

1 *-3832/1.2* SECTION 21. 71.255 of the statutes is created to read:

2 **71.255 Combined reporting. (1) DEFINITIONS.** In this section:

3 (a) "Combined group" means the group of all persons whose income and
4 apportionment factors are considered under sub. (2) to determine the taxpayer's
5 share of the net business income or loss that is apportionable to this state.

6 (b) "Combined report" means a return under s. 71.24 that is filed on a form
7 prescribed by the department that specifies the income, credits, and tax of each
8 taxpayer member of a commonly controlled group operating as a unitary business.

9 (c) "Commonly controlled group" means any of the following, but does not
10 include an insurer that is exempt from taxation under s. 71.45 (1):

11 1. A parent corporation and any corporation or chain of corporations that are
12 connected to the parent corporation by direct or indirect ownership by the parent
13 corporation if the parent corporation owns stock representing more than 50 percent
14 of the voting power of at least one of the connected corporations or if the parent
15 corporation or any of the connected corporations owns stock that cumulatively
16 represents more than 50 percent of the voting power of each of the connected
17 corporations.

18 2. Any 2 or more corporations if a common owner, regardless of whether or not
19 the owner is a corporation, directly or indirectly owns stock representing more than
20 50 percent of the voting power of the corporations or the connected corporations.

21 3. Any 2 or more corporations if stock representing more than 50 percent of the
22 voting power in each corporation are interests that cannot be separately transferred.

23 4. Any 2 or more corporations if stock representing more than 50 percent of the
24 voting power in each corporation is directly owned by, or for the benefit of, family
25 members. In this subdivision, "family member" means an individual related by

1 blood, marriage, or adoption within the 2nd degree of kinship as computed under s.
2 852.03 (2), 1995 stats., or the spouse of such an individual.

3 (d) "Corporation" means a corporation, as defined in s. 71.22 (1k), that,
4 regardless of where the corporation is located, would be subject to the taxes imposed
5 under this chapter, if the corporation were doing business in this state. For purposes
6 of this section, the business conducted by a pass-through entity that is directly or
7 indirectly held by a corporation is considered the corporation's business
8 proportionate to the corporation's distributive share of the pass-through entity's
9 income. "Corporation" does not include a tax-option corporation.

10 (e) "Department" means the department of revenue.

11 (f) "Internal Revenue Code" means the Internal Revenue Code as defined in s.
12 71.22 (4) and (4m), including any provision of a federal tax treaty that expressly
13 applies to the states of the United States, but not including any other application of
14 a federal tax treaty.

15 (g) "Pass-through entity" means a general or limited partnership, any
16 organization that is treated as a partnership for purposes of this chapter, a real
17 estate investment trust, a regulated investment company, a real estate mortgage
18 investment conduit, a financial asset securitization investment trust, a trust, or an
19 estate.

20 (h) "Tax haven" means a jurisdiction that, for any taxable year, is identified by
21 the organization for economic cooperation and development as a tax haven or as
22 having a harmful, preferential tax regime or has no, or a nominal, effective tax on
23 income and all of the following apply:

1 1. The jurisdiction has laws or practices that prevent the effective exchange of
2 information, for tax purposes, with other governments on taxpayers benefiting from
3 the tax regime.

4 2. The details of the legislative, legal, or administrative provisions of the
5 jurisdiction's tax regime are not publicly available and apparent or are not
6 consistently applied to similarly situated taxpayers or the information needed by tax
7 authorities to determine a taxpayer's correct tax liability, including accounting
8 records and underlying documentation, is not adequately available.

9 3. The jurisdiction facilitates the establishment of foreign-owned entities
10 without requiring a local substantive presence or prohibits such entities from having
11 any commercial impact on the local economy.

12 4. The tax regime explicitly or implicitly excludes the jurisdiction's resident
13 taxpayers from taking advantage of the tax regime's benefits or prohibits enterprises
14 that benefit from the regime from operating in the jurisdiction's domestic market.

15 5. The jurisdiction has created a tax regime that is favorable for tax avoidance,
16 based upon an overall assessment of relevant factors, including whether the
17 jurisdiction has a significant untaxed offshore financial or other services sector
18 relative to its overall economy.

19 (i) "Taxpayer member" means a corporation that is subject to tax under s. 71.23
20 (1) or (2) and that is a member of a combined group.

21 (j) "Unitary business" means a single economic enterprise that consists of
22 separate parts of a single business entity or of a commonly controlled group of
23 business entities that are sufficiently interdependent, integrated, and interrelated
24 by their activities so as to provide a synergy and a mutual benefit that produces a
25 sharing or exchange of value among them and a significant flow of value to the

1 separate parts. For purposes of this section, 2 or more business entities are
2 considered a unitary business if the entities have unity of ownership, operation, and
3 use, as indicated by centralized management or a centralized executive force;
4 centralized purchasing, advertising, or accounting; intercorporate sales or leases;
5 intercorporate services; intercorporate debts; intercorporate use of proprietary
6 materials; interlocking directorates; or interlocking corporate officers. Any business
7 conducted by a pass-through entity that is owned directly or indirectly by a
8 corporation is considered conducted by the corporation, to the extent of the
9 corporation's distributive share of the pass-through entity's income, regardless of
10 the percentage of the corporation's ownership interest. A business conducted
11 directly or indirectly by one corporation is unitary with that portion of a business
12 conducted by another corporation through its direct or indirect interest in a
13 pass-through entity, if the corporations are sufficiently interdependent, integrated,
14 and interrelated by their activities so as to provide a synergy and a mutual benefit
15 that produces a sharing or exchange of value among them and a significant flow of
16 value to the separate parts and the two corporations are members of the same
17 commonly controlled group.

18 (2) CORPORATIONS REQUIRED TO USE COMBINED REPORTING. (a) A corporation
19 engaged in a unitary business with any other corporation shall file a combined report
20 that includes the income, determined under sub. (3), and apportionment factor,
21 determined under sub. (5) and s. 71.25, of the following members of the unitary
22 business:

23 1. Any member incorporated in the United States, including the District of
24 Columbia and any territory or possession of the United States, or formed under the

1 laws of any state, the District of Columbia, or any territory or possession of the
2 United States.

3 2. Any member, regardless of where the entity is incorporated or formed, if the
4 average of the following ratios is 20 percent or more:

5 a. The value of the member's real property and tangible personal property
6 located in the United States, including the District of Columbia and any territory or
7 possession of the United States, not including property that is used to produce
8 nonapportionable income, divided by the value of all of the member's real property
9 and tangible personal property, not including property that is used to produce
10 nonapportionable income. For purposes of this subd. 2. a., the value of property that
11 the member rents is the net annual rental amount for the property, multiplied by 8.

12 b. The amount of the member's payroll that is paid in the United States,
13 including the District of Columbia and any territory or possession of the United
14 States, divided by the amount of the member's total payroll. For purposes of this
15 subd. 2. b., payroll includes compensation paid to employees, but does not include
16 payroll used to produce nonapportionable income. The payroll paid in the United
17 States, including the District of Columbia and any territory or possession of the
18 United States, shall be determined in the same manner as payroll is determined for
19 this state under s. 71.25 (8) (b) 1. to 5.

20 c. The member's sales in the United States, including the District of Columbia
21 and any territory or possession of the United States, divided by the member's total
22 sales. For purposes of this subd. 2. c., sales include items identified in s. 71.25 (9) (e),
23 but not items identified in s. 71.25 (9) (f), and the situs of a sale shall be determined
24 in the same manner as for state sales in s. 71.25 (9) (b), (d), (df), and (dh), not
25 including s. 71.25 (9) (b) 2m. and 3., (c), (df) 3., and (dh) 4.

1 3. Any member that is a domestic international sales corporation as described
2 in sections 991 to 994 of the Internal Revenue Code, a foreign sales corporation as
3 described in sections 921 to 927 of the Internal Revenue Code, or an export trade
4 corporation as described in sections 970 to 971 of the Internal Revenue Code.

5 4. Any member that is a controlled foreign corporation as defined in section 957
6 of the Internal Revenue Code, to the extent of the member's income that is defined
7 in section 952 of of the Internal Revenue Code, including any lower-tier subsidiary's
8 distribution of such income that was previously taxed, determined without regard
9 to federal treaties, and the apportionment factors related to that income. For
10 purposes of this subdivision, any item of income received by a controlled foreign
11 corporation is excluded if the income was subject to an income tax imposed by a
12 foreign country at an effective tax rate greater than 90 percent of the maximum tax
13 rate specified in section 11 of the Internal Revenue Code.

14 5. Any member that earns more than 20 percent of its income, directly or
15 indirectly, from intangible property or service-related activities that are deductible
16 against the business income of other members of the combined group, to the extent
17 of that income and the apportionment factors related to that income.

18 6. Any member that is doing business in a tax haven, if the member is engaged
19 in an activity that is sufficient for that tax haven jurisdiction to impose a tax under
20 federal law. If the member's business activity in a tax haven is entirely outside the
21 scope of the laws and practices that cause the jurisdiction to be a tax haven, the
22 member's business activity is not considered to be conducted in a tax haven for
23 purposes of this section.

24 7. Any member not described in subds. 1. to 6., to the extent that its income is
25 derived from or attributable to sources within the United States, including the

1 District of Columbia and any territory or possession of the United States, as
2 determined under the Internal Revenue Code and by its apportionment factors
3 related to that income.

4 (b) The department may require that a combined report filed under this section
5 include the income and associated apportionment factors of any persons not
6 described under par. (a) that are members of a unitary business to reflect the proper
7 apportionment of income of the entire unitary business, including persons that are
8 not, or would not be, subject to the taxes imposed under this chapter if doing business
9 in this state.

10 (3) COMPONENTS OF INCOME SUBJECT TO TAX. Each taxpayer member is
11 responsible for the tax imposed under this chapter based on its taxable income or loss
12 apportioned or allocated to this state, including:

13 (a) Its share of any business income apportionable to this state of each of the
14 combined groups of which it is a member, as determined under subs. (4) and (5).

15 (b) Its share of any business income apportionable to this state of a distinct
16 business activity conducted in and outside this state wholly by the taxpayer member,
17 as determined under s. 71.25.

18 (c) Its income from a business conducted wholly by the taxpayer member
19 entirely in this state.

20 (d) Its income sourced to this state from the sale or exchange of capital or assets
21 and from involuntary conversions, as determined under sub. (4) (a) 8.

22 (e) Its nonbusiness income or loss allocable to this state.

23 (f) Its income or loss allocated or apportioned in an earlier year that is state
24 source income during the income year, other than a net business loss carry-forward.

1 (g) Its net business loss carry-forward. If the taxable income computed under
2 this subsection and subs. (4) and (5) results in a loss for a taxpayer member of the
3 combined group, the taxpayer member has a net business loss, subject to the net
4 business loss limitations and carry-forward provisions in s. 71.26 (4). The business
5 loss is applied as a deduction in a subsequent year only if the taxpayer member has
6 net income sourced to this state, regardless of whether the taxpayer is a member of
7 a combined group in the subsequent year.

8 (4) BUSINESS INCOME OF THE COMBINED GROUP. The business income of a
9 combined group is determined as follows:

10 (a) Compute the sum of the income of each member of the combined group as
11 determined for federal income tax purposes, as if the members were not consolidated
12 for federal purposes, and modified as provided under s. 71.26. Each member of the
13 combined group shall determine its income as follows:

14 1. For any member incorporated in the United States, including the District of
15 Columbia and any territory or possession of the United States, or included in a
16 consolidated federal corporate income tax return, the income included in the total
17 income of the combined group is the corporation's taxable income as determined
18 under s. 71.26.

19 2. Except as provided in subd. 3, for any member not included in subd. 1., the
20 income included in the total income of the combined group shall be determined as
21 follows:

22 a. Each foreign branch or foreign corporation shall prepare a profit and loss
23 statement in the currency in which the branch's or corporation's books of account are
24 regularly maintained.

1 b. The member shall adjust any statement prepared under subd. 2. a. to
2 conform to the accounting principles generally accepted in the United States for the
3 preparation of profit and loss statements.

4 c. The member shall adjust any statement prepared under subd. 2. a. to
5 conform to the tax accounting standards required by the department for the
6 administration of this chapter.

7 d. Each member of the combined group shall translate its profit and loss
8 statements, and the related apportionment factors, into the currency in which the
9 parent corporation maintains its books and records.

10 e. Each member shall express in U.S. dollars the income apportioned to this
11 state.

12 3. If the department determines that the income determination under this
13 subsection reasonably approximates income as determined under s. 71.26, any
14 member not included in subd. 1. may determine its income based on a consolidated
15 profit and loss statement that includes the member and that is prepared for the
16 purpose of filing, by related corporations, with the securities and exchange
17 commission. If the member is not required to file with the securities and exchange
18 commission, the department may allow, for purposes of this subdivision, the use of
19 the consolidated profit and loss statement prepared for reporting to shareholders
20 and subject to review by an independent auditor. If a statement described in this
21 subdivision does not reasonably approximate income as determined under s. 71.26,
22 the department may accept the statement if the member makes appropriate
23 adjustments to the statement, as determined by the department, to approximate the
24 income determined under s. 71.26.

1 4. If a unitary business includes income from a pass-through entity, the total
2 income of the combined group includes the member's direct and indirect distributive
3 share of the pass-through entity's unitary business income.

4 5. All dividends paid by one member to another are not included in the
5 recipients income, if the dividends are paid out of the earnings and profits of the
6 unitary business in the current taxable year or in an earlier taxable year. This
7 subdivision does not apply to dividends received from members of a unitary business
8 that are not a part of the combined group.

9 6. Except as provided by the department by rule, business income or loss from
10 an intercompany transaction between members of the same combined group shall be
11 deferred in a manner similar to 26 CFR 1.1502-13. Upon the occurrence of any of
12 the following events, deferred business income or loss resulting from an
13 intercompany transaction between members of a combined group shall be included
14 in the income of the seller and shall be apportioned as business income earned
15 immediately before the event:

16 a. The object of the deferred intercompany transaction is sold by the buyer to
17 an entity that is not a member of the combined group.

18 b. The object of the deferred intercompany transaction is sold by the buyer to
19 an entity that is a member of the combined group for use outside the unitary business
20 in which the buyer and seller are engaged.

21 c. The object of the deferred intercompany transaction is converted by the buyer
22 to a use outside the unitary business in which the buyer and seller are engaged.

23 d. The buyer and seller are no longer members of the same combined group,
24 regardless of whether the members remain a unitary business.

1 7. A charitable expense incurred by a member of a combined group, to the
2 extent allowable as a deduction under section 170 of the Internal Revenue Code,
3 shall be subtracted first from the business income of the combined group, subject to
4 the income limitations of section 170 of the Internal Revenue Code as it applies to
5 the entire business income of the group, and any remaining amount shall be treated
6 as a nonbusiness expense allocable to the member that incurred the expense, subject
7 to the income limitations of section 170 of the Internal Revenue Code as it applies
8 to the nonbusiness income of that member. Any charitable deduction described
9 under this subdivision that is allowed as a carryover deduction in a subsequent year
10 is considered to be originally incurred in the subsequent year by the same member,
11 and this section applies in the subsequent year for purposes of determining the
12 allowable deduction in that year.

13 8. Gain or loss from the sale or exchange of capital assets, property described
14 in section 1231 (a) (3) of the Internal Revenue Code, and property subject to an
15 involuntary conversion, is removed from the total separate net income of each
16 member of a combined group and is apportioned and allocated as follows:

17 a. For short-term capital gains or losses, long-term capital gains or losses,
18 gains or losses under section 1231 of the Internal Revenue Code, and involuntary
19 conversions, the business gain and loss of all members are combined within each
20 class of net business gain or loss and each such class is separately apportioned to each
21 member using the member's apportionment percentage determined under sub. (5).

22 b. Each taxpayer member shall net its apportioned business gain or loss for all
23 classes, as determined under subd. 8. a., including any such apportioned business
24 gain and loss from other combined groups, against the taxpayer member's
25 nonbusiness gain and loss for all classes allocated to this state as provided under

1 sections 1231 and 1222 of the Internal Revenue Code, not including nonbusiness
2 items allocated to another state.

3 c. Any resulting state source income or loss, if the loss is not subject to section
4 1211 of the Internal Revenue Code, of a taxpayer member produced by the
5 application of subd. 8. a. and b. shall then be applied to all other state source income
6 or loss of that member.

7 d. Any resulting state source loss of a member that is subject to section 1211
8 of the Internal Revenue Code shall be carried forward or carried back by that
9 member and shall be treated as state source short-term capital loss incurred by that
10 member for the year for which the carry-forward or carry-back applies.

11 9. Any expense of one member of the unitary business that is directly or
12 indirectly attributable to the nonbusiness or exempt income of another member of
13 the unitary business shall be allocated to that other member as corresponding
14 nonbusiness or exempt expense, as appropriate.

15 (b) Subtract any nonbusiness income of the combined group from the amount
16 determined under par. (a) and add any nonbusiness expense or loss of the combined
17 group to the amount determined under par. (a).

18 **(5) TAXPAYER'S SHARE OF BUSINESS INCOME OF A COMBINED GROUP.** The taxpayer's
19 share of the business income apportionable to this state of each combined group of
20 which it is a member shall be the product of the business income of the combined
21 group as determined under sub. (4) and the taxpayer member's sales factor
22 percentage, determined under s. 71.25, modified as follows:

23 (a) Include in the numerator the taxpayer member's sales associated with the
24 combined group's unitary business in this state.

1 (b) Include in the numerator the taxpayer member's sales associated with the
2 combined group's unitary business to another state in which the taxpayer member
3 is not engaged in business, regardless of whether another member of the combined
4 group is engaged in business in the other state.

5 (c) Include in the denominator the sales of all members of the combined group,
6 including the taxpayer, that are associated with the combined group's unitary
7 business regardless of where that business is located.

8 (d) Include sales of a pass-through entity owned directly or indirectly by a
9 corporation in proportion to a ratio the numerator of which is the amount of the
10 corporation's distributive share of the pass-through entity's unitary income included
11 in the income of the combined group in under sub. (4) and the denominator of which
12 is the amount of the pass-through entity's total unitary income.

13 (e) Exclude sales between members of the combined group.

14 (f) If a member of a combined group is not subject to the taxes imposed under
15 s. 71.23 because it is not engaged in business in this state, the numerator of the
16 member's sales factor is zero.

17 **(6) CREDITS AND POST-APPORTIONMENT DEDUCTIONS.** No tax credit or
18 post-apportionment deduction earned by one member of the combined group, but not
19 completed, used by, or allowed to that member, may be used in whole or in part by
20 another member of the combined group or applied in whole or in part against the total
21 income of the combined group.

22 **(7) DESIGNATED AGENT.** (a) For purposes of administering this section, each
23 combined group shall appoint a sole designated agent. The designated agent is the
24 parent corporation of the combined group, if the parent corporation is a taxpayer
25 member of the combined group and the income of the parent corporation is included

1 in the combined report. If there is no such parent corporation, the designated agent
2 may be appointed by the taxpayer members. If there is no such parent corporation
3 and no taxpayer member is appointed, the designated agent is the taxpayer member
4 that has the most significant operations in this state on a recurring basis, as
5 determined by the department. The designated agent may change only when the
6 designated agent is no longer subject to the tax imposed under s. 71.23 (1) or (2), in
7 which case the combined group shall notify the department of such a change in the
8 manner prescribed by the department.

9 (b) The designated agent is responsible for acting on behalf of the taxpayer
10 members of the combined group and shall do all of the following:

- 11 1. File with the department a combined report under sub. (1) (b).
- 12 2. File any extensions under s. 71.24.
- 13 3. File any amended combined reports and claims for refund or credit.
- 14 4. Send and receive all correspondence with the department regarding the
15 combined report.
- 16 5. Remit all taxes, including estimated taxes, to the department. For purposes
17 of computing interest on late payments, all payments remitted are considered to be
18 made on a proportionate basis by all taxpayer members of the combined group,
19 unless otherwise specified by the designated agent.
- 20 6. Participate on behalf of the combined group members in any investigation
21 or hearing requested by the department regarding a combined report, produce all
22 information requested by the department regarding the combined report, and file
23 any appeal related to a combined report. Any appeal filed by the designated agent
24 is considered filed by all members of the combined group.

1 7. Execute any waiver, closing agreement, power of attorney, or other document
2 regarding the combined report filed under sub. (1) (b). Any waiver, agreement, or
3 document executed by the designated agent is considered executed by all members
4 of the combined group.

5 8. Receive notices regarding the combined report. Any such notice the
6 department sends to the designated agent is considered sent to all taxpayer members
7 of the combined group.

8 9. Receive refunds regarding the combined report. Any such refund shall be
9 paid to and in the name of the designated agent and shall discharge any liability of
10 the state to any member of the combined group regarding the refund.

11 (c) The department may relieve the designated agent from any of the duties
12 described in par. (b) to the extent that the duties relate to income, expense, or loss
13 that is not includable in the business income of the combined group under sub. (4).
14 Unless the department provides for such relief by rule, a designated agent shall
15 obtain written approval from the department to be relieved of any such duties.

16 **(8) TAXABLE YEAR OF THE COMBINED GROUP.** (a) Except as provided in par. (b), the
17 combined group's taxable year is the designated agent's taxable year. If a member's
18 taxable year is different from the combined group's taxable year, the designated
19 agent may elect to determine the portion of each member's income to be included in
20 the combined report either from a separate income statement from each member that
21 is prepared by the member's books and records for the months that are included in
22 the combined group's taxable year or by including in the combined report all of the
23 income of each member for the year that ends during the combined group's taxable
24 year. Any election made under this paragraph remains in effect for subsequent years

1 unless the designated agent submits a request to the department to change the
2 election and the department approves in writing.

3 (b) If 2 or more members of a combined group file a federal consolidated return,
4 the combined group's taxable year is the taxable year that corresponds to the federal
5 consolidated return.

6 (9) PART-YEAR MEMBERS OF A COMBINED GROUP. If a corporation becomes a
7 member of a combined group, or ceases to be a member of a combined group, after
8 the beginning of the combined group's taxable year, the corporation's income shall
9 be determined as provided under subs. (3), (4), and (5) for that portion of the year in
10 which the corporation was a member of the combined group, and the income shall be
11 included in the combined report. The income for the remaining short period shall be
12 reported on a separate return or separate combined report.

13 (10) PRESUMPTIONS AND BURDEN OF PROOF. A commonly controlled group is
14 presumed to be engaged in a unitary business and all of the income of the unitary
15 business is presumed to be apportionable business income under this section. A
16 corporation has the burden of proving that it is not a member of a combined group
17 that is subject to this section.

18 *-3865/P4.8* SECTION 22. 71.26 (1m) (j) of the statutes is created to read:

19 71.26 (1m) (j) Those issued under s. 59.58 (6) (f).

20 *-3832/1.3* SECTION 23. 71.26 (3) (x) of the statutes is amended to read:

21 71.26 (3) (x) Sections 1501 to 1505, 1551, 1552, 1563 and 1564 (relating to
22 consolidated returns) are excluded, except as provided under section 1502 of the U.S.
23 treasury regulations as it relates to deferred gain or loss from an intercompany
24 transaction under s. 71.255 (4) (a) 6.

25 *-3865/P4.9* SECTION 24. 71.45 (1t) (j) of the statutes is created to read:

1 71.45 (1t) (j) Those issued under s. 59.58 (6) (f).

2 *-3865/P4.10* *b0399/P1.2* SECTION 25. 77.9971 of the statutes is amended
3 to read:

4 **77.9971 Imposition.** A regional transit authority under s. 59.58 (6) may
5 impose a fee at a rate not to exceed \$2, or not to exceed \$15 if the governing body of
6 the regional transit authority approves a fee under this section at such a rate, for
7 each transaction in the region, as defined in s. 59.58 (6) (a) 2., on the rental, but not
8 for rental and not for rental as a service or repair replacement vehicle, of Type 1
9 automobiles, as defined in s. 340.01 (4) (a), by establishments primarily engaged in
10 short-term rental of passenger cars without drivers, for a period of 30 days or less,
11 unless the sale is exempt from the sales tax under s. 77.54 (1), (4), (7) (a), (7m), (9),
12 or (9a). The fee imposed under this subchapter shall be effective on the first day of
13 the first month that begins at least 90 days after the governing body of the regional
14 transit authority approves the imposition of the fee and notifies the department of
15 revenue. The governing body shall notify the department of a repeal of the fee
16 imposed under this subchapter at least 60 days before the effective date of the repeal.

17 *-3921/1.1* SECTION 26. 231.01 (4) (a) of the statutes is amended to read:

18 231.01 (4) (a) "Cost" means the sum of all costs incurred by a participating
19 health institution, participating educational institution, participating research
20 institution, or participating child care provider, as approved by the authority, as are
21 reasonable and necessary to accomplish the project, exclusive of any private or
22 federal, state, or local financial assistance received by the participating health
23 institution, participating educational institution, participating research institution,
24 or participating child care provider for the payment of the project cost.

25 *-3921/1.2* SECTION 27. 231.01 (4) (b) 1. of the statutes is amended to read:

1 231.01 (4) (b) 1. The cost incurred by or on behalf of the participating health
2 institution, participating educational institution, participating research institution,
3 or participating child care provider of all necessary developmental, planning, and
4 feasibility studies, surveys, plans, and specifications, architectural, engineering,
5 legal, or other special services, the cost of acquisition of land and any buildings and
6 improvements on the land, site preparation, and development including demolition
7 or removal of existing structures, construction, reconstruction, and equipment,
8 including machinery, fixed equipment, and personal property.

9 ***-3921/1.3*** SECTION 28. 231.01 (4) (b) 2. of the statutes is amended to read:

10 231.01 (4) (b) 2. The reasonable cost of financing incurred by a participating
11 health institution, participating educational institution, participating research
12 institution, or participating child care provider in the course of the development of
13 the project to the occupancy date.

14 ***-3921/1.4*** SECTION 29. 231.01 (4) (c) of the statutes is amended to read:

15 231.01 (4) (c) All rents and other net revenues from the operation of the real
16 property, improvements, or personal property on the project site by a participating
17 health institution, participating educational institution, participating research
18 institution, or participating child care provider on and after the date on which the
19 contract between a participating health institution, participating educational
20 institution, participating research institution, or participating child care provider
21 and the authority was entered into, but prior to the occupancy date, shall reduce the
22 sum of all costs in this subsection.

23 ***-3921/1.5*** SECTION 30. 231.01 (6t) of the statutes is created to read:

24 231.01 (6t) "Participating research institution" means an entity that provides
25 or operates a research facility and that undertakes the financing and construction

1 or acquisition of a project or undertakes the refunding or refinancing of obligations
2 or of a mortgage or of advances as provided in this chapter.

3 ***-3921/1.6* SECTION 31.** 231.01 (7) (a) 1. of the statutes is amended to read:

4 231.01 (7) (a) 1. A specific health facility, educational facility, research facility,
5 or child care center work or improvement to be refinanced, acquired, constructed,
6 enlarged, remodeled, renovated, improved, furnished, or equipped by the authority
7 with funds provided in whole or in part under this chapter.

8 ***-3921/1.7* SECTION 32.** 231.01 (7) (a) 2. of the statutes is amended to read:

9 231.01 (7) (a) 2. One or more structures suitable for use as a child care center,
10 research facility, health facility, laboratory, laundry, nurses' or interns' residence or
11 other multi-unit housing facility for staff, employees, patients or relatives of
12 patients admitted for treatment or care in a health facility, physician's facility,
13 administration building, research facility, maintenance, storage, or utility facility.

14 ***-3921/1.8* SECTION 33.** 231.01 (7) (a) 4. of the statutes is amended to read:

15 231.01 (7) (a) 4. Any structure useful for the operation of a health facility,
16 educational facility, research facility, or child care center, including facilities or
17 supporting service structures essential or convenient for the orderly conduct of the
18 health facility, educational facility, research facility, or child care center.

19 ***-3921/1.9* SECTION 34.** 231.01 (7) (c) of the statutes is amended to read:

20 231.01 (7) (c) "Project" may include any combination of projects undertaken
21 jointly by any participating health institution, participating educational institution,
22 participating research institution, or participating child care provider with one or
23 more other participating health institutions, participating educational institutions,
24 participating research institutions, or participating child care providers.

25 ***-3921/1.10* SECTION 35.** 231.01 (8c) of the statutes is created to read:

1 231.01 (8c) "Research facility" means an institution, place, building, or agency
2 that satisfies all of the following:

3 (a) Is owned by an entity that is described in section 501 (c) (3) of the Internal
4 Revenue Code and that is exempt from federal income tax under section 501 (a) of
5 the Internal Revenue Code.

6 (b) Is or will be used in whole or in part for basic research for the advancement
7 of scientific, medical, or technological knowledge and that does not have a specific
8 commercial objective.

9 ***-3921/1.11*** SECTION 36. 231.02 (6) (b) of the statutes is amended to read:

10 231.02 (6) (b) Notwithstanding any other provision of law, it is not a conflict
11 of interest or violation of this section or of any other law for a trustee, director, officer,
12 or employee of a participating health institution, participating educational
13 institution, participating research institution, or participating child care provider or
14 for a person having the required favorable reputation for skill, knowledge, and
15 experience in state and municipal finance or for a person having the required
16 favorable reputation for skill, knowledge, and experience in the field of health
17 facility, educational facility, research facility, or child care center architecture to
18 serve as a member of the authority; if in each case to which par. (a) is applicable, the
19 trustee, director, officer, or employee of the participating health institution,
20 participating educational institution, participating research institution, or
21 participating child care provider abstains from discussion, deliberation, action, and
22 vote by the authority in specific respect to any undertaking pursuant to this chapter
23 in which his or her participating health institution, participating educational
24 institution, participating research institution, or participating child care provider
25 has an interest, or the person having the required favorable reputation for skill,

1 knowledge, and experience in state and municipal finance abstains from discussion,
2 deliberation, action, and vote by the authority in specific respect to any sale,
3 purchase, or ownership of bonds of the authority in which any business of which such
4 person is a participant, owner, officer, or employee has a past, current, or future
5 interest, or such person having the required favorable reputation for skill,
6 knowledge, and experience in the field of health facility, educational facility, research
7 facility, or child care center architecture abstains from discussion, deliberation,
8 action, and vote by the authority in specific respect to construction or acquisition of
9 any project of the authority in which any business of which such person is a
10 participant, owner, officer, or employee has a past, current, or future interest.

11 ***-3921/1.12*** SECTION 37. 231.03 (5) of the statutes is amended to read:

12 231.03 (5) Determine the location and character of any project to be financed
13 under this chapter, and construct, reconstruct, remodel, maintain, enlarge, alter, add
14 to, repair, lease as lessee or lessor and regulate the same, enter into contracts for any
15 such purpose, enter into contracts for the management and operation of a project or
16 other health facilities, educational facilities, research facilities, or child care centers
17 owned by the authority, and designate a participating health institution,
18 participating educational institution, participating research institution, or
19 participating child care provider as its agent to determine the location and character
20 of a project undertaken by the participating health institution, participating
21 educational institution, participating research institution, or participating child
22 care provider under this chapter and as the agent of the authority, to construct,
23 reconstruct, remodel, maintain, manage, enlarge, alter, add to, repair, operate, lease
24 as lessee or lessor and regulate the same, and as the agent of the authority, to enter
25 into contracts for any such purpose, including contracts for the management and

1 operation of such project or other health facilities, educational facilities, research
2 facilities, or child care centers owned by the authority.

3 ***-3921/1.13* SECTION 38.** 231.03 (6) (h) of the statutes is created to read:

4 231.03 (6) (h) Finance any project undertaken for a research facility by a
5 participating research institution.

6 ***-3921/1.14* SECTION 39.** 231.03 (6) (i) of the statutes is created to read:

7 231.03 (6) (i) Refinance outstanding debt of any participating research
8 institution.

9 ***-3921/1.15* SECTION 40.** 231.03 (7) of the statutes is amended to read:

10 231.03 (7) Fix and revise from time to time and charge and collect rates, rents,
11 fees, and charges for the use of and for the services furnished or to be furnished by
12 a project or other health facilities, educational facilities, research facilities, or child
13 care centers owned by the authority or any portion thereof, contract with any person
14 in respect thereto and coordinate its policies and procedures, and cooperate with
15 recognized health facility, educational facility, research facility, or child care center
16 rate setting mechanisms.

17 ***-3921/1.16* SECTION 41.** 231.03 (8) of the statutes is amended to read:

18 231.03 (8) Adopt rules for the use of a project or other health facility,
19 educational facility, research facility, or child care center or any portion of the project
20 or facility owned, financed, or refinanced in whole or in part by the authority,
21 including any property used as security for a loan secured through, from, or with the
22 assistance of the authority. The authority may designate a participating health
23 institution, participating educational institution, participating research institution,
24 or participating child care provider as its agent to establish rules for the use of a
25 project or other health facilities, educational facilities, research facilities, or child

1 care centers undertaken for that participating health institution, participating
2 educational institution, participating research institution, or participating child
3 care provider. The rules shall ensure that a project, health facility, educational
4 facility, research facility, child care center, or property may not be used primarily for
5 sectarian instruction or study or as a place for devotional activities or religious
6 worship.

7 ***-3921/1.17* SECTION 42.** 231.03 (11) of the statutes is amended to read:

8 231.03 (11) Establish or contract with others to carry out on its behalf a health
9 facility, educational facility, research facility, or child care center project cost
10 estimating service, and make this service available on all projects to provide expert
11 cost estimates and guidance to the participating health institution, participating
12 educational institution, participating research institution, or participating child
13 care provider and to the authority. To implement this service and, through it, to
14 contribute to cost containment, the authority may require such reasonable reports
15 and documents from health facility, educational facility, research facility, or child
16 care center projects as are required for this service and for the development of cost
17 reports and guidelines. The authority shall appoint a technical committee on health
18 facility, educational facility, research facility, or child care center project costs and
19 cost containment.

20 ***-3921/1.18* SECTION 43.** 231.03 (13) of the statutes is amended to read:

21 231.03 (13) Make loans to any participating health institution, participating
22 educational institution, participating research institution, or, before May 1, 2000,
23 participating child care provider for the cost of a project in accordance with an
24 agreement between the authority and the participating health institution,
25 participating educational institution, participating research institution, or

1 participating child care provider. The authority may secure the loan by a mortgage
2 or other security arrangement on the health facility, educational facility, research
3 facility, or child care center granted by the participating health institution,
4 participating educational institution, participating research institution, or
5 participating child care provider to the authority. The loan may not exceed the total
6 cost of the project as determined by the participating health institution,
7 participating educational institution, participating research institution, or
8 participating child care provider and approved by the authority.

9 ***-3921/1.19* SECTION 44.** 231.03 (14) of the statutes is amended to read:

10 231.03 (14) Make loans to a health facility, educational facility, research
11 facility, or, before May 1, 2000, child care center for which bonds may be issued under
12 sub. (6) (b) or (d) or under s. 231.03 (6) (f), 1999 stats., to refinance the health
13 facility's, educational facility's, research facility's, or child care center's outstanding
14 debt. The authority may secure the loan or bond by a mortgage or other security
15 arrangement on the health facility, educational facility, research facility, or child care
16 center granted by the participating health institution, participating educational
17 institution, participating research institution, or participating child care provider to
18 the authority.

19 ***-3921/1.20* SECTION 45.** 231.03 (15) of the statutes is amended to read:

20 231.03 (15) Mortgage all or any portion of a project and other health facilities,
21 educational facilities, research facilities, or child care centers and the site thereof,
22 whether owned or thereafter acquired, for the benefit of the holders of bonds issued
23 to finance the project, health facilities, educational facilities, research facilities, or
24 child care centers or any portion thereof or issued to refund or refinance outstanding
25 indebtedness of participating health institutions, educational institutions,

1 participating research institutions, or child care providers as permitted by this
2 chapter.

3 ***-3921/1.21*** SECTION 46. 231.03 (16) of the statutes is amended to read:

4 231.03 (16) Lease to a participating health institution, participating
5 educational institution, participating research institution, or participating child
6 care provider the project being financed or other health facilities, educational
7 facilities, research facilities, or child care centers conveyed to the authority in
8 connection with such financing, upon such terms and conditions as the authority
9 deems proper, and charge and collect rents therefor, and terminate any such lease
10 upon the failure of the lessee to comply with any of the obligations thereof; and
11 include in any such lease, if desired, provisions that the lessee thereof shall have
12 options to renew the term of the lease for such periods and at such rent as the
13 authority determines or to purchase all or any part of the health facilities,
14 educational facilities, research facilities, or child care centers or that, upon payment
15 of all of the indebtedness incurred by the authority for the financing of such project
16 or health facilities, educational facilities, research facilities, or child care centers or
17 for refunding outstanding indebtedness of a participating health institution,
18 participating educational institution, participating research institution, or
19 participating child care provider, the authority may convey all or any part of the
20 project or such other health facilities, educational facilities, research facilities, or
21 child care centers to the lessees thereof with or without consideration.

22 ***-3921/1.22*** SECTION 47. 231.03 (17) of the statutes is amended to read:

23 231.03 (17) Charge to and apportion among participating health institutions,
24 participating educational institutions, participating research institutions, and

1 participating child care providers its administrative costs and expenses incurred in
2 the exercise of the powers and duties conferred by this chapter.

3 ***-3921/1.23* SECTION 48.** 231.03 (18) of the statutes is amended to read:

4 231.03 (18) Make studies of needed health facilities, educational facilities,
5 research facilities, and child care centers that could not sustain a loan were it made
6 under this chapter and recommend remedial action to the legislature; and do the
7 same with regard to any laws or rules that prevent health facilities, educational
8 facilities, research facilities, and child care centers from benefiting from this chapter.

9 ***-3921/1.24* SECTION 49.** 231.03 (19) of the statutes is amended to read:

10 231.03 (19) Obtain, or aid in obtaining, from any department or agency of the
11 United States or of this state or any private company, any insurance or guaranty
12 concerning the payment or repayment of, interest or principal, or both, or any part
13 thereof, on any loan, lease, or obligation or any instrument evidencing or securing
14 the same, made or entered into under the provisions of this chapter; and
15 notwithstanding any other provisions of this chapter, to enter into any agreement,
16 contract, or any other instrument with respect to that insurance or guaranty, to
17 accept payment in the manner and form provided therein in the event of default by
18 a participating health institution, participating educational institution,
19 participating research institution, or participating child care provider, and to assign
20 the insurance or guaranty as security for the authority's bonds.

21 ***-3921/1.25* SECTION 50.** 231.04 of the statutes is amended to read:

22 **231.04 Expenses.** All expenses of the authority incurred in carrying out this
23 chapter shall be payable solely from funds provided under the authority of this
24 chapter, and no liability may be incurred by the authority beyond the extent to which
25 moneys have been provided under this chapter except that, for the purposes of

1 meeting the necessary expenses of initial organization and operation of the authority
2 for the period commencing on June 19, 1974 and continuing until such date as the
3 authority derives moneys from funds provided to it under the authority of this
4 chapter, the authority may borrow such moneys as it requires to supplement the
5 funds provided under s. 20.440. Such moneys borrowed by the authority shall
6 subsequently be charged to and apportioned among participating health
7 institutions, participating educational institutions, participating research
8 institutions, and participating child care providers in an equitable manner, and
9 repaid with appropriate interest over a reasonable period of time.

10 ***-3921/1.26*** SECTION 51. 231.05 (1) of the statutes is amended to read:

11 231.05 (1) By means of this chapter, it is the intent of the legislature to provide
12 assistance and alternative methods of financing to nonprofit health institutions to
13 aid them in providing needed health services consistent with the state's health plan,
14 to nonprofit educational institutions to aid them in providing needed educational
15 services, to nonprofit research institutions to aid them in providing needed research
16 facilities, and to nonprofit child care providers to aid them in providing needed child
17 care services.

18 ***-3921/1.27*** SECTION 52. 231.06 of the statutes is amended to read:

19 **231.06 Property acquisition.** The authority may acquire, directly or by and
20 through a participating health institution, participating educational institution,
21 participating research institution, or participating child care provider as its agent,
22 by purchase or by gift or devise, such lands, structures, property, rights,
23 rights-of-way, franchises, easements, and other interests in lands, including lands
24 lying under water and riparian rights, which are located within this state as it deems
25 necessary or convenient for the construction or operation of a project, upon such

1 terms and at such prices as it considers reasonable and can be agreed upon between
2 it and the owner thereof, and take title thereto in the name of the authority or in the
3 name of a health facility, educational facility, research facility, or child care center
4 as its agent.

5 ***-3921/1.28* SECTION 53.** 231.07 (1) (b) of the statutes is amended to read:

6 231.07 (1) (b) Convey to the participating health institution, participating
7 educational institution, participating research institution, or participating child
8 care provider the authority's interest in the project and in any other health facility,
9 educational facility, research facility, or child care center leased, mortgaged, or
10 subject to a deed of trust or any other form of security arrangement to secure the
11 bond.

12 ***-3921/1.29* SECTION 54.** 231.07 (2) (a) of the statutes is amended to read:

13 231.07 (2) (a) The principal of and interest on any bond issued by the authority
14 to finance a project or to refinance or refund outstanding indebtedness of one or more
15 participating health institutions, participating educational institutions,
16 participating research institutions, or participating child care providers, including
17 any refunding bonds issued to refund and refinance the bond, have been fully paid
18 and the bonds retired or if the adequate provision has been made to pay fully and
19 retire the bond; and

20 ***-3921/1.30* SECTION 55.** 231.08 (5) of the statutes is amended to read:

21 231.08 (5) In addition to the other authorizations under this section, bonds of
22 the authority may be secured by a pooling of leases whereby the authority may assign
23 its rights, as lessor, and pledge rents under 2 or more leases of health facilities,
24 educational facilities, research facilities, or child care centers with 2 or more health
25 institutions, educational institutions, research institutions, or child care providers,

1 as lessees respectively, upon such terms as may be provided for in bond resolutions
2 of the authority.

3 ***-3921/1.31* SECTION 56.** 231.10 (1) of the statutes is amended to read:

4 231.10 (1) The state is not liable on notes or bonds of the authority and the notes
5 and bonds are not a debt of the state. All notes and bonds of the authority shall
6 contain on the face thereof a statement to this effect. The issuance of bonds under
7 this chapter shall not, directly or indirectly or contingently, obligate the state or any
8 political subdivision thereof to levy any form of taxation therefor or to make any
9 appropriation for their payment. Nothing in this section prevents the authority from
10 pledging its full faith and credit or the full faith and credit of a health institution,
11 educational institution, research institution, or child care provider to the payment
12 of bonds authorized under this chapter.

13 ***-3921/1.32* SECTION 57.** 231.12 of the statutes is amended to read:

14 **231.12 Studies and recommendations.** It is the intent and purpose of this
15 chapter that the exercise by the authority of the powers granted to it shall be in all
16 respects for the benefit of the people of this state to assist them to provide needed
17 health facilities, educational facilities, research facilities, and child care centers of
18 the number, size, type, distribution, and operation that will assure admission and
19 health care, education, research opportunities, or child care of high quality to all who
20 need it. The authority shall identify and study all projects which are determined by
21 health planning agencies to be needed, but which could not sustain a loan were such
22 to be made to it under this chapter. The authority shall formulate and recommend
23 to the legislature such amendments to this and other laws, and such other specific
24 measures as grants, loan guarantees, interest subsidies, or other actions the state
25 may provide which would render the construction and operation of needed health

1 facilities, educational facilities, research facilities, and child care centers feasible
2 and in the public interest. The authority also shall identify and study any laws or
3 rules which it finds handicaps or bars a needed health facility, educational facility,
4 research facility, or child care center from participating in the benefits of this chapter,
5 and recommend to the legislature such actions as will remedy such situation.

6 ***-3921/1.33* SECTION 58.** 231.13 (1) (intro.) of the statutes is amended to read:

7 231.13 (1) (intro.) The authority shall collect rents for the use of, or other
8 revenues relating to the financing of, each project. The authority shall contract with
9 a participating health institution, participating educational institution,
10 participating research institution, or participating child care provider for each
11 issuance of bonds. The contract shall provide that the rents or other revenues
12 payable by the health facility, educational facility, research facility, or child care
13 center shall be sufficient at all times to:

14 ***-3921/1.34* SECTION 59.** 231.13 (2) of the statutes is amended to read:

15 231.13 (2) The authority shall pledge the revenues derived and to be derived
16 from a project and other related health facilities, educational facilities, research
17 facilities, or child care centers for the purposes specified in sub. (1), and additional
18 bonds may be issued which may rank on a parity with other bonds relating to the
19 project to the extent and on the terms and conditions provided in the bond resolution.
20 Such pledge shall be valid and binding from the time when the pledge is made, the
21 revenues so pledged by the authority shall immediately be subject to the lien of such
22 pledge without any physical delivery thereof or further act and the lien of any such
23 pledge shall be valid and binding as against all parties having claims of any kind in
24 tort, contract, or otherwise against the authority, irrespective of whether such
25 parties have notice thereof. Neither the bond resolution nor any financing

1 statement, continuation statement, or other instrument by which a pledge is created
2 or by which the authority's interest in revenues is assigned need be filed or recorded
3 in any public records in order to perfect the lien thereof as against 3rd parties, except
4 that a copy thereof shall be filed in the records of the authority and with the
5 department of financial institutions.

6 ***-3921/1.35* SECTION 60.** 231.16 (1) of the statutes is amended to read:

7 231.16 (1) The authority may issue bonds to refund any outstanding bond of
8 the authority or indebtedness that a participating health institution, participating
9 educational institution, participating research institution, or participating child
10 care provider may have incurred for the construction or acquisition of a project prior
11 to or after April 30, 1980, including the payment of any redemption premium on the
12 outstanding bond or indebtedness and any interest accrued or to accrue to the
13 earliest or any subsequent date of redemption, purchase, or maturity, or to pay all
14 or any part of the cost of constructing and acquiring additions, improvements,
15 extensions, or enlargements of a project or any portion of a project. Except for bonds
16 to refund bonds issued under s. 231.03 (6) (g), no bonds may be issued under this
17 section unless the authority has first entered into a new or amended agreement with
18 a participating health institution, participating educational institution,
19 participating research institution, or participating child care provider to provide
20 sufficient revenues to pay the costs and other items described in s. 231.13.

21 ***-3921/1.36* SECTION 61.** 231.20 of the statutes is amended to read:

22 **231.20 Waiver of construction and bidding requirements.** In exercising
23 its powers under s. 101.12, the department of commerce or any city, village, town, or
24 county may, within its discretion for proper cause shown, waive any particular
25 requirements relating to public buildings, structures, grounds, works, and

1 improvements imposed by law upon projects under this chapter; the requirements
2 of s. 101.13 may not be waived, however. If, however, the prospective lessee so
3 requests in writing, the authority shall, through the participating health institution,
4 participating educational institution, participating research institution, or
5 participating child care provider as its agent, call for construction bids in such
6 manner as is determined by the authority with the approval of the lessee.

7 ***-3921/1.37* SECTION 62.** 231.23 of the statutes is amended to read:

8 **231.23 Nonprofit institutions.** It is intended that all nonprofit health and
9 institutions, educational institutions, research institutions, and child care providers
10 in this state be enabled to benefit from and participate in this chapter. To this end,
11 all nonprofit health ~~and~~ institutions, educational institutions, research institutions,
12 and child care providers operating, or authorized to be operated, under any law of
13 this state may undertake projects and utilize the capital financing sources and
14 methods of repayment provided by this chapter, the provisions of any other laws to
15 the contrary notwithstanding.

16 ***-3839/1.4* SECTION 63.** 560.126 (1) (intro.) of the statutes, as created by 2007
17 Wisconsin Act 20, is amended to read:

18 560.126 (1) (intro.) The department may award a grant or make a loan from
19 the appropriations under s. 20.143 (1) (cr), (ie) ~~or~~, and (tm) to a business or researcher
20 to fund any of the following projects:

21 ***-3839/1.5* SECTION 64.** 560.126 (1) (intro.) of the statutes, as affected by 2007
22 Wisconsin Act (this act), is repealed and recreated to read:

23 560.126 (1) (intro.) The department may award a grant or make a loan from
24 the appropriations under s. 20.143 (1) (ie) and (tm) to a business or researcher to fund
25 any of the following projects:

1 ***-3833/1.1* SECTION 65.** 560.7995 (3) (b) of the statutes is amended to read:

2 560.7995 (3) (b) When the department designates an area as an airport
3 development zone, the department shall establish a limit, not to exceed \$3,000,000,
4 for tax benefits applicable to the airport development zone. The total tax benefits
5 applicable to all airport development zones may not exceed \$9,000,000, less any
6 amount allocated to technology zones under s. 560.96 (2) (b) and except that the total
7 amount allocated to all technology zones under s. 560.96 (2) (b) may not exceed
8 \$6,000,000. The department may, after 48 months from the month of any
9 designation under this section, evaluate the area designated as an airport
10 development zone and reallocate the amount of available tax benefits.

11 ***-3833/1.2* SECTION 66.** 560.96 (2) (b) of the statutes is amended to read:

12 560.96 (2) (b) The designation of an area as a technology zone shall be in effect
13 for 10 years from the time that the department first designates the area. ~~However,~~
14 ~~not~~ Not more than \$5,000,000 in tax credits may be claimed in a technology zone,
15 except that the department may allocate the amount of unallocated airport
16 development zone tax credits, as provided under s. 560.7995 (3) (b), to technology
17 zones for which the \$5,000,000 maximum allocation is insufficient. The department
18 may change the boundaries of a technology zone during the time that its designation
19 is in effect. A change in the boundaries of a technology zone does not affect the
20 duration of the designation of the area or the maximum tax credit amount that may
21 be claimed in the technology zone.

22 ***-3865/P4.11* SECTION 67.** 611.11 (4) (a) of the statutes is amended to read:

23 611.11 (4) (a) In this subsection, "municipality" has the meaning given in s.
24 345.05 (1) (c), but also includes the regional transit authority under s. 59.58 (6).

1 *-3859/P3.2* SECTION 68. 2007 Wisconsin Act 20, section 9201 (1c) (a) is
2 amended to read:

3 [2007 Wisconsin Act 20] Section 9201 (1c) (a) Notwithstanding sections 20.001
4 (3) (a) to (c) and 25.40 (3) of the statutes, but subject to paragraph (d), the secretary
5 of administration shall lapse to the general fund or transfer to the general fund from
6 the unencumbered balances of appropriations to executive branch state agencies,
7 other than sum sufficient appropriations and appropriations of federal revenues, an
8 amount equal to ~~\$200,000,000~~ \$175,000,000 during the 2007-09 fiscal biennium and
9 ~~\$200,000,000~~ \$150,000,000 during the 2009-11 fiscal biennium. This paragraph
10 shall not apply to appropriations to the Board of Regents of the University of
11 Wisconsin System and to the technical college system board.

12 *-3902/1.2* SECTION 69. Fiscal changes. ^{CS}

TRAINING IN ADVANCED MANUFACTURING SKILLS.

13 (1) In the schedule under section 20.005 (3) of the statutes for the appropriation
14 to the technical college system board under section 20.292 (1) (dc) of the statutes, as
15 affected by the acts of 2007, the dollar amount is increased by \$5,000,000 for fiscal
16 year 2008-09 to increase funding for grants to technical college districts under
17 section 38.27 (1) (b) 1. of the statutes.

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18 *-3859/P3.3* SECTION 70. Nonstatutory provisions.

19 (1) DEPARTMENT OF TRANSPORTATION APPROPRIATION LAPSES UNDER ACT 20. (a) ^A
20 Notwithstanding section 9201 (1c) of 2007 Wisconsin Act 20, as affected by this act,
21 the secretary of administration may not, under section 9201 (1c) (a) of 2007
22 Wisconsin Act 20, as affected by this act, do any of the following:

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23 1. Lapse or transfer more than a total of \$25,000,000 in fiscal year 2007-08
24 from the appropriations made to the department of transportation.

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SECTION 70

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1 2. Lapse or transfer any amount in fiscal year 2007-08 from any appropriation
2 made to the department of transportation other than the appropriation account
3 under section 20.395 (3) (bq) of the statutes.

4 3. Lapse or transfer any amount in fiscal year 2008-09, 2009-10, or 2010-11
5 from any appropriation made to the department of transportation.

6 (b) If the secretary of administration has, prior to the effective date of this
7 subsection, lapsed or transferred moneys under section 9201 (1c) (a) of 2007
8 Wisconsin Act 20 in a manner that would have been inconsistent with paragraph (a)

9 1. or 2. if the lapse or transfer occurred after the effective date of this subsection, the
10 secretary of administration shall do all of the following:

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11 1. If the lapse or transfer would have been inconsistent with paragraph (a) 1.,
12 the secretary of administration shall transfer, from the general fund to the fund or
13 appropriation account from which the lapse or transfer was made except with respect
14 to the appropriation account under under section 20.395 (3) (bq) of the statutes, pro
15 rata amounts as determined by the secretary totalling the amount by which the lapse
16 or transfer exceeded \$25,000,000.

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17 2. If the lapse or transfer would have been inconsistent with paragraph (a) 2.,
18 the secretary of administration shall transfer, from the general fund to the fund or
19 appropriation account from which the lapse or transfer was made, any amount
20 lapsed or transferred other than an amount lapsed or transferred from the
21 appropriation account under section 20.395 (3) (bq) of the statutes.

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22 (2) ESTIMATES FOR A CERTAIN DEPARTMENT OF TRANSPORTATION SEGREGATED FUND
23 REVENUES-SERVICE APPROPRIATION. The secretary of administration and department
24 of transportation shall estimate additional revenues of \$50,000,000 in fiscal year
25 2007-08, and decreased revenues of \$50,000,000 in fiscal year 2008-09, for the

1 appropriation account under section 20.395 (3) (br) of the statutes, which additional
2 or decreased revenues are not reflected in the schedule under section 20.005 (3) of
3 the statutes, as created by 2007 Wisconsin Act 20.

4 (3) DEPARTMENT OF TRANSPORTATION REQUESTS FOR 2009-11 BIENNIAL BUDGET BILL.
5 Notwithstanding section 16.42 (1) (e) of the statutes, in submitting information
6 under section 16.42 of the statutes for purposes of the 2009-11 biennial budget bill,
7 the department of transportation shall submit a dollar amount for the appropriation
8 under section 20.395 (3) (bq) of the statutes that is \$50,000,000 less than the total
9 amount appropriated under section 20.395 (3) (bq) of the statutes for the 2008-09
10 fiscal year, before submitting any information relating to any increase or decrease
11 in the dollar amount for that appropriation for the 2009-11 fiscal biennium. In
12 addition, the department of transportation's submission of information under
13 section 16.42 of the statutes for purposes of the 2009-11 biennial budget bill shall not
14 reflect the modified estimates required under subsection (2) related to the
15 appropriation account under section 20.395 (3) (br) of the statutes.

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P 45

16 ~~*-3832/1.4* SECTION 71. Initial applicability.~~
17 ~~(1) This act first applies to taxable years beginning on January 1, 2008.~~
18 ~~*-3859/P3.4* SECTION 72. Fiscal changes.~~

19 ~~2 #~~ APPROPRIATION CHANGES FOR MAJOR HIGHWAY PROJECTS. In the schedule under
20 section 20.005 (3) of the statutes for the appropriation to the department of
21 transportation under section 20.395 (3) (bq) of the statutes, as affected by the acts
22 of 2007, the dollar amount is decreased by \$20,000,000 for fiscal year 2007-08 and
23 the dollar amount is increased by \$55,000,000 for fiscal year 2008-09 to increase
24 funding for major development of state trunk and connecting highways.

1 (3) (2) APPROPRIATION CHANGES FOR STATE HIGHWAY REHABILITATION. In the schedule
 2 under section 20.005 (3) of the statutes for the appropriation to the department of
 3 transportation under section 20.395 (3) (cq) of the statutes, as affected by the acts of
 4 2007, the dollar amount is increased by \$20,000,000 for fiscal year 2007-08 and the
 5 dollar amount is increased by \$20,000,000 for fiscal year 2008-09 to increase funding
 6 for improvement of existing state trunk and connecting highways and construction
 7 and rehabilitation of the national system of interstate and defense highways and
 8 bridges and related appurtenances.

9 (4) (3) GENERAL FUND TRANSFER TO TRANSPORTATION FUND. The secretary of
 10 administration shall transfer \$75,000,000 from the general fund to the
 11 transportation fund in fiscal year 2008-09.

12 *-3839/1.6* SECTION 73. Effective dates. This act takes effect on the day
 13 after publication, except as follows:

14 (1) ^{RENEWABLE ENERGY.} (1) The repeal of section 20.143 (1) (cr) of the statutes and the repeal and
 15 recreation of section 560.126 (1) (intro.) of the statutes take effect on July 1, 2009.

16 ~~*-3842/1.9222* SECTION 9222. Fiscal changes; Higher Educational Aids~~
 17 ~~Board.~~
 18 (5) (1) WISCONSIN HIGHER EDUCATION GRANT PROGRAM; TECHNICAL COLLEGE STUDENTS.
 19 In the schedule under section 20.005 (3) of the statutes for the appropriation to the
 20 higher educational aids board under section 20.235 (1) (ff) of the statutes, as affected
 21 by the acts of 2007, the dollar amount is increased by \$1,300,000 for fiscal year
 22 2008-09 to increase funding for the purpose for which the appropriation is made.

23 ~~*-3848/1.9454* SECTION 9454. Effective dates; Workforce Development.~~

(7) Sec.#. Initial applicability.

(9) (#) ⁽⁵⁾ COMBINED REPORTING. The treatment sections 71.22 (9),
 71.255, and 71.26 (3) (x) of the statutes first applies to taxable years
 beginning on January 1, 2008.

Barman, Mike

From: Grant, Peter
Sent: Tuesday, February 12, 2008 8:12 AM
To: Barman, Mike
Subject: FW: LRB4036/1

From: Worcester, Barbara
Sent: Monday, February 11, 2008 5:17 PM
To: Grant, Peter
Subject: LRB4036/1

Hello Peter,

We have reviewed the draft and would like to have it jacketed. Thank you for your help in pulling all of the pieces together.

Barb Worcester
Decker's Office