

2001 - 2002 LEGISLATURE  
January 2002 Special Session

LRBb2364/P1  
ALL:all:pg

LFB:..... - Joint Finance Superamendment

FOR 2001-03 BUDGET -- NOT READY FOR INTRODUCTION

ASSEMBLY AMENDMENT ,

TO ASSEMBLY BILL 1

1 At the locations indicated, amend the bill as follows:

2 \*b2330/1.1\* **1.** Page 1, line 3: after "expenditures" insert ", and the priority of  
3 a wage claim lien".

4 \*b2300/1.1\* **2.** Page 28, line 9: delete lines 9 to 25.

5 \*b2300/1.2\* **3.** Page 29, line 1: delete lines 1 to 14.

6 \*b2246/1.1\* **4.** Page 32, line 21: delete the material beginning with that line  
7 and ending with page 33, line 2.

8 \*b2254/1.1\* **5.** Page 33, line 3: delete lines 3 to 8.

9 \*b2302/1.1\* **6.** Page 34, line 9: delete "district attorney" and substitute  
10 "prosecutor".

1           **\*b2302/1.\*7.** Page 34, line 19: on lines 19 and 20, delete “district attorney” and  
2 substitute “prosecutor”.

3           **\*b2279/1.1\* 8.** Page 35, line 6: after that line insert:

4           **\*b2279/1.1\* “SECTION 14m.** 16.003 (2) of the statutes is amended to read:  
5           16.003 (2) STAFF. Except as provided in ss. ~~16.548~~, 16.57, 978.03 (1), (1m) and  
6 (2), 978.04 and 978.05 (8) (b), the secretary shall appoint the staff necessary for  
7 performing the duties of the department. All staff shall be appointed under the  
8 classified service except as otherwise provided by law.”.

9           **\*b2309/1.1\* 9.** Page 35, line 6: after that line insert:

10           **\*b2309/1.1\* “SECTION 14d.** 15.197 (25) (c) of the statutes is amended to read:  
11           15.197 (25) (c) This subsection does not apply beginning on July 1, ~~2002~~ 2003.”.

12           **\*b2268/1.1\* 10.** Page 35, line 11: after that line insert:

13           **\*b2268/1.1\* “SECTION 15c.** 16.33 (1) (a) of the statutes, as affected by 2001  
14 Wisconsin Act .... (this act), is amended to read:

15           16.33 (1) (a) Subject to sub. (2), make grants or loans, directly or through agents  
16 designated under s. 16.334, from the ~~appropriations~~ appropriation under s. 20.505  
17 (7) (b) and ~~(j)~~ to persons or families of low or moderate income to defray housing costs  
18 of the person or family.”.

19           **\*b2342/2.1\* 11.** Page 35, line 14: delete lines 14 to 20.

20           **\*b2246/1.2\* 12.** Page 35, line 21: delete the material beginning with that line  
21 and ending with page 38, line 23.

22           **\*b2279/1.2\* 13.** Page 38, line 23: after that line insert:

23           **\*b2279/1.2\* “SECTION 20m.** 16.548 (1) of the statutes is amended to read:

1           16.548 (1) The department may maintain a federal–state relations office in  
2           Washington, D.C., for the purpose of promoting federal–state cooperation, ~~headed by~~  
3           ~~a director. The director and a staff assistant for the office shall be appointed by the~~  
4           ~~governor outside the classified service, subject to the concurrence of the joint~~  
5           ~~committee on legislative organization. The director and staff assistant shall serve~~  
6           ~~at the pleasure of the governor.”.~~

7           **\*b2343/1.1\* 14.** Page 38, line 24: delete the material beginning with that line  
8           and ending with page 39, line 17.

9           **\*b2257/3.1\* 15.** Page 39, line 18: delete the material beginning with that line  
10          and ending with page 40, line 12.

11          **\*b2297/1.1\* 16.** Page 40, line 15: after that line insert:

12          **\*b2297/1.1\* “SECTION 24m.** 19.42 (13) (c) of the statutes is amended to read:  
13          19.42 (13) (c) All positions identified under s. 20.923 (2), (4), (4g), (6) (f) to (h),  
14          (7), and (8) to (10), except clerical positions.”.

15          **\*b2280/2.1\* 17.** Page 41, line 2: increase the dollar amount for fiscal year  
16          2001–02 by \$1,000,000 to increase funding for the purposes for which the  
17          appropriation is made.

18          **\*b2324/1.1\* 18.** Page 41, line 3: delete lines 3 to 6.

19          **\*b2252/2.1\* 19.** Page 41, line 6: after that line insert:

20          **“20.370 Natural resources, department of**

21          (6) ENVIRONMENTAL AIDS

22          (bw) Wheelchair recycling project           SEG    A           –0–    20,000”.

1           **\*b2303/2.1\* 20.** Page 41, line 18: increase the dollar amount for fiscal year  
2           2002–03 by \$144,800 to fund the positions authorized under SECTION 9101 (3) of this  
3           act.

4           **\*b2257/3.2\* 21.** Page 41, line 19: delete lines 19 to 21.

5           **\*b2338/2.1\* 22.** Page 42, line 3: after that line insert:

6           **“20.765 Legislature**

7           (4)    CAPITOL OFFICES RELOCATION

8           (a)    Capitol offices relocation costs    GPR    B    2,652,000    –0–”.

9           **\*b2269/3.1\* “(7z) STATE AGENCY APPROPRIATIONS REDUCTIONS.**

10           (a) *Appropriations reductions.* Except as provided in paragraph (b), in addition  
11           to any other reduction required by law, the largest sum certain appropriation for  
12           state operations made to the following state agencies from general purpose revenue  
13           in the 2002–03 fiscal year is reduced by the amount indicated:

	<b>Amount of Reduction</b>
	<b>2002–03</b>
<b>State Agency</b>	<b>Fiscal Year</b>
17 Administration, department of	\$ 114,200
18 Agriculture, trade and consumer 19     protection, department of	196,700
20 Commerce, department of	77,900
21 Corrections, department of	6,440,100
22 Educational communications board	54,800
23 Elections board	9,300
24 Health and family services, department of	1,871,000
25 Judicial commission	2,200

1	Justice, department of	347,600
2	Military affairs, department of	63,300
3	Natural resources, department of	457,900
4	Public instruction, department of	296,200
5	Revenue, department of	830,100
6	Technical college system board	35,500
7	Tourism, department of	112,500
8	University of Wisconsin System, board of	9,152,900
9	regents of the	
10	Veterans affairs, department of	7,400
11	Workforce development, department of	350,000

12           (b) *Submission of requests to the joint committee on finance for reallocating*  
13 *appropriations reductions.* Any state agency specified in paragraph (a) may submit  
14 a request to the joint committee on finance under section 13.10 of the statutes to  
15 reallocate any of the reductions under paragraph (a) to other sum certain  
16 appropriations for state operations made to the agency from general purpose  
17 revenue.”.

18           **\*b2340/2.1\* 23.** Page 42, line 12: after that line insert:

19           **\*b2340/2.1\* SECTION 30m.** 20.245 (1) (a) of the statutes, as affected by 2001  
20 Wisconsin Act 16, is amended to read:

21           20.245 (1) (a) *General program operations.* The amounts in the schedule for  
22 general program operations of the historical society, ~~except as provided under par-~~  
23 (ag).

24           **\*b2340/2.1\* SECTION 30p.** 20.245 (1) (ag) of the statutes, as affected by 2001  
25 Wisconsin Act 16, is repealed.”.

26           **\*b2296/2.1\* 24.** Page 42, line 16: after “121.09,” insert “121.095.”.

1           **\*b2320/1.1\* 25.** Page 42, line 17: after “year” insert “. equal to the amount  
2 determined by law in the 2003–04 fiscal year and biennially thereafter.”.

3           **\*b2320/1.2\* 26.** Page 42, line 19: delete “~~thereafter~~” and substitute “and  
4 biennially thereafter”.

5           **\*b2348/1.1\* 27.** Page 42, line 20: delete that line.

6           **\*b2324/1.2\* 28.** Page 43, line 7: delete lines 7 to 9.

7           **\*b2252/2.2\* 29.** Page 43, line 19: after that line insert:

8           **\*b2252/2.2\* “SECTION 36kb.** 20.370 (6) (bw) of the statutes is created to read:  
9           20.370 (6) (bw) *Wheelchair recycling project.* From the recycling fund, the  
10 amounts in the schedule for the Wheelchair recycling project under 2001 Wisconsin  
11 Act .... (this act), section 9137 (1q).

12           **\*b2252/2.2\* SECTION 36kc.** 20.370 (6) (bw) of the statutes, as created by 2001  
13 Wisconsin Act .... (this act), is repealed.”.

14           **\*b2291/2.1\* 30.** Page 43, line 19: after that line insert:

15           **\*b2291/2.1\* “SECTION 36d.** 20.370 (1) (mu) of the statutes is amended to read:  
16           20.370 (1) (mu) *General program operations — state funds.* The amounts in  
17 the schedule for general program operations that do not relate to the management  
18 and protection of the state’s fishery resources under ss. 23.09 to 23.11, 27.01, 30.203,  
19 and 30.277, subch. VI of ch. 77, and chs. 26, 28, and 29, to provide funding under 2001  
20 Wisconsin Act .... (this act), section 9137 (1w), and for transfers to the appropriation  
21 account under s. 20.285 (1) (kf).

22           **\*b2291/2.1\* SECTION 36db.** 20.370 (1) (mu) of the statutes, as affected by 2001  
23 Wisconsin Act .... (this act), is amended to read:

1           20.370 (1) (mu) *General program operations — state funds*. The amounts in  
2 the schedule for general program operations that do not relate to the management  
3 and protection of the state's fishery resources under ss. 23.09 to 23.11, 27.01, 30.203  
4 and 30.277, subch. VI of ch. 77 and chs. 26, 28 and 29, ~~to provide funding under 2001~~  
5 ~~Wisconsin Act .... (this act), section 9137 (1w)~~, and for transfers to the appropriation  
6 account under s. 20.285 (1) (kf).”.

7           **\*b2319/1.1\* 31.** Page 43, line 19: after that line insert:

8           **\*b2319/1.1\*** “SECTION 36m. 20.370 (1) (kk) of the statutes, as created by 2001  
9 Wisconsin Act 16, is amended to read:

10           20.370 (1) (kk) *Wild crane study*. From the general fund, the amounts in the  
11 schedule for the study on crop damage by wild cranes under 2001 Wisconsin Act 16,  
12 section 9137 (6f). All moneys transferred from the appropriation account under s.  
13 20.505 (8) (hm) 8n. shall be credited to this appropriation account. Notwithstanding  
14 s. 20.001 (3) (a), the unencumbered balance on June 30 of each year shall revert to  
15 the appropriation account under s. 20.505 (8) (hm). No moneys may be encumbered  
16 from this appropriation after June 30, 2003.”.

17           **\*b2306/1.1\* 32.** Page 43, line 20: delete that line.

18           **\*b2260/3.1\* 33.** Page 44, line 20: after that line insert:

19           **\*b2260/3.1\*** “SECTION 41r. 20.455 (2) (fm) of the statutes, as affected by 2001  
20 Wisconsin Act 16, is repealed.”.

21           **\*b2296/2.2\* 34.** Page 45, line 3: delete that line and substitute:

22           **\*b2296/2.2\*** “SECTION 43c. 20.465 (4) (c) of the statutes is renumbered 20.465  
23 (4) (ka) and amended to read:

1           20.465 (4) (ka) *Youth Challenge program; public instruction funds.* The  
2 ~~amounts in the schedule~~ All moneys received from the department of public  
3 instruction under s. 121.095, for the operation of the Youth Challenge program under  
4 s. 21.26.”.

5           **\*b2296/2.3\* 35.** Page 45, line 4: before that line insert:

6           **\*b2296/2.3\*** “SECTION 43k. 20.465 (4) (j) of the statutes is created to read:

7           20.465 (4) (j) *Youth Challenge program; county funds.* All moneys received  
8 from counties under s. 21.26 (3), for the operation of the Youth Challenge program.”.

9           **\*b2280/2.2\* 36.** Page 45, line 5: after that line insert:

10          **\*b2280/2.2\*** “SECTION 44d. 20.505 (1) (md) of the statutes is amended to read:

11          20.505 (1) (md) *Oil overcharge restitution funds.* All federal moneys received  
12 as oil overcharge funds, as defined in s. 14.065 (1), for expenditure under proposals  
13 approved by the joint committee on finance under s. 14.065, and for transfers under  
14 1993 Wisconsin Act 16, section 9201 (1z), ~~and for allocation under 1999 Wisconsin~~  
15 ~~Act 113, section 32 (7).~~”.

16          **\*b2257/3.3\* 37.** Page 46, line 9: delete lines 9 to 14.

17          **\*b2258/1.1\* 38.** Page 46, line 22: after that line insert:

18          **\*b2258/1.1\*** “SECTION 52m. 20.505 (8) (b) of the statutes, as created by 2001  
19 Wisconsin Act 16, is repealed.”.

20          **\*b2268/1.2\* 39.** Page 46, line 22: after that line insert:

21          **\*b2268/1.2\*** “SECTION 52c. 20.505 (7) (j) of the statutes, as created by 2001  
22 Wisconsin Act .... (this act), is repealed.”.

23          **\*b2338/2.2\* 40.** Page 46, line 22: after that line insert:

24          **\*b2338/2.2\*** “SECTION 52m. 20.765 (4) of the statutes is created to read:

1           20.765 (4) CAPITOL OFFICES RELOCATION. (a) *Capitol offices relocation costs*. The  
2 amounts in the schedule for office relocation costs related to the assembly, senate,  
3 and legislative service agencies. Expenditures from this appropriation may be made  
4 only with the written approval of the cochairpersons of the joint committee on  
5 legislative organization.”.

6           **\*b2339/2.1\* 41.** Page 47, line 3: on lines 3, 7, 13 and 17, delete “June 30, 2004”  
7 and substitute “December 31, 2003”.

8           **\*b2339/2.2\* 42.** Page 47, line 14: before that line insert:

9           **\*b2339/2.2\*** “SECTION 55b. 20.835 (1) (db) of the statutes is created to read:  
10           20.835 (1) (db) *County and municipal aid account*. Beginning in 2003, a sum  
11 sufficient to make payments to counties, towns, villages, and cities under s. 79.035.

12           **\*b2339/2.2\*** SECTION 55d. 20.835 (1) (dm) of the statutes is created to read:  
13           20.835 (1) (dm) *Public utility distribution account*. Beginning in 2004, a sum  
14 sufficient to make the payments under s. 79.04 (4), (6), and (7).”.

15           **\*b2246/1.3\* 43.** Page 47, line 18: delete lines 18 to 22.

16           **\*b2339/2.3\* 44.** Page 48, line 5: delete “(2) (b) and (c)” and substitute “(3)”.

17           **\*b2342/2.2\* 45.** Page 48, line 14: delete lines 14 to 20.

18           **\*b2253/1.1\* 46.** Page 49, line 2: after that line insert:

19           **\*b2253/1.1\*** “SECTION 64r. 20.866 (2) (tm) of the statutes is amended to read:  
20           20.866 (2) (tm) *Natural resources; pollution abatement and sewage collection*  
21 *facilities, ORAP fundng*. From the capital improvement fund, a sum sufficient to  
22 the department of natural resources to acquire, construct, develop, enlarge or  
23 improve point source water pollution abatement facilities and sewage collection  
24 facilities under ss. 281.55 and 281.56. The state may contract public debt in an

1 amount not to exceed ~~\$146,850,000~~ \$145,060,325 for this purpose. Of this amount,  
2 \$5,000,000 is allocated for point source water pollution abatement facilities and  
3 sewage collection facilities under s. 281.56.”.

4 \*b2279/1.3\* **47.** Page 50, line 21: after that line insert:

5 \*b2279/1.3\* “SECTION 69g. 20.923 (4) (c) 1. of the statutes is repealed.

6 \*b2279/1.3\* SECTION 69r. 20.923 (6) (ah) of the statutes is repealed.”.

7 \*b2344/1.1\* **48.** Page 50, line 22: delete lines 22 and 23.

8 \*b2297/1.2\* **49.** Page 50, line 25: after that line insert:

9 \*b2297/1.2\* “SECTION 71t. 20.923 (16) of the statutes is amended to read:

10 20.923 (16) OVERTIME AND COMPENSATORY TIME EXCLUSION. The salary paid to  
11 any person whose position is included under subs. (2), (4), (4g), (5), (7), and (8) to (12)  
12 is deemed to compensate that person for all work hours. No overtime compensation  
13 may be paid, and no compensatory time under s. 103.025 may be provided, to any  
14 such person for hours worked in any workweek in excess of the standard basis of  
15 employment as specified in s. 230.35 (5) (a).”.

16 \*b2340/2.2\* **50.** Page 50, line 25: after that line insert:

17 \*b2340/2.2\* “SECTION 71m. 20.924 (4) of the statutes, as affected by 2001  
18 Wisconsin Act 16, is amended to read:

19 20.924 (4) In addition to the authorized building program for the historical  
20 society, the society may expend any funds which are made available from the  
21 appropriations under s. 20.245 (1) ~~(ag)~~ (a), (g), (h), (m), and (n).”.

22 \*b2263/1.1\* **51.** Page 51, line 1: after that line insert:

23 \*b2263/1.1\* “SECTION 72m. 23.197 (6g) of the statutes is created to read:

1           23.197 **(6g)** PLOVER RIVER; CONSERVATION EASEMENTS. From the appropriation  
2           under s. 20.866 (2) (ta), the department shall provide funding in the amount of  
3           \$250,000 to acquire conservation easements along the Plover River in Marathon  
4           County and Portage County. For the purposes of s. 23.0917, moneys provided under  
5           this subsection from the appropriation under s. 20.866 (2) (ta) shall be treated as  
6           moneys obligated under the subprogram for land acquisition.”.

7           **\*b2266/1.1\* 52.** Page 51, line 1: after that line insert:

8           **\*b2266/1.1\*** “SECTION 72g. 23.0917 (4) (cm) 7. of the statutes is created to read:  
9           23.0917 (4) (cm) 7. Development of a wildlife rehabilitation center under s.  
10          23.197 (10).

11          **\*b2266/1.1\* SECTION 72r.** 23.197 (10) of the statutes is created to read:

12          23.197 **(10)** WILDLIFE REHABILITATION CENTER. From the appropriation under s.  
13          20.866 (2) (ta), the department shall provide \$500,000 to the Wisconsin Humane  
14          Society in Milwaukee for the development of an outdoor center to be used for the  
15          rehabilitation of wildlife. For purposes of s. 23.0917, the moneys provided under this  
16          subsection shall be treated as moneys obligated from either or both of the  
17          subprograms under s. 23.0917 (3) and (4).”.

18          **\*b2277/1.1\* 53.** Page 51, line 1: after that line insert:

19          **\*b2277/1.1\*** “SECTION 72m. 23.0917 (7) (e) of the statutes is amended to read:

20          23.0917 **(7)** (e) For any land for which moneys are proposed to be obligated from  
21          the appropriation under s. 20.866 (2) (ta) in order to provide a grant or state aid to  
22          a governmental unit under s. 23.09 (19), (20), or (20m) or 30.277 or to a nonprofit  
23          conservation organization under s. 23.096, the department shall use at least 2  
24          appraisals to determine the fair market value of the land. The governmental unit

1 or nonprofit conservation organization shall submit to the department two  
2 appraisals if the department estimates that the fair market value of the land exceeds  
3 \$200,000 one appraisal that is paid for by the governmental unit or nonprofit  
4 conservation organization. The department shall obtain its own independent  
5 appraisal. The department may also require that the governmental unit or nonprofit  
6 conservation organization submit a 3rd independent appraisal. The department  
7 shall reimburse the governmental unit or nonprofit conservation organization up to  
8 50% of the costs of the 3rd appraisal as part of the acquisition costs of the land if the  
9 land is acquired by the governmental unit or nonprofit conservation organization  
10 with moneys obligated from the appropriation under s. 20.866 (2) (ta). This  
11 paragraph does not apply if the fair market value of the land is estimated by the  
12 department to be \$200,000 or less.”.

13 \*b2289/1.1\* **54.** Page 51, line 1: after that line insert:

14 \*b2289/1.1\* “SECTION 72m. 23.155 of the statutes is created to read:

15 **23.155 Contracts to sell or exchange state-owned land under the**  
16 **jurisdiction of the department. (1)** In this section, “department land” means an  
17 area of land that is owned by the state, that is under the jurisdiction of the  
18 department, and that is used for one of the purposes described in s. 23.09 (2) (d) 1.,  
19 2., 3., 6., 7., 8., 10., 11., 12., 13., 14., 15., or 16.

20 (2) The department may not enter into a contract to sell or exchange  
21 department land that has a fair market value in excess of \$75,000 unless the  
22 department first notifies the joint committee on finance in writing of the proposed  
23 contract. If the cochairpersons of the committee do not notify the department within  
24 14 working days after the date of the department’s notification that the committee

1 has scheduled a meeting to review the proposed contract, the department may enter  
2 into the contract. If, within 14 working days after receiving the notification from the  
3 department, the cochairpersons of the committee notify the department that the  
4 committee has scheduled a meeting to review the proposed contract, the department  
5 may enter into the contract only on the approval of the committee.

6 (3) The joint committee on finance may approve a contract under sub. (2) to sell  
7 department land only if the committee determines that the level of reimbursement  
8 to be received by the state adequately reimburses the state for its cost in acquiring  
9 and developing the department land. The joint committee on finance may approve  
10 a contract under sub. (2) to exchange department land for other land only if the  
11 committee determines that the value of the land to be received by the state in the  
12 exchange adequately reflects the state's cost in acquiring and developing the  
13 department land.

14 (4) The approval process under subs. (2) and (3) is in addition to any approval  
15 process that may apply to the sale or exchange of the department land under s. 13.48  
16 (14) (d).".

17 \*b2296/2.4\* **55.** Page 51, line 1: delete that line and substitute:

18 \*b2296/2.4\* "SECTION 72c. 21.26 of the statutes is renumbered 21.26 (1).

19 \*b2296/2.4\* SECTION 72d. 21.26 (2) of the statutes is created to read:

20 21.26 (2) Annually, the department of military affairs shall do all of the  
21 following:

22 (a) Calculate 40% of the average cost per pupil attending the Youth Challenge  
23 program and report this information to the department of public instruction.

1 (b) Notwithstanding s. 118.125, report to each school district in which a pupil  
2 attending the program is enrolled the pupil's name and the name and address of the  
3 pupil's custodial parent or guardian.

4 \*b2296/2.4\* SECTION 72e. 21.26 (3) of the statutes is created to read:

5 21.26 (3) Based on the information received under s. 121.095 (3), if the  
6 department of military affairs determines that a pupil attending the Youth  
7 Challenge program is enrolled in a school district that had its state aid reduced by  
8 the amount under s. 121.095 (1) (b) 2., the county in which the pupil's custodial  
9 parent or guardian resided at the time of the pupil's attendance in the program shall  
10 pay to the state, from the funds received under s. 20.410 (3) (cd) and (ko), the  
11 difference between the amount under s. 121.095 (1) (b) 2. and the amount calculated  
12 under sub. (2) (a). The pupil's custodial parent or guardian is the person who claims  
13 the pupil as a dependent under section 151 (c) of the Internal Revenue Code, on his  
14 or her tax return. The department shall notify the county where a pupil resides of  
15 the amount that the county is required to pay to the state.”

16 \*b2264/2.1\* 56. Page 51, line 8: delete the material beginning with that line  
17 and ending with page 54, line 7.

18 \*b2342/2.3\* 57. Page 54, line 19: delete “appropriations” and substitute  
19 “appropriation”.

20 \*b2342/2.4\* 58. Page 54, line 19: delete “and (rm)”.

21 \*b2342/2.5\* 59. Page 55, line 3: delete “and to make the appropriation under  
22 s. 20.855 (4) (rm)”.

23 \*b2321/1.1\* 60. Page 55, line 7: after that line insert:

24 \*b2321/1.1\* “SECTION 84g. 26.145 (2m) of the statutes is created to read:

1           26.145 (2m) EFFECT OF OTHER FINANCIAL ASSISTANCE. The department may  
2 consider any cost which has been or will be paid or reimbursed from moneys received  
3 under another federal or state financial assistance program as an ineligible cost for  
4 the purposes of calculating the amount of a grant under sub. (1), except that the  
5 department shall consider any cost that has been or will be paid or reimbursed from  
6 moneys received under s. 101.573 (3) as an eligible cost for the purposes of calculating  
7 the amount of a grant under sub. (1).

8           **\*b2321/1.1\*** SECTION 84h. 26.145 (2m) of the statutes, as created by 2001  
9 Wisconsin Act .... (this act) is repealed.”.

10           **\*b2324/1.3\* 61.** Page 57, line 17: delete the material beginning with that line  
11 and ending with page 59, line 18.

12           **\*b2324/1.4\* 62.** Page 60, line 1: delete “38.307”.

13           **\*b2324/1.5\* 63.** Page 60, line 7: delete lines 7 to 20.

14           **\*b2297/1.3\* 64.** Page 60, line 20: after that line insert:

15           **\*b2297/1.3\*** “SECTION 100t. 40.02 (30) of the statutes is amended to read:

16           40.02 (30) “Executive participating employee” means a participating employee  
17 in a position designated under s. 19.42 (10) (L) or 20.923 (4), (4g), ~~(7)~~ (8), or (9) or  
18 authorized under s. 230.08 (2) (e) during the time of employment. All service credited  
19 prior to May 17, 1988, as executive service as defined under s. 40.02 (31), 1985 stats.,  
20 shall continue to be treated as executive service as defined under s. 40.02 (31), 1985  
21 stats., but no other service rendered prior to May 17, 1988, may be changed to  
22 executive service as defined under s. 40.02 (31), 1985 stats.”.

23           **\*b2312/2.1\* 65.** Page 60, line 20: after that line insert:

24           **\*b2312/2.1\*** “SECTION 100p. 46.286 (3m) of the statutes is created to read:

1           46.286 **(3m)** INFORMATION ABOUT FAMILY CARE ENROLLEES. (a) In this subsection:

2           1. “Disability insurance policy” has the meaning given in s. 632.895 (1) (a).

3           2. “Insurer” has the meaning given in s. 600.03 (27).

4           (b) An insurer that issues or delivers a disability insurance policy that provides  
5 coverage to a resident of this state shall provide to the department, upon the  
6 department’s request, information contained in the insurer’s records regarding all  
7 of the following:

8           1. Information that the department needs to identify enrollees of family care  
9 who satisfy any of the following:

10           a. Are eligible for benefits under a disability insurance policy.

11           b. Would be eligible for benefits under a disability insurance policy if the  
12 enrollee were enrolled as a dependent of a person insured under the disability  
13 insurance policy.

14           2. Information required for submittal of claims under the insurer’s disability  
15 insurance policy.

16           3. The types of benefits provided by the disability insurance policy.

17           (c) Upon requesting an insurer to provide the information under par. (b), the  
18 department shall enter into a written agreement with the insurer that satisfies all  
19 of the following:

20           1. Identifies in detail the information to be disclosed.

21           2. Includes provisions that adequately safeguard the confidentiality of the  
22 information to be disclosed.

23           (d) 1. An insurer shall provide the information requested under par. (b) within  
24 180 days after receiving the department’s request if it is the first time that the  
25 department has requested the insurer to disclose information under this subsection.

1           2. An insurer shall provide the information requested under par. (b) within 30  
2 days after receiving the department's request if the department has previously  
3 requested the insurer to disclose information under this subsection.

4           3. If an insurer fails to comply with subd. 1. or 2., the department may notify  
5 the commissioner of insurance, and the commissioner of insurance may initiate  
6 enforcement proceedings against the insurer under s. 601.41 (4) (a).".

7           **\*b2337/3.1\* 66.** Page 60, line 20: after that line insert:

8           **\*b2337/3.1\*** "SECTION 100m. 44.015 (5m) of the statutes is created to read:  
9           44.015 (5m) Except as otherwise provided by law, establish fees for services or  
10 products or for admission to venues.".

11           **\*b2332/2.1\* 67.** Page 62, line 1: delete lines 1 to 14.

12           **\*b2355/2.1\* 68.** Page 65, line 4: after that line insert:

13           **\*b2355/2.1\*** "SECTION 119m. 49.175 (1) (zh) 2. of the statutes, as affected by  
14 2001 Wisconsin Act 16, is amended to read:

15           49.175 (1) (zh) 2. 'Taxable years 1999 and thereafter.' For the transfer of  
16 moneys from the appropriation account under s. 20.445 (3) (md) to the appropriation  
17 account under s. 20.835 (2) (kf) for the earned income tax credit, \$51,244,500 in fiscal  
18 year 2001–02 and ~~\$52,200,000~~ \$55,160,000 in fiscal year 2002–03.".

19           **\*b2318/1.1\* 69.** Page 65, line 20: after "AUTHORIZATION." insert "(a)".

20           **\*b2318/1.2\* 70.** Page 66, line 1: delete "(a)" and substitute "1.".

21           **\*b2318/1.3\* 71.** Page 66, line 2: delete "(b)" and substitute "2.".

22           **\*b2318/1.4\* 72.** Page 66, line 3: delete that line and substitute:

1           “3. One advocate for recipients of medical assistance who has sufficient medical  
2 background, as determined by the department, to evaluate a prescription drug’s  
3 clinical effectiveness.”.

4           **\*b2318/1.5\* 73.** Page 66, line 4: delete that line and substitute:

5           “(b) The prescription drug prior authorization committee shall accept  
6 testimony from representatives of the pharmaceutical manufacturing industry in  
7 the committee’s review of prior authorization policies.”.

8           **\*b2312/2.2\* 74.** Page 68, line 7: after that line insert:

9           **\*b2312/2.2\* “SECTION 128p.** 49.665 (5m) of the statutes is created to read:

10           **49.665 (5m) INFORMATION ABOUT BADGER CARE RECIPIENTS.** (a) In this subsection:

11           1. “Disability insurance policy” has the meaning given in s. 632.895 (1) (a).

12           2. “Insurer” has the meaning given in s. 600.03 (27).

13           (b) An insurer that issues or delivers a disability insurance policy that provides  
14 coverage to a resident of this state shall provide to the department, upon the  
15 department’s request, information contained in the insurer’s records regarding all  
16 of the following:

17           1. Information that the department needs to identify recipients of badger care  
18 who satisfy any of the following:

19           a. Are eligible for benefits under a disability insurance policy.

20           b. Would be eligible for benefits under a disability insurance policy if the  
21 recipient were enrolled as a dependent of a person insured under the disability  
22 insurance policy.

23           2. Information required for submittal of claims under the insurer’s disability  
24 insurance policy.

1           3. The types of benefits provided by the disability insurance policy.

2           (c) Upon requesting an insurer to provide the information under par. (b), the  
3 department shall enter into a written agreement with the insurer that satisfies all  
4 of the following:

5           1. Identifies in detail the information to be disclosed.

6           2. Includes provisions that adequately safeguard the confidentiality of the  
7 information to be disclosed.

8           (d) 1. An insurer shall provide the information requested under par. (b) within  
9 180 days after receiving the department's request if it is the first time that the  
10 department has requested the insurer to disclose information under this subsection.

11           2. An insurer shall provide the information requested under par. (b) within 30  
12 days after receiving the department's request if the department has previously  
13 requested the insurer to disclose information under this subsection.

14           3. If an insurer fails to comply with subd. 1. or 2., the department may notify  
15 the commissioner of insurance, and the commissioner of insurance may initiate  
16 enforcement proceedings against the insurer under s. 601.41 (4) (a).".

17           **\*b2317/2.1\* 75.** Page 68, line 7: after that line insert:

18           **\*b2317/2.1\* "SECTION 128m.** 49.665 (4) (at) 1. b. of the statutes is amended to  
19 read:

20           49.665 (4) (at) 1. b. The department may not lower the maximum income level  
21 for initial eligibility unless the department first submits to the joint committee on  
22 finance ~~its plans~~ a plan for lowering the maximum income level ~~and the committee~~  
23 ~~approves the plan.~~ If, within 14 days after ~~submitting the plan~~ the date on which the  
24 plan is submitted to the joint committee on finance, the cochairpersons of the

1 committee do not notify the secretary that the committee has scheduled a meeting  
2 for the purpose of reviewing the plan, the department shall implement the plan is  
3 considered approved by the committee as proposed. If, within 14 days after the date  
4 on which the plan is submitted to the committee, the cochairpersons of the committee  
5 notify the secretary that the committee has scheduled a meeting to review the plan,  
6 the department may implement the plan only as approved by the committee.

7 \*b2317/2.1\* SECTION 128s. 49.665 (4) (at) 1. cm. of the statutes is created to  
8 read:

9 49.665 (4) (at) 1. cm. Notwithstanding s. 20.001 (3) (b), if, after reviewing the  
10 plan submitted under subd. 1. b., the joint committee on finance determines that the  
11 amounts appropriated under s. 20.435 (4) (bc), (jz), (p), and (x) are insufficient to  
12 accommodate the projected enrollment levels, the committee may transfer  
13 appropriated moneys from the general purpose revenue appropriation account of any  
14 state agency, as defined in s. 20.001 (1), other than a sum sufficient appropriation  
15 account, to the appropriation account under s. 20.435 (4) (bc) to supplement the  
16 health care program under this section if the committee finds that the transfer will  
17 eliminate unnecessary duplication of functions, result in more efficient and effective  
18 methods for performing programs, or more effectively carry out legislative intent,  
19 and that legislative intent will not be changed by the transfer.”.

20 \*b2304/1.1\* 76. Page 68, line 8: delete lines 8 to 25.

21 \*b2304/1.2\* 77. Page 69, line 1: delete lines 1 to 25.

22 \*b2304/1.3\* 78. Page 70, line 1: delete lines 1 to 25.

23 \*b2304/1.4\* 79. Page 71, line 1: delete lines 1 to 24.

24 \*b2304/1.5\* 80. Page 72, line 1: delete lines 1 to 10.

1           **\*b2312/2.3\* 81.** Page 72, line 10: after that line insert:

2           **\*b2312/2.3\* "SECTION 140p.** 49.688 (2) (a) 3. of the statutes, as created by 2001  
3 Wisconsin Act 16, is amended to read:

4           49.688 (2) (a) 3. The person is not a recipient of medical assistance or, as a  
5 recipient, does not receive prescription drug coverage.

6           **\*b2312/2.3\* SECTION 140q.** 49.688 (3) (d) of the statutes, as created by 2001  
7 Wisconsin Act 16, is amended to read:

8           49.688 (3) (d) Notwithstanding s. 49.002, if a person who is eligible under this  
9 section has other available coverage for payment of a prescription drug, this section  
10 applies only to costs for prescription drugs for the ~~persons~~ person that are not covered  
11 under the person's other available coverage.

12           **\*b2312/2.3\* SECTION 140r.** 49.688 (8m) of the statutes is created to read:

13           49.688 (8m) (a) In this subsection:

14           1. "Disability insurance policy" has the meaning given in s. 632.895 (1) (a).

15           2. "Insurer" has the meaning given in s. 600.03 (27).

16           (b) An insurer that issues or delivers a disability insurance policy that provides  
17 coverage to a resident of this state shall provide to the department, upon the  
18 department's request, information contained in the insurer's records regarding all  
19 of the following:

20           1. Information that the department needs to identify eligible persons under  
21 this section who satisfy any of the following:

22           a. Are eligible for benefits under a disability insurance policy.

1           b. Would be eligible for benefits under a disability insurance policy if the  
2 eligible person were enrolled as a dependent of a person insured under the disability  
3 insurance policy.

4           2. Information required for submittal of claims under the insurer's disability  
5 insurance policy.

6           3. The types of benefits provided by the disability insurance policy.

7           (c) Upon requesting an insurer to provide the information under par. (b), the  
8 department shall enter into a written agreement with the insurer that satisfies all  
9 of the following:

10           1. Identifies in detail the information to be disclosed.

11           2. Includes provisions that adequately safeguard the confidentiality of the  
12 information to be disclosed.

13           (d) 1. An insurer shall provide the information requested under par. (b) within  
14 180 days after receiving the department's request if it is the first time that the  
15 department has requested the insurer to disclose information under this subsection.

16           2. An insurer shall provide the information requested under par. (b) within 30  
17 days after receiving the department's request if the department has previously  
18 requested the insurer to disclose information under this subsection.

19           3. If an insurer fails to comply with subd. 1. or 2., the department may notify  
20 the commissioner of insurance, and the commissioner of insurance may initiate  
21 enforcement proceedings against the insurer under s. 601.41 (4) (a).".

22           **\*b2353/2.1\* 82.** Page 76, line 18: delete lines 18 to 20 and substitute:

23           “(b) “Inflation” means a percentage equal to the average annual percentage  
24 change in the U.S. consumer price index for all urban consumers, U.S. city average,

1 as determined by the U.S. department of labor, for the 12 months ending on  
2 September 30 of the year of the operating levy.”.

3 \*b2353/2.2\* **83.** Page 77, line 3: after that line insert:

4 “(h) “Valuation factor” means a percentage equal to 60% of the percentage  
5 change in a municipality’s equalized value due to new construction, less  
6 improvements removed, between the year before the year of the operating levy and  
7 the previous year, but not less than zero nor greater than 2.”.

8 \*b2353/2.3\* **84.** Page 77, line 4: delete “political subdivision” and substitute  
9 “municipality”.

10 \*b2353/2.4\* **85.** Page 77, line 6: delete that line and substitute “by a  
11 percentage that exceeds the sum of the percentages that are specified in pars. (a) and  
12 (c) and the amount that is specified in par. (d), and no county whose total levy rate  
13 is equal to or greater than .001 may increase its operating levy, each year, by a  
14 percentage that exceeds the sum of the percentages that are specified in pars. (a) and  
15 (b) and the amount that is specified in par. (d):”.

16 \*b2353/2.5\* **86.** Page 77, line 7: delete lines 7 and 8 and substitute:  
17 “(a) Inflation.”.

18 \*b2353/2.6\* **87.** Page 77, line 9: delete “political subdivision” and substitute  
19 “county”.

20 \*b2353/2.7\* **88.** Page 77, line 10: after that line insert:

21 “(c) The valuation factor.

22 (d) An amount equal to 50% of the difference between the political subdivision’s  
23 allowable operating levy, as determined in the prior year, and the political  
24 subdivision’s adopted operating levy, as determined in the prior year.”.

1           **\*b2353/2.8\* 89.** Page 79, line 8: delete “August 15” and substitute “November  
2     1”.

3           **\*b2353/2.9\* 90.** Page 79, line 9: after “inflation” insert “, valuation factor,”.

4           **\*b2343/1.2\* 91.** Page 79, line 11: delete lines 11 to 13.

5           **\*b2335/2.1\* 92.** Page 90, line 9: delete the material beginning with that line  
6     and ending on page 91, line 3, and substitute:

7           **\*b2335/2.1\*** “SECTION 169b. 71.01 (7r) of the statutes is amended to read:

8           71.01 (7r) Notwithstanding sub. (6), for purposes of computing amortization  
9     or depreciation, “Internal Revenue Code” means ~~either~~ the federal Internal Revenue  
10    Code as amended to December 31, 1999, ~~or the federal Internal Revenue Code in~~  
11    ~~effect for the taxable year for which the return is filed 2000~~, except that property that,  
12    under s. 71.02 (2) (d) 12., 1985 stats., is required to be depreciated for taxable year  
13    1986 under the Internal Revenue Code as amended to December 31, 1980, shall  
14    continue to be depreciated under the Internal Revenue Code as amended to  
15    December 31, 1980.”.

16           **\*b2322/1.1\* 93.** Page 91, line 3: after that line insert:

17           **\*b2322/1.1\*** “SECTION 170c. 71.04 (4) of the statutes is renumbered 71.04 (4)  
18     (intro.) and amended to read:

19           71.04 (4) NONRESIDENT ALLOCATION AND APPORTIONMENT FORMULA. (intro.)  
20     Nonresident individuals and nonresident estates and trusts engaged in business  
21     within and without the state shall be taxed only on such income as is derived from  
22     business transacted and property located within the state. The amount of such  
23     income attributable to Wisconsin may be determined by an allocation and separate  
24     accounting thereof, when the business of such nonresident individual or nonresident

1 estate or trust within the state is not an integral part of a unitary business, but the  
2 department of revenue may permit an allocation and separate accounting in any case  
3 in which it is satisfied that the use of such method will properly reflect the income  
4 taxable by this state. In all cases in which allocation and separate accounting is not  
5 permissible, the determination shall be made in the following manner: for all  
6 businesses except air carriers, financial organizations, pipeline companies, public  
7 utilities, railroads, sleeping car companies and car line companies there shall first  
8 be deducted from the total net income of the taxpayer the part thereof (less related  
9 expenses, if any) that follows the situs of the property or the residence of the  
10 recipient. The remaining net income shall be apportioned to ~~Wisconsin~~ this state by  
11 use of ~~an apportionment fraction composed of a sales factor representing 50% of the~~  
12 ~~fraction, a property factor representing 25% of the fraction and a payroll factor~~  
13 ~~representing 25% of the fraction.~~ the following:

14 \*b2322/1.1\* SECTION 170d. 71.04 (4) (a) of the statutes is created to read:

15 71.04 (4) (a) For taxable years beginning before January 1, 2004, an  
16 apportionment fraction composed of a sales factor under sub. (7) representing 50%  
17 of the fraction, a property factor under sub. (5) representing 25% of the fraction, and  
18 a payroll factor under sub. (6) representing 25% of the fraction.

19 \*b2322/1.1\* SECTION 170e. 71.04 (4) (b) of the statutes is created to read:

20 71.04 (4) (b) For taxable years beginning after December 31, 2003, an  
21 apportionment fraction composed of a sales factor under sub. (7) representing 55%  
22 of the fraction, a property factor under sub. (5) representing 22.5% of the fraction,  
23 and a payroll factor under sub. (6) representing 22.5% of the fraction.

24 \*b2322/1.1\* SECTION 170f. 71.04 (4) (c) of the statutes is created to read:

1           71.04 (4) (c) For taxable years beginning after December 31, 2003, the  
2 apportionment fraction for the remaining net income of a financial organization shall  
3 include a sales factor that represents 55% of the apportionment fraction, as  
4 determined by rule by the department.

5           **\*b2322/1.1\* SECTION 170g.** 71.04 (8) (b) of the statutes is renumbered 71.04  
6 (8) (b) 1. and amended to read:

7           71.04 (8) (b) 1. ~~Public~~ For taxable years beginning before January 1, 2004,  
8 “public utility”, as used in this section, means any business entity described under  
9 subd. 2. and any business entity which owns or operates any plant, equipment,  
10 property, franchise, or license for the transmission of communications or the  
11 production, transmission, sale, delivery, or furnishing of electricity, water or steam,  
12 the rates of charges for goods or services of which have been established or approved  
13 by a federal, state or local government or governmental agency. ~~Public~~

14           2. In this section, for taxable years beginning after December 31, 2003, “public  
15 utility” also means any business entity providing service to the public and engaged  
16 in the transportation of goods and persons for hire, as defined in s. 194.01 (4),  
17 regardless of whether or not the entity’s rates or charges for services have been  
18 established or approved by a federal, state or local government or governmental  
19 agency.

20           **\*b2322/1.1\* SECTION 170h.** 71.04 (8) (c) of the statutes is amended to read:

21           71.04 (8) (c) The net business income of railroads, sleeping car companies, car  
22 line companies, pipeline companies, financial organizations, air carriers, and public  
23 utilities requiring apportionment shall be apportioned pursuant to rules of the  
24 department of revenue, but the income taxed is limited to the income derived from  
25 business transacted and property located within the state.”.

1           **\*b2322/1.2\* 94.** Page 111, line 10: after that line insert:

2           **\*b2322/1.2\* "SECTION 192e.** 71.25 (6) of the statutes is renumbered 71.25 (6)  
3 (intro.) and amended to read:

4           71.25 (6) ALLOCATION AND SEPARATE ACCOUNTING AND APPORTIONMENT FORMULA.

5 (intro.) Corporations engaged in business within and without the state shall be taxed  
6 only on such income as is derived from business transacted and property located  
7 within the state. The amount of such income attributable to Wisconsin may be  
8 determined by an allocation and separate accounting thereof, when the business of  
9 such corporation within the state is not an integral part of a unitary business, but  
10 the department of revenue may permit an allocation and separate accounting in any  
11 case in which it is satisfied that the use of such method will properly reflect the  
12 income taxable by this state. In all cases in which allocation and separate accounting  
13 is not permissible, the determination shall be made in the following manner: for all  
14 businesses except air carriers, financial organizations, pipeline companies, public  
15 utilities, railroads, sleeping car companies, car line companies, and corporations or  
16 associations that are subject to a tax on unrelated business income under s. 71.26 (1)  
17 (a) there shall first be deducted from the total net income of the taxpayer the part  
18 thereof (less related expenses, if any) that follows the situs of the property or the  
19 residence of the recipient. The remaining net income shall be apportioned to  
20 Wisconsin this state by use of an apportionment fraction composed of a sales factor  
21 under sub. (9) representing 50% of the fraction, a property factor under sub. (7)  
22 representing 25% of the fraction and a payroll factor under sub. (8) representing 25%  
23 of the fraction. the following:

24           **\*b2322/1.2\* SECTION 192f.** 71.25 (6) (a) of the statutes is created to read:

1           71.25 (6) (a) For taxable years beginning before January 1, 2004, an  
2 apportionment fraction composed of a sales factor under sub. (9) representing 50%  
3 of the fraction, a property factor under sub. (7) representing 25% of the fraction, and  
4 a payroll factor under sub. (8) representing 25% of the fraction.

5           **\*b2322/1.2\* SECTION 192g.** 71.25 (6) (b) of the statutes is created to read:

6           71.25 (6) (b) For taxable years beginning after December 31, 2003, an  
7 apportionment fraction composed of a sales factor under sub. (9) representing 55%  
8 of the fraction, a property factor under sub. (7) representing 22.5% of the fraction,  
9 and a payroll factor under sub. (8) representing 22.5% of the fraction.

10          **\*b2322/1.2\* SECTION 192h.** 71.25 (6) (c) of the statutes is created to read:

11          71.25 (6) (c) For taxable years beginning after December 31, 2003, the  
12 apportionment fraction for the remaining net income of a financial organization shall  
13 include a sales factor that represents 55% of the apportionment fraction, as  
14 determined by rule by the department.

15          **\*b2322/1.2\* SECTION 192j.** 71.25 (10) (b) of the statutes is renumbered 71.25  
16 (10) (b) 1. and amended to read:

17          71.25 (10) (b) 1. In this section, for taxable years beginning before January 1,  
18 2004, “public utility” means any business entity described under subd. 2. and any  
19 business entity which owns or operates any plant, equipment, property, franchise,  
20 or license for the transmission of communications or the production, transmission,  
21 sale, delivery, or furnishing of electricity, water or steam the rates of charges for  
22 goods or services of which have been established or approved by a federal, state or  
23 local government or governmental agency. “Public

24          2. In this section, for taxable years beginning after December 31, 2003, “public  
25 utility” also means any business entity providing service to the public and engaged

1 in the transportation of goods and persons for hire, as defined in s. 194.01 (4),  
2 regardless of whether or not the entity's rates or charges for services have been  
3 established or approved by a federal, state or local government or governmental  
4 agency.

5 \*b2322/1.2\* SECTION 192k. 71.25 (10) (c) of the statutes is amended to read:

6 71.25 (10) (c) The net business income of railroads, sleeping car companies, car  
7 line companies, pipeline companies, financial organizations, air carriers, and public  
8 utilities requiring apportionment shall be apportioned pursuant to rules of the  
9 department of revenue, but the income taxed is limited to the income derived from  
10 business transacted and property located within the state.”.

11 \*b2335/2.2\* 95. Page 135, line 3: delete the material beginning with that line  
12 and ending on page 136, line 4, and substitute:

13 \*b2335/2.2\* “SECTION 204b. 71.26 (3) (y) of the statutes is amended to read:

14 71.26 (3) (y) A corporation ~~may~~ shall compute amortization and depreciation  
15 under either the federal Internal Revenue Code as amended to December 31, 1999,  
16 ~~or the federal Internal Revenue Code in effect for the taxable year for which the~~  
17 ~~return is filed~~ 2000, except that property first placed in service by the taxpayer on  
18 or after January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and  
19 (br), 1985 stats., is required to be depreciated under the Internal Revenue Code as  
20 amended to December 31, 1980, and property first placed in service in taxable year  
21 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985  
22 stats., is required to be depreciated under the Internal Revenue Code as amended  
23 to December 31, 1980, shall continue to be depreciated under the Internal Revenue  
24 Code as amended to December 31, 1980.”.

1           **\*b2335/2.3\* 96.** Page 147, line 4: delete the material beginning with that line  
2 and ending on page 149, line 9, and substitute:

3           **\*b2335/2.3\* "SECTION 217b.** 71.365 (1m) of the statutes is amended to read:  
4           71.365 (1m) TAX-OPTION CORPORATIONS; DEPRECIATION. A tax-option corporation  
5 ~~may~~ shall compute amortization and depreciation under ~~either~~ the federal Internal  
6 Revenue Code as amended to December 31, 1999, ~~or the federal Internal Revenue~~  
7 ~~Code in effect for the taxable year for which the return is filed~~ 2000, except that  
8 property first placed in service by the taxpayer on or after January 1, 1983, but  
9 before January 1, 1987, that, under s. 71.04 (15) (b) and (br), 1985 stats., is required  
10 to be depreciated under the Internal Revenue Code as amended to  
11 December 31, 1980, and property first placed in service in taxable year 1981 or  
12 thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985 stats., is  
13 required to be depreciated under the Internal Revenue Code as amended to  
14 December 31, 1980, shall continue to be depreciated under the Internal Revenue  
15 Code as amended to December 31, 1980. Any differencce between the adjusted basis  
16 for federal income tax purposes and the adjusted basis under this chapter shall be  
17 taken into account in determining net income or loss in the year or years for which  
18 the gain or loss is reportable under this chapter. If that property was placed in  
19 service by the taxpayer during taxable year 1986 and thereafter but before the  
20 property is used in the production of income subject to taxation under this chapter,  
21 the property's adjusted basis and the depreciation or other deduction schedule are  
22 not required to be changed from the amount allowable on the owner's federal income  
23 tax returns for any year because the property is used in the production of income  
24 subject to taxation under this chapter. If that property was acquired in a transaction

1 in taxable year 1986 or thereafter in which the adjusted basis of the property in the  
2 hands of the transferee is the same as the adjusted basis of the property in the hands  
3 of the transferor, the Wisconsin adjusted basis of that property on the date of transfer  
4 is the adjusted basis allowable under the Internal Revenue Code as defined for  
5 Wisconsin purposes for the property in the hands of the transferor.”.

6 \*b2335/2.4\* **97.** Page 159, line 3: delete the material beginning with that line  
7 and ending on page 160, line 7, and substitute:

8 \*b2335/2.4\* “SECTION 230b. 71.45 (2) (a) 13. of the statutes is amended to read:  
9 71.45 (2) (a) 13. By adding or subtracting, as appropriate, the difference  
10 between the depreciation deduction under the federal Internal Revenue Code as  
11 amended to December 31, 1999 and the depreciation deduction under the federal  
12 Internal Revenue Code in effect for the taxable year for which the return is filed, so  
13 as to reflect the fact that the insurer may choose between these 2 deductions 2000,  
14 except that property first placed in service by the taxpayer on or after  
15 January 1, 1983, but before January 1, 1987, that, under s. 71.04 (15) (b) and (br),  
16 1985 stats., is required to be depreciated under the Internal Revenue Code as  
17 amended to December 31, 1980, and property first placed in service in taxable year  
18 1981 or thereafter but before January 1, 1987, that, under s. 71.04 (15) (bm), 1985  
19 stats., is required to be depreciated under the Internal Revenue Code as amended  
20 to December 31, 1980, shall continue to be depreciated under the Internal Revenue  
21 Code as amended to December 31, 1980.”.

22 \*b2322/1.3\* **98.** Page 160, line 7: after that line insert:

23 \*b2322/1.3\* “SECTION 231c. 71.45 (3) (intro.) of the statutes is amended to  
24 read:

1           71.45 (3) APPORTIONMENT. (intro.) ~~With respect~~ Except as provided in sub. (3d).  
2 to determine Wisconsin income for purposes of the franchise tax, domestic insurers  
3 ~~not engaged in the sale of life insurance but which~~ that, in the taxable year, have  
4 ~~collected~~ received premiums, ~~other than life insurance premiums,~~ written ~~on~~  
5 ~~subjects of~~ for insurance on property or risks resident, located or to be performed  
6 outside this state, ~~there shall be subtracted from~~ multiply the net income figure  
7 derived by application of sub. (2) ~~(a) to arrive at Wisconsin income constituting the~~  
8 ~~measure of the franchise tax an amount calculated by multiplying such adjusted~~  
9 ~~federal taxable income by the arithmetic average of the following 2 percentages:~~

10           **\*b2322/1.3\* SECTION 231d.** 71.45 (3) (a) of the statutes is amended to read:

11           71.45 (3) (a) ~~The~~ Subject to sub. (3d), the percentage of total determined by  
12 dividing the sum of direct premiums written ~~on all property and risks for insurance~~  
13 other than life insurance, with respects to all property and risks resident, located,  
14 or to be performed in this state, and assumed premiums written for reinsurance,  
15 other than life insurance, with respect to all property and risks resident, located, or  
16 to be performed in this state, by the sum of direct premiums written for insurance  
17 on all property and risks, other than life insurance, wherever located during the  
18 ~~taxable year, as reflects, and assumed~~ premiums written ~~on insurance for~~  
19 reinsurance on all property and risks, other than life insurance, where the subject  
20 of insurance was resident, located or to be performed outside this state wherever  
21 located. In this paragraph, "direct premiums" means direct premiums as reported  
22 for the taxable year on an annual statement that is filed by the insurer with the  
23 commissioner of insurance under s. 601.42 (1g) (a). In this paragraph, "assumed  
24 premiums" means assumed reinsurance premiums from domestic insurance

1 companies as reported for the taxable year on an annual statement that is filed with  
2 the commissioner of insurance under s. 601.42 (1g) (a).

3 \*b2322/1.3\* SECTION 231e. 71.45 (3) (b) of the statutes is renumbered 71.45  
4 (3) (b) 1. and amended to read:

5 71.45 (3) (b) 1. The Subject to sub. (3d), the percentage of determined by  
6 dividing the payroll, exclusive of life insurance payroll, paid in this state in the  
7 taxable year by total payroll, exclusive of life insurance payroll, paid everywhere in  
8 the taxable year as reflects such compensation paid outside this state.  
9 Compensation.

10 2. Under subd. 1., payroll is paid outside in this state if the individual's service  
11 is performed entirely outside in this state; or the individual's service is performed  
12 both within and without in and outside this state, but the service performed within  
13 outside this state is incidental to the individual's service without in this state; or  
14 some service is performed without in this state and the base of operations, or if there  
15 is no base of operations, the place from which the service is directed or controlled is  
16 without in this state, or the base of operations or the place from which the service is  
17 directed or controlled is not in any state in which some part of the service is  
18 performed, but the individual's residence is outside in this state.

19 \*b2322/1.3\* SECTION 231f. 71.45 (3d) of the statutes is created to read:

20 71.45 (3d) PREMIUMS FACTOR; DOMESTIC INSURERS. For taxable years beginning  
21 after December 31, 2003, a domestic insurer that is subject to apportionment under  
22 sub. (3) and this subsection shall multiply the net income figure derived by the  
23 application of sub. (2) by an apportionment fraction composed of the percentage  
24 under sub. (3) (a) representing 55% of the fraction and the percentage under sub. (3)  
25 (b) 1. representing 45% of the fraction.

1           **\*b2322/1.3\* SECTION 231g.** 71.45 (3m) of the statutes is amended to read:

2           71.45 **(3m)** ARITHMETIC AVERAGE. The Except as provided in sub. (3d), the  
3           arithmetic average of the 2 percentages referred to in sub. (3) shall be applied to the  
4           net income figure arrived at by the successive application of sub. (2) (a) and (b) with  
5           respect to Wisconsin insurers to which sub. (2) (a) and (b) applies and which have  
6           collected received premiums, other than life insurance premiums, written upon for  
7           insurance, ~~other than life insurance, where the subject of such insurance was on~~  
8           property or risks resident, located or to be performed outside this state, to arrive at  
9           Wisconsin income constituting the measure of the franchise tax.”.

10          **\*b2324/1.6\* 99.** Page 161, line 15: delete lines 15 to 25.

11          **\*b2339/2.4\* 100.** Page 161, line 25: after that line insert:

12          **\*b2339/2.4\* “SECTION 233m.** 79.005 (3) of the statutes is amended to read:

13          79.005 **(3)** “Production plant” ~~also includes~~ does not include substations and  
14          general structures.”.

15          **\*b2339/2.5\* 101.** Page 162, line 7: delete lines 7 and 8 and substitute “in the  
16          year 2001; and \$57,570,000 in 2002; ~~and \$58,145,700 in 2003 and in each year~~  
17          thereafter.”.

18          **\*b2339/2.6\* 102.** Page 162, line 8: after that line insert:

19          **\*b2339/2.6\* “SECTION 234b.** 79.01 (2d) of the statutes is created to read:

20          79.01 **(2d)** There is established an account in the general fund entitled the  
21          “County and Municipal Aid Account.” There shall be appropriated to that account  
22          \$750,000,000 in 2003 and \$487,000,000 in 2004 and in each year thereafter, plus any  
23          additional amounts determined under s. 79.035 (2).

24          **\*b2339/2.6\* SECTION 234d.** 79.01 (2m) of the statutes is created to read:

1           79.01 (2m) There is established an account in the general fund entitled the  
2           “Public Utility Distribution Account,” referred to in this chapter as the “public utility  
3           account.” There shall be appropriated to the public utility account the sums specified  
4           in s. 79.04 (4), (6), and (7).”.

5           **\*b2339/2.7\* 103.** Page 162, line 9: delete lines 9 to 14 and substitute:

6           **\*b2339/2.7\*** “SECTION 234r. 79.015 of the statutes is amended to read:

7           **79.015 Statement of estimated payments.** The department of revenue, on  
8           or before September 15 of each year, shall provide to each municipality and county  
9           a statement of estimated payments to be made in the next calendar year to the  
10          municipality or county under ss. 79.03, 79.035, 79.04, 79.05, 79.058, and 79.06.”.

11          **\*b2339/2.8\* 104.** Page 162, line 17: after “79.03,” insert “79.035.”.

12          **\*b2339/2.9\* 105.** Page 162, line 18: delete the material beginning with “.  
13          except” and ending with “(rb)” on line 25.

14          **\*b2339/2.10\* 106.** Page 163, line 1: delete lines 1 to 8.

15          **\*b2339/2.11\* 107.** Page 163, line 12: after “79.03,” insert “79.035.”.

16          **\*b2339/2.12\* 108.** Page 163, line 13: delete the material beginning with “or.”  
17          and ending with “\$679,415,800.” on line 16 and substitute “. In November 2002, the  
18          amount of the payments to each municipality and county under ss. 79.03, 79.04,  
19          79.05, 79.058, and 79.06 to be paid from the appropriation account under s. 20.855  
20          (4) (rb) shall be the amount of such payments to the municipality or county  
21          multiplied by the quotient of an amount equal to the moneys available, as  
22          determined by the department of administration, from the appropriation account  
23          under s. 20.855 (4) (rb) divided by \$826,068,930.”.

24          **\*b2339/2.13\* 109.** Page 163, line 18: delete “2003” and substitute “2002”.

1           **\*b2339/2.14\* 110.** Page 163, line 22: delete “2003” and substitute “2002”.

2           **\*b2339/2.15\* 111.** Page 164, line 7: after “1999;” insert “and”.

3           **\*b2339/2.16\* 112.** Page 164, line 7: delete “2001;” and substitute “2001<sub>½</sub>”.

4           **\*b2339/2.17\* 113.** Page 164, line 8: delete lines 8 and 9 and substitute “The  
5 total amount to be distributed under this subsection from ss. 20.835 (1) (b) and 20.855  
6 (4) (rb) is \$11,110,000 in 2002; and \$11,221,100 in 2003 and in each year thereafter.”.

7           **\*b2339/2.18\* 114.** Page 164, line 22: delete “, less reductions under”.

8           **\*b2339/2.20\* 115.** Page 164, line 23: delete “, less reductions under s. 79.085.  
9 In 2003” and substitute “. In 2003”.

10           **\*b2339/2.19\* 116.** Page 164, line 23: delete “s. 79.085, and” and substitute  
11 “and”.

12           **\*b2339/2.21\* 117.** Page 164, line 24: delete the material beginning with that  
13 line and ending on page 165, line 2, and substitute “subsequent years, the total  
14 amounts to be distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) are  
15 \$776,783,700 to municipalities and \$172,378,300 to counties.”.

16           **\*b2339/2.22\* 118.** Page 165, line 7: delete “and less reductions under s.  
17 79.085”.

18           **\*b2339/2.23\* 119.** Page 165, line 9: delete “2004” and substitute “2003”.

19           **\*b2339/2.24\* 120.** Page 165, line 10: after that line insert:

20           **\*b2339/2.24\* “SECTION 244d.** 79.035 of the statutes is created to read:

21           **79.035 County and municipal aid. (1) (a) 1.** Subject to par. (b), in 2003, each  
22 county shall receive a payment from the county and municipal aid account in an

1 amount equal to the total amount of the payments under ss. 79.03 (3), 79.04, 79.058,  
2 and 79.06 distributed to the county in 2002.

3 2. Subject to par. (b), in 2003, each municipality shall receive a payment from  
4 the county and municipal aid account in an amount equal to the amount of the  
5 payment under s. 79.03 (5) (a) distributed to the municipality in 2002.

6 (b) The department of revenue shall reduce the amount of each payment to a  
7 county and municipality under par. (a) by subtracting from each such payment an  
8 amount based on population, as determined by the department, so that the total  
9 amount of all such payments is \$750,000,000, except that no county or municipality  
10 shall receive a payment in an amount that is less than 35% of the amount of the  
11 payments specified in par. (a) that the county or municipality received in 2002.  
12 Notwithstanding s. 79.005 (2), to calculate reductions under this paragraph, the  
13 department of revenue, in consultation with the department of administration, shall  
14 estimate population by using the 2000 federal decennial census.

15 (2) (a) In 2004, counties and municipalities shall receive additional payments.  
16 The total amount of all such payments shall equal the amount specified for all  
17 counties and municipalities in 2004, multiplied by the lesser of the percentage that  
18 represents growth in general fund tax revenue from the 2002–03 fiscal year to the  
19 2003–04 fiscal year, as estimated in the 2003–05 biennial budget act, and the  
20 percentage equal to the average annual percentage change in the U.S. consumer  
21 price index for all urban consumers, U.S. city average, as determined by the U.S.  
22 department of labor, for the 12 months ending on June 30, 2003, plus 1%.

23 (b) Annually, beginning in 2005, counties and municipalities shall receive  
24 additional payments. The total amount of all such payments shall equal the amount  
25 all counties and municipalities received from the county and municipal aid account

1 in the prior year, multiplied by the lesser of the percentage that represents growth  
2 in general fund tax revenue from the fiscal year 2 years prior to the fiscal year in  
3 which a payment is distributed under this paragraph to the fiscal year prior to the  
4 fiscal year in which a payment is distributed under this paragraph, as estimated by  
5 either the biennial budget act or ch. 20 as of the end of the biennium, and the  
6 percentage equal to the average annual percentage change in the U.S. consumer  
7 price index for all urban consumers, U.S. city average, as determined by the U.S.  
8 department of labor, for the 12 months ending on June 30 of the year prior to the year  
9 in which a payment is distributed under this paragraph, plus 1%.”.

10 \*b2339/2.25\* **121.** Page 165, line 13: delete “2003” and substitute “2002”.

11 \*b2339/2.26\* **122.** Page 165, line 24: delete “2003” and substitute “2002”.

12 \*b2339/2.27\* **123.** Page 167, line 6: delete “ending with the distributions”  
13 and substitute “except for the distribution”.

14 \*b2339/2.28\* **124.** Page 167, line 7: delete “sub. (1)” and substitute “sub. (1)”  
15 subs. (1), (6), and (7)”.

16 **125.** Page 167, line 7: after “distribute” insert “from the public utility”  
17 account”.

18 \*b2339/2.29\* **126.** Page 167, line 14: delete “ending with the distributions”  
19 and substitute “except for the distribution”.

20 \*b2339/2.30\* **127.** Page 167, line 15: delete “sub. (2)” and substitute “sub. (2)”  
21 subs. (2), (6), and (7)”.

22 **128.** Page 167, line 15: after “distribute” insert “from the public utility”  
23 account”.