

2005 DRAFTING REQUEST

Bill

Received: 04/11/2006

Received By: csundber

Wanted: As time permits

Identical to LRB:

For: Revenue

By/Representing: Sherrie Gates-Hendrix

This file may be shown to any legislator: NO

Drafter: csundber

May Contact:

Addl. Drafters:

Subject: Bus. Assn. - miscellaneous

Extra Copies:

Submit via email: YES

Requester's email: sgateshe@dor.state.wi.us

Carbon copy (CC:) to: christopher.sundberg@legis.state.wi.us

Pre Topic:

No specific pre topic given

Topic:

Delete exemption for for-profit unincorporate cooperative associations

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	csundber 04/12/2006	lkunkel 04/12/2006		_____			State Crime
/1			rschluet 04/12/2006	_____	sbasford 04/12/2006	bkraft 04/20/2006	

FE Sent For:

*at intro
4/21*

<END>

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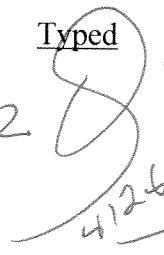
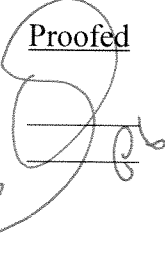
Delete exemption for for-profit unincorporate cooperative associations ✓

Instructions:

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/?	csundber	1/mk 4/12					
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FE Sent For:

<END>

Sundberg, Christopher

From: Gates-Hendrix, Sherrie
Sent: Tuesday, April 11, 2006 11:53 AM
To: Sundberg, Christopher
Cc: Kreye, Joseph
Subject: FW: Drafting Request: Changes to AB 327

Chris, Peggy suggests sending this to you. I guess you and Joe can decide who would draft something like this.

Thanks

Sherrie Gates-Hendrix

From: Gates-Hendrix, Sherrie
Sent: Tuesday, April 11, 2006 11:49 AM
To: Hurley, Peggy
Cc: Kreye, Joseph
Subject: FW: Drafting Request: Changes to AB 327

Peggy, I'm thinking perhaps I should have sent this to you? I see that you drafted the initial AB 327.

Sherrie

Sherrie Gates-Hendrix
DOR Legislative Liaison
<http://www.dor.state.wi.us>
(☎) phone: (608) 267-1262
(☎) fax: (608) 266-5718

From: Gates-Hendrix, Sherrie
Sent: Tuesday, April 11, 2006 11:43 AM
To: Kreye, Joseph
Subject: Drafting Request: Changes to AB 327

Joe -- Could you draft two new LRBs for me?

1) AB 327 as enrolled, but with this change:

Eliminate sections 28, 29, and 30 (delete the language on page 4, starting in the middle of the left column, except the last two lines in the right column).

2) A completely new LRB that makes these changes (assuming AB 327 is enacted...):

- a. Amend secs. 71.26(1)(a) and 71.45(1) to delete the words "or 193" after "ch. 185".
- b. Amend sec. 71.26(1)(c) to delete the words ", unincorporated cooperative associations," after "cooperative associations".
- c. Amend sec. 71.26(1)(c) to insert the word "cooperative" before "association or corporation and which do not charge for such marketing and processing . . .".

As you probably know, there is some concern about the enrolled version of AB 327 providing greater Wis tax benefits to entities organized as unincorporated cooperative associations (UCAs) than are granted to current cooperatives under Ch. 185.

In either of the options above, the changes eliminate the provision of tax exemption for unincorporated cooperative associations organized and operated for profit. As a result of these changes, the intent is that Wisconsin tax treatment of UCAs be the same as the Iowa and Minnesota tax treatment. UCAs could elect to be treated as passthrough entities, thus eliminating tax at the entity level. The investor-members would be subject to tax on their shares of the UCA's income.

Call Carol Held if you have any questions -- 6-5464.

Thanks Joe

Sherrie

2005 ASSEMBLY BILL 327

(FR)

LPS: FLS THAW
FRZ #s

(dn)

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ReGen

1 AN ACT to amend 11.29 (1), 11.29 (4), 11.38 (1) (a) 1., 11.38 (2) (b), 11.38 (8) (a),
2 11.38 (8) (b), 11.38 (8) (b), 13.94 (4) (a) 1., 15.155 (4) (b), 25.17 (3) (dg) 1., 28.02
3 (4) (b) 5., 30.40 (9), 32.22 (12) (a) (intro.), 36.56 (1), 46.037 (1), 49.45 (21) (d),
4 49.455 (4) (d) 1., 49.455 (4) (d) 2., 50.90 (2), 62.237 (1) (b), 66.0425 (6), 66.0807
5 (1), 66.0825 (3) (f), 71.26 (1) (a), 71.26 (1) (c), 71.45 (1), 71.63 (6) (b) 4., 77.51 (10),
6 77.53 (17r) (f), 91.19 (6), 93.01 (2), 93.06 (4), 93.06 (5), 93.06 (6) (a) to (c), 94.67
7 (5) (a) (intro.), 96.01 (8), 96.08 (3) (b), 97.32 (1), 97.32 (3), 99.02 (2) (d), 100.201
8 (1) (b) 2., 100.201 (1) (f) 2., 103.46 (2), 108.02 (2) (dm), 111.01 (2), 126.01 (18),
9 126.11 (3) (b), 126.26 (2) (b), 126.41 (2) (b), 126.56 (3) (b), 126.56 (9) (h), 126.57
10 (1) (b) 2., 126.58 (1) (c) 2., 126.59 (1) (c), 126.61 (1) (c) 2., 133.07 (1), 133.09,
11 134.04 (1), 136.01 (1), 177.015, 178.42 (3) (a), 178.42 (3) (b), 180.0103 (8),
12 180.0401 (2) (a) 7., 180.0401 (3) (a), 180.1506 (2) (a) 7., 180.1506 (3) (a),
13 181.0401 (2) (a) 3., 181.0401 (2) (a) 7., 181.0401 (3) (a), 181.1150, 181.1506 (2)
14 (a) 3., 181.1506 (2) (a) 7., 181.1506 (3) (a), 182.01 (3) (intro.), 182.017 (1),

ASSEMBLY BILL 327

1 182.025 (1), 183.0103 (2) (a), 183.0103 (2) (b), 183.0103 (2) (c), 183.0103 (4) (a),
 2 196.01 (10), 196.02 (2), 196.09 (1), 196.11 (2), 196.20 (3), 196.205 (1m), 196.205
 3 (2), 196.26 (4) (a), 196.28 (4), 196.37 (4), 196.50 (2) (b), 196.605 (1), 196.807 (1)
 4 (a), 199.03 (12), 201.01 (3) (d), 223.105 (1) (b), 231.35 (2) (b), 234.59 (1) (d) 3.,
 5 234.622 (7), 421.301 (28), 445.01 (8), 445.12 (3) (a), 551.22 (12), 560.16 (1) (c)
 6 (intro.), 560.17 (1) (b), 560.9801 (1) (b), 560.9801 (3) (a) 7., 560.9804 (2) (e),
 7 609.01 (2), 609.01 (4), 616.09 (1) (c) 1., 706.05 (2m) (b) 2., 815.18 (2) (c), 893.28
 8 (2), 946.69 (1) (c) and 990.01 (14); **to repeal and recreate** 59.43 (2) (ag) 1.; and
 9 **to create** chapter 193 of the statutes; **relating to:** unincorporated cooperative
 10 associations, granting rule-making authority, and providing a penalty.

INS ANALYSIS → **Analysis by the Legislative Reference Bureau**

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

11 **SECTION 1.** 11.29 (1) of the statutes is amended to read:

12 11.29 (1) Nothing in this chapter restricts any corporation, cooperative,
 13 unincorporated cooperative association, or voluntary association other than a
 14 political party or personal campaign committee from making disbursements for the
 15 purpose of communicating only with its members, shareholders or subscribers to the
 16 exclusion of all other persons, with respect to endorsements of candidates, positions
 17 on a referendum or explanation of its views or interests, without reporting such
 18 activity. No such corporation, cooperative, or ~~voluntary~~ association may solicit
 19 contributions from persons who are not members, shareholders or subscribers to be
 20 used for such purposes.

21 **SECTION 2.** 11.29 (4) of the statutes is amended to read:

ASSEMBLY BILL 327**SECTION 2**

1 11.29 (4) For purposes of this section, the members of a local or regional
2 cooperative or unincorporated cooperative association are deemed to be members of
3 a state cooperative or unincorporated cooperative association if the local or regional
4 cooperative or unincorporated cooperative association is a member of the state
5 cooperative or unincorporated cooperative association.

6 **SECTION 3.** 11.38 (1) (a) 1. of the statutes is amended to read:

7 11.38 (1) (a) 1. No foreign or domestic corporation, or association organized
8 under ch. 185 or 193, may make any contribution or disbursement, directly or
9 indirectly, either independently or through any political party, committee, group,
10 candidate or individual for any purpose other than to promote or defeat a
11 referendum.

12 **SECTION 4.** 11.38 (2) (b) of the statutes is amended to read:

13 11.38 (2) (b) This section does not prohibit the publication of periodicals by a
14 corporation ~~or~~, a cooperative, or an unincorporated cooperative association in the
15 regular course of its affairs which advise the members, shareholders or subscribers
16 of the disadvantages or advantages to their interests of the election to office of
17 persons espousing certain measures, without reporting such activity.

18 **SECTION 5.** 11.38 (8) (a) of the statutes is amended to read:

19 11.38 (8) (a) A corporation or association organized under ch. 185 or 193 which
20 accepts contributions or makes disbursements for the purpose of influencing the
21 outcome of a referendum is a political group and shall comply with s. 11.23 and other
22 applicable provisions of this chapter.

23 **SECTION 6.** 11.38 (8) (b) of the statutes is amended to read:

24 11.38 (8) (b) Except as authorized in s. 11.05 (12) (b) and (13), prior to making
25 any disbursement on behalf of a political group which is promoting or opposing a

ASSEMBLY BILL 327

SECTION 6

1 particular vote at a referendum and prior to accepting any contribution or making
 2 any disbursement to promote or oppose a particular vote at a referendum, a
 3 corporation or association organized under ch. 185 or 193 shall register with the
 4 appropriate filing officer specified in s. 11.02 and appoint a treasurer. The
 5 registration form of the corporation or association under s. 11.05 shall designate an
 6 account separate from all other corporation or association accounts as a campaign
 7 depository account, through which all moneys received or expended for the adoption
 8 or rejection of the referendum shall pass. The corporation or association shall file
 9 periodic reports under s. 11.20 providing the information required under s. 11.06 (1).

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SECTION 7. 11.38 (8) (b) of the statutes, as affected by ²2001 Wisconsin Act ²109,

11 is amended to read:

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12 11.38 (8) (b) Except as authorized in s. 11.05 (12) (b) and (13), prior to making
 13 any disbursement on behalf of a political group which is promoting or opposing a
 14 particular vote at a referendum and prior to accepting any contribution or making any
 15 disbursement to promote or oppose a particular vote at a referendum, a corporation
 16 or association organized under ch. 185 or 193 shall register with the appropriate filing
 17 officer specified in s. 11.02 and appoint a treasurer. The registration form of the
 18 corporation or association under s. 11.05 shall designate an account separate from all
 19 other corporation or association accounts as a campaign depository account, through
 20 which all moneys received or expended for the adoption or rejection of the referendum
 21 shall pass. The corporation or association shall file reports under s. 11.20 and under
 22 s. 11.21 (16), if applicable, providing the information required under s. 11.06 (1).

SECTION 8. 13.94 (4) (a) 1. of the statutes is amended to read:

24 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
 25 credentialing board, commission, independent agency, council or office in the

ASSEMBLY BILL 327

1 executive branch of state government; all bodies created by the legislature in the
2 legislative or judicial branch of state government; any public body corporate and
3 politic created by the legislature including specifically the Fox River Navigational
4 System Authority, a professional baseball park district, a local professional football
5 stadium district, a local cultural arts district and a family care district under s.
6 46.2895; every Wisconsin works agency under subch. III of ch. 49; every provider of
7 medical assistance under subch. IV of ch. 49; technical college district boards;
8 development zones designated under s. 560.71; every county department under s.
9 51.42 or 51.437; every nonprofit corporation or cooperative or unincorporated
10 cooperative association to which moneys are specifically appropriated by state law;
11 and every corporation, institution, association or other organization which receives
12 more than 50% of its annual budget from appropriations made by state law, including
13 subgrantee or subcontractor recipients of such funds.

14 **SECTION 9.** 15.155 (4) (b) of the statutes is amended to read:

15 15.155 (4) (b) Members of the rural economic development board appointed
16 under par. (a) 5. shall have experience operating a business located in a rural
17 municipality, as defined in s. 560.17 (1) (d). At least one member shall have
18 experience operating a cooperative or unincorporated cooperative association
19 located in a rural municipality, as defined in s. 560.17 (1) (d).

20 **SECTION 12.** 25.17 (3) (dg) 1. of the statutes is amended to read:

21 25.17 (3) (dg) 1. Direct obligations of the United States and of agencies of and
22 corporations wholly owned by the United States, and direct obligations of federal
23 land banks, federal home loan banks, central bank for cooperatives and banks for
24 cooperatives or unincorporated cooperative associations, international bank for
25 reconstruction and development, the international finance corporation,

ASSEMBLY BILL 327**SECTION 12**

1 inter-American development bank, African development bank and Asian
2 development bank, in each case maturing within one year or less from the date of
3 investment.

4 **SECTION 12m.** 28.02 (4) (b) 5. of the statutes is amended to read:

5 28.02 (4) (b) 5. To public utilities and ~~cooperative associations~~, cooperatives
6 organized under ch. 185 to furnish gas, light, heat, power, or water to their members,
7 and to telecommunications cooperatives formed under ch. 185 or 193 when needed
8 for power and telecommunications substations, transformers, booster stations and
9 similar installations.

10 **SECTION 14.** 30.40 (9) of the statutes is amended to read:

11 30.40 (9) "Person" means a natural person, corporation, limited liability
12 company, partnership, association, cooperative, unincorporated cooperative
13 association, municipality or other local governmental unit, private or public utility,
14 municipal power district, estate or trust, the United States, a federal agency, the
15 state of Wisconsin or a state agency.

16 **SECTION 16.** 32.22 (12) (a) (intro.) of the statutes is amended to read:

17 32.22 (12) (a) (intro.) Nothing in this section requires the municipality to
18 rehabilitate a residential building, if it appears at any time that total cost of
19 rehabilitation, including structural repairs and alterations, exceeds 80% of the
20 estimated fair market value of the building when rehabilitation is complete. If the
21 municipality determines under this paragraph not to rehabilitate a residential
22 building condemned under this section, the municipality shall sell the building to
23 any corporation organized under ch. 181 that is a nonprofit corporation, as defined
24 in s. 181.0103 (17), or any cooperative organized under ch. 185 or 193 which:

25 **SECTION 17.** 36.56 (1) of the statutes is amended to read:

ASSEMBLY BILL 327

1 36.56 (1) From the appropriation under s. 20.285 (1) (qm), the center for
2 cooperatives under s. 36.11 (40) may award grants to persons to form forestry
3 cooperatives under ch. 185 or 193 that consist primarily of private, nonindustrial
4 owners of woodland. A grant recipient shall provide matching funds equal to 50%
5 of the grant amount awarded. The match may be in the form of money or in-kind
6 services or both, but may not include money received from the state.

7 **SECTION 18.** 46.037 (1) of the statutes is amended to read:

8 46.037 (1) Subject to sub. (1m), each residential child care center and each
9 group home, as defined in s. 48.02 (7), that is licensed under s. 48.625 and
10 incorporated under ch. 180, 181 ~~or~~, 185, or 193 shall establish a per client rate for its
11 services and shall charge all purchasers the same rate.

12 **SECTION 19.** 49.45 (21) (d) of the statutes is amended to read:

13 49.45 (21) (d) This subsection supersedes any provision of chs. 180, 181 ~~and~~,
14 185, and 193.

15 **SECTION 20.** 49.455 (4) (d) 1. of the statutes is amended to read:

16 49.455 (4) (d) 1. The community spouse's expenses for rent or mortgage
17 principal and interest, taxes and insurance for his or her principal residence and, if
18 the community spouse lives in a condominium ~~or~~, a cooperative, or an unincorporated
19 cooperative association, any required maintenance charge.

20 **SECTION 21.** 49.455 (4) (d) 2. of the statutes is amended to read:

21 49.455 (4) (d) 2. The standard utility allowance established under 7 USC 2014
22 (e), except that if the community spouse lives in a condominium ~~or~~, a cooperative, or
23 an unincorporated cooperative association for which the maintenance charge
24 includes utility expenses, the standard utility allowance under 7 USC 2014 (e) is
25 reduced by the amount of the utility expenses included in the maintenance charge.

ASSEMBLY BILL 327

SECTION 22

1 **SECTION 22.** 50.90 (2) of the statutes is amended to read:

2 50.90 (2) "Organization" means a public agency, as defined in s. 46.856 (1) (b),
3 a nonprofit corporation, a for-profit stock corporation, a cooperative, an
4 unincorporated cooperative association, a partnership, a limited liability company
5 or a sole proprietorship.

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6 **SECTION 23.** 59.43 (2) (ag) 1. of the statutes, as affected by 1997 Wisconsin Acts
7 ~~27 and 79, 1997 Wisconsin Act 252, section 84, 2001 Wisconsin Act 16, sections~~
8 ~~1999m and 4041b, 2003 Wisconsin Act 48, sections 10 and 11, and 2003 Wisconsin~~
9 ~~Act 206, is repealed and recreated to read:~~

10 ^{amended} 59.43 (2) (ag) 1. For recording any instrument entitled to be recorded in the
11 office of register of deeds, \$8 for the first page if the county maintains a land
12 information office under s. 59.72 (3) and \$4 for the first page if the county does not
13 maintain such an office, and \$2 for each additional page, except that no fee may be
14 collected for recording a change of address that is exempt from a filing fee under s.
15 185.83 (1) (b) or 193.111 (1) (b).

16 **SECTION 24.** 62.237 (1) (b) of the statutes is amended to read:

17 62.237 (1) (b) "Dwelling" means any structure used or intended to be used for
18 habitation with up to 2 separate units certified for occupancy by the city. "Dwelling"
19 also means any housing cooperative incorporated under ch. 185 or 193.

20 **SECTION 25.** 66.0425 (6) of the statutes is amended to read:

21 66.0425 (6) Subsections (1) to (5) do not apply to telecommunications carriers,
22 as defined in s. 196.01 (8m), telecommunications utilities, as defined in s. 196.01 (10),
23 alternative telecommunications utilities, as defined in s. 196.01 (1d), public service
24 corporations, or ~~to cooperative associations~~ cooperatives organized under ch. 185 to
25 render or furnish ~~telecommunication service~~, gas, light, heat, or power, or to

ASSEMBLY BILL 327

1 cooperatives organized under ch. 185 or 193 to render or furnish telecommunications
2 service, but the carriers, utilities, corporations and associations shall secure a permit
3 from the proper official for temporary obstructions or excavations in a highway and
4 are liable for all injuries to person or property caused by the obstructions or
5 excavations.

6 **SECTION 26.** 66.0807 (1) of the statutes is amended to read:

7 66.0807 (1) In this section, “privately owned public utility” includes a
8 cooperative association organized under ch. 185 or 193 for the purpose of producing
9 or furnishing utility service to its members only.

10 **SECTION 27.** 66.0825 (3) (f) of the statutes is amended to read:

11 66.0825 (3) (f) “Person” means a natural person, a public agency, a cooperative,
12 an unincorporated cooperative association, or a private corporation, limited liability
13 company, association, firm, partnership, or business trust of any nature, organized
14 and existing under the laws of any state or of the United States.

15 **SECTION 28.** 71.26 (1) (a) of the statutes is amended to read:

16 71.26 (1) (a) *Certain corporations.* Income of corporations organized under ch.
17 185 or 193, except income of a cooperative sickness care association organized under
18 s. 185.981, or of a service insurance corporation organized under ch. 613, that is
19 derived from a health maintenance organization as defined in s. 609.01 (2) or a
20 limited service health organization as defined in s. 609.01 (3), or operating under
21 subch. I of ch. 616 which are bona fide cooperatives operated without pecuniary profit
22 to any shareholder or member, or operated on a cooperative plan pursuant to which
23 they determine and distribute their proceeds in substantial compliance with s.
24 185.45, and the income, except the unrelated business taxable income as defined in
25 section 512 of the internal revenue code and except income that is derived from a

ASSEMBLY BILL 327**SECTION 28**

1 health maintenance organization as defined in s. 609.01 (2) or a limited service
2 health organization as defined in s. 609.01 (3), of all religious, scientific, educational,
3 benevolent or other corporations or associations of individuals not organized or
4 conducted for pecuniary profit. This paragraph does not apply to the income of
5 savings banks, mutual loan corporations or savings and loan associations. This
6 paragraph does not apply to income that is realized from the sale of or purchase and
7 subsequent sale or redemption of lottery prizes if the winning tickets were originally
8 bought in this state. This paragraph applies to the income of credit unions except
9 to the income of any credit union that is derived from public deposits for any taxable
10 year in which the credit union is approved as a public depository under ch. 34 and
11 acts as a depository of state or local funds under s. 186.113 (20). For purposes of this
12 paragraph, the income of a credit union that is derived from public deposits is the
13 product of the credit union's gross annual income for the taxable year multiplied by
14 a fraction, the numerator of which is the average monthly balance of public deposits
15 in the credit union during the taxable year, and the denominator of which is the
16 average monthly balance of all deposits in the credit union during the taxable year.

17 **SECTION 29.** 71.26 (1) (c) of the statutes is amended to read:

18 71.26 (1) (c) *Cooperative associations or corporations.* Income of cooperative
19 associations, unincorporated cooperative associations, or corporations engaged in
20 marketing farm products for producers, which turn back to such producers the net
21 proceeds of the sales of their products; provided that such corporations or
22 associations have at least 25 stockholders or members delivering such products and
23 that their dividends have not, during the preceding 5 years, exceeded 8% per year;
24 also income of associations and corporations engaged solely in processing and
25 marketing farm products for one such cooperative association or corporation and

ASSEMBLY BILL 327

1 which do not charge for such marketing and processing more than a sufficient
2 amount to pay the cost of such marketing and processing and 8% dividends on their
3 capital stock and to add 5% to their surplus.

4 **SECTION 30.** 71.45 (1) of the statutes is amended to read:

5 71.45 (1) EXEMPT AND EXCLUDABLE INCOME. There shall be exempt from taxation
6 under this subchapter income of insurers exempt from federal income taxation
7 pursuant to section 501 (c) (15) of the internal revenue code, town mutuals organized
8 under or subject to ch. 612, foreign insurers, and domestic insurers engaged
9 exclusively in life insurance business, domestic insurers insuring against financial
10 loss by reason of nonpayment of principal, interest and other sums agreed to be paid
11 under the terms of any note or bond or other evidence of indebtedness secured by a
12 mortgage, deed of trust or other instrument constituting a lien or charge on real
13 estate and corporations organized under ch. 185 or 193, but not including income of
14 cooperative sickness care associations organized under s. 185.981, or of a service
15 insurance corporation organized under ch. 613, that is derived from a health
16 maintenance organization as defined in s. 609.01 (2) or a limited service health
17 organization as defined in s. 609.01 (3), or operating under subch. I of ch. 616 which
18 are bona fide cooperatives operated without pecuniary profit to any shareholder or
19 member, or operated on a cooperative plan pursuant to which they determine and
20 distribute their proceeds in substantial compliance with s. 185.45. This subsection
21 does not apply to income that is realized from the sale of or purchase and subsequent
22 sale or redemption of lottery prizes if the winning tickets were originally bought in
23 this state.

24 **SECTION 31.** 71.63 (6) (b) 4. of the statutes is amended to read:

ASSEMBLY BILL 327**SECTION 31**

1 71.63 (6) (b) 4. In the employ of the operator of a farm in handling, planting,
2 drying, packaging, processing, freezing, grading, storing or delivering to storage or
3 to market or to a carrier for transportation to market, in its unmanufactured state,
4 any agricultural or horticultural commodity, but only if such operator produced more
5 than one-half of the commodity with respect to which such service was performed,
6 or in the employ of a group of operators of farms (~~or~~ other than a cooperative
7 organization or an unincorporated cooperative association), in the performance of
8 such services, but only if such operators produced all of the commodity with respect
9 to which such service is performed, but the provisions of this subdivision shall not
10 be deemed to be applicable with respect to service performed in connection with
11 commercial canning or commercial freezing or in connection with any agricultural
12 or horticultural commodity after its delivery to a terminal market for distribution or
13 consumption;

14 **SECTION 34.** 77.51 (10) of the statutes is amended to read:

15 77.51 (10) “Person” includes any natural person, firm, partnership, limited
16 liability company, joint venture, joint stock company, association, public or private
17 corporation, the United States, the state, including any unit or division of the state,
18 any county, city, village, town, municipal utility, municipal power district or other
19 governmental unit, cooperative, unincorporated cooperative association, estate,
20 trust, receiver, personal representative, any other fiduciary, and any representative
21 appointed by order of any court or otherwise acting on behalf of others. “Person” also
22 includes the owner of a single-owner entity that is disregarded as a separate entity
23 under ch. 71.

24 **SECTION 35.** 77.53 (17r) (f) of the statutes is amended to read:

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1 77.53 (17r) (f) If the owner or lessee is an estate, a trust or a cooperative, or
2 an unincorporated cooperative association; that estate, that trust and its grantor or
3 that cooperative or association does not have real property or other tangible personal
4 property; except aircraft and such property as hangars, accessories, attachments,
5 fuel and parts required for operation of aircraft; in this state at the time the aircraft
6 is registered in this state.

7 **SECTION 36.** 91.19 (6) of the statutes is amended to read:

8 91.19 (6) The department shall release from a farmland preservation
9 agreement any land acquired for use as an electric generating facility authorized
10 under s. 196.491 (3), or which involves acquisition of the fee by a utility or a
11 cooperative organized under ch. 185 or 193 for purposes of generating electricity or
12 other utility uses.

13 **SECTION 37.** 93.01 (2) of the statutes is amended to read:

14 93.01 (2) “Cooperative association” includes cooperatives and foreign
15 cooperatives as defined in s. ss. 185.01 and 193.005.

16 **SECTION 38.** 93.06 (4) of the statutes is amended to read:

17 93.06 (4) LAW ENFORCEMENT. At the request of the attorney general or of any
18 district attorney, assist in the enforcement of any of the following statutes relating
19 to trade: ss. 133.03 to 133.07, 133.10, 133.12 to 133.15, 133.17, 134.01, 185.94,
20 193.105, 784.04 and 939.31.

21 **SECTION 39.** 93.06 (5) of the statutes is amended to read:

22 93.06 (5) PUBLIC MARKETS; COOPERATIVE ASSOCIATIONS. (a) Give assistance in the
23 organization, operation or reorganization of such public markets as are authorized
24 by law, and of cooperative associations and unincorporated cooperative associations.

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1 (b) By general order, prescribe uniform systems of accounting for public
2 markets or cooperative associations and unincorporated cooperative associations,
3 and may, by general or special order, require any such market or cooperative
4 association to render report, in form indicated by the department, to show the nature
5 and volume of business, resources, liabilities, profits, losses and any other facts
6 bearing upon the financial condition of the market or cooperative association.

7 **SECTION 40.** 93.06 (6) (a) to (c) of the statutes are amended to read:

8 93.06 (6) COOPERATIVES. (a) By general or special order, require any cooperative
9 association or unincorporated cooperative association doing business in this state to
10 file with the department a verified copy of its bylaws and of any exclusive contract
11 of sale or agency between the association and its members or patrons.

12 (b) Investigate the management of any cooperative association or
13 unincorporated cooperative association doing business in this state, and make the
14 facts relating to the management of the ~~cooperative~~ association available to the
15 members of the association, when a request for a management investigation has
16 been filed with the department, signed by all of the directors or by at least 20% of the
17 members of associations of less than 500 members or by at least 100 members of
18 associations of 500 or more members. The department shall fix and collect a fee for
19 investigations under this paragraph, which shall be the actual cost of the
20 investigation.

21 (c) By general or special order, require any cooperative association or
22 unincorporated cooperative association doing business in this state or in the process
23 of organization to file with the department a report of its promotion expenses.

24 **SECTION 42.** 94.67 (5) (a) (intro.) of the statutes is amended to read:

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1 94.67 (5) (a) (intro.) “Commercial application business” means a corporation,
2 a limited liability company, a cooperative association, an unincorporated cooperative
3 association, a partnership, a natural person doing business as a sole proprietor or
4 other nongovernmental business entity that does either of the following:

5 **SECTION 43.** 96.01 (8) of the statutes is amended to read:

6 96.01 (8) “Member-patron” means a person who is a member of a cooperative
7 under ch. 185 or 193 and whose products are marketed through that cooperative.

8 **SECTION 44.** 96.08 (3) (b) of the statutes is amended to read:

9 96.08 (3) (b) A cooperative association or an unincorporated cooperative
10 association engaged in the marketing of affected commodities as the agent of its
11 members may cast a bloc vote or assent for its members, except that it shall exclude
12 from its bloc vote or assent any of its members who are also member-patrons of
13 another cooperative or unincorporated cooperative association which intends to cast
14 a bloc vote or assent for those members.

15 **SECTION 45.** 97.32 (1) of the statutes is amended to read:

16 97.32 (1) Special dairy and food inspectors may be appointed by the
17 department for any factory, plant, receiving station, or group thereof, which buys or
18 receives milk or cream for the purpose of manufacturing, processing or any other
19 purpose whatsoever, upon petition therefor signed by more than two-thirds of the
20 regular patrons of such factory, plant, receiving station, or group thereof, or by the
21 officers of such factory, plant, receiving station or group thereof, or of the officers of
22 any association organized under ch. 185 or 193 representing patrons of such factory,
23 plant, receiving station or group thereof, and upon receiving satisfactory proof that
24 such special dairy and food inspectors will be compensated in full for all services
25 rendered and traveling expenses incurred upon and pursuant to such appointment

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1 as provided in this section. If the inspector is appointed pursuant to petition signed
2 by the officers of an organization, such compensation and expenses shall be paid by
3 such organization; and any factory, plant, receiving station or group thereof shall pay
4 to the association the checkoff as contracted for between the member and the
5 association. If appointed pursuant to petition signed by patrons, each patron of the
6 factory, plant, receiving station or group thereof shall pay such proportion of the total
7 amount of such compensation and expenses as the amount of milk or cream delivered
8 thereto by the patron bears to the total amount delivered thereto by all patrons. The
9 state shall not be liable for any such compensation or expenses.

10 **SECTION 46.** 97.32 (3) of the statutes is amended to read:

11 97.32 (3) Each such special dairy and food inspector shall have all powers
12 conferred by law upon dairy and food inspectors, shall at all times be under the
13 supervision of the department and shall make such reports to the department as the
14 department may require. The special dairy and food inspector shall supervise and
15 inspect the weighing and testing of and shall inspect all milk, cream, butter or cheese
16 delivered to such factory, plant, receiving station or group thereof, except that if the
17 special dairy and food inspector be appointed upon petition by an association
18 organized under ch. 185 or 193, the special dairy and food inspector shall perform
19 duties only for its members, and for such purpose the special dairy and food inspector
20 may use any or all weighing or testing apparatus in such factory, plant, receiving
21 station or group thereof. In addition to the duties herein specifically prescribed, the
22 special dairy and food inspector shall perform such duties as the patrons or
23 organization compensating the special dairy and food inspector or the department
24 may direct.

25 **SECTION 47.** 99.02 (2) (d) of the statutes is amended to read:

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1 99.02 (2) (d) A cooperative association or an unincorporated cooperative
2 association storing farm products and merchandise for members.

3 **SECTION 48.** 100.201 (1) (b) 2. of the statutes is amended to read:

4 100.201 (1) (b) 2. For the purpose of this section any subsidiary or affiliate
5 corporation, limited liability company ~~or~~, cooperative, or unincorporated cooperative
6 association, and any officer, director, partner, member or manager of a corporation,
7 cooperative, unincorporated cooperative association, partnership or limited liability
8 company which is a retailer of selected dairy products, and any individual,
9 corporation, cooperative, unincorporated cooperative association, partnership,
10 limited liability company, association or any other business unit which owns,
11 controls or franchises any retailer or which has any retailer as an affiliate, member
12 or subsidiary, is deemed to be a retailer of selected dairy products and the
13 prohibitions of sub. (2) shall also apply to any such person or business unit which
14 sells any selected dairy product at wholesale.

15 **SECTION 49.** 100.201 (1) (f) 2. of the statutes is amended to read:

16 100.201 (1) (f) 2. For the purpose of this section any subsidiary or affiliate
17 corporation, limited liability company ~~or~~, cooperative, or unincorporated cooperative
18 association, and any officer, director, partner, member or manager of a corporation,
19 cooperative, unincorporated cooperative association, partnership or limited liability
20 company which is a wholesaler of selected dairy products, is deemed to be a
21 wholesaler of selected dairy products.

22 **SECTION 50.** 103.46 (2) of the statutes is amended to read:

23 103.46 (2) A contract or agreement for the sale of agricultural, horticultural or
24 dairy products between a producer of those products and a distributor or purchaser
25 of those products, in which either party to the contract or agreement undertakes or

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1 promises not to join, become or remain a member of any cooperative association
2 organized under ch. 185 or 193 or of any trade association of the producers,
3 distributors or purchasers of those products.

4 **SECTION 51.** 108.02 (2) (dm) of the statutes is amended to read:

5 108.02 (2) (dm) In the employ of a group of operators of farms, or a cooperative
6 organization or unincorporated cooperative association of which operators of farms
7 are members, in the performance of service described in par. (d), but only if such
8 operators produced more than one-half of the commodity with respect to which such
9 service is performed.

10 **SECTION 52.** 111.01 (2) of the statutes is amended to read:

11 111.01 (2) Industrial peace, regular and adequate income for the employee, and
12 uninterrupted production of goods and services are promotive of all of these
13 interests. They are largely dependent upon the maintenance of fair, friendly and
14 mutually satisfactory employment relations and the availability of suitable
15 machinery for the peaceful adjustment of whatever controversies may arise. It is
16 recognized that certain employers, including farmers ~~and~~, farmer cooperatives, and
17 unincorporated farmer cooperative associations, in addition to their general
18 employer problems, face special problems arising from perishable commodities and
19 seasonal production which require adequate consideration. It is also recognized that
20 whatever may be the rights of disputants with respect to each other in any
21 controversy regarding employment relations, they should not be permitted, in the
22 conduct of their controversy, to intrude directly into the primary rights of third
23 parties to earn a livelihood, transact business and engage in the ordinary affairs of
24 life by any lawful means and free from molestation, interference, restraint or
25 coercion.

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1 **SECTION 53.** 126.01 (18) of the statutes is amended to read:

2 126.01 (18) “Person,” notwithstanding s. 990.01 (26), means an individual, a
3 corporation, a cooperative, an unincorporated cooperative association, a
4 partnership, a limited liability company, a trust, a state agency, as defined in s.
5 20.001 (1), a local governmental unit, as defined in s. 66.0131 (1) (a), or other legal
6 entity.

7 **SECTION 54.** 126.11 (3) (b) of the statutes is amended to read:

8 126.11 (3) (b) A statement of whether the applicant is an individual,
9 corporation, partnership, cooperative, unincorporated cooperative association,
10 limited liability company, trust, or other legal entity. If the applicant is a corporation
11 ~~or~~ a cooperative, or an association, the applicant shall identify each officer of the
12 corporation or cooperative. If the applicant is a partnership, the applicant shall
13 identify each partner.

14 **SECTION 55.** 126.26 (2) (b) of the statutes is amended to read:

15 126.26 (2) (b) A statement of whether the applicant is an individual, a
16 corporation, a partnership, a cooperative, an unincorporated cooperative
17 association, a limited liability company, a trust, or other legal entity. If the applicant
18 is a corporation ~~or~~ a cooperative, or an association, the applicant shall identify each
19 officer of the corporation or cooperative. If the applicant is a partnership, the
20 applicant shall identify each partner.

21 **SECTION 56.** 126.41 (2) (b) of the statutes is amended to read:

22 126.41 (2) (b) A statement of whether the applicant is an individual, a
23 corporation, partnership, cooperative, unincorporated cooperative association,
24 limited liability company, trust, or other legal entity. If the applicant is a corporation
25 ~~or~~ a cooperative, or an association, the applicant shall identify each officer of the

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1 corporation or cooperative. If the applicant is a partnership, the applicant shall
2 identify each partner.

3 **SECTION 57.** 126.56 (3) (b) of the statutes is amended to read:

4 126.56 (3) (b) A statement of whether the applicant is an individual, a
5 corporation, a partnership, a cooperative, an unincorporated cooperative
6 association, a limited liability company, a trust, or other legal entity. If the applicant
7 is a corporation ~~or~~, a cooperative, or an association, the application shall identify each
8 officer of the corporation or cooperative. If the applicant is a partnership, the
9 application shall identify each partner.

10 **SECTION 58.** 126.56 (9) (h) of the statutes is amended to read:

11 126.56 (9) (h) Whether the applicant is a producer-owned cooperative or
12 unincorporated cooperative association or organization that procures vegetables
13 solely from its producer owners on the basis of a cooperative marketing method
14 under which the producer-owned cooperative, unincorporated cooperative
15 association, or organization pays its producer owners a prorated share of sales
16 proceeds for the marketing year after a final accounting and the deduction of
17 marketing expenses.

18 **SECTION 59.** 126.57 (1) (b) 2. of the statutes is amended to read:

19 126.57 (1) (b) 2. The vegetable contractor is a producer-owned cooperative or
20 unincorporated cooperative association or organization that procures processing
21 vegetables only from its producer owners.

22 **SECTION 60.** 126.58 (1) (c) 2. of the statutes is amended to read:

23 126.58 (1) (c) 2. The vegetable contractor is a producer-owned cooperative or
24 unincorporated cooperative association that procures processing vegetables only
25 from its producer owners.

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1 **SECTION 61.** 126.59 (1) (c) of the statutes is amended to read:

2 126.59 (1) (c) The vegetable contractor is a producer-owned cooperative or
3 unincorporated cooperative association that procures processing vegetables only
4 from its producer owners.

5 **SECTION 62.** 126.61 (1) (c) 2. of the statutes is amended to read:

6 126.61 (1) (c) 2. The vegetable contractor is a producer-owned cooperative or
7 unincorporated cooperative association that procures processing vegetables only
8 from its producer members.

9 **SECTION 63.** 133.07 (1) of the statutes is amended to read:

10 133.07 (1) This chapter shall not prohibit the existence and operation of labor,
11 agricultural or horticultural organizations, instituted for the purpose of mutual
12 help, and not having capital stock or conducted for profit, or organizations permitted
13 under ch. 185 or 193; shall not forbid or restrain individual members of such
14 organizations from lawfully carrying out the legitimate objects thereof; and such
15 organizations, or the members thereof, shall not be held or construed to be illegal
16 combinations or conspiracies in restraint of trade, under this chapter. The labor of
17 a human being is not a commodity or article of commerce.

18 **SECTION 64.** 133.09 of the statutes is amended to read:

19 **133.09 Collective bargaining.** This chapter shall be so construed as to
20 permit collective bargaining by associations of producers of agricultural products, by
21 organizations permitted under ch. 185 or 193 and by associations of employees when
22 such bargaining is actually and expressly done for the individual benefit of the
23 separate members of each such association making such collective bargain.

24 **SECTION 65.** 134.04 (1) of the statutes is amended to read:

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1 134.04 (1) No person, firm or corporation engaged in any enterprise in this
2 state shall by any method or procedure directly or indirectly by itself or through a
3 subsidiary agency owned or controlled in whole or in part by such person, firm or
4 corporation, sell or procure for sale or have in its possession or under its control for
5 sale to its employees or any person any article, material, product or merchandise of
6 whatsoever nature not of the person's, firm's or corporation's production or not
7 handled in the person's, firm's or corporation's regular course of trade, excepting
8 meals, candy bars, cigarettes and tobacco for the exclusive use and consumption of
9 such employees of the employer, and excepting tools used by employees in said
10 enterprise and such specialized appliances and paraphernalia as may be required in
11 said enterprise for the employees' safety or health and articles used by employees or
12 other persons which insure better sanitary conditions and quality in the
13 manufacture of food or food products. The provisions of this subsection shall not
14 apply to lumber producers, loggers and dealers nor to any cooperative association
15 organized under ch. 185 or 193. This section shall not be construed as authorizing
16 the sale of any merchandise at less than cost as defined in s. 100.30.

17 **SECTION 66.** 136.01 (1) of the statutes is amended to read:

18 136.01 (1) "Contractor" means a person who offers for profit a future service
19 contract to a prospective customer, or who enters into a future service contract with
20 a customer, except a cooperative organized under ch. 185 or 193. Such person
21 includes, but is not limited to, an individual, partnership, limited liability company,
22 unincorporated association, or corporation. A "contractor" includes, but is not
23 limited to, buyers clubs, guilds, plans and guides.

24 **SECTION 67.** 177.015 of the statutes is amended to read:

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1 **177.015 Exemption.** Notwithstanding this chapter, a cooperative organized
2 under ch. 185 or 193 may effect the forfeiture to the cooperative of unclaimed funds
3 as provided in ss. 185.03 (10) ~~and~~, 185.75 (1), 193.301 (14), and 193.905 (4).

4 **SECTION 68.** 178.42 (3) (a) of the statutes is amended to read:

5 178.42 (3) (a) The name of any other domestic or foreign corporation,
6 cooperative, unincorporated cooperative association, registered limited liability
7 partnership, limited partnership, or limited liability company existing, registered or
8 licensed to transact business under the laws of this state.

9 **SECTION 69.** 178.42 (3) (b) of the statutes is amended to read:

10 178.42 (3) (b) Any name reserved or registered under ch. 179, 180, 181, 183 ~~or~~,
11 185, or 193.

12 **SECTION 70.** 180.0103 (8) of the statutes is amended to read:

13 180.0103 (8) “Entity” includes a domestic corporation; a foreign corporation;
14 a limited liability company; a nonstock corporation; a stock or nonstock cooperative
15 association; an unincorporated cooperative association; a profit or nonprofit
16 unincorporated association; a business trust; an estate; a partnership; a trust; 2 or
17 more persons having a joint or common economic interest; a state or an agency,
18 commission, department, authority, bureau or other instrumentality of a state; a
19 governmental subdivision; the United States; and a foreign government.

20 **SECTION 71.** 180.0401 (2) (a) 7. of the statutes is amended to read:

21 180.0401 (2) (a) 7. The name of a cooperative association or an unincorporated
22 cooperative association incorporated or authorized to transact business in this state.

23 **SECTION 72.** 180.0401 (3) (a) of the statutes is amended to read:

24 180.0401 (3) (a) The other corporation or the foreign corporation, limited
25 liability company, nonstock corporation, limited partnership, limited liability

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1 partnership ~~or~~, cooperative association, or unincorporated cooperative association
2 consents to the use in writing and submits an undertaking in a form satisfactory to
3 the department to change its name to a name that is distinguishable upon the records
4 of the department from the name of the applicant.

5 **SECTION 73.** 180.1506 (2) (a) 7. of the statutes is amended to read:

6 180.1506 (2) (a) 7. The name of a cooperative association or an unincorporated
7 cooperative association incorporated or authorized to transact business in this state.

8 **SECTION 74.** 180.1506 (3) (a) of the statutes is amended to read:

9 180.1506 (3) (a) The other foreign corporation or the domestic corporation,
10 limited liability company, nonstock corporation, limited partnership, limited
11 liability partnership ~~or~~, cooperative association, or unincorporated cooperative
12 association consents to the use in writing and submits an undertaking in a form
13 satisfactory to the department to change its name to a name that is distinguishable
14 upon the records of the department from the name of the applicant.

15 **SECTION 75.** 181.0401 (2) (a) 3. of the statutes is amended to read:

16 181.0401 (2) (a) 3. A name reserved or registered under this chapter or ch. 178,
17 179, 180, 183 ~~or~~, 185, or 193.

18 **SECTION 76.** 181.0401 (2) (a) 7. of the statutes is amended to read:

19 181.0401 (2) (a) 7. The name of a cooperative association or an unincorporated
20 cooperative association incorporated or authorized to transact business in this state.

21 **SECTION 77.** 181.0401 (3) (a) of the statutes is amended to read:

22 181.0401 (3) (a) The other corporation or the foreign corporation, limited
23 liability company, stock corporation, limited partnership, limited liability
24 partnership ~~or~~, cooperative association, or unincorporated cooperative association
25 consents to the use in writing and submits an undertaking in a form satisfactory to

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1 the department to change its name to a name that is distinguishable upon the records
2 of the department from the name of the applicant.

3 **SECTION 78.** 181.1150 of the statutes is amended to read:

4 **181.1150 Conversion of cooperative.** A cooperative or an unincorporated
5 cooperative association organized without capital stock may elect to convert itself to
6 a corporation by adopting and filing restated articles of incorporation or organization
7 in the manner required under ch. 185 or 193. The restated articles of incorporation
8 or organization shall conform to the requirements of s. 181.0202 and shall contain
9 a statement that the cooperative or unincorporated cooperative association elects to
10 convert itself to a corporation subject to this chapter. The election to become a
11 corporation subject to this chapter is effective upon the filing of the restated articles
12 of incorporation or organization.

13 **SECTION 79.** 181.1506 (2) (a) 3. of the statutes is amended to read:

14 181.1506 (2) (a) 3. A name reserved or registered under this chapter or ch. 178,
15 179, 180, 183 ~~or~~, 185, or 193.

16 **SECTION 80.** 181.1506 (2) (a) 7. of the statutes is amended to read:

17 181.1506 (2) (a) 7. The name of a cooperative association or an unincorporated
18 cooperative association incorporated or authorized to transact business in this state.

19 **SECTION 81.** 181.1506 (3) (a) of the statutes is amended to read:

20 181.1506 (3) (a) The other foreign corporation or the domestic corporation,
21 limited liability company, nonstock corporation, limited partnership, limited
22 liability partnership ~~or~~, cooperative association, or unincorporated cooperative
23 association consents to the use in writing and submits an undertaking in a form
24 satisfactory to the department to change its name to a name that is distinguishable
25 upon the records of the department from the name of the applicant.