (1di)

- 17 -

Code as modified under sub. (3) minus the amount of recapture under s. 71.28 (1di) plus the amount of credit computed under s. 71.28 (1) and (3) to (5) plus the amount of the credit computed under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds) and. (1dx) and (5r) and not passed through by a partnership, limited liability company or tax-option corporation that has added that amount to the partnership's, limited liability company's or tax-option corporation's income under s. 71.21 (4) or 71.34 (1) (g) plus the amount of losses from the sale or other disposition of assets the gain from which would be wholly exempt income, as defined in sub. (3) (L), if the assets were sold or otherwise disposed of at a gain and minus deductions, as computed under the internal revenue code Internal Revenue Code as modified under sub. (3), plus or minus, as appropriate, an amount equal to the difference between the federal basis and Wisconsin basis of any asset sold, exchanged, abandoned or otherwise disposed of in a taxable transaction during the taxable year, except as provided in par. (b) and s. 71.45 (2) and (5).

SECTION 20. 71.28 (1dx) (b) 1. of the statutes is amended to read:

1	71.28 (1dx) (b) 1. Fifty percent of the amount expended by the person for
2	environmental remediation in a development zone.
3	SECTION 21. 71.28 (1dx) (b) 1m. of the statutes is created to read:
4	71.28 (1dx) (b) 1m. Fifty percent of the amount expended by a municipality, as
5	defined in s. 292.01 (11), or an organization that is exempt from federal income
6	taxation under section 501 (c) (3) of the Internal Revenue Code for environmental
7	remediation in a development zone if the municipality or organization has entered
8	into an exclusive written agreement with the person claiming the credit that
9	approves of the person claiming the credit based on the expenditures of the
10)	municipality or organization. The department shall promulgate rules implement
11	this subdivision. The right to claim the credit under pare (b).
12	SECTION 22. 71.28 (1dx) (f) of the statutes is created to read:
13	71.28 (1dx) (f) Transfer of credits. Any person eligible to claim credit under par.
14	(b) 1. may transfer to any other person subject to taxation under this chapter
15	The department shall promulgate rules to implement
16	the the the sand of meditagind on this nargaranh
17)	SECTION 23. 71.28 (5r) of the statutes is created to read:
18	71.28 (5r) PRODUCTIVITY ENHANCEMENT TRAINING CREDIT. Any corporation Any corporation S. 71.23 that is 100%
19	may credit against taxes otherwise due under this chapter an amount equal to 100%
20	of the amount of the corporation's productivity enhancement training expenses
21	certified by the department of commerce under s. 560.25 in the tax year for which the
22	expenses are certified, not to exceed \$7,500.
23	(c) (b) Any corporation receiving a credit under this subsection may carry forward
24	to the next succeeding 15 taxable years the amount of the credit not offset against



SECTION 25. 71.34 (1) (g) of the statutes is amended to read: 1 71.34 (1) (g) An addition shall be made for credits computed by a tax-option 2 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx) and (3) and (5r) 3 and passed through to shareholders. 4 SECTION 26. 71.45 (2) (a) 10. of the statutes is amended to read: 5 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit 6 computed under s. 71.47 (1dd) to (1dx) and (5r) and not passed through by a 7 partnership, limited liability company or tax-option corporation that has added that 8 amount to the partnership's, limited liability company's or tax-option corporation's 9 income under s. 71.21 (4) or 71.34 (1) (g) and the amount of credit computed under 10 s. 71.47 (1), (3), (4) and (5). 11 SECTION 27. 71.47 (5r) of the statutes is created to read: 12 71.47 (5r) PRODUCTIVITY ENHANCEMENT TRAINING CREDIT (1997) Any corporation 13 may credit against taxes otherwise due under this charger an amount equal to 100% 14 of the amount of the corporation's productivity enhancement training expenses 15 certified by the department of commerce under s. 560.25 in the tax year for which the (16/ expenses are certified, not to exceed \$7,500. (c) Any corporation receiving a credit under this subsection may carry forward to the next succeeding 15 taxable years the amount of the credit not offset against 19 taxes for the year in which the productivity enhancement training expenses were 20 incurred. 21 (2) A corporation may not claim the credit under par. (4) for any productivity $2\overline{2}$ enhancement training expenses that the corporation deducted from gross income for 23 Wisconsin purposes under section 162 of the Internal Revenue Code. 24

1	(e) Partnerships, limited liability companies and tax-option corporations may
2	not claim the credit under this subsection, but the eligibility for, and the amount of,
3	the credit are based on their productivity enhancement training expenses certified
4	under s. 560.27. A partnership, limited liability company or tax-option corporation
5	shall compute the amount of credit that each of its partners, members or
6	shareholders may claim and shall provide that information to each of them.
7	Partners, members of limited liability companies and shareholders of tax-option
8	corporations may claim the credit in proportion to their ownership interest.
9	(e) In this subsection, "productivity enhancement training expenses" means
10	expenses certified under s. 560.25 of a corporation in providing training which is
11	designed to improve the productivity of a corporation's incumbent work force and
12	promote or provide workers for high-skill, high-wage jobs. "Productivity
13	enhancement training expenses" includes expenses incurred for assessment and
14	consultation under s. 560.25 (4) (b), not to exceed \$2,000.
15)	(f) No credit may be taken under this subsection for any tax year that begins
16	after December 31, 2008. Credits under this subsection for taxable years that begin
17	before December 31, 2008 may be carried forward to taxable years that begin after
18	December 31, 2008.
19	SECTION 28. 71.49 (1) (g) of the statutes is created to read:
20	71.49 (1) (g) Productivity enhancement training credit under s. 71.47 (5r).
21	SECTION 29. 77.92 (4) of the statutes is amended to read:
22	77.92 (4) "Net business income", with respect to a partnership, means taxable
23	income as calculated under section 703 of the internal revenue code Internal
24	Revenue Code; plus the items of income and gain under section 702 of the internal
25	reverue code Internal Revenue Code; minus the items of loss and deduction under

section 702 of the internal revenue code Internal Revenue Code; plus payments treated as not made to partners under section 707 (a) of the internal revenue code 2 Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de), (2di), 3 (2dj), (2dL), (2dr), (2dx), (2dx) and, (3s) and (5r); but excluding income, gain, loss and 4 deductions from farming. "Net business income", with respect to a natural person, 5 estate or trust, means profit from a trade or business for federal income tax purposes 6 and includes net income derived as an employe as defined in section 3121 (d) (3) of 7 the department the internal revenue code Internal Revenue Code. 8 By auto-ref "dd" SECTION 30. 106.01 (11) of the statutes is created to read: 9 The department may establish an advanced journey worker į10 106.01 (**11**) credential pilot program in up to 3 trades, crafts or businesses to recoghize advanced 11 training and postpapprenticeship achievements. The department, by July 1, 2003, (12)shall submit to the legislature under s. 13.172 (2) kstates an evaluation of the (13)effectiveness of the program established under this subsection. 14 16 SECTION 31. 115.28 (42) of the statutes is created to read: 115.28 (42) WISCONSIN WORLD GEOGRAPHY FUND. Enter into an agreement with , and the agreement does 17 the national geographic society education foundation testablish a Wisconsin world that ever goography fund. The greenent must defall of the following: 18 (a) Require the national geographic society education foundation to manage 20 21 22 the fund (b) Require the state superintendent to award a grant of \$500,000 from the appropriation under s. 20.255 (3) (er) to the fund if the award is matched by the grant from the National Engraphic Society 23

Establisher a Wirconsin world geography funk to be managed by

	to the second
(1)	(c) Require the income and appreciation of the fund be used to fund grants
<u>(2)</u>	to educational programs in the stage that improve the geographic literacy of students
3	and teachers.
4	(d) Require that, annually, the national geographic society education
(5)	foundation submit to the state superintendent the delevines a financial
(6) (7)	statement of the Wisconsin world geography fund account prepared by an
7	independent auditory and a
8	A. A report on the recipients in the state who received a grant from the fund.
(9)	(e) Require that if the state ceases to participate in the fund, or the national
10)	geographic society education foundation ceases to offer the fund, the state 3
11	contribution to the fund, along with any unexpended income or appreciation of the
12	fund attributable to the state's contribution, be returned to the state. SECTION 32. 115.455 of the statutes is created to read: SECTION 32. 115.455 of the statutes is created to read:
(13)	SECTION 32. 115.455 of the statutes is created to read: $(b) \leftarrow \lim_{n \to \infty} \sup_{s \in S} (s)$
14	115.455 Foreign language in the grants. My Beginning in the
15	1999-00 firetal year, the state superintendent shall award at least one grant in each
16	school ham fine free year, on a competitive basis, to an educational organization or consortium of
17	educational organizations for the development and implementation of a foreign
18	language immersion instruction program in a public or private school in grades
19	kindergarten to 6.
20	(2) The state superintendent shall award grants under sub. (1) from the
21	appropriation under s. 20.255 (2) (dr)
22	(3) The state superintendent shall promulgate rules defining "educational
23	organization" for the purposes of this section.
(24)	SECTION 33. 281.60 (2r) (a) of the statutes, as amended by 1999 Wisconsin Act
25	9, is amended to read:
	, as defined by the state superintendent by rule,
, æ	state superintendent by rule,

SECTION 36. 292.15 (2) (at) 7. of the statutes is created to read:

1999 - 2000 Legislature

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5. After the discharge under subd. 4. is discovered 292.15 (2) (at) A 2nd environmental investigation of the property is 1 conducted and is approved by the department. 2 auto-ref. SECTION 37. 292.15 (8) of the statutes is created to read:

Grundwater contamination, incl. the small control issuing a 3 292.15 (8) In determining the criteria for closure of a case involving 4 groundwater contamination exceeding enforcement standards or preventive action 5 limits adopted by the department, the department shall consider institutional 6 controls, including municipal ordinances, that provide adequate notice to the public 7 of groundwater contamination in the area affected by the groundwater 8 contamination to be equivalent to recorded groundwater use restrictions. 9 auto-ref "LL" SECTION 38. 292.24 (title), (2) (intro.), (a), (b), (c), (f), (g) and (3) (a) to (c) of the 10 statutes, as created by 1999 Wisconsin Act 9, are amended to read: 11 292.24 Responsibility of local governmental units; hazardous or solid 12 waste XB 13 wastę. EXEMPTION FROM LIABILITY. / Except as provided in sub. (3), a local (2)14 governmental unit is exempt from ss. 291.25 (1) to (5), 291.29 and 291.37, and rules 15 promulgated under those provisions, with respect to the existence of a hazardous 16 waste discharge on property acquired in a way or for a purpose described in s. 292.11 (9) (e) 1m., if all of the following occur at any time before or after the date of 18 acquisition: 19 (a) An environmental investigation of the property is conducted that is 20 approved by the department and that identifies any hazardous waste 21 or solid waste Adischarges that occurred on the property. 22(b) The hazardous waste discharges identified by the investigation 23

under par. (a) are cleaned up by restoring the environment to the extent practicable

with respect to the discharges and minimizing the harmful effects from the

1	discharges in accordance with rules promulgated by the department and any
2	contract entered into under those rules.
3	(c) The local governmental unit obtains an approval from the department
4	stating that the property has been satisfactorily restored to the extent practicable
5	with respect to the hazardous probled waste discharges and that the harmful effects
6	from the discharges have been minimized.
7	(f) The local governmental unit has not obtained the certification under par. (c)
8	by fraud or misrepresentation, by the knowing failure to disclose material
9	information or under circumstances in which the local governmental unit knew or
10)	should have known about more discharges of hazardous on solid waste than were
11	revealed by the investigation conducted under par. (a).
12	(g) The local governmental unit did not cause the discharge of any hazardous
13)	60 solid waste identified on the property.
14)	(3) (a) A hazardous of solid waste treatment, storage or disposal facility that
15	first begins operation after the date on which the local governmental unit acquired
16	the property. or solid waske
17	(b) A licensed hazardous of solid waste treatment, storage or disposal facility
18	operated on the property before the date on which the local governmental unit
19	acquired the property and that is operated after the date on which the local
20	governmental unit acquired the property.
21	governmental unit acquired the property. (c) Any hazardous or solid waste disposal facility that has been issued a license
22	under s. $144.441(2)$, 1995 stats., or s. $289.41(1m)$, or rules promulgated under those
23	sections, for a period of long-term care following closure of the facility.
24	SECTION 39. 292.26 (2) (intro.) of the statutes is amended to read:

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292.26 (2) (intro.) Except as provided in sub. (3), a local governmental unit is immune from civil liability related to the discharge of a hazardous substance on or from property owned or controlled by the local unit of government at the time that from property formerly owned or controlled by the local the discharge is discovere governmental unit if the property is no longer owned by the local governmental unit at the time that the discharge is discovered and if any of the following applies: cauto-rel "nn" SECTION 40. 292.31 (11) of the statutes is created to read: determining n determining the criteria for Corner a case 292.31 (**11**)/ Consideration of institutional controls. groundwater contamination exceeding enforcement standards or preventive action limits adopted by the department, the department shall consider institutional controls, including municipal ordinances, that provide adequate notice to the public of groundwater contamination in the area affected by the groundwater contamination to be equivalent to recorded groundwater use restrictions. auto-rel SECTION 41. 560.14 (4m) (a) (intro.) of the statutes is amended to read: 560.14 (4m) (a) (intro.) Subject to par. (b), the department may make a grant under this subsection from the appropriation under s. 20.143 (1) (fg) to a community-based organization or private nonprofit organization for a local. statewide or multifistate venture capital development conference if all of the following apply: SECTION 42. 560.14 (4m) (c) of the statutes is created to read: 560.14 (4m) (c) The department shall encourage the development of venture capital development conferences in the upper midwest region of the United States that comply with the requirements specified in par. (a) 1. and 2. SECTION 43. 560.25 of the statutes is created to read:

1	560.25 Productivity enhancement training expens
2	DEPARTMENT POWERS AND DUTIES. The department shall dev
3	administer a productivity enhancement training expense cert
4	(2) Purposes of productivity enhancement training E
5	PROGRAM. The department shall develop the productivity en
6	expense certification program to assist businesses to provi
7	incumbent work force designed to improve that work force
8	promote and provide workers for high-skill and high-wage jo
9	(3) CERTIFICATION. The department shall certify as eligi
10	under ss. 71.07 (5r), 71.28 (5r) and 71.47 (5r) the productivity e
11	expenses of any business that meets the eligibility requireme
12	(4) ELIGIBILITY. A business may apply to have its produ
13	training expenses certified if all of the following apply:
14	(a) The business submits to the department a produ
15	training plan that the department finds does all of the followi
16	1. Provides for the training of the business's incumbent
17	increase the incumbent work force's productivity to achieve spe
18	as a result of the assessment and consultation in par. (b).
19	2. Provides for the training of the business's incumbent
20	result in the work force holding higher skilled jobs and holdin
21	as determined by the assessment and consultation in par. (b).
22	(b) The business receives pre-training needs assessm
23	which establishes the appropriateness of the proposed tra-
24	experienced in providing productivity assessment or business

approved by the department.

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se certification. (1)elop, implement and ification program. xpense cértification nhancement training ide training to their e's productivity and bs. ible for the tax credit nhancement training nts under sub. (4). ictivity enhancement ctivity enhancement ing: work force which will cific goals established work force which will ig higher paying jobs, ent and consultation ining from an entity experienced in providing productivity assessment or business planning and that is

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- (c) The business submits to the department an accounting of the productivity enhancement training expenses incurred by the business under the plan under par. (a) and the department determines that the expenses were incurred under the plan. (5) REPORT. (a) Each business certified under this section and that claims the
- tax credit under ss. 71.07 (5r), 71.28 (5r) and 71.47 (5r), shall report to the department by the March 1 of the year after receiving the certification on the results of its productivity enhancement training and its success in meeting the goals established in its productivity enhancement training plan. The report shall be on a form prescribed by the department.
- (b) Annually, the department shall estimate the amount of foregone state revenue because of the benefits claimed by persons certified under this section.
- (c) Annually, by December 1, the department shall report to the legislature under s. 13.172 (2) on the effectiveness of the productivity enhancement training certification program and the tax credit under ss. 71.07 (5r), 71.28 (5r) and 71.47 (5r), in meeting the purposes of the program as identified in sub. (2).
- (6) Application. The department shall, by rule, develop application procedures for the productivity enhancement training certification. The application for certification shall show that the applicant satisfies the requirements under sub. (4) and commits to reporting under sub. (5).
- (7) DEFINITION. For purposes of this section, "productivity enhancement training expenses" means expenses of a business incurred in providing training which is designed to increase the productivity of the business' incumbent work force and promote or create high-skill, high-wage jobs. "Productivity enhancement training expenses" includes expenses incurred for assessment and consultation under sub. (4) (b), not to exceed \$2,000.

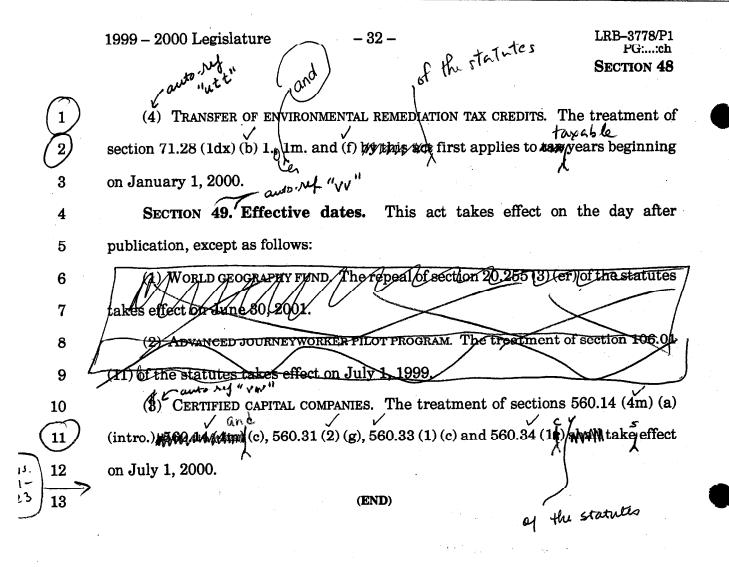
1	(8) Notification. The department shall notify the department of revenue of
2	all persons entitled to claim tax benefits under ss. 71.07(5r), 71.28(5r) and 71.47(5r)
3	(9) Transferability. The tax benefits for which a person is certified as eligible
4	under this section are not transferable to another person or business.
5	(10) SUNSET. No business may be certified under this subsection after
) 6 1	December 31, 2008, p
7	SECTION 44. 560.31 (2) (g) of the statutes is created to read:
8	560.31 (2) (g) The person has an office in this state with at least one full-time
9	professional employe actively engaged in the investment of cash in qualified
10	businesses in Wisconsin.
11	SECTION 45. 560.33 (1) (c) of the statutes is amended to read:
12	560.33 (1) (c) During its 2 most recent fiscal years, the business had, together
13	with all of its consolidated affiliates, an average annual net income, after federal
14	income taxes and excluding any carry-over losses, of not more than \$2,000,000
15	\$1,000,000, as determined in accordance with generally accepted accounting
16	principles. "ss" (1c)
17	Section 46. 560.34 My of the statutes is created to read:
18	560.34 (147) Netwithstanding sub (4), an investment shall not have qualified
19	investment if the investment is used in whole or in part to do any of the following:
20	(a) Retire outstanding long-term debt or obligations to the affiliates of
21	qualified business.
(22)	(b) Purchase outstanding equity of the qualified business.
(23)	(c) Purchase stock or other interests in a person other than the qualified
24	business.
 	INVESTMENTS THAT ARE NOT QUALIFIED.

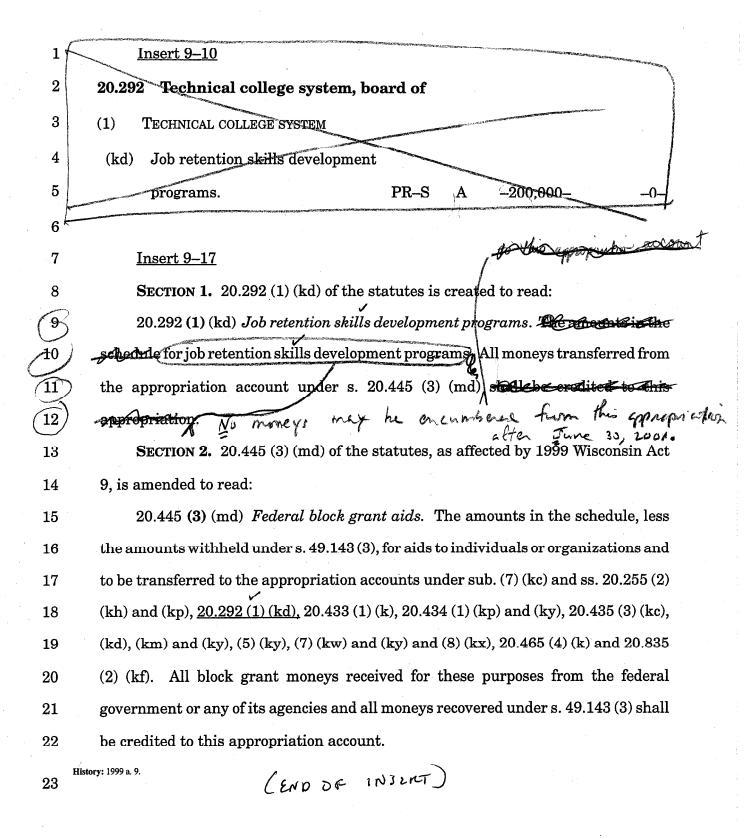
that (d) Purchase, lease or license substantially all of the assets which are currently 1 used by an existing business to produce net income after taxes to the holders of the 2 auto-rej 3 assets. NS. 47. Appropriation changes / department 4 SECTION **(5)** development. (1) ADVANCED JOURNEY WORKER CREDENTIAL PILOT PROGRAM. In the schedule <u>_6</u> under section 20.005 (3) of the statutes for the appropriation to the department of workforce development under section 20.445 (1) (a) of the statutes, as affected by the 8 acts of 1999, the dollar amount is increased by \$160,000 for fiscal year 1999-00 and 9 the dollar amount is increased by \$120,000 for fiscal year 2000-01 to increase the 10 authorized FTE positions for the department by 1.0 GPR position on July A 19884 for the implementation and program development of the advanced journey worker credential pilot program. created by this act SECTION 48. Initial applicability 14 autorificence "ut" Environmental remediation tax incremental financing. The treatment of 15 section 66.462 (1) (c) and (2) of the statutes first applies to an environmental 16 remediation tax incremental financing district, the written remediation proposal for **17** which is approved by the political subdivision's governing body on the effective date 18 of this subsection. 19 JOB RETENTION SKILLS DEVELOPMENT PROGRAM: WISCONSIN WORKS. (2)20 treatment of Section 49.1475 of the statutes first applies to Wisconsin works agencies 21 that enter into or renew contracts on the effective date of this act (2) PRODUCTIVITY ENHANCEMENT TRAINING TAX CREDIT. The treatment of sections and 560.27

beginning i January 1, 2000.

on

71.07 (5r), 71.28 (5r), and 71.47 (5r)/of the statutes first applies to taxable years





STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU – LEGAL SECTION (608-266-3561)

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STATE OF WISCONSIN – LEGISLATIVE REFERENCE BUREAU – LEGAL SECTION (608–266–3561)

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STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU - LEGAL SECTION (608-266-3561)	PI
[MSERT 15-10]	
(a) In this subsection, "graductivity enhancement	
thaining expenses" has the meaning given in 361 5. 560.27 (1).	1200)
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1999–2000 DRAFTING INSERT FROM THE

LEGISLATIVE REFERENCE BUREAU

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SECTION (1) 77.92 (4) of the statutes, as affected by 1999 Wisconsin Act 9, is amended to read:

77.92 (4) "Net business income", with respect to a partnership, means taxable income as calculated under section 703 of the Internal Revenue Code; plus the items of income and gain under section 702 of the Internal Revenue Code, including taxable state and municipal bond interest and excluding nontaxable interest income or dividend income from federal government obligations; minus the items of loss and deduction under section 702 of the Internal Revenue Code, except items that are not deductible under s. 71.21; plus guaranteed payments to partners under section 707 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx) and, (3s) and (5r); and plus or minus, as appropriate, transitional adjustments, depreciation differences and basis differences under s. 71.05 (13), (15), (16), (17) and (19); but excluding income, gain, loss and deductions from farming. "Net business income", with respect to a natural person, estate or trust, means profit from a trade or business for federal income tax purposes and includes net income derived as an employe as defined in section 3121 (d) (3) of the Internal Revenue Code.

History: 1999 a. 9.

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amployed that is

Section 67. 560.14 (4m) (a) (intro.) of the statutes is amended to read: 1 560.14 (4m) (a) (intro.) Subject to par. (b), the department may make a grant 2 under this subsection from the appropriation under s. 20.143 (1) (fg) to a 3 community-based organization or private nonprofit organization for a local, 4 statewide or multi-state venture capital development conference if all of the 5 6 following apply: **SECTION**[68]. 560.14 (4m) (c) of the statutes is created to read: 7 560.14 (4m) (c) The department shall encourage the development of venture 8 capital development conferences in the upper midwest region of the United States 9 that complitive the requirements presents par. (a) 1. and 2. (10) SECTION 69 560. of the statutes is created to read: 11 Productivity enhancement training expense certification. (1) sent 37-13 The department shall develop, implement and period stays) 14 administer a productivity enhancement training expense certification program PURPOSES OF PRODUCTIVITY ENHANCEMENT TRAINING EXPENSE CERTIFICATION (15) 16 The department shall develop the productivity enhancement training PROGRAM. $\widehat{17}$ expense certification program to assist businesses the training to their incombigation force designed to improve wall force productivity and 18promote and provide workers for high skill and high shape jobs 19 (3) CERTIFICATION. The department shall certify as eligible for the tax credit 20 under 71.07 (5r), 71.28 (5r) and 71.47 (5r) the productivity entrancement of the first (21)expenses of any business that meets the eligibility requirements under sub. (4). is eligible (4) ELIGIBILITY. A business party to have its productivity enhancement training expenses certified if all of the following apply: 24

the employes?

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(23)

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The business submits to the department a productivity enhancement 1 training plan that the department finds does all of the following: 2 1. Provides for the training of the business's in the provided will will increase the the the book of the productivity to achieve specific goals established as a result of the assessment and consultation a par. (b). 2. Provides for the training of the business's hours shall will result in the work popus holding well specific and holding proposing jobs 7 as determined by the assessment and consultation a par. (b). business receives prefitainting needs assessment and consultation which establishes the appropriated sold the proposed beginner from an entity (Ô) experienced in providing productivity assessment or business planning and that is approved by the department. 12 The business submits to the department an accounting of the productivity 13 enhancement training expenses incurred by the business under the plan under par. 14 (a) and the department determines that the expenses were incurred under the plan. 15 (5) REPORT (a) Each business certified under this section that claims the 16 tax credit under 71.07 (5r), 71.28 (5r) and 71.47 (5r), shall report to the department March 1 of the year after the the certification on the results 18 of its productivity enhancement training and (its success in meeting the goals established in its productivity enhancement training plan. The report shall be on a form prescribed by the department. 21 (b) Annually, the department shall estimate the amount of foregone state 22

revenue because of the kenter claimed by persons certified under this section.

(c) Annually, by December 1, the department shall report to the legislature

under s. 13.172 (2) on the effectiveness of the productivity enhancement training

no later than

V

, "		1999 – 2000 Legislature 30 – 6', 3 PG::km Section 69
,		30-6',3) > Openfact Section 69
	(1)	certification program and the tax credit under ss 71.07 (5r), 71.28 (5r) and 71.47 (5r)
	(2)	in meeting the purposes of the program as therefold in sub. (2).
	3	(6) APPLICATION. The department shall, by rule, develop application procedures
	$\widehat{4}$	for the productivity enhancement training certification. The application for
	(5)	certification shall show that the applicant satisfies the requirements under sub. (4)
	6	and commits to reporting under sub. (5)
		(7) DEFINITION. For purposes of this section, "productivity enhancement
	8	training expenses" means expenses of a business incurred in providing training
	9	which is designed to increase the productivity of the business' incumbent work force
	10	and promote or create high-skill, high-wage jobs. Productivity enhancement
	11 /	training expenses" includes expenses incurred for assessment and consultation
	12	under sub. (4) (b), not to exceed \$2,000.
	(13 (2)	NOTIFICATION. The department shall notify the department of revenue of
1	14	all persons entitled to claim tax leasts under ss. 71.07 (5r), 71.28 (5r) and 71.47 (5r).
	15	TRANSFERABILITY The tax keen fits for which a person is certified as eligible
·	16	under this section are not transferable to another person or business.
)	(17)	9 L(19) SUNSET. No business may be certified under this the section after
	18	December 31, 2008) per for tay credits for any tay type or beginning after December 31, 2008
b	19	SECTION 70. 560.91 (2) (g) of the statutes is created to read:
	20	560.31 (2) (g) The person has an office in this state with at least one full time
ر ا	21	professional employe actively engaged in the investment of each in qualified
	22	businesses in Wisconsin.
	23	SECTION 71. 560.33 (1) (c) of the statutes is amended to read:
	24	560.33 (1) (c) During its 2 most recent fiscal years, the business had, together
	25	with all of its consolidated affiliates, an average annual net income, after federal
		(END DE INSERT 30-6)
		30-le)

LRB-3778/P1

1 <u>Insert 31–13</u> 2 SECTION 3. Appropriation changes JOB RETENTION SKILLS DEVELOPMENT PROGRAMS. (a) There is transferred from 3 the appropriation to the department of workforce development under section 20.445 (3) (md) of the statutes, as affected by 1999 Wisconsin Acts 9 and Muthis action to 5 the appropriation to the technical system college board under s 20.292 (1) (kd), as 6 created by 1999 Weconstn this act \$200,000 in fiscal year 1999-00. 7 (b) In the schedule under section 20.005 (3) of the statutes for the appropriation 8 to the deaptrement of workforce development under section 20.445 (3) (md) of the statutes, as affected by 1999 Wisconsin Act 9 and . this act, the dollar amount for fiscal year 1999-00 is decreased by \$200,000. 11

(END of

1999-2000 DRAFTING INSERT FROM THE

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LEGISLATIVE REFERENCE BUREAUX

PJK:...:km

DEFINITION. In this section, "productivity enhancement training expenses" means expenses incurred by a business in providing training designed to increase the productivity of the business's employes and to promote or create jobs that require high degrees of skill to perform and that pay high wages. "Productivity enhancement training expenses" includes up to \$2,000 in expenses incurred for needs assessment and consultation under sub. (4) (b).

(2) PROGRAM

(END OF INSERT 37-13)

/ INSERT 37-19

requiring high degrees of skill to perform and paying high wages

(END OF INSERT 37-19)

/ INSERT 38-9

33/

Prior to providing any productivity enhancement training, the

(END OF INSERT 38-9)

INSERT 38-12

(c) The needs assessment and consultation under par. (b) determines that the proposed training is appropriate for the purposes specified under par. (a).

****NOTE: The proposed language was unclear to me. Does the business come up with its training plan through the assessment and consultation or does the entity with the experience in productivity assessment or business planning assess the plan that the business comes up and give it its stamp of approval?

(END OF INSERT 38-12)

INSERT 39-18



****Note: It sounds like the purpose of the training under this program is to train employes to leave their jobs for better jobs at other businesses. Is this okay, or should the language make it clear that the jobs paying higher wages and requiring higher degrees of skill are at the same business?

(END OF INSERT 39-18)

INSERT 40-3

SECTION 1. 560.34 (1) (intro.) of the statutes is amended to read:

560.34 (1) QUALIFIED INVESTMENTS REQUIREMENTS. (intro.) In order for a certified capital company to prevent disqualification under s. 560.37 of an investment pool, the certified capital company shall ensure that the investment pool makes qualified investments in accordance with the schedule under sub. (1m). An Except as provided in sub. (1c), an investment is a qualified investment if the investment meets all of the following requirements:

History: 1997 a. 215.

(END OF INSERT 40-3)

INSERT 40-11

****Note: Since a qualified investment is a cash investment in a qualified business, is this paragraph necessary?

(END OF INSERT 40-11)

INSERT 40-14

****Note: Does "to produce net income after taxes, etc., modify "assets that are currently used"?

(END OF INSERT 40-14)

Quest 40-15 (see not page)
INSERT 41-23

****Note: Did you intend to include the sections on venture capital development conferences in this subsection? If so, the title should be changed to reflect more than the CAPCO provisions.

(END OF INSERT 41-23)

1999-2000 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

INSERT 40-15

SECTION 1. 560.34 (2) (title) of the statutes is amended to read:

560.34 (2) (title) Nonqualified Other Certified Capital Company investments.

History: 1997 a. 215.

(END OF INSERT 40-15)

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-3778/1dnISR ISR......

cm It

Please review this bill carefully to make sure it achieves your intent. In particular, please note the following:

- 1. As we discussed, I have deleted the requirement that a W-2 contract contain provisions requiring a community steering committee to establish a transportation advisory committee and a W-2 agency to provide an accounting of money spent on transportation services. Instead, I have moved these requirements to section 49.157. This change ensures that the W-2 agencies must comply with these requirements before the next round of contracts become effective on January 1, 2002.
- 2. This bill does not specify when or how often the report on transportation expenses must be provided to DWD. Is this your intent?
- 3. I have also deleted the initial applicability provision for the treatment of section 49.1475. The initial applicability provision would not have required a W-2 agency to coordinate case management services with a job retention skills development program until January 1, 2002. If this was your intent, please contact me and I will redraft the initial applicability provision.
- 4. Finally, because federal TANF moneys are used to fund a portion of the job retention skills development program, the program must meet certain federal requirements. For example, federal law does not permit TANF moneys to be used for programs that provide job services to individuals who do not have a dependent child and do not qualify as "needy". The job retention skills development programs are available to any individual who is recently employed, regardless of whether the individual has a dependent child or his or her income is at or below 200% of the poverty level. You may want to include language that specifies that the program may only serve those individuals eligible to receive TANF to ensure that the program complies with the federal TANF requirements.

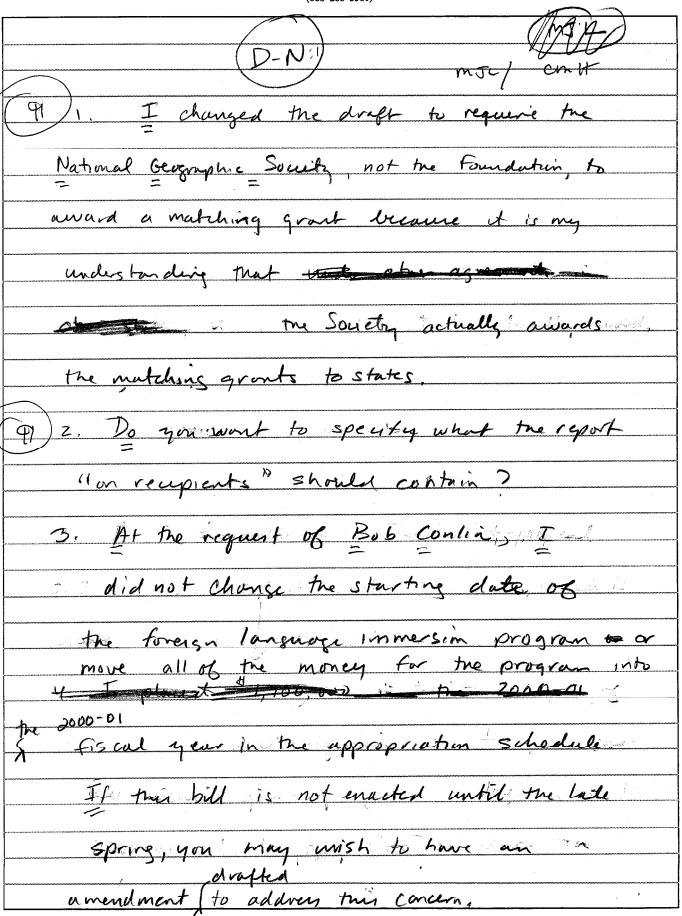
Please feel free to contact me if you have any questions or comments regarding the bill.

Ivy G. Sager-Rosenthal Legislative Attorney Phone: (608) 261-4455

E-mail: Ivy.Sager-Rosenthal@legis.state.wi.us

STATE OF WISCONSIN – **LEGISLATIVE REFERENCE BUREAU** – LEGAL SECTION (608–266–3561)

D-NOLL MES/cmt
D-NOLE MES/cmt/
In p. 66.462 (1) (C), the bill amends the
affinition of "eligible costs" by including
"Carrellation of delinquent tapes." I have
left this change in the bill but share a
concern. This inclusion ignores other
current law procedures for reasovering
delinquent tapes and would result in
· · · · · · · · · · · · · · · · · · ·
tappayers paying for the delinguent taxes
twice - once through the country levy
and then as an ERILF cost. Is this
your intent?
AM 7 A



000te - (D-N:2)
1 (A) ATE (SIN)
(4) 1. Concerning proposed 55. 292.11(14), 292.15(8) and 292.31(11),
the statute do not use the term "case closure", so I have
modified the language a little. DNRs rules define case clasure
(sugnitive of
To mean a determination that he turner action is reconsuring
to mean a determination that no further action is recessary
(9) 2. I am not certain that adding "solid wasto" to \$ 292.24
makes any real difference because the statutes from which
5. 292. 24 and local givenmented units are horardous
5. 292. 24 exempts local governmental units are horardous
waste statutes.

DRAFTER'S NOTE FROM THE

LRB-3778/P2dn ISR/MES/MJL/RCT:cmh:jf

LEGISLATIVE REFERENCE BUREAU

January 31, 2000

Please review this bill carefully to make sure it achieves your intent. In particular, please note the following:

- 1. As we discussed, I have deleted the requirement that a W-2 contract contain provisions requiring a community steering committee to establish a transportation advisory committee and a W-2 agency to provide an accounting of money spent on transportation services. Instead, I have moved these requirements to section 49.157. This change ensures that the W-2 agencies must comply with these requirements before the next round of contracts become effective on January 1, 2002.
- 2. This bill does not specify when or how often the report on transportation expenses must be provided to DWD. Is this your intent?
- 3. I have also deleted the initial applicability provision for the treatment of section 49.1475. The initial applicability provision would not have required a W–2 agency to coordinate case management services with a job retention skills development program until January 1, 2002. If this was your intent, please contact me and I will redraft the initial applicability provision.
- 4. Finally, because federal TANF moneys are used to fund a portion of the job retention skills development program, the program must meet certain federal requirements. For example, federal law does not permit TANF moneys to be used for programs that provide job services to individuals who do not have a dependent child and do not qualify as "needy". The job retention skills development programs are available to any individual who is recently employed, regardless of whether the individual has a dependent child or his or her income is at or below 200% of the poverty level. You may want to include language that specifies that the program may serve only those individuals eligible to receive TANF to ensure that the program complies with the federal TANF requirements.

Please feel free to contact me if you have any questions or comments regarding the bill.

Ivy G. Sager–Rosenthal Legislative Attorney Phone: (608) 261–4455

E-mail: Ivy.Sager-Rosenthal@legis.state.wi.us

In s. 66.462 (1) (c), the bill amends the definition of "eligible costs" by including "cancellation of delinquent taxes." I have left this change in the bill, but I have a

concern. This inclusion ignores other current law procedures for recovering delinquent taxes and could result in taxpayers paying for the delinquent taxes twice – once through the county levy and then as an ERTIF cost. Is this your intent?

Marc E. Shovers Senior Legislative Attorney Phone: (608) 266–0129

E-mail: Marc.Shovers@legis.state.wi.us

- 1. I changed the draft to require the National Geographic Society, not the foundation, to award a matching grant because it is my understanding that the society actually awards the matching grants to states.
 - 2. Do you want to specify what the report "on recipients" should contain?
- 3. At the request of Bob Conlin, I did not change the starting date of the foreign language immersion program or move all of the money for the program into the 2000–01 fiscal year in the appropriation schedule. If this bill is not enacted until the late spring, you may wish to have an amendment drafted to address this concern.

Madelon J. Lief Legislative Attorney Phone: (608) 267–7380

- 1. Concerning proposed ss. 292.11 (14), 292.15 (8) and 292.31 (11), the statutes do not use the term "case closure", so I have modified the language a little. DNR's rules define case closure to mean a determination that no further action is necessary (see, NR 726.03 (1)).
- 2. I am not certain that adding "solid waste" to s. 292.24 makes any real difference because the statutes from which s. 292.24 exempts local governmental units are hazardous waste statutes.

Rebecca C. Tradewell Managing Attorney Phone: (608) 266–7290

E-mail: Becky.Tradewell@legis.state.wi.us