

1 71.22 (6m) "Member" does not include a member of a limited liability company
2 treated as a corporation under sub. (1).

3 ***-0538/2.2*** SECTION 2162. 71.22 (7m) of the statutes is created to read:

4 71.22 (7m) "Partner" does not include a partner of a publicly traded
5 partnership treated as a corporation under sub. (1).

6 ***-1059/6.13*** SECTION 2163. 71.25 (6) of the statutes is renumbered 71.25 (6)
7 (intro.) and amended to read:

8 71.25 (6) ALLOCATION AND SEPARATE ACCOUNTING AND APPORTIONMENT FORMULA.
9 (intro.) Corporations engaged in business within and without the state shall be taxed
10 only on such income as is derived from business transacted and property located
11 within the state. The amount of such income attributable to Wisconsin may be
12 determined by an allocation and separate accounting thereof, when the business of
13 such corporation within the state is not an integral part of a unitary business, but
14 the department of revenue may permit an allocation and separate accounting in any
15 case in which it is satisfied that the use of such method will properly reflect the
16 income taxable by this state. In all cases in which allocation and separate accounting
17 is not permissible, the determination shall be made in the following manner: for all
18 businesses except air carriers, financial organizations, pipeline companies, public
19 utilities, railroads, sleeping car companies, car line companies and corporations or
20 associations that are subject to a tax on unrelated business income under s. 71.26 (1)
21 (a) there shall first be deducted from the total net income of the taxpayer the part
22 thereof (less related expenses, if any) that follows the situs of the property or the
23 residence of the recipient. The remaining net income shall be apportioned to
24 ~~Wisconsin this state~~ by use of an apportionment fraction composed of a sales factor
25 ~~under sub. (9) representing 50% of the fraction, a property factor under sub. (7)~~

1 representing 25% of the fraction and a payroll factor under sub. (8) representing 25%
2 of the fraction. the following:

3 ***-1059/6.14* SECTION 2164.** 71.25 (6) (a) of the statutes is created to read:

4 71.25 (6) (a) For taxable years beginning before January 1, 2003, an
5 apportionment fraction composed of a sales factor under sub. (9) representing 50%
6 of the fraction, a property factor under sub. (7) representing 25% of the fraction, and
7 a payroll factor under sub. (8) representing 25% of the fraction.

8 ***-1059/6.15* SECTION 2165.** 71.25 (6) (b) of the statutes is created to read:

9 71.25 (6) (b) For taxable years beginning after December 31, 2002, and before
10 January 1, 2004, an apportionment fraction composed of a sales factor under sub. (9)
11 representing 60% of the fraction, a property factor under sub. (7) representing 20%
12 of the fraction, and a payroll factor under sub. (8) representing 20% of the fraction.

13 ***-1059/6.16* SECTION 2166.** 71.25 (6) (c) of the statutes is created to read:

14 71.25 (6) (c) For taxable years beginning after December 31, 2003, and before
15 January 1, 2005, an apportionment fraction composed of a sales factor under sub. (9)
16 representing 80% of the fraction, a property factor under sub. (7) representing 10%
17 of the fraction, and a payroll factor under sub. (8) representing 10% of the fraction.

18 ***-1059/6.17* SECTION 2167.** 71.25 (6) (d) of the statutes is created to read:

19 71.25 (6) (d) For taxable years beginning after December 31, 2004, an
20 apportionment fraction composed of the sales factor under sub. (9).

21 ***-1059/6.18* SECTION 2168.** 71.25 (6) (e) of the statutes is created to read:

22 71.25 (6) (e) For taxable years beginning after December 31, 2002, and before
23 January 1, 2005, the apportionment fraction for the remaining net income of a
24 financial organization shall include a sales factor that represents more than 50% of
25 the apportionment fraction, as determined by rule by the department. For taxable

1 years beginning after December 31, 2004, the apportionment fraction for the
2 remaining net income of a financial organization is composed of a sales factor, as
3 determined by rule by the department.

4 ***-1059/6.19* SECTION 2169.** 71.25 (7) (intro.) of the statutes is amended to
5 read:

6 71.25 (7) PROPERTY FACTOR. (intro.) For purposes of sub. ~~(5)~~ (6) and for taxable
7 years beginning before January 1, 2005:

8 ***-1059/6.20* SECTION 2170.** 71.25 (8) (intro.) of the statutes is amended to
9 read:

10 71.25 (8) PAYROLL FACTOR. (intro.) For purposes of sub. ~~(5)~~ (6) and for taxable
11 years beginning before January 1, 2005:

12 ***-1059/6.21* SECTION 2171.** 71.25 (9) (d) of the statutes is amended to read:

13 71.25 (9) (d) Sales, other than sales of tangible personal property, are in this
14 state if the income-producing activity is performed in this state. If the
15 income-producing activity is performed both in and outside this state the sales shall
16 be divided between those states having jurisdiction to tax such business in
17 proportion to the direct costs of performance incurred in each such state in rendering
18 this service. Services performed in states which do not have jurisdiction to tax the
19 business shall be deemed to have been performed in the state to which compensation
20 is allocated by sub. s. 71.25 (8), 1999 stats.

21 ***-1059/6.22* SECTION 2172.** 71.25 (10) (b) of the statutes is renumbered 71.25
22 (10) (b) 1. and amended to read:

23 71.25 (10) (b) 1. In this section, for taxable years beginning before January 1,
24 2003, "public utility" means any business entity described under subd. 2. and any
25 business entity which owns or operates any plant, equipment, property, franchise,

1 or license for the transmission of communications or the production, transmission,
2 sale, delivery, or furnishing of electricity, water or steam the rates of charges for
3 goods or services of which have been established or approved by a federal, state or
4 local government or governmental agency. “Public

5 2. In this section, for taxable years beginning after December 31, 2002, “public
6 utility” also means any business entity providing service to the public and engaged
7 in the transportation of goods and persons for hire, as defined in s. 194.01 (4),
8 regardless of whether or not the entity’s rates or charges for services have been
9 established or approved by a federal, state or local government or governmental
10 agency.

11 ***-1059/6.23* SECTION 2173.** 71.25 (10) (c) of the statutes is amended to read:

12 71.25 (10) (c) The net business income of railroads, sleeping car companies, car
13 line companies, pipeline companies, financial organizations, air carriers and public
14 utilities requiring apportionment shall be apportioned pursuant to rules of the
15 department of revenue, but the income taxed is limited to the income derived from
16 business transacted and property located within the state.

17 ***-1059/6.24* SECTION 2174.** 71.25 (11) of the statutes is amended to read:

18 71.25 (11) DEPARTMENT MAY WAIVE FACTOR. Where, in the case of any corporation
19 engaged in business ~~within in and without the~~ outside this state of Wisconsin and
20 required to apportion its income as provided in sub. (6), it shall be shown to the
21 satisfaction of the department of revenue that the use of any one of the 3 factors
22 provided in sub. (6) gives an unreasonable or inequitable final average ratio because
23 of the fact that such corporation does not employ, to any appreciable extent in its
24 trade or business in producing the income taxed, the factors made use of in obtaining
25 such ratio, this factor may, with the approval of the department of revenue, be

1 omitted in obtaining the final average ratio which is to be applied to the remaining
2 net income. This subsection does not apply to taxable years beginning after
3 December 31, 2004.

4 ***-1493/1.2* SECTION 2175.** 71.25 (15) of the statutes is created to read:

5 71.25 (15) PARTNERSHIPS AND LIMITED LIABILITY COMPANIES. (a) A general or
6 limited partner's share of the numerator and denominator of a partnership's
7 apportionment factors under this section are included in the numerator and
8 denominator of the general or limited partner's apportionment factors under this
9 section.

10 (b) If a limited liability company is treated as a partnership, for federal tax
11 purposes, a member's share of the numerator and denominator of a limited liability
12 company's apportionment factors under this section are included in the numerator
13 and denominator of the member's apportionment factors under this section.

14 ***-1335/7.54* SECTION 2176.** 71.26 (1) (be) of the statutes is amended to read:

15 71.26 (1) (be) *Certain authorities.* Income of the University of Wisconsin
16 Hospitals and Clinics Authority and of the Fox River Navigational System Authority.

17 ***-0667/5.5* SECTION 2177.** 71.26 (2) (a) of the statutes is amended to read:

18 71.26 (2) (a) *Corporations in general.* The "net income" of a corporation means
19 the gross income as computed under the ~~internal revenue code~~ Internal Revenue
20 Code as modified under sub. (3) minus the amount of recapture under s. 71.28 (1di)
21 plus the amount of credit computed under s. 71.28 (1) ~~and, (3) to, (4), and (5)~~ plus the
22 amount of the credit computed under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm),
23 (1ds) ~~and, and (3g) (1dx)~~ and not passed through by a partnership, limited liability
24 company, or tax-option corporation that has added that amount to the partnership's,
25 limited liability company's, or tax-option corporation's income under s. 71.21 (4) or

SECTION 2177

1 71.34 (1) (g) plus the amount of losses from the sale or other disposition of assets the
2 gain from which would be wholly exempt income, as defined in sub. (3) (L), if the
3 assets were sold or otherwise disposed of at a gain and minus deductions, as
4 computed under the ~~internal revenue code~~ Internal Revenue Code as modified under
5 sub. (3), plus or minus, as appropriate, an amount equal to the difference between
6 the federal basis and Wisconsin basis of any asset sold, exchanged, abandoned, or
7 otherwise disposed of in a taxable transaction during the taxable year, except as
8 provided in par. (b) and s. 71.45 (2) and (5).

****NOTE: This is reconciled s. 71.26 (2) (a). This SECTION has been affected by drafts
with the following LRB numbers: – 0667 and – 1856.

9 ***-0667/5.6* SECTION 2178.** 71.26 (3) (n) of the statutes is amended to read:

10 71.26 (3) (n) Sections 381, 382 and 383 (relating to carry-overs in certain
11 corporate acquisitions) are modified so that they apply to losses under sub. (4) and
12 credits under s. 71.28 (1di), (1dL), (1dm), (1dx) ~~and~~, (3) ~~to~~, (4), and (5) instead of to
13 federal credits and federal net operating losses.

****NOTE: This is reconciled s. 71.26 (3) (n). This SECTION has been affected by
drafts with the following LRB numbers: – 0667 and – 1856.

14 ***-0667/5.7* SECTION 2179.** 71.28 (1dm) of the statutes is created to read:

15 71.28 (1dm) DEVELOPMENT ZONE CAPITAL INVESTMENT CREDIT. (a) In this
16 subsection:

17 1. "Certified" means entitled under s. 560.795 (3) (a) 4. to claim tax benefits or
18 certified under s. 560.795 (5).

19 2. "Claimant" means a person who files a claim under this subsection.

20 3. "Development zone" means a development opportunity zone under s. 560.795
21 (1) (e).

1 4. "Previously owned property" means real property that the claimant or a
2 related person owned during the 2 years prior to the department of commerce
3 designating the place where the property is located as a development zone and for
4 which the claimant may not deduct a loss from the sale of the property to, or an
5 exchange of the property with, the related person under section 267 of the Internal
6 Revenue Code, except that section 267 (b) of the Internal Revenue Code is modified
7 so that if the claimant owns any part of the property, rather than 50% ownership, the
8 claimant is subject to section 267 (a) (1) of the Internal Revenue Code for purposes
9 of this subsection.

10 (b) Subject to the limitations provided in this subsection and in s. 73.03 (35),
11 for any taxable year for which the claimant is certified, a claimant may claim as a
12 credit against the taxes imposed under s. 71.23 an amount that is equal to 3% of the
13 following:

- 14 1. The purchase price of depreciable, tangible personal property.
- 15 2. The amount expended to acquire, construct, rehabilitate, remodel, or repair
16 real property in a development zone.

17 (c) A claimant may claim the credit under par. (b) 1., if the tangible personal
18 property is purchased after the claimant is certified and the personal property is
19 used for at least 50% of its use in the claimant's business at a location in a
20 development zone or, if the property is mobile, the property's base of operations for
21 at least 50% of its use is at a location in a development zone.

22 (d) A claimant may claim the credit under par. (b) 2. for an amount expended
23 to construct, rehabilitate, remodel, or repair real property, if the claimant began the
24 physical work of construction, rehabilitation, remodeling, or repair, or any
25 demolition or destruction in preparation for the physical work, after the place where

1 the property is located was designated a development zone, or if the completed
2 project is placed in service after the claimant is certified. In this paragraph, “physical
3 work” does not include preliminary activities such as planning, designing, securing
4 financing, researching, developing specifications, or stabilizing the property to
5 prevent deterioration.

6 (e) A claimant may claim the credit under par. (b) 2. for an amount expended
7 to acquire real property, if the property is not previously owned property and if the
8 claimant acquires the property after the place where the property is located was
9 designated a development zone, or if the completed project is placed in service after
10 the claimant is certified.

11 (f) No credit may be allowed under this subsection unless the claimant includes
12 with the claimant’s return:

13 1. A copy of a verification from the department of commerce that the claimant
14 may claim tax benefits under s. 560.795 (3) (a) 4. or is certified under s. 560.795 (5).

15 2. A statement from the department of commerce verifying the purchase price
16 of the investment and verifying that the investment fulfills the requirements under
17 par. (b).

18 (g) In calculating the credit under par. (b) a claimant shall reduce the amount
19 expended to acquire property by a percentage equal to the percentage of the area of
20 the real property not used for the purposes for which the claimant is certified and
21 shall reduce the amount expended for other purposes by the amount expended on the
22 part of the property not used for the purposes for which the claimant is certified.

23 (h) The carry-over provisions of sub. (4) (e) and (f) as they relate to the credit
24 under sub. (4) relate to the credit under this subsection.

1 (i) 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 that credit shall be determined on the basis of their economic activity, not that of their
4 shareholders, partners, or members. The corporation, partnership, or limited
5 liability company shall compute the amount of credit that may be claimed by each
6 of its shareholders, partners, or members and provide that information to its
7 shareholders, partners, or members. Partners, members of limited liability
8 companies, and shareholders of tax-option corporations may claim the credit based
9 on the partnership's, company's, or corporation's activities in proportion to their
10 ownership interest and may offset it against the tax attributable to their income from
11 the partnership's, company's, or corporation's business operations in the
12 development zone and against the tax attributable to their income from the
13 partnership's, company's, or corporation's directly related business operations.

14 (j) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits
15 becomes ineligible for such tax benefits, or if a person's certification under s. 560.795
16 (5) is revoked, that person may claim no credits under this subsection for the taxable
17 year that includes the day on which the person becomes ineligible for tax benefits,
18 the taxable year that includes the day on which the certification is revoked, or
19 succeeding taxable years, and that person may carry over no unused credits from
20 previous years to offset tax under this chapter for the taxable year that includes the
21 day on which the person becomes ineligible for tax benefits, the taxable year that
22 includes the day on which the certification is revoked, or succeeding taxable years.

23 (k) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits
24 or certified under s. 560.795 (5) ceases business operations in the development zone
25 during any of the taxable years that that zone exists, that person may not carry over

1 to any taxable year following the year during which operations cease any unused
2 credits from the taxable year during which operations cease or from previous taxable
3 years.

4 (L) Subsection (4) (g) and (h) as it applies to the credit under sub. (4) applies
5 to the credit under this subsection.

6 ***-0669/1.2* SECTION 2180.** 71.28 (1dx) (a) 5. of the statutes is amended to read:

7 71.28 (1dx) (a) 5. "Member of a targeted group" means ~~a person under sub. (2dj)~~
8 ~~(am) 1.~~, a person who resides in an empowerment zone, or an enterprise community,
9 that the U.S. government designates, a person who is employed in an unsubsidized
10 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin
11 works employment position, a person who is employed in a trial job, as defined in s.
12 49.141 (1) (n), ~~or~~ a person who is eligible for child care assistance under s. 49.155, a
13 person who is a vocational rehabilitation referral, an economically disadvantaged
14 youth, an economically disadvantaged veteran, a supplemental security income
15 recipient, a general assistance recipient, an economically disadvantaged ex-convict,
16 a qualified summer youth employee, as defined in 26 USC 51 (d) (7), or a food stamp
17 recipient; if the person has been certified in the manner under sub. (1dj) (am) 3. by
18 a designated local agency, as defined in sub. (1dj) (am) 2.

19 ***-1856/6.3* SECTION 2181.** 71.28 (3g) of the statutes is created to read:

20 71.28 (3g) TECHNOLOGY ZONES CREDIT. (a) Subject to the limitations under this
21 subsection and ss. 73.03 (35m) and 560.96, a business that is certified under s. 560.96
22 (3) may claim as a credit against the taxes imposed under s. 71.23 an amount equal
23 to the sum of the following, as established under s. 560.96 (3) (c):

24 1. The amount of real and personal property taxes imposed under s. 70.01 that
25 the business paid in the taxable year.

1 2. The amount of income and franchise taxes imposed under s. 71.23 that the
2 business paid in the taxable year.

3 3. The amount of sales and use taxes imposed under ss. 77.52, 77.53, and 77.71
4 that the business paid in the taxable year.

5 (b) The department of revenue shall notify the department of commerce of all
6 claims under this subsection.

7 (c) Subsection (4) (f), (g), and (h), as it applies to the credit under sub. (4), applies
8 to the credit under par. (a).

9 ***-0667/5.8* SECTION 2182.** 71.30 (3) (emb) of the statutes is created to read:
10 71.30 (3) (emb) Development zone capital investment credit under s. 71.28
11 (1dm).

12 ***-1856/6.4* SECTION 2183.** 71.30 (3) (eon) of the statutes is created to read:
13 71.30 (3) (eon) Technology zones credit under s. 71.28 (3g).

14 ***-0667/5.9* SECTION 2184.** 71.34 (1) (g) of the statutes is amended to read:
15 71.34 (1) (g) An addition shall be made for credits computed by a tax-option
16 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx) ~~and~~, (3),
17 and (3g) and passed through to shareholders.

 ****NOTE: This is reconciled s. 71.34 (1) (g). This SECTION has been affected by drafts
with the following LRB numbers: - 0667 and - 1856.

18 ***-0538/2.3* SECTION 2185.** 71.42 (3d) of the statutes is created to read:
19 71.42 (3d) "Member" does not include a member of a limited liability company
20 treated as a corporation under s. 71.22 (1).

21 ***-0538/2.4* SECTION 2186.** 71.42 (3h) of the statutes is created to read:
22 71.42 (3h) "Partner" does not include a partner of a publicly traded partnership
23 treated as a corporation under s. 71.22 (1).

1 ***-1059/6.25*** SECTION 2187. 71.45 (3) (intro.) of the statutes is amended to
2 read:

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

12 ***-1059/6.26*** SECTION 2188. 71.45 (3) (a) of the statutes is amended to read:

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

1 premiums” means assumed reinsurance premiums from domestic insurance
2 companies as reported for the taxable year on an annual statement that is filed with
3 the commissioner of insurance under s. 601.42 (1g) (a).

4 ***-1059/6.27*** SECTION 2189. 71.45 (3) (b) of the statutes is renumbered 71.45
5 (3) (b) 1. and amended to read:

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

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

20 ***-1059/6.28*** SECTION 2190. 71.45 (3d) of the statutes is created to read:

21 71.45 (3d) PHASE IN; DOMESTIC INSURERS. (a) For taxable years beginning after
22 December 31, 2002, and before January 1, 2004, a domestic insurer that is subject
23 to apportionment under sub. (3) and this subsection shall multiply the net income
24 figure derived by the application of sub. (2) by an apportionment fraction composed

1 of the percentage under sub. (3) (a) representing 60% of the fraction and the
2 percentage under sub. (3) (b) 1. representing 40% of the fraction.

3 (b) For taxable years beginning after December 31, 2003, and before January
4 1, 2005, a domestic insurer that is subject to apportionment under sub. (3) and this
5 subsection shall multiply the net income figure derived by the application of sub. (2)
6 by an apportionment fraction composed of the percentage under sub. (3) (a)
7 representing 80% of the fraction and the percentage under sub. (3) (b) 1. representing
8 20% of the fraction.

9 (c) For taxable years beginning after December 31, 2004, a domestic insurer
10 that is subject to apportionment under sub. (3) and this subsection shall multiply the
11 net income figure derived by the application of sub. (2) by the percentage under sub.
12 (3) (a).

13 ***-1059/6.29* SECTION 2191.** 71.45 (3m) of the statutes is amended to read:

14 **71.45 (3m) ARITHMETIC AVERAGE.** The Except as provided in sub. (3d), the
15 arithmetic average of the 2 percentages referred to in sub. (3) shall be applied to the
16 net income figure arrived at by the successive application of sub. (2) (a) and (b) with
17 respect to Wisconsin insurers to which sub. (2) (a) and (b) applies and which have
18 collected received premiums, other than life insurance premiums, written upon for
19 insurance, other than life insurance, where the subject of such insurance was on
20 property or risks resident, located or to be performed outside this state, to arrive at
21 Wisconsin income constituting the measure of the franchise tax.

22 ***-1493/1.3* SECTION 2192.** 71.45 (6) of the statutes is created to read:

23 **71.45 (6) PARTNERSHIPS AND LIMITED LIABILITY COMPANIES.** (a) A general or
24 limited partner's share of the numerator and denominator of a partnership's
25 apportionment factors under this section are included in the numerator and

1 denominator of the general or limited partner's apportionment factors under this
2 section.

3 (b) If a limited liability company is treated as a partnership, for federal tax
4 purposes, a member's share of the numerator and denominator of a limited liability
5 company's apportionment factors under this section are included in the numerator
6 and denominator of the member's apportionment factors under this section.

7 *~~0667/5.10~~* SECTION 2193. 71.47 (1dm) of the statutes is created to read:

8 71.47 (1dm) DEVELOPMENT ZONE CAPITAL INVESTMENT CREDIT. (a) In this
9 subsection:

10 1. "Certified" means entitled under s. 560.795 (3) (a) 4. to claim tax benefits or
11 certified under s. 560.795 (5).

12 2. "Claimant" means a person who files a claim under this subsection.

13 3. "Development zone" means a development opportunity zone under s. 560.795
14 (1) (e).

15 4. "Previously owned property" means real property that the claimant or a
16 related person owned during the 2 years prior to the department of commerce
17 designating the place where the property is located as a development zone and for
18 which the claimant may not deduct a loss from the sale of the property to, or an
19 exchange of the property with, the related person under section 267 of the Internal
20 Revenue Code, except that section 267 (b) of the Internal Revenue Code is modified
21 so that if the claimant owns any part of the property, rather than 50% ownership, the
22 claimant is subject to section 267 (a) (1) of the Internal Revenue Code for purposes
23 of this subsection.

24 (b) Subject to the limitations provided in this subsection and in s. 73.03 (35),
25 for any taxable year for which the claimant is certified, a claimant may claim as a

1 credit against the taxes imposed under s. 71.43 an amount that is equal to 3% of the
2 following:

- 3 1. The purchase price of depreciable, tangible personal property.
- 4 2. The amount expended to acquire, construct, rehabilitate, remodel, or repair
5 real property in a development zone.

6 (c) A claimant may claim the credit under par. (b) 1., if the tangible personal
7 property is purchased after the claimant is certified and the personal property is
8 used for at least 50% of its use in the claimant's business at a location in a
9 development zone or, if the property is mobile, the property's base of operations for
10 at least 50% of its use is at a location in a development zone.

11 (d) A claimant may claim the credit under par. (b) 2. for an amount expended
12 to construct, rehabilitate, remodel, or repair real property, if the claimant began the
13 physical work of construction, rehabilitation, remodeling, or repair, or any
14 demolition or destruction in preparation for the physical work, after the place where
15 the property is located was designated a development zone, or if the completed
16 project is placed in service after the claimant is certified. In this paragraph, "physical
17 work" does not include preliminary activities such as planning, designing, securing
18 financing, researching, developing specifications, or stabilizing the property to
19 prevent deterioration.

20 (e) A claimant may claim the credit under par. (b) 2. for an amount expended
21 to acquire real property, if the property is not previously owned property and if the
22 claimant acquires the property after the place where the property is located was
23 designated a development zone, or if the completed project is placed in service after
24 the claimant is certified.

1 (f) No credit may be allowed under this subsection unless the claimant includes
2 with the claimant's return:

3 1. A copy of a verification from the department of commerce that the claimant
4 may claim tax benefits under s. 560.795 (3) (a) 4. or is certified under s. 560.795 (5).

5 2. A statement from the department of commerce verifying the purchase price
6 of the investment and verifying that the investment fulfills the requirements under
7 par. (b).

8 (g) In calculating the credit under par. (b) a claimant shall reduce the amount
9 expended to acquire property by a percentage equal to the percentage of the area of
10 the real property not used for the purposes for which the claimant is certified and
11 shall reduce the amount expended for other purposes by the amount expended on the
12 part of the property not used for the purposes for which the claimant is certified.

13 (h) The carry-over provisions of s. 71.28 (4) (e) and (f) as they relate to the credit
14 under s. 71.28 (4) relate to the credit under this subsection.

15 (i) Partnerships, limited liability companies, and tax-option corporations may
16 not claim the credit under this subsection, but the eligibility for, and the amount of,
17 that credit shall be determined on the basis of their economic activity, not that of their
18 shareholders, partners, or members. The corporation, partnership, or limited
19 liability company shall compute the amount of credit that may be claimed by each
20 of its shareholders, partners, or members and provide that information to its
21 shareholders, partners, or members. Partners, members of limited liability
22 companies, and shareholders of tax-option corporations may claim the credit based
23 on the partnership's, company's, or corporation's activities in proportion to their
24 ownership interest and may offset it against the tax attributable to their income from
25 the partnership's, company's, or corporation's business operations in the

1 development zone and against the tax attributable to their income from the
2 partnership's, company's, or corporation's directly related business operations.

3 (j) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits
4 becomes ineligible for such tax benefits, or if a person's certification under s. 560.795
5 (5) is revoked, that person may claim no credits under this subsection for the taxable
6 year that includes the day on which the person becomes ineligible for tax benefits,
7 the taxable year that includes the day on which the certification is revoked, or
8 succeeding taxable years, and that person may carry over no unused credits from
9 previous years to offset tax under this chapter for the taxable year that includes the
10 day on which the person becomes ineligible for tax benefits, the taxable year that
11 includes the day on which the certification is revoked, or succeeding taxable years.

12 (k) If a person who is entitled under s. 560.795 (3) (a) 4. to claim tax benefits
13 or certified under s. 560.795 (5) ceases business operations in the development zone
14 during any of the taxable years that that zone exists, that person may not carry over
15 to any taxable year following the year during which operations cease any unused
16 credits from the taxable year during which operations cease or from previous taxable
17 years.

18 (L) Section 71.28 (4) (g) and (h) as it applies to the credit under s. 71.28 (4)
19 applies to the credit under this subsection.

20 ***-0669/1.3* SECTION 2194.** 71.47 (1dx) (a) 5. of the statutes is amended to read:

21 71.47 (1dx) (a) 5. "Member of a targeted group" means ~~a person under sub. (2dj)~~
22 ~~(am) 1.,~~ a person who resides in an empowerment zone, or an enterprise community,
23 that the U.S. government designates, a person who is employed in an unsubsidized
24 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin
25 works employment position, a person who is employed in a trial job, as defined in s.

1 49.141 (1) (n), or a person who is eligible for child care assistance under s. 49.155, a
2 person who is a vocational rehabilitation referral, an economically disadvantaged
3 youth, an economically disadvantaged veteran, a supplemental security income
4 recipient, a general assistance recipient, an economically disadvantaged ex-convict,
5 a qualified summer youth employee, as defined in 26 USC 51 (d) (7), or a food stamp
6 recipient; if the person has been certified in the manner under sub. (1dj) (am) 3. by
7 a designated local agency, as defined in sub. (1dj) (am) 2.

8 ***-1856/6.5* SECTION 2195.** 71.47 (3g) of the statutes is created to read:

9 71.47 (3g) TECHNOLOGY ZONES CREDIT. (a) Subject to the limitations under this
10 subsection and ss. 73.03 (35m), and 560.96, a business that is certified under s.
11 560.96 (3) may claim as a credit against the taxes imposed under s. 71.43 an amount
12 equal to the sum of the following, as established under s. 560.96 (3) (c):

13 1. The amount of real and personal property taxes imposed under s. 70.01 that
14 the business paid in the taxable year.

15 2. The amount of income and franchise taxes imposed under s. 71.43 that the
16 business paid in the taxable year.

17 3. The amount of sales and use taxes imposed under ss. 77.52, 77.53, and 77.71
18 that the business paid in the taxable year.

19 (b) The department of revenue shall notify the department of commerce of all
20 claims under this subsection.

21 (c) Section 71.28 (4) (f), (g), and (h), as it applies to the credit under s. 71.28 (4),
22 applies to the credit under par. (a).

23 ***-0667/5.11* SECTION 2196.** 71.49 (1) (emb) of the statutes is created to read:

24 71.49 (1) (emb) Development zone capital investment credit under s. 71.47
25 (1dm).

1 *-1856/6.6* SECTION 2197. 71.49 (1) (e) of the statutes is created to read:

2 71.49 (1) (e) Technology zones credit under s. 71.47 (3g).

3 *-1753/2.1* SECTION 2198. 71.60 (1) (b) of the statutes is amended to read:

4 71.60 (1) (b) The credit allowed under this subchapter shall be limited to 90%
5 of the first \$2,000 of excessive property taxes plus 70% of the 2nd \$2,000 of excessive
6 property taxes plus 50% of the 3rd \$2,000 of excessive property taxes. The maximum
7 credit shall not exceed \$4,200 for any claimant. The credit for any claimant shall be
8 the greater of either the credit as calculated under this subchapter as it exists at the
9 end of the year for which the claim is filed or as it existed on the date on which the
10 farmland became subject to a current agreement under subch. II ~~or III~~ of ch. 91 or
11 under subch. III of ch. 91, 1999 stats., using for such calculations household income
12 and property taxes accrued of the year for which the claim is filed.

13 *-1753/2.2* SECTION 2199. 71.60 (1) (c) 3. of the statutes is amended to read:

14 71.60 (1) (c) 3. If the claimant or any member of the claimant's household owns
15 farmland which is ineligible for credit under subd. 1. or 2. but was subject to a
16 farmland preservation agreement under subch. III of ch. 91, 1999 stats., on July 1
17 of the year for which credit is claimed, or the owner had applied for such an
18 agreement before July 1 of such year, and the agreement has subsequently been
19 executed, and if the owner has applied by the end of the year in which conversion
20 under s. 91.41, 1999 stats., is first possible for conversion of the agreement to a
21 transition area agreement under subch. II of ch. 91, and the transition area
22 agreement has subsequently been executed, and the farmland is located in a city or
23 village which has a certified exclusive agricultural use zoning ordinance under
24 subch. V of ch. 91 in effect at the close of the year for which credit is claimed, or in
25 a town which is subject to a certified county exclusive agricultural use zoning

1 ordinance under subch. V of ch. 91 in effect at the close of the year for which credit
2 is claimed, the amount of the claim shall be that specified in par. (b).

3 ***-1753/2.3* SECTION 2200.** 71.60 (1) (c) 5. of the statutes is amended to read:

4 71.60 (1) (c) 5. If the claimant or any member of the claimant's household owns
5 farmland which is ineligible for credit under subds. 1. to 4. but was subject to a
6 farmland preservation agreement under subch. III of ch. 91, 1999 stats., on July 1
7 of the year for which credit is claimed, or the owner had applied for such an
8 agreement before July 1 of such year, and the agreement has subsequently been
9 executed, and if the owner has applied by the end of the year in which conversion
10 under s. 91.41, 1999 stats., is first possible for conversion of the agreement to an
11 agreement under subch. II of ch. 91, and the agreement under subch. II of ch. 91 has
12 subsequently been executed, the amount of the claim shall be limited to 80% of that
13 specified in par. (b).

14 ***-1753/2.4* SECTION 2201.** 71.60 (1) (c) 8. of the statutes is amended to read:

15 71.60 (1) (c) 8. If the farmland is subject to a farmland preservation agreement
16 under subch. III of ch. 91, 1999 stats., on July 1 of the year for which credit is claimed,
17 or the claimant had applied for such an agreement before July 1 of such year, and the
18 agreement has subsequently been executed, the amount of the claim shall be limited
19 to 50% of that specified in par. (b).

20 ***-0193/3.21* SECTION 2202.** 71.93 (1) (a) 3. of the statutes is amended to read:

21 71.93 (1) (a) 3. An amount that the department of health and family services
22 may recover under s. 49.45 (2) (a) 10. or 49.497, if the department of health and
23 family services has certified the amount under s. 49.85.

24 ***-0546/2.7* SECTION 2203.** 73.01 (4) (a) of the statutes is amended to read:

1 73.01 (4) (a) Subject to the provisions for judicial review contained in s. 73.015,
2 the commission shall be the final authority for the hearing and determination of all
3 questions of law and fact arising under sub. (5) and s. 72.86 (4), 1985 stats., and ss.
4 70.11 (21), 70.38 (4) (a), 70.397, 70.64, and 70.995 (8), s. 76.38 (12) (a), 1993 stats.,
5 ss. 76.39 (4) (c), 76.48 (6), 76.91, 77.26 (3), 77.59 (6) (b), 78.01, 78.22, 78.40, 78.555,
6 139.02, 139.03, 139.06, 139.31, 139.315, 139.33, 139.76, 139.78, 341.405, and 341.45,
7 subch. XIV of ch. 71, and subch. VII of ch. 77. Whenever with respect to a pending
8 appeal there is filed with the commission a stipulation signed by the department of
9 revenue and the adverse party, under s. 73.03 (25), or the department of
10 transportation and the adverse party agreeing to an affirmance, modification, or
11 reversal of the department of revenue's or department of transportation's position
12 with respect to some or all of the issues raised in the appeal, the commission shall
13 enter an order affirming or modifying in whole or in part, or canceling the assessment
14 appealed from, or allowing in whole or in part or denying the petitioner's refund
15 claim, as the case may be, pursuant to and in accordance with the stipulation filed.
16 No responsibility shall devolve upon the commission, respecting the signing of an
17 order of dismissal as to any pending appeal settled by the department of revenue or
18 the department of transportation without the approval of the commission.

19 *-0546/2.8* SECTION 2204. 73.01 (5) (a) of the statutes is amended to read:

20 73.01 (5) (a) Any person who is aggrieved by a determination of the state board
21 of assessors under s. 70.995 (8) ~~or by the department of revenue under s. 70.11 (21)~~
22 or who has filed a petition for redetermination with the department of revenue and
23 who is aggrieved by the redetermination of the department of revenue may, within
24 60 days of the determination of the state board of assessors or of the department of
25 revenue or, in all other cases, within 60 days after the redetermination but not

1 thereafter, file with the clerk of the commission a petition for review of the action of
2 the department of revenue and the number of copies of the petition required by rule
3 adopted by the commission. Any person who is aggrieved by a determination of the
4 department of transportation under s. 341.405 or 341.45 may, within 30 days after
5 the determination of the department of transportation, file with the clerk of the
6 commission a petition for review of the action of the department of transportation
7 and the number of copies of the petition required by rule adopted by the commission.
8 If a municipality appeals, its appeal shall set forth that the appeal has been
9 authorized by an order or resolution of its governing body and the appeal shall be
10 verified by a member of that governing body as pleadings in courts of record are
11 verified. The clerk of the commission shall transmit one copy to the department of
12 revenue, or to the department of transportation, and to each party. In the case of
13 appeals from manufacturing property assessments, the person assessed shall be a
14 party to a proceeding initiated by a municipality. At the time of filing the petition,
15 the petitioner shall pay to the commission a \$25 filing fee. The commission shall
16 deposit the fee in the general fund. Within 30 days after such transmission the
17 department of revenue, except for petitions objecting to manufacturing property
18 assessments, or the department of transportation, shall file with the clerk of the
19 commission an original and the number of copies of an answer to the petition
20 required by rule adopted by the commission and shall serve one copy on the petitioner
21 or the petitioner's attorney or agent. Within 30 days after service of the answer, the
22 petitioner may file and serve a reply in the same manner as the petition is filed. Any
23 person entitled to be heard by the commission under s. 76.38 (12) (a), 1993 stats., or
24 s. 76.39 (4) (c), 76.48, or 76.91 may file a petition with the commission within the time
25 and in the manner provided for the filing of petitions in income or franchise tax cases.

1 Such papers may be served as a circuit court summons is served or by certified mail.
2 For the purposes of this subsection, a petition for review is considered timely filed
3 if mailed by certified mail in a properly addressed envelope, with postage duly
4 prepaid, which envelope is postmarked before midnight of the last day for filing.

5 ***-0667/5.12* SECTION 2205.** 73.03 (35) of the statutes is amended to read:

6 73.03 (35) To deny a portion of a credit claimed under s. 71.07 (2dd), (2de), (2di),
7 (2dj), (2dL), (2dm), (2dr), (2ds) or (2dx), 71.28 (1dd), (1de), (1di), (1dj), (1dm), (1dL),
8 (1ds), (1dx), or (4) (am) or 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), or
9 (4) (am) if granting the full amount claimed would violate a requirement under s.
10 560.785 or would bring the total of the credits granted to that claimant under all of
11 those subsections over the limit for that claimant under s. 560.768, 560.795 (2) (b),
12 or 560.797 (5) (b).

13 ***-1856/6.7* SECTION 2206.** 73.03 (35m) of the statutes is created to read:

14 73.03 (35m) To deny a portion of a credit claimed under s. 71.07 (3g), 71.28 (3g),
15 or 71.47 (3g), if granting the full amount claimed would violate a requirement under
16 s. 560.96 or would bring the total of the credits claimed under ss. 71.07 (3g), 71.28
17 (3g), and 71.47 (3g) over the limit for all claimants under s. 560.96 (2).

18 ***-0937/1.1* SECTION 2207.** 73.03 (52m) of the statutes is created to read:

19 73.03 (52m) To enter into agreements with other states that provide for
20 offsetting state tax refunds against tax obligations of other states and offsetting tax
21 refunds of other states against state tax obligations, if the agreements provide that
22 setoffs under ss. 71.93 and 71.935 occur before the setoffs under those agreements.

23 ***-1686/4.95* SECTION 2208.** 73.0301 (1) (d) 3. of the statutes is amended to
24 read:

1 73.0301 (1) (d) 3. A license, certificate of approval, provisional probationary
2 license, conditional license, certification, certification card, registration, permit,
3 training permit ~~or~~, approval, or conditional license, certification, approval, or
4 registration specified in s. 50.02 (3g), 50.35, 50.49 (6) (a) or (10), 50.93 (3), 51.038,
5 51.04 (1), (2), or (3), 51.42 (7) (b) 11., 51.421 (3) (a), ~~51.45 (8)~~, 146.40 (3) or (3m), 146.50
6 (5) (a) or (b), (6g) (a), (7) or (8) (a) or (f), 250.05 (5), 252.23 (2), 252.24 (2), 254.176,
7 254.20 (3), 255.08 (2) (a) or 343.305 (6) (a) or a permit for operation of a campground
8 specified in s. 254.47 (1).

9 ***-2057/1.1*** SECTION 2209. 73.0305 of the statutes is amended to read:

10 **73.0305 Revenue limits and intradistrict transfer aid calculations.** The
11 department of revenue shall annually determine and certify to the state
12 superintendent of public instruction, no later than the 4th Monday in June, the
13 allowable rate of increase under s. ~~121.85 (6) (a)~~ and subch. VII of ch. ~~121~~ 121.91
14 (2m) (d). The allowable rate of increase is the percentage change in the consumer
15 price index for all urban consumers, U.S. city average, between the preceding March
16 31 and the 2nd preceding March 31, as computed by the federal department of labor.

17 ***-0401/1.3*** SECTION 2210. 74.23 (1) (a) 2. of the statutes is amended to read:

18 74.23 (1) (a) 2. Pay to the proper treasurer all collections of special
19 assessments, special charges and special taxes, except that occupational taxes under
20 ss. 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land
21 taxes under ch. 77 shall be settled for under s. 74.25 (1) (a) 1. to 8.

22 ***-0543/3.16*** SECTION 2211. 74.23 (1) (a) 5. of the statutes is created to read:

23 74.23 (1) (a) 5. Pay to each taxing jurisdiction within the district its
24 proportionate share of the taxes and interest under s. 70.995 (12) (a).

25 ***-1341/4.21*** SECTION 2212. 74.23 (1) (b) of the statutes is amended to read:

1 74.23 (1) (b) *General property taxes.* After making the distribution under par.
2 (a), the taxation district treasurer shall pay to each taxing jurisdiction within the
3 district its proportionate share of general property taxes, except that the treasurer
4 shall pay the state's proportionate share to the county. As part of that distribution,
5 the taxation district treasurer shall retain for the taxation district and for each tax
6 incremental district within the taxation district and each environmental
7 remediation tax incremental district created by the taxation district its
8 proportionate share of general property taxes. The taxation district treasurer shall
9 also distribute to the county the proportionate share of general property taxes for
10 each environmental remediation tax incremental district created by the county.

11 ***-0401/1.4*** SECTION 2213. 74.25 (1) (a) 2. of the statutes is amended to read:

12 74.25 (1) (a) 2. Pay to the proper treasurer all collections of special
13 assessments, special charges and special taxes, except that occupational taxes under
14 ss. 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land
15 taxes under ch. 77 shall be settled for under subs. 5. to 8.

16 ***-0401/1.5*** SECTION 2214. 74.25 (1) (a) 3. of the statutes is amended to read:

17 74.25 (1) (a) 3. Retain all collections of special assessments, special charges and
18 special taxes due to the taxation district, except that occupational taxes under ss.
19 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land taxes
20 under ch. 77 shall be settled for under subs. 5. to 8.

21 ***-0543/3.17*** SECTION 2215. 74.25 (1) (a) 4m. of the statutes is created to read:

22 74.25 (1) (a) 4m. Pay to each taxing jurisdiction within the district its
23 proportionate share of the taxes and interest under s. 70.995 (12) (a).

24 ***-1341/4.22*** SECTION 2216. 74.25 (1) (b) 1. of the statutes is amended to read:

1 74.25 (1) (b) 1. Pay in full to each taxing jurisdiction within the district all
2 personal property taxes included in the tax roll which have not previously been paid
3 to, or retained by, that taxing jurisdiction, except that the treasurer shall pay the
4 state's proportionate share to the county. As part of that distribution, the taxation
5 district treasurer shall allocate to each tax incremental district within the taxation
6 district and each environmental remediation tax incremental district created by the
7 taxation district its proportionate share of personal property taxes. The taxation
8 district treasurer shall also distribute to the county the proportionate share of
9 general property taxes for each environmental remediation tax incremental district
10 created by the county.

11 ***-1341/4.23*** SECTION 2217. 74.25 (1) (b) 2. of the statutes is amended to read:

12 74.25 (1) (b) 2. Pay to each taxing jurisdiction within the district its
13 proportionate share of real property taxes, except that the treasurer shall pay the
14 state's proportionate share to the county. As part of that distribution, the taxation
15 district treasurer shall retain for the taxation district and for each tax incremental
16 district within the taxation district and each environmental remediation tax
17 incremental district created by the taxation district its proportionate share of real
18 property taxes. The taxation district treasurer shall also distribute to the county the
19 proportionate share of general property taxes for each environmental remediation
20 tax incremental district created by the county.

21 ***-0401/1.6*** SECTION 2218. 74.30 (1) (b) of the statutes is amended to read:

22 74.30 (1) (b) Pay to the proper treasurer all collections of special assessments,
23 special charges and special taxes, except that occupational taxes under ss. 70.40 to
24 ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land taxes under
25 ch. 77 shall be settled for under pars. (e) to (h).

1 ***-0401/1.7*** SECTION 2219. 74.30 (1) (c) of the statutes is amended to read:

2 74.30 (1) (c) Retain all collections of special assessments, special charges and
3 special taxes due to the taxation district, except that occupational taxes under ss.
4 70.40 to ~~70.425~~ 70.421 and forest cropland, woodland and managed forest land taxes
5 under ch. 77 shall be settled for under pars. (e) to (h).

6 ***-0543/3.18*** SECTION 2220. 74.30 (1) (dm) of the statutes is created to read:

7 74.30 (1) (dm) Pay to each taxing jurisdiction within the district its
8 proportionate share of the taxes and interest under s. 70.995 (12) (a).

9 ***-1341/4.24*** SECTION 2221. 74.30 (1) (i) of the statutes is amended to read:

10 74.30 (1) (i) Pay in full to each taxing jurisdiction within the district all
11 personal property taxes included in the tax roll which have not previously been paid
12 to, or retained by, each taxing jurisdiction, except that the treasurer shall pay the
13 state's proportionate share to the county. As part of that distribution, the taxation
14 district treasurer shall allocate to each tax incremental district within the taxation
15 district and each environmental remediation tax incremental district created by the
16 taxation district its proportionate share of personal property taxes. The taxation
17 district treasurer shall also distribute to the county the proportionate share of
18 general property taxes for each environmental remediation tax incremental district
19 created by the county.

20 ***-1341/4.25*** SECTION 2222. 74.30 (1) (j) of the statutes is amended to read:

21 74.30 (1) (j) Pay to each taxing jurisdiction within the district its proportionate
22 share of real property taxes, except that the treasurer shall pay the state's
23 proportionate share to the county. As part of that distribution, the taxation district
24 treasurer shall retain for the taxation district and for each tax incremental district
25 within the taxation district and each environmental remediation tax incremental

1 district created by the taxation district its proportionate share of real property taxes.
2 The taxation district treasurer shall also distribute to the county the proportionate
3 share of general property taxes for each environmental remediation tax incremental
4 district created by the county.

5 ***-1341/4.26*** SECTION 2223. 74.30 (2) (b) of the statutes is amended to read:

6 74.30 (2) (b) Pay to each taxing jurisdiction within the district its proportionate
7 share of real property taxes collected, except that the taxation district treasurer shall
8 pay the state's proportionate share to the county, and the county treasurer shall
9 settle for that share under s. 74.29. As part of that distribution, the taxation district
10 treasurer shall retain for the taxation district and for each tax incremental district
11 within the taxation district and each environmental remediation tax incremental
12 district created by the taxation district its proportionate share of real property taxes.

13 The taxation district treasurer shall also distribute to the county the proportionate
14 share of general property taxes for each environmental remediation tax incremental
15 district created by the county.

16 ***-0543/3.19*** SECTION 2224. 74.35 (3) (c) of the statutes is amended to read:

17 74.35 (3) (c) If the governing body of the taxation district determines that an
18 unlawful tax has been paid and that the claim for recovery of the unlawful tax has
19 complied with all legal requirements, the governing body shall allow the claim. The
20 Except as provided in par. (cm), the taxation district treasurer shall pay the claim
21 not later than 90 days after the claim is allowed.

22 ***-0543/3.20*** SECTION 2225. 74.35 (3) (cm) of the statutes is created to read:

23 74.35 (3) (cm) A municipality may pay a refund under par. (c) of the taxes on
24 property that is assessed under s. 70.995 in 5 annual installments, each of which
25 except the last is equal to at least 20% of the sum of the refund and the interest on

1 the refund, beginning in the year of the determination under par. (c), if all of the
2 following conditions exist:

3 1. The municipality's property tax levy for its general operations for the year
4 for which the taxes to be refunded are due is less than \$100,000,000.

5 2. The refund is at least 0.0025% of the municipality's levy for its general
6 operations for the year for which the taxes to be refunded are due.

7 3. The refund is more than \$10,000.

8 *~~0543/3.21~~* SECTION 2226. 74.37 (3) (c) of the statutes is amended to read:

9 74.37 (3) (c) If the governing body of the taxation district or county that has a
10 county assessor system determines that a tax has been paid which was based on an
11 excessive assessment, and that the claim for an excessive assessment has complied
12 with all legal requirements, the governing body shall allow the claim. The Except
13 as provided in par. (cm), the taxation district or county treasurer shall pay the claim
14 not later than 90 days after the claim is allowed.

15 *~~0543/3.22~~* SECTION 2227. 74.37 (3) (cm) of the statutes is created to read:

16 74.37 (3) (cm) A municipality may pay a refund under par. (c) of the taxes on
17 property that is assessed under s. 70.995 in 5 annual installments, each of which
18 except the last is equal to at least 20% of the sum of the refund and the interest on
19 the refund, beginning in the year of the determination under par. (c), if all of the
20 following conditions exist:

21 1. The municipality's property tax levy for its general operations for the year
22 for which the taxes to be refunded are due is less than \$100,000,000.

23 2. The refund is at least 0.0025% of the municipality's levy for its general
24 operations for the year for which the taxes to be refunded are due.

25 3. The refund is more than \$10,000.

1 ***-0925/1.2*** SECTION 2228. 74.41 (1) (d) of the statutes is created to read:

2 74.41 (1) (d) Have been corrected under s. 70.73 (1m).

3 ***-1314/2.1*** SECTION 2229. 75.001 (2) of the statutes is amended to read:

4 75.001 (2) “Tax deed” means a tax deed executed under s. 75.107 or 75.14, a
5 deed executed under s. 75.19 or a judgment issued under s. 75.521.

6 ***-1314/2.2*** SECTION 2230. 75.107 of the statutes is created to read:

7 **75.107 Tax deed of property contaminated by a hazardous substance.**

8 (1) DEFINITIONS. In this section:

9 (a) “Brownfield” has the meaning given in s. 560.13 (1) (a).

10 (b) “Department” means the department of natural resources.

11 (c) “Discharge” has the meaning given in s. 292.01 (3).

12 (d) “Hazardous substance” has the meaning given in s. 292.01 (5).

13 (2) TAX DEED. If any property subject to a tax deed is not redeemed within the
14 time period provided under s. 74.57 (2) (b) (intro.), the governing body of the county
15 in which the property is located may direct the county clerk to execute a tax deed of
16 the property if all of the following apply:

17 (a) The county clerk complies with s. 75.14 (2) as it relates to the property.

18 (b) The governing body of the county provides written notice to the governing
19 body of the municipality in which the property is located at least 15 days before the
20 governing body of the county meets to consider approving executing the tax deed.

21 (c) The property is a brownfield.

22 (d) An environmental assessment of the property has been conducted and the
23 results of that assessment are provided to the department.

24 (e) If the property is contaminated by a hazardous substance, as determined
25 by the assessment under par. (d), and the person to whom the tax deed is to be

1 executed agrees to accept the tax deed regardless of the contamination, the person
2 enters into an agreement with the department to, pursuant to rules promulgated by
3 the department, investigate and clean up the property to the extent practicable;
4 minimize the harmful effects from the hazardous substance; and maintain and
5 monitor the property.

6 (3) ADMINISTRATION. Section 75.14 (1) and (4), as it applies to issuing a tax deed
7 under that section, applies to issuing a tax deed under sub. (2), except that a person
8 who accepts a tax deed under sub. (2) shall take title to, and is the owner of the
9 property. A person who accepts a tax deed under sub. (2) may commence an action
10 to bar any former owner of the property, and anyone claiming under a former owner,
11 from all right, title, interest, or claim in the property in the manner specified under
12 ss. 75.39 to 75.42.

13 *-1315/2.1* SECTION 2231. 75.69 (1m) (c) of the statutes is created to read:

14 75.69 (1m) (c) Notwithstanding sub. (1), a county may sell tax delinquent real
15 property acquired by the county without using a competitive bidding process, if all
16 of the following apply:

17 1. The county provides written notice of the sale to the clerk of the municipality
18 in which the property is located at least 15 days before the sale.

19 2. The property is contaminated by a hazardous substance, as defined in s.
20 292.01 (5).

21 3. The property is a brownfield, as defined in s. 560.13 (1) (a).

22 4. An environmental assessment of the property has been conducted and the
23 results of that assessment are provided to the department of natural resources.

24 5. The purchaser of the property enters into an agreement with the department
25 of natural resources to, pursuant to rules that the department promulgates,

1 investigate and clean up the property to the extent practicable; minimize any
2 harmful effects from the hazardous substance; and maintain and monitor the
3 property.

4 *–1315/2.2* SECTION 2232. 75.69 (4) of the statutes is amended to read:

5 75.69 (4) No Except as provided in sub. (1m) (c) 1., no tax delinquent real estate
6 may be sold by a county under this section unless notice of such sale is mailed to the
7 clerk of the municipality in which the real estate is located at least 3 weeks prior to
8 the time of the sale. Any county may sell tax delinquent real estate by open or closed
9 bid.

10 *–0832/5.10* SECTION 2233. 76.02 (1) of the statutes is amended to read:

11 76.02 (1) “Air carrier company” means any person engaged in the business of
12 transportation in aircraft of persons or property for hire on regularly scheduled
13 flights, except an air carrier company whose property is exempt from taxation under
14 s. 70.11 (42) (b). In this subsection, “aircraft” means a completely equipped operating
15 unit, including spare flight equipment, used as a means of conveyance in air
16 commerce.

17 *–1321/2.1* SECTION 2234. 76.025 (2) of the statutes is amended to read:

18 76.025 (2) If the property of any company defined in s. 76.28 (1), except a
19 qualified wholesale electric company as defined in s. 76.28 (1) (gm) and a wholesale
20 merchant plant as defined in s. 196.491 (1) (w), is located entirely within a single
21 town, village or city, it shall be subject to local assessment and taxation.

22 *–1321/2.2* SECTION 2235. 76.28 (1) (e) (intro.) of the statutes is amended to
23 read:

24 76.28 (1) (e) (intro.) “Light, heat and power companies” means any person,
25 association, company or corporation, including corporations described in s. 66.0813,

1 qualified wholesale electric companies, wholesale merchant plants as defined in s.
2 196.491 (1) (w), and transmission companies and except only business enterprises
3 carried on exclusively either for the private use of the person, association, company
4 or corporation engaged in them, or for the private use of a person, association,
5 company or corporation owning a majority of all outstanding capital stock or who
6 control the operation of business enterprises and except electric cooperatives taxed
7 under s. 76.48 that engage in any of the following businesses:

8 ***-2389/1.4*** SECTION 2236. 76.28 (1) (f) of the statutes is amended to read:

9 76.28 (1) (f) "Payroll factor" means a fraction the numerator of which is the total
10 amount paid in this state during the tax period by the taxpayer for compensation and
11 the denominator of which is the total compensation paid everywhere during the tax
12 period, except that compensation solely related to the production of nonoperating
13 revenues shall be excluded from the numerator and denominator of the payroll factor
14 and except that compensation related to the production of both operating and
15 nonoperating revenue shall be partially excluded from the numerator and
16 denominator of the payroll factor so as to exclude as near as possible the portion of
17 compensation related to the production of nonoperating revenue. Compensation is
18 paid in this state if the individual's service is performed entirely within this state,
19 or if the individual's service is performed both within and outside this state but the
20 service performed outside this state is incidental to the individual's service within
21 this state, or if some of the service is performed in this state and the base of operations
22 or, if there is no base of operations, the place from which the service is directed or
23 controlled is in this state or the base of operations or the place from which the service
24 is directed or controlled is not in any state in which part of the service is performed
25 and the individual's residence is in this state. In this paragraph, "compensation"

1 includes management and service fees paid to an affiliated service corporation
2 pursuant to 15 USC 79.

3 ***-1321/2.3* SECTION 2237.** 76.28 (2) (a) of the statutes is amended to read:

4 76.28 (2) (a) There Except as provided in s. 76.29, there is imposed on every
5 light, heat and power company an annual license fee to be assessed by the
6 department on or before May 1, 1985, and every May 1 thereafter measured by the
7 gross revenues of the preceding year, excluding gross revenues under s. 76.29, at the
8 rates and by the methods set forth under pars. (b) to (d). The fee shall become
9 delinquent if not paid when due and when delinquent shall be subject to interest at
10 the rate of 1.5% per month until paid. Payment in full of the May 1 assessment
11 constitutes a license to carry on business for the 12-month period commencing on the
12 preceding January 1.

13 ***-1321/2.4* SECTION 2238.** 76.29 of the statutes is created to read:

14 **76.29 License fee for selling electricity at wholesale. (1) DEFINITIONS.**

15 In this section:

16 (a) "Apportionment factor" has the meaning given in s. 76.28 (1) (a).

17 (b) "Department" means the department of revenue.

18 (c) "Electric cooperative" has the meaning given in s. 76.48 (1g) (c).

19 (d) "Gross revenues" means total revenues from the sale of electricity for resale
20 by the purchaser of the electricity.

21 (e) "Light, heat, and power companies" has the meaning given in s. 76.28 (1)

22 (e).

23 (f) "Tax period" means each calendar year or portion of a calendar year from
24 January 1, 2003, to December 31, 2008.

1 (2) IMPOSITION. There is imposed on every light, heat, and power company and
2 electric cooperative that owns an electric utility plant, an annual license fee to be
3 assessed by the department on or before May 1, 2004, and every May 1 thereafter,
4 ending with the assessment on May 1, 2009, measured by the gross revenues of the
5 preceding tax period in an amount equal to the apportionment factor multiplied by
6 gross revenues multiplied by 1.59%. The fee shall become delinquent if not paid
7 when due and when delinquent shall be subject to interest at the rate of 1.5% per
8 month until paid.

9 (3) ADMINISTRATION. Section 76.28 (3) (c) and (4) to (11), as it applies to the fee
10 imposed under ~~section~~ ^{76.28} 76.28 (2), applies to the fee imposed under this section.

11 *-1321/2.5* SECTION 2239. 76.48 (1r) of the statutes is amended to read:

12 76.48 (1r) ~~Every~~ Except as provided in s. 76.29, every electric cooperative shall
13 pay, in lieu of other general property and income or franchise taxes, an annual license
14 fee equal to its apportionment factor multiplied by its gross revenues, excluding
15 gross revenues under s. 76.29, multiplied by 3.19%. Real estate and personal
16 property not used primarily for the purpose of generating, transmitting or
17 distributing electric energy are subject to general property taxes. If a general
18 structure is used in part to generate, transmit or distribute electric energy and in
19 part for nonoperating purposes, the license fee imposed by this section is in place of
20 the percentage of all other general property taxes that fairly measures and
21 represents the extent of the use in generating, transmitting or distributing electric
22 energy, and the balance is subject to local assessment and taxation, except that the
23 entire general structure is subject to special assessments for local improvements.

24 *-0472/1.1* SECTION 2240. 76.60 of the statutes is amended to read:

1 **76.60 Fire and marine insurers; license fees.** Every insurer doing a fire
2 or marine insurance business, other than domestic insurers and insurers excepted
3 under s. 76.61, shall pay to the state, in respect to marine insurance a tax of 0.5% and
4 in respect to fire insurance a tax of 2.375% on the amount of its gross premiums, as
5 calculated under s. 76.62. In case any insurer discontinues business in this state and
6 reinsures the whole or a part of its risks without making payment of this tax, the
7 insurer accepting such reinsurance shall pay the tax. If several insurers make such
8 reinsurance the tax shall be apportioned among the insurers in proportion to the
9 original premiums upon the business in this state so reinsured by each such insurer.
10 Upon the payment of the tax provided in this section, and the fees required by under
11 s. 601.31, such insurer may be licensed to transact its business until May 1 in the
12 ensuing year, unless before then its license is revoked or forfeited according to law.

13 ***-0472/1.2*** SECTION 2241. 76.61 of the statutes is amended to read:

14 **76.61 Town mutual insurers; taxes, charges, dues, and license fees.** No
15 town mutual insurer organized under or subject to ch. 612 shall be required to pay
16 any taxes, charges, dues, or license fees to the state except those charges and dues
17 provided for in under ss. 601.31, 601.32, 601.45, and 601.93.

18 ***-0472/1.3*** SECTION 2242. 76.68 (1) of the statutes is amended to read:

19 76.68 (1) Every license issued under this subchapter and chs. 600 to 646 shall
20 certify that ~~payment of the license fee or tax and the fee required by s. 601.31 (1) (b)~~
21 or a rule promulgated under s. 601.31 (4) with respect to s. 601.31 (1) (b) has been
22 made paid, be signed by the commissioner of insurance, and be in a form approved
23 by the attorney general.

24 ***-0472/1.4*** SECTION 2243. 76.68 (2) of the statutes is amended to read:

1 76.68 (2) No suit may be brought to restrain or enjoin the collection of any
2 license fee or tax imposed or provided for by this subchapter, and or the fees required
3 by under s. 601.31. Any insurer aggrieved by the payment of any such license or
4 other fee or tax may maintain a suit against the state for the recovery thereof in the
5 circuit court for Dane County within 6 months from the time of the payment. The
6 state may be served in the suit as provided in s. 801.11 (3).

7 *~~0472/1.5~~* SECTION 2244. 76.68 (4) of the statutes is amended to read:

8 76.68 (4) The attorney general shall institute suit in the circuit court for Dane
9 County to recover any license fees or tax not paid within the time prescribed by this
10 subchapter, and the fees required by under s. 601.31. Nothing in this subsection
11 shall be construed as amending or modifying in any respect ch. 775.

12 *~~0544/3.3~~* SECTION 2245. 76.81 of the statutes is amended to read:

13 **76.81 Imposition.** There is imposed a tax on the real property of, and the
14 tangible personal property of, every telephone company, excluding property that is
15 exempt from the property tax under s. 70.11 (39), motor vehicles that are exempt
16 under s. 70.112 (5), property that is used less than 50% in the operation of a telephone
17 company, as provided under s. 70.112 (4) (b), and treatment plant and pollution
18 abatement equipment that is exempt under s. 70.11 (21) (a). Except as provided in
19 s. 76.815, the rate for the tax imposed on each description of real property and on each
20 item of tangible personal property is the net rate for the prior year for the tax under
21 ch. 70 in the taxing jurisdictions where the description or item is located. The real
22 and tangible personal property of a telephone company shall be assessed as provided
23 under s. 70.112 (4) (b).

24 *~~2302/1.1~~* SECTION 2246. 77.51 (20) of the statutes is amended to read:

1 77.51 (20) “Tangible personal property” means all tangible personal property
2 of every kind and description and includes electricity, natural gas, steam, and water,
3 and also leased property affixed to realty if the lessor has the right to remove the
4 property upon breach or termination of the lease agreement, unless the lessor of the
5 property is also the lessor of the realty to which the property is affixed. “Tangible
6 personal property” also includes coins and stamps of the United States sold or traded
7 as collectors’ items above their face value and computer programs ~~except, including~~
8 custom computer programs.

9 *~~0540/1.1~~* SECTION 2247. 77.52 (2) (a) 10. of the statutes is amended to read:

10 77.52 (2) (a) 10. ~~Except for installing or applying tangible personal property~~
11 ~~which, when installed or applied, will constitute an addition or capital improvement~~
12 ~~of real property, the~~ The repair, service, alteration, fitting, cleaning, painting,
13 coating, towing, inspection and maintenance of all items of tangible personal
14 property unless, at the time of such repair, service, alteration, fitting, cleaning,
15 painting, coating, towing, inspection or maintenance, a sale in this state of the type
16 of property repaired, serviced, altered, fitted, cleaned, painted, coated, towed,
17 inspected or maintained would have been exempt to the customer from sales taxation
18 under this subchapter, other than the exempt sale of a motor vehicle or truck body
19 to a nonresident under s. 77.54 (5) (a) and other than nontaxable sales under s. 77.51
20 (14r). For purposes of this paragraph, the following items shall be deemed to have
21 retained their character as tangible personal property, regardless of the extent to
22 which any such item is fastened to, connected with or built into real property:
23 furnaces, boilers, stoves, ovens, including associated hoods and exhaust systems,
24 heaters, air conditioners, humidifiers, dehumidifiers, refrigerators, coolers, freezers,
25 water pumps, water heaters, water conditioners and softeners, clothes washers,

1 clothes dryers, dishwashers, garbage disposal units, radios and radio antennas,
2 incinerators, television receivers and antennas, record players, tape players,
3 jukeboxes, vacuum cleaners, furniture and furnishings, carpeting and rugs,
4 bathroom fixtures, sinks, awnings, blinds, gas and electric logs, heat lamps,
5 electronic dust collectors, grills and rotisseries, bar equipment, intercoms,
6 recreational, sporting, gymnasium and athletic goods and equipment including by
7 way of illustration but not of limitation bowling alleys, golf practice equipment, pool
8 tables, punching bags, ski tows and swimming pools; ~~office, restaurant and tavern~~
9 type equipment in offices, business facilities, schools, and hospitals but not in
10 residential facilities including personal residences, apartments, long-term care
11 facilities, as defined under s. 16.009 (1) (em), state institutions, as defined under s.
12 101.123 (1) (i), or similar facilities, including by way of illustration but not of
13 limitation lamps, chandeliers, and fans, venetian blinds, canvas awnings, office and
14 business machines, ice and milk dispensers, beverage-making equipment, vending
15 machines, soda fountains, steam warmers and tables, compressors, condensing units
16 and evaporative condensers, pneumatic conveying systems; laundry, dry cleaning,
17 and pressing machines, power tools, burglar alarm and fire alarm fixtures, electric
18 clocks and electric signs. “Service” does not include services performed by
19 veterinarians.

20 ***-1335/7.55* SECTION 2248.** 77.54 (9a) (a) of the statutes is amended to read:

21 77.54 (9a) (a) This state or any agency thereof ~~and~~, the University of Wisconsin
22 Hospitals and Clinics Authority, and the Fox River Navigational System Authority.

23 ***-0832/5.11* SECTION 2249.** 77.65 of the statutes is created to read:

24 **77.65 Determination of sales and use tax receipts for aeronautical**
25 **activities.** By July 1, 2004, and every July 1 thereafter, the department shall

1 determine, and deposit in the transportation fund, the total amount of the sales tax
2 and use tax, as imposed under ss. 77.52 and 77.53, paid in the immediately preceding
3 calendar year on the sale and use of noncommercial aircraft.

4 ***-0667/5.13* SECTION 2250.** 77.92 (4) of the statutes is amended to read:

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

****NOTE: This is reconciled s. 77.92 (4). This SECTION has been affected by drafts
with the following LRB numbers: – 0667 and – 1856.

20 ***-1446/1.1* SECTION 2251.** 77.94 (1) (b) of the statutes is amended to read:

21 77.94 (1) (b) On an entity under s. 77.93 (2) ~~or~~, (3), or (5), except an entity that
22 has less than \$4,000,000 of gross receipts, an amount equal to the amount calculated
23 by multiplying net business income as allocated or apportioned to this state by means

1 of the methods under s. 71.04, for the taxable year of the entity by 0.2 %, up to a
2 maximum of \$9,800, or \$25, whichever is greater.

3 ***-1446/1.2* SECTION 2252.** 77.94 (1) (c) of the statutes is repealed.

4 ***-0320/5.4* SECTION 2253.** 77.996 (2) (intro.) of the statutes is amended to
5 read:

6 77.996 (2) (intro.) “Dry cleaning facility” means a facility that dry cleans
7 apparel or household fabrics for the general public using a dry cleaning product,
8 other than the following facilities:

9 ***-0320/5.5* SECTION 2254.** 77.996 (3) of the statutes is amended to read:

10 77.996 (3) “Dry cleaning solvent product” means a ~~chlorine-based or~~
11 ~~hydrocarbon-based formulation or product that is used as a primary cleaning agent~~
12 ~~in dry cleaning facilities~~ hazardous substance used to clean apparel or household
13 fabrics, except a hazardous substance used to launder apparel or household
14 products.

15 ***-0320/5.6* SECTION 2255.** 77.9962 of the statutes is amended to read:

16 **77.9962 Dry cleaning solvents products fee.** There is imposed on each
17 person who sells a dry cleaning solvent product to a dry cleaning facility a fee equal
18 to \$5 per gallon of perchloroethylene sold and 75 cents per gallon of ~~a~~
19 ~~hydrocarbon-based solvent~~ any dry cleaning product sold, other than
20 perchloroethylene. The fees for the previous 3 months are due on January 25, April
21 25, July 25, and October 25.

22 ***-0320/5.7* SECTION 2256.** 77.9963 of the statutes is repealed.

23 ***-0832/5.12* SECTION 2257.** 78.55 (1) of the statutes is amended to read:

24 78.55 (1) “Air carrier company” has the meaning given in s. ~~76.02 (1)~~ 70.11 (42)
25 (a) 1.

1 ***-1744/3.7*** SECTION 2258. 79.005 (1) of the statutes is amended to read:

2 79.005 (1) "Municipality" means any town, village, or city in this state. If a
3 municipality is located in more than one county, payments under this subchapter
4 shall be computed using data for the municipality as a whole. If a municipality is
5 located in more than one growth-sharing region, as defined in s. 79.065 (1) (d),
6 payments under s. 79.065 (3) shall be computed using data for the portion of the
7 municipality that is located in each growth-sharing region.

8 ***-1744/3.8*** SECTION 2259. 79.005 (2) of the statutes is amended to read:

9 79.005 (2) "Population" means the number of persons residing in each
10 municipality and county of the state as last determined by the department of
11 administration under s. 16.96, except that under s. 79.065 (3) (b), if a municipality
12 is located in more than one growth-sharing region, "population" means the number
13 of persons residing in the portion of the municipality located in each growth-sharing
14 region.

15 ***-1744/3.9*** SECTION 2260. 79.01 (1) of the statutes is amended to read:

16 79.01 (1) There is established an account in the general fund entitled the
17 "Expenditure Restraint Program Account". Account. There shall be appropriated
18 to that account \$25,000,000 in 1991, in 1992, and in 1993; \$42,000,000 in 1994;
19 \$48,000,000 in each year beginning in 1995 and ending in 1999 and; \$57,000,000
20 beginning in the year 2000 and ending in 2001; and \$63,000,000 in 2002 and in each
21 year thereafter.

22 ***-1744/3.10*** SECTION 2261. 79.01 (2) of the statutes is amended to read:

23 79.01 (2) There is established an account in the general fund entitled the
24 "~~Municipal and County Shared Revenue Account,~~", referred to in this chapter as the

1 “shared revenue account.” There shall be appropriated to the shared revenue
2 account the sums specified in ss. 79.03 and, 79.04, and 79.06.

3 ***-1744/3.11* SECTION 2262.** 79.01 (5) of the statutes is created to read:

4 79.01 (5) There is established an account in the general fund entitled the
5 “Municipal Growth–Sharing Account.” There shall be appropriated to that account
6 an amount, determined by the department of revenue, that is equal to the sales and
7 use tax revenue collected under subch. III of ch. 77 in the fiscal year prior to the fiscal
8 year that any municipality receives the statement under s. 79.015 multiplied by .05.

9 ***-1744/3.12* SECTION 2263.** 79.01 (6) of the statutes is created to read:

10 79.01 (6) There is established an account in the general fund entitled the
11 “Municipal Services Aid Account.” There shall be appropriated to that account the
12 amounts necessary to make the payments to municipalities under ss. 79.04 (1) and
13 (4) (a) and 79.065 (2) and to make the payments to municipalities under s. 79.065 (5)
14 that are not paid from s. 20.835 (1) (dd).

15 ***-1744/3.13* SECTION 2264.** 79.015 of the statutes is amended to read:

16 **79.015 Statement of estimated payments.** The department of revenue, on
17 or before September 15 of each year, shall provide to each municipality and county
18 a statement of estimated payments to be made in the next calendar year to the
19 municipality or county under ss. 79.03, 79.04, 79.05, 79.058 and, 79.06, and 79.065.

20 ***-1301/5.99* SECTION 2265.** 79.02 (2) (b) of the statutes is amended to read:

21 79.02 (2) (b) Subject to s. 59.605 (4), payments in July shall equal 15% of the
22 municipality’s or county’s estimated payments under ss. 79.03, 79.04, 79.058 and,
23 79.06, and 79.065, minus any amount deducted from a municipality’s payment as
24 provided in a statement concerning the municipality under ss. 6.50 (2s) and 7.08 (7),
25 and 100% of the municipality’s estimated payments under s. 79.05.

****NOTE: This is reconciled s. 79.02 (2) (b). This SECTION has been affected by drafts with the following LRB numbers: LRB-1301/4 and LRB-1744/2.

1 ***-1301/5.100* SECTION 2266.** 79.02 (3) of the statutes is amended to read:

2 79.02 (3) Subject to s. 59.605 (4), payments to each municipality and county in
3 November shall equal that municipality's or county's entitlement to shared revenues
4 under ss. 79.03, 79.04, 79.05, 79.058 and, 79.06, and 79.065 for the current year,
5 minus the amount distributed to the municipality or county in July and minus any
6 amount deducted from a municipality's entitlement as provided in a statement
7 concerning the municipality under ss. 6.50 (2s) and 7.08 (7).

****NOTE: This is reconciled s. 79.02 (3). This SECTION has been affected by drafts with the following LRB numbers: LRB-1301/4 and LRB-1744/2.

8 ***-1744/3.14* SECTION 2267.** 79.03 (1) of the statutes is amended to read:

9 79.03 (1) Each ~~municipality and~~ county is entitled to shared revenue,
10 consisting of an in the amount determined ~~on the basis of population under sub. (2),~~
11 ~~plus an amount determined~~ under sub. (3).

12 ***-1744/3.15* SECTION 2268.** 79.03 (2) of the statutes is repealed.

13 ***-1744/3.16* SECTION 2269.** 79.03 (3) (a) of the statutes is amended to read:

14 79.03 (3) (a) The amount in the shared revenue account for ~~municipalities and~~
15 ~~the amount in the shared revenue account for~~ counties, less the payments under sub.
16 (2) ~~and~~ s. 79.04, shall be allocated to each ~~municipality and~~ county respectively in
17 proportion to its entitlement. In this paragraph, "entitlement" means the product
18 of aidable revenues and tax base weight.

19 ***-1744/3.17* SECTION 2270.** 79.03 (3) (b) 1. of the statutes is amended to read:

20 79.03 (3) (b) 1. "Aidable revenues" means:

21 a. ~~For a municipality, the average local purpose revenues.~~

22 b. ~~For a county, 85% of the average local purpose revenue.~~

1 *~~1744/3.18~~* SECTION 2271. 79.03 (3) (b) 3. of the statutes is amended to read:

2 79.03 (3) (b) 3. "Full valuation" means the full value of property that is exempt
3 under s. 70.11 (39) as determined under s. 79.095 (3) plus the full value of all taxable
4 property for the preceding year as equalized for state tax purposes, except that for
5 ~~municipalities the value of real estate assessed under s. 70.995 is excluded. Value~~
6 ~~value increments under s. 66.1105 plus the full value of property that is exempt~~
7 ~~under s. 70.11 (39) that would otherwise be part of a value increment are included~~
8 ~~for municipalities but excluded for counties. Environmental remediation value~~
9 ~~increments under s. 66.1106 are included for municipalities and counties that create~~
10 ~~the environmental remediation tax incremental district and are excluded for units~~
11 ~~of government counties that do not create the district. If property that had been~~
12 ~~assessed under s. 70.995 and that has a value exceeding 10% of a municipality's value~~
13 ~~is assessed under s. 70.10, 30% of that property's full value is included in "full~~
14 ~~valuation" for purposes of the shared revenue payments in the year after the~~
15 ~~assessment under s. 70.10, 65% of that property's full value is included in "full~~
16 ~~valuation" for purposes of the shared revenue payments in the year 2 years after the~~
17 ~~assessment under s. 70.10 and 100% of that property's full value is included in "full~~
18 ~~valuation" for purposes of subsequent shared revenue payments.~~

19 *~~1744/3.19~~* SECTION 2272. 79.03 (3) (b) 4. (intro.) of the statutes is amended
20 to read:

21 79.03 (3) (b) 4. (intro.) "Local purpose revenues" means the sum of payments
22 under s. 79.095, local general purpose taxes, regulation revenues, revenues for
23 services to private parties by a county's ~~or municipality's~~ general operations or
24 enterprises, revenue for sanitation services to private parties, special assessment
25 revenues, and tax base equalization aids ~~and, for municipalities only, a proxy for~~

1 ~~private sewer service costs, a proxy for private solid waste and recycling service costs~~
2 ~~and a proxy for retail charges for fire protection purposes.~~ In this subdivision:

3 ***-1744/3.20* SECTION 2273.** 79.03 (3) (b) 4. a. of the statutes is amended to
4 read:

5 79.03 (3) (b) 4. a. "Local general purpose taxes" means ~~the portion of tax~~
6 ~~increments collected for payment to a municipality under s. 66.1105 which is~~
7 ~~attributable to that municipality's own levy,~~ the portion of environmental
8 remediation tax increments collected for payment to a ~~municipality or~~ county under
9 s. 66.1106 that is attributable to that ~~municipality's or~~ county's own levy, general
10 property taxes, excluding taxes for a county children with disabilities education
11 board, collected to finance the general purpose government unit, property taxes
12 collected for sewage and sanitary districts, mobile home fees, the proceeds of county
13 sales and use taxes, and ~~municipal and~~ county vehicle registration fees under s.
14 341.35 (1).

15 ***-1744/3.21* SECTION 2274.** 79.03 (3) (b) 4. b. of the statutes is repealed.

16 ***-1744/3.22* SECTION 2275.** 79.03 (3) (b) 4. bg. of the statutes is repealed.

17 ***-1744/3.23* SECTION 2276.** 79.03 (3) (b) 4. bm. of the statutes is repealed.

18 ***-1744/3.24* SECTION 2277.** 79.03 (3) (b) 4. d. of the statutes is amended to
19 read:

20 79.03 (3) (b) 4. d. "Revenue for sanitation services to private parties" means
21 revenues collected from private parties by a county's ~~or municipality's~~ general
22 operations or enterprises and by sewerage, sanitation, or inland lake rehabilitation
23 districts as refuse collection fees, sewerage service fees, and landfill fees.

24 ***-1744/3.25* SECTION 2278.** 79.03 (3) (b) 4. e. of the statutes is amended to
25 read:

1 79.03 (3) (b) 4. e. “Revenues for services to private parties by a county’s or
2 ~~municipality’s~~ general operations or enterprises” means revenues collected from
3 private parties for the following services: general government services consisting of
4 license publication fees, sale of publications, clerk’s fees, and treasurer’s fees; public
5 safety services, consisting of police or sheriff’s department fees, fire department fees,
6 and ambulance fees; inspection services, consisting of building, electrical, heat,
7 plumbing, elevator, and weights and measures; sidewalk replacement or
8 construction fees, storm sewer construction fees, street lighting fees; parking ramps,
9 meters and lot fees; library fines or fees; and museum and zoo users or admission
10 fees.

11 *~~1744/3.26~~* SECTION 2279. 79.03 (3) (b) 4. f. of the statutes is amended to
12 read:

13 79.03 (3) (b) 4. f. “Special assessment revenues” means charges assessed
14 against benefited properties for capital improvements by a ~~municipality~~ or county
15 placed on the current tax roll for collection or collected during the year in advance
16 of being placed on the tax roll.

17 *~~1744/3.27~~* SECTION 2280. 79.03 (3) (b) 4. h. of the statutes is repealed.

18 *~~1744/3.28~~* SECTION 2281. 79.03 (3) (b) 5. of the statutes is amended to read:

19 79.03 (3) (b) 5. “Standardized valuation” means the product of the standardized
20 valuation per person times the population of a ~~municipality~~ or a county in the
21 preceding year.

22 *~~1744/3.29~~* SECTION 2282. 79.03 (3) (b) 6. of the statutes is amended to read:

23 79.03 (3) (b) 6. “Standardized valuation per person” is that number that when
24 used in the computation under par. (a) most nearly approximates the sum of

1 entitlements for all municipalities ~~or for all~~ counties respectively to the funds
2 distributable under par. (a).

3 ***-1744/3.30* SECTION 2283.** 79.03 (4) of the statutes is amended to read:

4 79.03 (4) In 1991, the total amount to be distributed under ss. 79.03, 79.04, and
5 79.06 from s. 20.835 (1) (d) is \$869,000,000. In 1992, the total amount to be
6 distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) is \$885,961,300.
7 In 1993, the total amount to be distributed under ss. 79.03, 79.04, and 79.06 from s.
8 20.835 (1) (d) is \$903,680,500. In 1994, the total amounts to be distributed under this
9 section and ss. 79.04 and 79.06 from s. 20.835 (1) (d) are \$746,547,500 to
10 municipalities and \$168,981,800 to counties. In Beginning in 1995 and subsequent
11 years ending in 2001, the total amounts to be distributed under ss. 79.03, 79.04, and
12 79.06 from s. 20.835 (1) (d) are \$761,478,000 to municipalities and \$168,981,800 to
13 counties. In 2002, the total amount to be distributed to municipalities under ss.
14 79.04 and 79.065 (2) from s. 20.835 (1) (db) is \$755,478,000, less the amounts
15 distributed under s. 79.065 (3) from s. 20.835 (1) (dd). In 2003 and subsequent years,
16 the total amount to be distributed to municipalities under ss. 79.04 and 79.065 (2)
17 from s. 20.835 (1) (db) is the amount distributed under ss. 79.04 and 79.065 (2) to
18 municipalities in 2002. In 2002 and subsequent years, the total amount to be
19 distributed under ss. 79.03, 79.04, and 79.06 from s. 20.835 (1) (d) is \$168,981,800.
20 In 2002, and subsequent years, the amount to be distributed to municipalities from
21 s. 20.835 (1) (d) shall be increased by any amounts to be paid under s. 79.04 for any
22 qualifying property of wholesale merchant plants, located in a municipality, that did
23 not exist in the previous year, and the amount to be distributed to counties from s.
24 20.835 (1) (d) shall be increased by any amounts to be paid under s. 79.04 for any

1 qualifying property of wholesale merchant plants, located in a county, that did not
2 exist in the previous year.

****NOTE: This is reconciled s.79.03 (4). This SECTION has been affected by drafts with the following LRB numbers: -1321 and -1744.

3 ***-1321/2.6* SECTION 2284.** 79.04 (1) (intro.) of the statutes is amended to read:

4 79.04 (1) (intro.) Annually the department of administration, upon
5 certification by the department of revenue, shall distribute to a municipality having
6 within its boundaries a production plant or a general structure, including production
7 plants and general structures under construction, used by a light, heat, or power
8 company assessed under s. 76.28 (2) or 76.29 (2), except property described in s.
9 66.0813 unless the production plant is owned or operated by a local governmental
10 unit located outside of the municipality, or by an electric cooperative assessed under
11 ss. 76.07 and 76.48, respectively, or by a municipal electric company under s. 66.0825
12 the amount determined as follows:

13 ***-1321/2.7* SECTION 2285.** 79.04 (1) (a) of the statutes is amended to read:

14 79.04 (1) (a) An amount from the shared revenue account determined by
15 multiplying by 3 mills in the case of a town, and 6 mills in the case of a city or village,
16 the first \$125,000,000 of the amount shown in the account, plus leased property, of
17 each public utility except qualified wholesale electric companies, as defined in s.
18 76.28 (1) (gm), and except wholesale merchant plants, as defined in s. 196.491 (1) (w),
19 on December 31 of the preceding year for either “production plant, exclusive of land”
20 and “general structures”, or “work in progress” for production plants and general
21 structures under construction, in the case of light, heat and power companies,
22 electric cooperatives or municipal electric companies, for all property within a
23 municipality in accordance with the system of accounts established by the public

1 service commission or rural electrification administration, less depreciation thereon
2 as determined by the department of revenue and less the value of treatment plant
3 and pollution abatement equipment, as defined under s. 70.11 (21) (a), as determined
4 by the department of revenue plus an amount from the shared revenue account
5 determined by multiplying by 3 mills in the case of a town, and 6 mills in the case
6 of a city or village, of the first \$125,000,000 of the total original cost of production
7 plant, general structures and work-in-progress less depreciation, land and
8 approved waste treatment facilities of each qualified wholesale electric company, as
9 defined in s. 76.28 (1) (gm), and each wholesale merchant plant, as defined in s.
10 196.491 (1) (w), as reported to the department of revenue of all property within the
11 municipality. The total of amounts, as depreciated, from the accounts of all public
12 utilities for the same production plant is also limited to not more than \$125,000,000.
13 The amount distributable to a municipality in any year shall not exceed \$300 times
14 the population of the municipality.

15 ***-1321/2.8*** SECTION 2286. 79.04 (1) (c) 2. of the statutes is amended to read:

16 79.04 (1) (c) 2. If a production plant is located in more than one municipality,
17 the total payment under subd. 1. shall be apportioned according to the amounts
18 shown on the preceding December 31 for the production plant in the account
19 described in par. (a) for "production plant exclusive of land" within each municipality
20 for all public utilities except qualified wholesale electric companies, as defined in s.
21 76.28 (1) (gm), and except wholesale merchant plants, as defined in s. 196.491 (1) (w),
22 or according to the value as reported to the department of revenue under par. (a) of
23 the production plant within each municipality for each qualified wholesale electric
24 company. The payment to each municipality under this subdivision shall be no less
25 than \$15,000 annually.

1 ***-1321/2.9*** SECTION 2287. 79.04 (2) (a) of the statutes is amended to read:

2 79.04 (2) (a) Annually, the department of administration, upon certification by
3 the department of revenue, shall distribute from the shared revenue account to any
4 county having within its boundaries a production plant or a general structure,
5 including production plants and general structures under construction, used by a
6 light, heat or power company assessed under s. 76.28 (2) or 76.29 (2), except property
7 described in s. 66.0813 unless the production plant is owned or operated by a local
8 governmental unit that is located outside of the municipality in which the production
9 plant is located, or by an electric cooperative assessed under ss. 76.07 and 76.48,
10 respectively, or by a municipal electric company under s. 66.0825 an amount
11 determined by multiplying by 6 mills in the case of property in a town and by 3 mills
12 in the case of property in a city or village the first \$125,000,000 of the amount shown
13 in the account, plus leased property, of each public utility except qualified wholesale
14 electric companies, as defined in s. 76.28 (1) (gm), and except wholesale merchant
15 plants, as defined in s. 196.49 (1) (w), on December 31 of the preceding year for either
16 “production plant, exclusive of land” and “general structures”, or “work in progress”
17 for production plants and general structures under construction, in the case of light,
18 heat and power companies, electric cooperatives or municipal electric companies, for
19 all property within the municipality in accordance with the system of accounts
20 established by the public service commission or rural electrification administration,
21 less depreciation thereon as determined by the department of revenue and less the
22 value of treatment plant and pollution abatement equipment, as defined under s.
23 70.11 (21) (a), as determined by the department of revenue plus an amount from the
24 shared revenue account determined by multiplying by 6 mills in the case of property
25 in a town, and 3 mills in the case of property in a city or village, of the total original

1 cost of production plant, general structures and work-in-progress less depreciation,
2 land and approved waste treatment facilities of each qualified wholesale electric
3 company, as defined in s. 76.28 (1) (gm), and each wholesale merchant plant, as
4 defined in s. 196.491 (1) (w), as reported to the department of revenue of all property
5 within the municipality. The total of amounts, as depreciated, from the accounts of
6 all public utilities for the same production plant is also limited to not more than
7 \$125,000,000. The amount distributable to a county in any year shall not exceed
8 \$100 times the population of the county.

9 *~~1744/3.31~~* SECTION 2288. 79.06 (1) of the statutes is amended to read:

10 79.06 (1) MINIMUM PAYMENTS. (b) If the payments to any ~~municipality or county~~
11 under s. 79.03, ~~excluding payments under s. 79.03 (3e)~~, in 1986 or any year thereafter
12 are less than 95% of the combined payments to the ~~municipality or county~~ under this
13 section and s. 79.03, ~~excluding payments under s. 79.03 (3e)~~, for the previous year,
14 the ~~municipality or county~~ has an aids deficiency. The amount of the aids deficiency
15 is the amount by which 95% of the combined payments to the ~~municipality or county~~
16 under this section and s. 79.03, ~~excluding payments under s. 79.03 (3e)~~, in the
17 previous year exceeds the payments to the ~~municipality or county~~ under s. 79.03,
18 ~~excluding payments under s. 79.03 (3e)~~, in the current year.

19 (c) A ~~municipality or county~~ that has an aids deficiency shall receive a payment
20 from the amounts withheld under sub. (2) equal to its proportion of all the aids
21 deficiencies of ~~municipalities or counties~~ respectively for that year.

22 *~~1744/3.32~~* SECTION 2289. 79.06 (2) of the statutes is amended to read:

23 79.06 (2) MAXIMUM PAYMENTS. (b) If the payments to a ~~municipality or county~~,
24 except any county in which there are no cities or villages, in any year exceed its
25 combined payments under this section and s. 79.03, ~~excluding payments under s.~~

1 79.03 (3e), in the previous year by more than the maximum allowable increase, the
2 excess shall be withheld to fund minimum payments in that year under sub. (1) (c).

3 (c) In this subsection, “maximum allowable increase” in any year means a
4 percentage such that the sum for all municipalities or counties respectively in that
5 year of the excess of payments under ss. 79.02 and 79.03, ~~excluding payments under~~
6 ~~s. 79.03 (3e)~~, over the payments as limited by the maximum allowable increase is
7 equal to the sum of the aids deficiencies under sub. (1) in that year.

8 ***-1744/3.33* SECTION 2290.** 79.065 of the statutes is created to read:

9 **79.065 Municipal growth sharing. (1) DEFINITIONS.** In this section:

10 (a) “Aidable expenditures” means a municipality’s expenditures for general
11 government operations; law enforcement, fire protection, ambulance services, and
12 other public safety services; and health and human services. “Aidable expenditures”
13 does not include a municipality’s expenditures for highway maintenance,
14 administration, or construction; road-related facilities or other transportation; solid
15 waste collection and disposal or other sanitation; culture; education; parks and
16 recreation; conservation; or development.

17 (b) “Entitlement” means the product of aidable expenditures and tax base
18 weight.

19 (c) “Full valuation” means the full value of all taxable property of a
20 municipality for the preceding year as equalized for state tax purposes, including the
21 value increments under s. 66.1105, the environmental remediation value increments
22 under s. 66.1106 for municipalities that create the environmental remediation tax
23 incremental district, and the value of real estate assessed under s. 70.995, but
24 excluding the full value of property that is exempt under s. 70.11 (39) as determined
25 under s. 79.095 (3).

1 (d) “Growth-sharing region” means “growth-sharing region” as defined by
2 rule, no later than September 1, 2001, by the department of revenue so that this state
3 is divided into at least 7 but not more than 25 growth-sharing regions.

4 (e) “Sales tax” means the tax imposed under ss. 77.52 and 77.53.

5 (f) “Standardized valuation” means the product of the standardized valuation
6 per person times the population of a municipality in the preceding year.

7 (g) “Standardized valuation per person” is that number that when used in the
8 computation under sub. (2) most nearly approximates the sum of entitlements for all
9 municipalities to the funds distributable under sub. (2).

10 (h) “Tax base weight” means one minus the decimal obtained by dividing the
11 full valuation by the standardized valuation, except that “tax base weight” shall be
12 a decimal of at least 0.0.

13 (2) AIDABLE EXPENDITURES ENTITLEMENTS. (a) Beginning in 2002, the amount
14 in the municipal services aid account for municipalities, less the payments under s.
15 79.04 (1) and (4) (a), shall be allocated to each municipality in proportion to its
16 entitlement.

17 (b) Annually, the department of revenue shall determine the amount of each
18 municipality’s aidable expenditures. For purposes of calculating a municipality’s
19 entitlement, the amount of a municipality’s aidable expenditures in a year is the
20 lesser of the following:

21 1. The amount of the municipality’s aidable expenditures in the year prior to
22 the year in which the municipality receives the statement under s. 79.015.

23 2. The average of the amount of the municipality’s aidable expenditures in
24 1998, 1999, and 2000, increased by the cumulative percentage under s. 79.05 (2) (c)
25 by which the municipality could have increased its budget and still be eligible for a

1 payment under s. 79.05, regardless of whether the municipality was eligible for a
2 payment under s. 79.05. The cumulative percentage shall be calculated from 1999
3 to the year prior to the year of the statement under s. 79.015.

4 (3) GROWTH-SHARING REGIONS ENTITLEMENT. (a) Except for payments made in
5 2002, a municipality in a growth-sharing region shall receive a payment under par.
6 (b) if the following applies:

7 1. The municipality limits the growth in its municipal budget to the increase
8 specified under s. 79.05 (2) (c) for the year of the statement under s. 79.015.

9 2. The municipality enters into an area cooperation compact under sub. (4) for
10 the year of the statement under s. 79.015.

11 (b) In 2002, a municipality in a growth-sharing region, and in 2003 and
12 subsequent years, a municipality in a growth-sharing region that fulfills the
13 requirements under par. (a), shall receive a payment that is equal to the total amount
14 allocated to the growth-sharing region, as determined under par. (c), multiplied by
15 a fraction the numerator of which is the municipality's current population in the
16 growth-sharing region, and the denominator of which is the current population in
17 the growth-sharing region of all the municipalities that are eligible for payments
18 under this subsection that are located in the growth-sharing region.

19 (c) The total amount allocated to a growth-sharing region shall be equal to the
20 total amount to be distributed under s. 20.835 (1) (dd) multiplied by a fraction the
21 numerator of which is the amount of sales tax collected in the growth-sharing region,
22 as determined by the department of revenue, in the fiscal year prior to the fiscal year
23 in which any municipality receives the statement under s. 79.015, and the
24 denominator of which is the total amount of sales tax collected in this state, as

1 determined by the department of revenue, in the fiscal year prior to the fiscal year
2 in which any municipality receives the statement under s. 79.015.

3 (4) AREA COOPERATION COMPACTS. (a) 1. Except as provided in subd. 3., beginning
4 in 2003 and ending in 2005, to receive payments under sub. (3), a municipality shall
5 enter into an area cooperation compact with at least 2 municipalities or counties, or
6 with any combination of at least 2 such entities, to perform at least 2 of the functions
7 listed in par. (b).

8 2. Except as provided in subd. 3., beginning in 2006 and in each subsequent
9 year, to receive payments under sub. (3), a municipality shall enter into an area
10 cooperation compact with at least 4 municipalities or counties, or with any
11 combination of at least 4 such entities, to provide law enforcement and to perform
12 at least 5 of the other functions listed in par. (b).

13 3. A municipality that is not adjacent to at least 2 other municipalities may
14 enter into a cooperation compact with any adjacent municipality or with the county
15 in which the municipality is located to perform the number and type of functions as
16 specified under subds. 1. or 2., as applicable to the year of the payment.

17 (b) An area cooperation compact may involve the following functions:

18 2. Housing.

19 3. Emergency services.

20 4. Fire protection.

21 5. Solid waste collection and disposal.

22 6. Recycling.

23 7. Public health.

24 8. Animal control.

25 10. Transportation.

- 1 11. Mass transit.
- 2 12. Land use planning.
- 3 13. Boundary agreements.
- 4 14. Libraries.
- 5 15. Parks and recreation.
- 6 16. Culture.
- 7 17. Purchasing.
- 8 18. Electronic government.

9 (c) An area cooperation compact shall provide a plan for any municipalities or
10 counties that enter into the compact to collaborate to provide any functions under
11 par. (b), as selected under par. (a). The compact shall provide benchmarks to measure
12 the plan's progress and provide outcome-based performance measures to evaluate
13 the plan's success. Municipalities and counties that enter into the compact shall
14 structure the compact in a way that results in significant tax savings to taxpayers
15 within those municipalities and counties.

16 (d) Annually, beginning in 2002, to receive a payment under sub. (3), a
17 municipality shall certify to the department of revenue, in a manner prescribed by
18 the department, by May 1 of the year of the statement under s. 79.015, that the
19 municipality complied with pars. (a) to (c) for the year of the statement under s.
20 79.015.

21 (e) Annually, beginning in 2004, the legislative audit bureau shall prepare a
22 report on the performance of area cooperation compacts and shall submit copies of
23 the report to the chief clerk of each house of the legislature for distribution to the
24 appropriate standing committees under s. 13.172 (3) by June 30.

1 (5) MINIMUM PAYMENTS. (a) In 2002, if the combined payments to a municipality
2 under subs. (2) and (3) are less than 95% of the combined payments to the
3 municipality under s. 79.06, 1999 stats., and s. 79.03 (3), 1999 stats., excluding
4 payments under s. 79.03 (3c), 1999 stats., for 2001, the municipality has an aids
5 deficiency. The amount of the aids deficiency is the amount by which 95% of the
6 amount of the combined payments to the municipality under s. 79.06, 1999 stats.,
7 and s. 79.03 (3), 1999 stats., excluding payments under s. 79.03 (3c), 1999 stats., for
8 2001 exceeds the payments to the municipality under subs. (2) and (3) in 2002. A
9 municipality that has an aids deficiency under this paragraph shall receive a
10 payment from the amounts withheld under sub. (6) (a) that is equal to its proportion
11 of all the aids deficiencies of municipalities under this paragraph in 2002.

12 (b) Except as provided in par. (c), in 2003 and subsequent years, if the combined
13 payments to a municipality under subs. (2) and (3) are less than 95% of the combined
14 payments to the municipality under this subsection and subs. (2), (3), and (6) for the
15 previous year, the municipality has an aids deficiency. The amount of the aids
16 deficiency is the amount by which 95% of the amount of the combined payments to
17 the municipality under this subsection and subs. (2), (3), and (6) in the previous year
18 exceeds the combined payments to the municipality under subs. (2) and (3) in the
19 current year. A municipality that has an aids deficiency under this paragraph shall
20 receive a payment from the amounts withheld under sub. (6) (b) that is equal to its
21 proportion of all the aids deficiencies of municipalities under this paragraph for the
22 current year.

23 (c) In 2003 and subsequent years, if a municipality receives a payment under
24 sub. (3) in the year following the year of the statement under s. 79.015 but did not
25 receive a payment in the year of the statement, or if a municipality does not receive

1 a payment under sub. (3) in the year following the year of the statement under s.
2 79.015 but received a payment in the year of the statement, the payment under sub.
3 (3) shall be excluded from the calculation for determining the minimum payment
4 under par. (b).

5 (6) MAXIMUM PAYMENTS. (a) In 2002, if the combined payments to a municipality
6 under subs. (2) and (3) exceed combined payments to the municipality under s. 79.06,
7 1999 stats., and s. 79.03 (3), 1999 stats., excluding payments under s. 79.03 (3c), 1999
8 stats., for 2001 by more than the maximum allowable increase, the excess shall be
9 withheld to fund minimum payments in 2002 under sub. (5) (a). In this paragraph,
10 "maximum allowable increase" means a percentage such that the sum for all
11 municipalities of the excess of payments in 2002 under subs. (2) and (3) over the
12 payment as limited by the maximum allowable increase is equal to the sum of the
13 aids deficiencies under sub. (5) (a) in 2002.

14 (b) In 2003 and subsequent years, if the combined payments to a municipality
15 under subs. (2) and (3) exceed the combined payments to the municipality under this
16 subsection and subs. (2), (3), and (5) for the previous year by more than the maximum
17 allowable increase, the excess shall be withheld to fund minimum payments in the
18 current year under sub. (5) (b). In this paragraph, "maximum allowable increase"
19 in any year means a percentage such that the sum for all municipalities of the excess
20 of payments in that year under subs. (2) and (3) over the payment as limited by the
21 maximum allowable increase is equal to the sum of the aids deficiencies under sub.
22 (5) (b) in that year.

23 (c) In 2003 and subsequent years, if a municipality receives a payment under
24 sub. (3) in the year following the year of the statement under s. 79.015 but did not
25 receive a payment in the year of the statement, or if a municipality does not receive

1 a payment under sub. (3) in the year following the year of the statement under s.
2 79.015 but received a payment in the year of the statement, the payment under sub.
3 (3) shall be excluded from the calculation for determining the maximum payment
4 under par. (b).

5 ***-2118/3.1* SECTION 2291.** 79.085 of the statutes is created to read:

6 **79.085 Use of county payments.** A county shall use the payments that it
7 receives under ss. 79.03, 79.04, 79.058, and 79.06 to pay the following expenses in
8 the following sequence:

9 (1) The expenses that are not otherwise funded by state or federal aid or by any
10 designated revenue source and that are for probation and parole holds in county jails,
11 for circuit courts under s. 753.19, and for which community youth and family aids are
12 paid under s. 301.26.

13 (2) The costs for which the county would otherwise levy a property tax, as
14 reflected under s. 74.09 (3) (b) 1.

15 ***-1341/4.27* SECTION 2292.** 79.095 (1) (c) of the statutes is amended to read:

16 79.095 (1) (c) "Taxing jurisdiction" means a municipality, county, school
17 district, special purpose district, tax incremental district, environmental
18 remediation tax incremental district, or technical college district.

19 ***-1341/4.28* SECTION 2293.** 79.095 (2) (b) of the statutes is amended to read:

20 79.095 (2) (b) On or before December 31, the tax rate used for each tax
21 incremental district for which the municipality assesses property and for each
22 environmental remediation tax incremental district for which the municipality
23 assesses property.

24 ***-0923/4.2* SECTION 2294.** 79.10 (6m) of the statutes is renumbered 79.10 (6m)

25 (a) and amended to read:

1 79.10 (6m) (a) If Except as provided in pars. (b) and (c), if the department of
2 administration or the department of revenue determines by October 1 of the year of
3 any distribution under subs. (4) and (5) that there was an overpayment or
4 underpayment made in that year's distribution by the department of administration
5 to municipalities, as determined under subs. (4) and (5), because of an error by the
6 department of administration, the department of revenue or any municipality, the
7 overpayment or underpayment shall be corrected as provided in this subsection
8 paragraph. Any overpayment shall be corrected by reducing the subsequent year's
9 distribution, as determined under subs. (4) and (5), by an amount equal to the
10 amount of the overpayment. Any underpayment shall be corrected by increasing the
11 subsequent year's distribution, as determined under subs. (4) and (5), by an amount
12 equal to the amount of the underpayment. Corrections shall be made in the
13 distributions to all municipalities affected by the error. Corrections shall be without
14 interest.

15 *-0923/4.3* SECTION 2295. 79.10 (6m) (b) of the statutes is created to read:

16 79.10 (6m) (b) If, after March 1 of the year of any distribution under sub. (5),
17 a municipality discovers an error in the notice that the municipality furnished under
18 sub. (1m) that resulted in an overpayment of that year's distribution to the
19 municipality, as determined under sub. (5), the municipality shall correct the error
20 and notify the department of revenue of the correction on a form that the department
21 prescribes. If, after March 1 of the year of any distribution under sub. (5), the
22 department of administration or the department of revenue discovers an error in the
23 notice that the municipality furnished under sub. (1m) that resulted in an
24 overpayment of that year's distribution to the municipality, as determined under
25 sub. (5), the department of administration or the department of revenue shall notify

1 the municipality and the municipality shall correct the error. The municipality may
2 pay the amount of the overpayment to the department of revenue and, if the
3 municipality chooses to make such a payment, shall submit the payment with the
4 form prescribed under this paragraph. If the municipality does not pay the amount
5 of the overpayment, the department of administration may collect the amount of the
6 overpayment as a special charge to the municipality or may correct the overpayment
7 as provided under par. (a). Payments under this paragraph shall be without interest
8 and shall be deposited in the lottery fund.

9 ***-0923/4.4*** SECTION 2296. 79.10 (6m) (c) of the statutes is created to read:

10 79.10 (6m) (c) If, after March 1 of the year of any distribution under sub. (5),
11 a municipality discovers an error in the notice that the municipality furnished under
12 sub. (1m) that resulted in an underpayment of that year's distribution to the
13 municipality, as determined under sub. (5), the municipality shall correct the error
14 and notify the department of revenue on a form that the department prescribes. If,
15 after March 1 of the year of any distribution under sub. (5), the department of
16 administration or the department of revenue discovers an error in the notice that the
17 municipality furnished under sub. (1m) that resulted in an underpayment of that
18 year's distribution to the municipality, as determined under sub. (5), the department
19 of administration or the department of revenue shall notify the municipality and the
20 municipality shall correct the error. The department of revenue may either pay the
21 amount of the underpayment to the municipality, from the appropriation under s.
22 20.835 (3) (q), or correct the underpayment as provided under par. (a). Payments
23 under this paragraph shall be without interest.

24 ***-0578/2.4*** SECTION 2297. 84.01 (31) of the statutes is created to read:

1 84.01 (31) ACCOMMODATION OF UTILITY FACILITIES WITHIN HIGHWAY RIGHTS-OF-WAY.
2 Notwithstanding ss. 84.06 (4), 84.063, 84.065, and 84.093, the department may, upon
3 finding that it is feasible and advantageous to the state, negotiate and enter into an
4 agreement to accept any plant or equipment used for the conveyance, by wire, optics,
5 radio signal, or other means, of voice, data, or other information at any frequency
6 over any part of the electromagnetic spectrum, or to accept any services associated
7 with the collection, storage, forwarding, switching, and delivery incidental to such
8 communication, as payment for the accommodation of a utility facility, as defined in
9 s. 84.063 (1) (b), within a highway right-of-way. Any agreement under this
10 subsection is exempt from ss. 16.70 to 16.75, 16.755 to 16.82, and 16.85 to 16.89, but
11 ss. 16.528, 16.752, and 16.754 apply to such agreement.

12 *-0579/1.1* SECTION 2298. 84.01 (32) of the statutes is created to read:

13 84.01 (32) CONFIDENTIALITY OF BIDDER INFORMATION. (a) The department may
14 not disclose to any person any information requested by the department for the
15 purpose of complying with 49 CFR 26, as that section existed on October 1, 1999, that
16 relates to an individual's statement of net worth, a statement of experience, or a
17 company's financial statement, including the gross receipts of a bidder.

18 (b) This subsection does not prohibit the department from disclosing
19 information to any of the following persons:

- 20 1. The person to whom the information relates.
- 21 2. Any person who has the written consent of the person to whom the
22 information relates to receive such information.
- 23 3. Any person to whom 49 CFR 26, as that section existed on October 1, 1999,
24 requires or specifically authorizes the department to disclose such information.

25 *-1798/2.1* SECTION 2299. 84.013 (2) (a) of the statutes is amended to read:

1 84.013 (2) (a) Subject to ~~s. ss. 84.59 (1) and~~ 86.255, major highway projects shall
2 be funded from the appropriations under ss. 20.395 (3) (bq) to (bx) and (4) (jq) and
3 20.866 (2) (ur) to (uu).

4 ***-2228/4.4* SECTION 2300.** 84.013 (2) (b) of the statutes is amended to read:
5 84.013 (2) (b) ~~Subject~~ Except as provided in ss. 84.014 and 84.03 (3) and subject
6 to s. 86.255, reconditioning, reconstruction and resurfacing of highways shall be
7 funded from the appropriations under s. 20.395 (3) (cq) to (cx).

****NOTE: This is reconciled s. 84.013 (2) (b). This SECTION has been affected by
drafts with the following LRB numbers: LRB-1817, LRB-1965, and LRB-2228.

8 ***-0081/1.1* SECTION 2301.** 84.013 (3) (a), (b), (c), (d), (e), (em), (f), (g), (h), (i),
9 (j), (k), (L), (m), (n), (o), (p), (q), (r), (s), (t), (tj), (u), (v), (vc), (vg), (vL), (vp), (vt), (vx),
10 (w), (wr), (x), (xf), (xo), (xs), (xw), (xy), (y), (yb), (yf), (yk), (yo), (ys), (yw), (yy) and (z)
11 of the statutes are repealed.

12 ***-1685/1.1* SECTION 2302.** 84.013 (3) (pe) of the statutes is created to read:
13 84.013 (3) (pe) STH 17 extending approximately 3.25 miles from the
14 intersection of STH 17 and Birchwood Drive to USH 8 approximately 0.16 miles east
15 of Germond Road, designated as the Rhinelander relocation, in Oneida County.

16 ***-1685/1.2* SECTION 2303.** 84.013 (3) (pm) of the statutes is created to read:
17 84.013 (3) (pm) STH 26 extending approximately 48 miles between I 90 in
18 Janesville and STH 60 north of Watertown in Rock, Jefferson, and Dodge counties.

19 ***-1685/1.3* SECTION 2304.** 84.013 (3) (ps) of the statutes is created to read:
20 84.013 (3) (ps) I 39/USH 51 extending approximately 8 miles from south of Fox
21 Glove Road to north of Bridge Street, designated as the Wausau beltline, in
22 Marathon County.

23 ***-2095/1.1* SECTION 2305.** ~~84.016~~ of the statutes is created to read:

84.016

move
after
p. 742-13

1 ~~84.014~~ **Intelligent transportation systems.** (1) In this section, "intelligent
2 84.016

3 transportation system" means a specialized computer or other technical system,
4 including roadway detector loops, closed circuit television, variable message signs,
5 ramp meters, or an integrated traffic signal system, that is used for the purpose ^S of
6 traffic flow measurement and management, congestion avoidance, incident
7 management, travel time information, or other similar purposes.

8 (2) The department may fund the installation, maintenance, and replacement
9 of intelligent transportation systems.

10 *-2228/4.5* SECTION 2306. 84.014[✓] of the statutes is created to read:

11 **84.014 Marquette interchange reconstruction project.** Notwithstanding
12 s. 84.013 and subject to s. 86.225, reconstruction of the interchange at the junction
13 of I 94, I 43, and I 794, known as the Marquette interchange, in Milwaukee County
shall be funded from appropriations under s. 20.395 (3) (ck) to (cy) and (4) (jr).

****NOTE: This is reconciled s. 84.014. This SECTION has been affected by drafts
with the following LRB numbers: LRB-1817, LRB-1965, and LRB-2228.

14 *-0081/1.2* SECTION 2307. 84.02 (8) (d) of the statutes is repealed.

15 *-1965/7.5* SECTION 2308. 84.03 (3) of the statutes is created to read:

16 84.03 (3) WEST CANAL STREET RECONSTRUCTION PROJECT. (a) Subject to par. (b),
17 from federal interstate cost estimate funds received by the state, the department
18 shall award a grant of not more than \$5,000,000 from the appropriation under s.
19 20.395 (3) (cy) to the city of Milwaukee for reconstruction of West Canal Street in the
20 city of Milwaukee to serve as a transportation corridor for the purpose of mitigating
21 traffic associated with the reconstruction of the Marquette interchange.

22 (b) No grant may be awarded under par. (a) unless all of the following occur:

Insert from p. 741-23 ✓

1 1. The city of Milwaukee makes a matching contribution of federal interstate
2 cost estimate funds received by the city equal to the amount of the grant awarded
3 under par. (a) to be used for the West Canal Street reconstruction project.

4 2. Notwithstanding subd. 1., the city of Milwaukee contributes \$10,000,000
5 toward the West Canal Street reconstruction project.

6 3. The federal department of transportation approves the use of federal
7 interstate cost estimate funds under subd. 1. and par. (a) for the project.

8 (c) Notwithstanding pars. (a) and (b), the department shall award grants
9 totaling \$5,000,000 from the appropriation under s. 20.395 (3) (ck) to the city of
10 Milwaukee for reconstruction of West Canal Street in the city of Milwaukee if the city
11 of Milwaukee makes the contribution of \$10,000,000 specified in par. (b) 2.

12 (d) This subsection does not apply after December 31, 2005.

13 *-2387/3.1* SECTION 2309. 84.03 (4) of the statutes is created to read:

14 84.03 (4) PARK EAST FREEWAY CORRIDOR COST SHARING. (a) The maximum state
15 share of costs for the project for the demolition of the Park East Freeway corridor in
16 Milwaukee County, as provided in an agreement entered into on April 20, 1999,
17 between the city of Milwaukee, Milwaukee County, and the state, shall be
18 \$8,000,000, of which \$6,800,000 shall be federal interstate cost estimate funds
19 received by the state.

20 (b) The local share of costs of the project described in par. (a) shall be not less
21 than the amount of \$17,000,000 provided for in the agreement specified under par.
22 (a), of which \$14,500,000 shall be federal interstate cost estimate funds received by
23 the city or county.

****NOTE: This is reconciled s. 84.03 (4). This SECTION has been affected by drafts
with the following LRB numbers: LRB-1965/6.

1 ***-1814/2.4*** SECTION 2310. 84.185 (title) of the statutes is amended to read:

2 **84.185** (title) **Transportation Tommy G. Thompson transportation**
3 **facilities economic assistance and development program.**

4 ***-2228/4.6*** SECTION 2311. 84.59 (1) of the statutes is amended to read:

5 84.59 (1) Transportation facilities under s. 84.01 (28) and, major highway
6 projects as defined under s. 84.013 (1) (a) for the purposes under ss. 84.06 and 84.09,
7 and the Marquette interchange reconstruction project under s. 84.014 for the
8 purposes under ss. 84.06 and 84.09 may be funded with the proceeds of revenue
9 obligations issued subject to and in accordance with subch. II of ch. 18, except that
10 funding for major highway projects with such proceeds may not exceed 53% of the
11 total funds expended in each fiscal year, beginning with fiscal year 2002–03, for
12 major highway projects.

 ****NOTE: This is reconciled s. 84.59 (1). This SECTION has been affected by drafts
with the following LRB numbers: LRB-1798 and LRB-2228.

13 ***-2228/4.7*** SECTION 2312. 84.59 (6) of the statutes is amended to read:

14 84.59 (6) The building commission may contract revenue obligations when it
15 reasonably appears to the building commission that all obligations incurred under
16 this section can be fully paid from moneys received or anticipated and pledged to be
17 received on a timely basis. Except as provided in this subsection, the principal
18 amount of revenue obligations issued under this section may not exceed
19 \$1,447,085,500 and may \$1,743,570,900 to be used for transportation facilities under
20 s. 84.01 (28) and major highway projects for the purposes under ss. 84.06 and 84.09
21 and may not exceed \$6,996,600 to be used for the Marquette interchange
22 reconstruction project under s. 84.014 for the purposes under ss. 84.06 and 84.09.
23 In addition to the foregoing limit limits, in the aggregate, on principal amount, the

1 building commission may contract revenue obligations under this section as the
2 building commission determines is desirable to refund outstanding revenue
3 obligations contracted under this section and to pay expenses associated with
4 revenue obligations contracted under this section.

****NOTE: This is reconciled s. 84.59 (6), stats. This SECTION has been affected by
drafts with the following LRB numbers: LRB-1635 and LRB-2228.

5 ***-1813/4.12* SECTION 2313.** 85.037 of the statutes is repealed.

6 ***-0082/2.1* SECTION 2314.** 85.107 (title) of the statutes is amended to read:

7 **85.107 (title) ~~Minority civil engineer scholarship~~ Scholarship and loan**
8 **repayment incentive grant program.**

9 ***-0082/2.2* SECTION 2315.** 85.107 (1) of the statutes is amended to read:

10 85.107 (1) PURPOSE. The ~~minority civil engineer scholarship and loan~~
11 repayment incentive grant program is created to assist in improving the
12 representation of ~~minorities among employees of~~ targeted group members within job
13 classifications in which targeted group members are underutilized in the
14 department who are classified as civil engineers.

15 ***-0082/2.3* SECTION 2316.** 85.107 (2) of the statutes is repealed.

16 ***-0082/2.4* SECTION 2317.** 85.107 (2m) (intro.) of the statutes is created to
17 read:

18 85.107 (2m) DEFINITIONS. (intro.) In this section:

19 ***-0082/2.5* SECTION 2318.** 85.107 (2m) (am) of the statutes is created to read:

20 85.107 (2m) (am) "Person with a disability" means any person who has a
21 physical or mental disability that constitutes or results in a substantial barrier to
22 employment.

23 ***-0082/2.6* SECTION 2319.** 85.107 (2m) (b) of the statutes is created to read:

1 85.107 (2m) (b) "Targeted group member" means a person with disabilities, or
2 a person who belongs to a class of race, color, or sex, whose percent of the workforce
3 within any job classification in the department is less than that class's percent of the
4 statewide labor market for such job activities.

5 *-0082/2.7* SECTION 2320. 85.107 (3) (a) (intro.) of the statutes is amended to
6 read:

7 85.107 (3) (a) (intro.) Award scholarships to ~~resident minority students~~
8 targeted group members who are enrolled fulltime full time and registered as
9 sophomores, juniors or seniors in a ~~civil engineering bachelor of science degree~~
10 program offered by an accredited institution of higher education in this state.
11 Scholarships under this paragraph shall not exceed the following amounts:

12 *-0082/2.8* SECTION 2321. 85.107 (3) (am) of the statutes is created to read:

13 85.107 (3) (am) Award scholarships of not more than \$2,000 each to any
14 targeted group member who is registered in his or her 2nd year of full-time
15 enrollment in an associate degree program, as defined in s. 38.01 (1), or vocational
16 diploma program, as defined in s. 38.01 (11), at a technical college in this state.

17 *-0082/2.9* SECTION 2322. 85.107 (3) (b) 1. (intro.) of the statutes is amended
18 to read:

19 85.107 (3) (b) 1. (intro.) Make loan repayment grants to ~~minority civil engineers~~
20 targeted group members who are employed by the department and have education
21 loans outstanding. Subject to subd. 2., loan repayment grants under this subdivision
22 shall not exceed the following amounts:

23 *-1857/5.111* SECTION 2323. 85.12 (3) of the statutes is amended to read:

1 85.12 (3) The department may contract with any local governmental unit, as
2 defined in s. ~~16.97~~ 22.01 (7), to provide that local governmental unit with services
3 under this section.

4 *~~-0559/1.1~~* SECTION 2324. 85.20 (4m) (a) (intro.) of the statutes is amended
5 to read:

6 85.20 (4m) (a) (intro.) The department shall pay annually to the eligible
7 applicant described in subd. 6. cm. the amount of aid specified in subd. 6. cm. The
8 department shall pay annually to the eligible applicant described in subd. 6. d. the
9 amount of aid specified in subd. 6. d. The department shall allocate an amount to
10 each eligible applicant described in subd. 7. or 8. to ensure that the sum of state and
11 federal aids for the projected operating expenses of each eligible applicant's urban
12 mass transit system is equal to a uniform percentage, established by the department,
13 of the projected operating expenses of the mass transit system for the calendar year.
14 ~~For calendar year 1999, the operating expenses used to establish the uniform~~
15 ~~percentage shall be the projected operating expenses of an urban mass transit~~
16 ~~system. Subject to sub. (4r), for calendar year 2000 and thereafter the operating~~
17 ~~expenses used to establish the uniform percentage shall be the operating expenses~~
18 ~~incurred during the 2nd calendar year preceding the calendar year for which aid is~~
19 ~~paid under this section.~~ The department shall make allocations as follows:

20 *~~-2161/1.1~~* SECTION 2325. 85.20 (4m) (a) 6. a. and b. of the statutes are
21 repealed.

22 *~~-2161/1.2~~* SECTION 2326. 85.20 (4m) (a) 6. cm. of the statutes is amended to
23 read:

24 85.20 (4m) (a) 6. cm. Beginning with aid payable for calendar year 2000 2001
25 and for each calendar year thereafter, from the appropriation under s. 20.395 (1) (ht),

1 the department shall pay ~~\$53,555,600~~ \$54,894,500 to the eligible applicant that pays
2 the local contribution required under par. (b) 1. for an urban mass transit system that
3 has annual operating expenses in excess of \$80,000,000. If the eligible applicant that
4 receives aid under this subd. 6. cm. is served by more than one urban mass transit
5 system, the eligible applicant may allocate the aid between the urban mass transit
6 systems in any manner the eligible applicant considers desirable.

7 ***-2161/1.3* SECTION 2327.** 85.20 (4m) (a) 6. d. of the statutes is amended to
8 read:

9 85.20 (4m) (a) 6. d. Beginning with aid payable for calendar year ~~2000~~ 2001 and
10 for each calendar year thereafter, from the appropriation under s. 20.395 (1) (hu), the
11 department shall pay ~~\$14,297,600~~ \$14,655,000 to the eligible applicant that pays the
12 local contribution required under par. (b) 1. for an urban mass transit system that
13 has annual operating expenses in excess of \$20,000,000 but less than \$80,000,000.
14 If the eligible applicant that receives aid under this subd. 6. d. is served by more than
15 one urban mass transit system, the eligible applicant may allocate the aid between
16 the urban mass transit systems in any manner the eligible applicant considers
17 desirable.

18 ***-2161/1.4* SECTION 2328.** 85.20 (4m) (a) 7. of the statutes is amended to read:

19 85.20 (4m) (a) 7. a. From the appropriation under s. 20.395 (1) (hr), the uniform
20 percentage for each eligible applicant served by an urban mass transit system
21 operating within an urbanized area having a population as shown in the ~~1990~~ 2000
22 federal decennial census of at least 50,000 or receiving federal mass transit aid for
23 such area, and not specified in subd. 6.

24 b. For the purpose of making allocations under subd. 7. a., the amounts for aids
25 are ~~\$18,422,500 in calendar year 1999 and \$19,804,200 in calendar year 2000 and~~

1 \$20,299,300 in calendar year 2001 and in each calendar year thereafter. These
2 amounts, to the extent practicable, shall be used to determine the uniform
3 percentage in the particular calendar year.

4 *~~2161/1.5~~* SECTION 2329. 85.20 (4m) (a) 8. of the statutes is amended to read:

5 85.20 (4m) (a) 8. a. From the appropriation under s. 20.395 (1) (hs), the uniform
6 percentage for each eligible applicant served by an urban mass transit system
7 operating within an area having a population as shown in the ~~1990~~ 2000 federal
8 decennial census of less than 50,000 or receiving federal mass transit aid for such
9 area.

10 b. For the purpose of making allocations under subd. 8. a., the amounts for aids
11 are ~~\$4,975,900 in calendar year 1999 and \$5,349,100 in calendar year 2000 and~~
12 \$5,482,800 in calendar year 2001 and in each calendar year thereafter. These
13 amounts, to the extent practicable, shall be used to determine the uniform
14 percentage in the particular calendar year.

15 *~~1863/3.5~~* SECTION 2330. 85.20 (4m) (b) 1. of the statutes is amended to read:

16 85.20 (4m) (b) 1. Except as provided in subd. 2., each eligible applicant shall
17 provide a local contribution, exclusive of user fees, toward operating expenses in an
18 amount equal to at least 20% of state aid allocations to that eligible applicant under
19 ~~this section~~ par. (a).

20 *~~1863/3.6~~* SECTION 2331. 85.20 (4p) of the statutes is created to read:

21 85.20 (4p) SUPPLEMENTAL MASS TRANSIT AIDS. (a) From the appropriation under
22 s. 20.395 (1) (jq), the department shall make supplemental payments of mass transit
23 aid in calendar year 2003 and in each calendar year thereafter to each eligible
24 applicant specified in sub. (4m) (a) 6. cm. or d. for whom the percentage increase in
25 the average cost per one-way passenger trip taken on the eligible applicant's urban

SECTION 2331

1 mass transit system in the preceding calendar year did not exceed the percentage
2 increase in the U.S. consumer price index reported for the 12-month period ending
3 on December 31 of that calendar year. If all eligible applicants under this paragraph
4 are eligible to receive payments in a calendar year, the department shall distribute
5 funds in proportion to the number of one-way passenger trips taken on each eligible
6 applicant's urban mass transit system during the preceding calendar year.

7 (b) From the appropriation under s. 20.395 (1) (jr), the department shall make
8 supplemental payments of mass transit aid in calendar year 2003 and in each
9 calendar year thereafter to each eligible applicant specified in sub. (4m) (a) 7. for
10 whom the percentage increase in the average cost per one-way passenger trip taken
11 on the eligible applicant's urban mass transit system in the preceding calendar year
12 did not exceed the percentage increase in the U.S. consumer price index reported for
13 the 12-month period ending on December 31 of that calendar year. If 2 or more
14 eligible applicants under this paragraph are eligible to receive payments in a
15 calendar year, the department shall distribute funds in proportion to the number of
16 one-way passenger trips taken on each eligible applicant's urban mass transit
17 system during the preceding calendar year. This paragraph does not apply to an
18 eligible applicant that is served exclusively by a shared-ride taxicab system.

19 (c) From the appropriation under s. 20.395 (1) (js), the department shall make
20 supplemental payments of mass transit aid in calendar year 2003 and in each
21 calendar year thereafter to each eligible applicant specified in sub. (4m) (a) 8. for
22 whom the percentage increase in the average cost per one-way passenger trip taken
23 on the eligible applicant's urban mass transit system in the preceding calendar year
24 did not exceed the percentage increase in the U.S. consumer price index reported for
25 the 12-month period ending on December 31 of that calendar year. If 2 or more

1 eligible applicants under this paragraph are eligible to receive payments in a
2 calendar year, the department shall distribute funds in proportion to the number of
3 one-way passenger trips taken on each eligible applicant's urban mass transit
4 system during the preceding calendar year. This paragraph does not apply to an
5 eligible applicant that is served exclusively by a shared-ride taxicab system.

6 (d) From the appropriation under s. 20.395 (1) (jt), the department shall make
7 supplemental payments of mass transit aid in calendar year 2003 and in each
8 calendar year thereafter to each eligible applicant that is served exclusively by a
9 shared-ride taxicab system for whom the percentage increase in the average cost per
10 one-way passenger trip taken on the eligible applicant's shared-ride taxicab system
11 in the preceding calendar year did not exceed the percentage increase in the U.S.
12 consumer price index reported for the 12-month period ending on December 31 of
13 that calendar year. If all eligible applicants under this paragraph are eligible to
14 receive payments in a calendar year, the department shall distribute funds in
15 proportion to the number of one-way passenger trips taken on each eligible
16 applicant's shared-ride taxicab system during the preceding calendar year.

17 (e) For purposes of this subsection, the department shall determine the average
18 cost per one-way passenger trip for an eligible applicant by dividing the total
19 operating expenses of the eligible applicant's urban mass transit system for a
20 calendar year by the total number of one-way passenger trips taken on the urban
21 mass transit system during that calendar year. The department may use reasonable
22 estimates of operating expenses or one-way passenger trips for new or expanded
23 services if actual operating expenses or number of one-way passenger trips of the
24 new or expanded services are not known.

1 (f) Supplemental payments of mass transit aid under this subsection are in
2 addition to any state aid allocation under sub. (4m) (a).

3 (g) The department shall promulgate rules to implement and administer the
4 payment of mass transit aids under this subsection. The rules shall include a
5 definition of “one-way passenger trip” for purposes of this subsection.

6 ***-0559/1.2* SECTION 2332.** 85.20 (4r) of the statutes is amended to read:

7 85.20 (4r) EXPANSION OF SERVICE. An eligible applicant shall notify the
8 department if the eligible applicant anticipates receiving new or expanded services
9 provided by an urban mass transit system in a manner that will increase operating
10 expenses. The eligible applicant shall provide the notice during the calendar year
11 preceding the calendar year in which the new or expanded services will first be
12 provided. The notice shall include an estimate of the projected annual operating
13 expenses of the new or expanded services. ~~The department may modify the projected~~
14 ~~annual operating expenses to an amount that the department considers reasonable.~~
15 ~~The department shall adjust the projected annual operating expenses for inflation~~
16 ~~and, for each calendar year for which actual operating costs of the new or expanded~~
17 ~~services are not known, shall add the adjusted projected annual operating expenses~~
18 ~~to the operating expenses used to determine the uniform percentage under sub. (4m)~~
19 (a) (intro.).

20 ***-0284/2.5* SECTION 2333.** 85.24 (title) of the statutes is repealed and
21 recreated to read:

22 **85.24 (title) Transportation employment and mobility program.**

23 ***-0284/2.6* SECTION 2334.** 85.24 (1) of the statutes is amended to read:

24 85.24 (1) PURPOSE. The purpose of this section is to promote the conservation
25 of energy, reduce traffic congestion, improve air quality and, enhance the efficient

1 use of existing transportation systems, and enhance the success of welfare-to-work
2 programs by providing efficient and effective transportation services that link
3 low-income workers with jobs, training centers, and child care facilities, by planning
4 and promoting demand management and ride-sharing programs, and by providing
5 technical and financial assistance to public and private organizations for job access
6 and employment transportation assistance programs and for the development and
7 implementation of demand management and ride-sharing programs.

8 *~~0284/2.7~~* SECTION 2335. 85.24 (2) (ag) of the statutes is created to read:

9 85.24 (2) (ag) “Job access and employment transportation assistance” means
10 policies and programs that are directed at resolving the transportation needs of
11 low-income workers and recipients of public assistance with respect to
12 transportation to-and-from jobs, including welfare-to-work programs, and
13 activities related to their employment.

14 *~~0284/2.8~~* SECTION 2336. 85.24 (2) (br) of the statutes is created to read:

15 85.24 (2) (br) “Transportation employment and mobility” means policies and
16 programs that encompass demand management, ride sharing, and job access and
17 employment transportation assistance.

18 *~~0284/2.9~~* SECTION 2337. 85.24 (3) (a) of the statutes is amended to read:

19 85.24 (3) (a) The department of transportation shall be the lead state agency
20 in demand management and ride-sharing activities and shall collaborate with the
21 department of workforce development in job access and employment transportation
22 assistance programs. The department of transportation shall have all powers
23 necessary to develop and implement a state ~~demand management and ride-sharing~~
24 ~~assistance program which shall include~~ transportation employment and mobility
25 program that includes the coordination of demand management and, ride-sharing,

1 and job access and employment transportation assistance activities in this state; the
2 promotion and marketing of demand management and, ride-sharing, and job access
3 and employment transportation assistance activities; the dissemination of technical
4 information; the provision of technical and financial assistance to public and private
5 organizations for the planning, development, and implementation of demand
6 management and, ride-sharing, and job access and employment transportation
7 assistance programs; and the development and distribution of computer and
8 manual ride-matching systems.

9 ***-0284/2.10*** SECTION 2338. 85.24 (3) (c) of the statutes is amended to read:

10 85.24 (3) (c) The department may administer a program for the distribution of
11 any federal funds for ride sharing and, demand management, and job access and
12 employment transportation assistance that are made available to the state.

13 ***-0284/2.11*** SECTION 2339. 85.24 (3) (d) (intro.) of the statutes is amended to
14 read:

15 85.24 (3) (d) (intro.) The department may award grants from the appropriation
16 under s. 20.395 (1) (bs) to public and private organizations for the development and
17 implementation of demand management and, ride-sharing, and job access and
18 employment transportation assistance programs. As a condition of obtaining a grant
19 under this paragraph, a public or private organization may be required to provide
20 matching funds at any percentage. ~~The~~ For demand management and ride-sharing
21 purposes, the department shall give priority in the awarding of grants to those
22 programs that provide the greatest reduction in automobile trips, especially during
23 peak hours of traffic congestion. The department shall have all powers necessary
24 and convenient to implement this paragraph, including the following powers:

25 ***-0758/2.1*** SECTION 2340. 85.51 (title) of the statutes is amended to read:

1 **85.51** (title) **State traffic patrol services; ~~special events fee.~~**

2 ***-0758/2.2*** **SECTION 2341.** 85.51 of the statutes is renumbered 85.51 (1) and
3 amended to read:

4 85.51 (1) SPECIAL EVENTS FEE. The department may charge ~~the~~ an event
5 sponsor, as defined by rule, a fee, in an amount calculated under a uniform method
6 established by rule, for security and traffic enforcement services provided by the
7 state traffic patrol at any public event for which an admission fee is charged for
8 spectators ~~if the event is organized by a private organization.~~ The department may
9 not impose a fee for such services except as provided in this ~~section~~ subsection.

10 (3) USE OF FEES. All moneys received under this ~~subsection~~ section shall be
11 deposited in the general fund and credited to the appropriation account under s.
12 20.395 (5) (dg).

13 ***-0758/2.3*** **SECTION 2342.** 85.51 (2) of the statutes is created to read:

14 85.51 (2) **SECURITY AND TRAFFIC ENFORCEMENT SERVICES FEE.** The department
15 may charge any person a fee, in an amount calculated under a uniform method
16 established by rule, for security and traffic enforcement services provided by the
17 state traffic patrol during that person's installation, inspection, removal, relocation,
18 or repair of a utility facility, as defined in s. 30.40 (19), located on a highway, as
19 defined in s. 340.01 (22), if that person requests such services in writing.

20 ***-2162/1.1*** **SECTION 2343.** 86.30 (2) (a) 3. (intro.) of the statutes is renumbered
21 86.30 (2) (a) 3. and amended to read:

22 86.30 (2) (a) 3. For each mile of road or street under the jurisdiction of a
23 municipality as determined under s. 86.302, the mileage aid payment shall be ~~an~~
24 amount equal to the following: \$1,747 in calendar year 2001 and \$1,790 in calendar
25 year 2002 and thereafter.

1 *~~2162/1.2~~* SECTION 2344. 86.30 (2) (a) 3. g. of the statutes is repealed.

2 *~~2162/1.3~~* SECTION 2345. 86.30 (2) (a) 3. h. of the statutes is repealed.

3 *~~2162/1.4~~* SECTION 2346. 86.30 (9) (b) of the statutes is amended to read:

4 86.30 (9) (b) For the purpose of calculating and distributing aids under sub. (2),
5 the amounts for aids to counties are ~~\$78,744,300 in calendar years 1998 and 1999,~~
6 and \$84,059,500 in calendar year years 2000 and 2001, \$88,598,700 in calendar year
7 2002, and \$89,239,300 in calendar year 2003 and thereafter. These amounts, to the
8 extent practicable, shall be used to determine the statewide county average
9 cost-sharing percentage in the particular calendar year.

10 *~~2162/1.5~~* SECTION 2347. 86.30 (9) (c) of the statutes is amended to read:

11 86.30 (9) (c) For the purpose of calculating and distributing aids under sub. (2),
12 the amounts for aids to municipalities are ~~\$247,739,100 in calendar years 1998 and~~
13 ~~1999, and \$264,461,500 in calendar year years 2000 and 2001, \$277,684,500 in~~
14 calendar year 2002, and \$277,907,200 in calendar year 2003 and thereafter. These
15 amounts, to the extent practicable, shall be used to determine the statewide
16 municipal average cost-sharing percentage in the particular calendar year.

17 *~~2058/2.1~~* SECTION 2348. 86.31 (2) (a) of the statutes is amended to read:

18 86.31 (2) (a) The department shall administer a local roads improvement
19 program to accelerate the improvement of seriously deteriorating local roads by
20 reimbursing political subdivisions for improvements. The selection of improvements
21 that may be funded under the program shall be performed by officials of each political
22 subdivision, consistent with the requirements of subs. (3), (3g), (3m) and (3r) ~~to (3t)~~.
23 The department shall notify each county highway commissioner of any deadline that
24 affects eligibility for reimbursement under the program no later than 15 days before
25 such deadline.