

2009 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB641)

Received: 04/07/2010

Received By: tkuczens

Wanted: As time permits

Companion to LRB:

For: Louis Molepske Jr (608) 267-9649

By/Representing: Mary Matthias

May Contact:

Drafter: tkuczens

Subject: State Govt - state bldg proj
Buildings/Safety - bldg stndrds
Education - miscellaneous
Local Gov't - misc

Addl. Drafters: jkuesel
pgrant
rkite
mshovers

Extra Copies:

Submit via email: YES

Requester's email: Rep.Molepske@legis.wisconsin.gov

Carbon copy (CC:) to: tracy.kuczenski@legis.wisconsin.gov
jeffery.kuesel@legis.wisconsin.gov
peter.grant@legis.wisconsin.gov
robin.kite@legis.wisconsin.gov
marc.shovers@legis.wisconsin.gov
Mary.Matthias@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Add AB 843 and amendment to ASA1 to AB 641

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>
/?	tkuczens 04/07/2010	kfollett 04/07/2010		_____			

2009 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB641)

Received: 04/07/2010

Received By: tkuczens

Wanted: As time permits

Companion to LRB:

For: Louis Molepske Jr (608) 267-9649

By/Representing: Mary Matthias

May Contact:

Drafter: tkuczens

Subject: State Govt - state bldg proj
Buildings/Safety - bldg stndrds
Education - miscellaneous
Local Gov't - misc

Adl. Drafters: jkuesel
pgrant
rkite
mshovers

Extra Copies:

Submit via email: YES

Requester's email: Rep.Molepske@legis.wisconsin.gov

Carbon copy (CC:) to: tracy.kuczenski@legis.wisconsin.gov
jeffery.kuesel@legis.wisconsin.gov
peter.grant@legis.wisconsin.gov
robin.kite@legis.wisconsin.gov
marc.shovers@legis.wisconsin.gov
Mary.Matthias@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

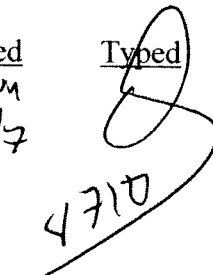
Topic:

Add AB 843 and amendment to ASA1 to AB 641

Instructions:

See attached

Drafting History:

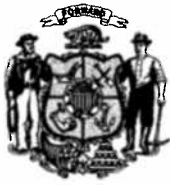
<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	tkuczens	1 nmw 4/7		_____	_____		

4710

Vers. Drafted Reviewed Typed Proofed Submitted Jacketed Required

FE Sent For:

<END>



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBs0238/1
CTS/JK/MDK/TKK:all:jf

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2009 ASSEMBLY BILL 641**

April 6, 2010 – Offered by Representative MOLEPSKE JR..

1 **AN ACT** *to repeal* 20.285 (1) (eg) and 36.25 (54); *to renumber and amend*
2 560.205 (3) (d); *to amend* 20.143 (1) (c), 20.143 (1) (d), 20.143 (1) (fi), 20.143 (1)
3 (ie), 20.143 (1) (ig), 20.143 (1) (im), 20.143 (1) (io), 20.143 (1) (ir), 20.143 (1) (kj),
4 38.41 (3) (d), 71.05 (6) (a) 15., 71.21 (4), 71.26 (2) (a) 4., 71.34 (1k) (g), 71.45 (2)
5 (a) 10., 77.92 (4), 560.2055 (4) (c), 560.27 (3) (c) and 560.703 (1) (a); and *to create*
6 20.285 (1) (cd), 20.285 (1) (eb), 20.285 (1) (eg), 20.437 (2) (fr), 36.25 (52), 36.25
7 (53), 36.25 (54), 49.265 (3) (b) 11., 49.265 (4) (cm), 71.07 (5d) (c) 4., 71.07 (5r),
8 71.10 (4) (cd), 71.28 (5r), 71.30 (3) (cd), 71.47 (5r), 71.49 (1) (cd), 560.203,
9 560.205 (3) (d) 1., 560.205 (3) (d) 2., 560.27 (1) (c) and 560.276 of the statutes;
10 **relating to:** a postsecondary education tax credit for businesses; grants to
11 certain community action agencies for skills enhancement programs;
12 increasing annual limits on angel investment tax credits; awarding grants to
13 the WiSys Technology Foundation, Inc.; business plan competitions and an

1 emerging technology center in the University of Wisconsin System; rural
 2 outsourcing grants; requiring the Department of Commerce to award grants to
 3 a high-technology business development corporation and grants for converting
 4 manufacturing facilities; increasing funding for certain economic development
 5 programs; a pilot program providing microloans for the creation of new
 6 businesses; increasing funding for certain technical college training program
 7 grants; providing an exemption from emergency rule procedures; granting
 8 rule-making authority; and making appropriations.

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

9 SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
 10 the following amounts for the purposes indicated:

				2009-10	2010-11
12	20.285 University of Wisconsin System				
13	(1) UNIVERSITY EDUCATION, RESEARCH AND PUBLIC				
14	SERVICE				
15	(eb) Business plan competition	GPR	A	125,000	125,000
16	(eg) Emerging technology center	GPR	B	400,000	-0-

17 **20.437 Children and families, department of**

18 (2) ECONOMIC SUPPORT

19	(fr) Skills enhancement grants	GPR	A	250,000	250,000
----	--------------------------------	-----	---	---------	---------

20 SECTION 2. 20.143 (1) (c) of the statutes, as affected by 2009 Wisconsin Act 28,
 21 is amended to read:

1 20.143 (1) (c) *Wisconsin development fund; grants, loans, reimbursements, and*
2 *assistance.* Biennially, the amounts in the schedule for grants under s. 560.145; for
3 grants and loans under ~~s. ss. 560.275 (2) and 560.276~~ and under subch. V of ch. 560;
4 for reimbursements under s. 560.167; for the costs specified in s. 560.607; for loans
5 under s. 560.203 and the loan under 1999 Wisconsin Act 9, section 9110 (4); and for
6 the grants under 1995 Wisconsin Act 27, section 9116 (7gg), 1995 Wisconsin Act 119,
7 section 2 (1), 1997 Wisconsin Act 27, section 9110 (6g), 2003 Wisconsin Act 33, section
8 9109 (1d) and (2q), 2007 Wisconsin Act 20, section 9108 (4u), (6c), (7c), (7f), (8c), (8i),
9 (9i), and (10q), 2009 Wisconsin Act 2, section 9110 (2) and (3), and 2009 Wisconsin
10 Act 28, section 9110 (17q).

11 **SECTION 3.** 20.143 (1) (d) of the statutes is amended to read:

12 20.143 (1) (d) *High-technology business development corporation.* The
13 amounts in the schedule for the grants specified in s. 560.27 (1) (b) and (c) and (3),
14 and for the grant under 2009 Wisconsin Act ... (this act), section 45 (2).

15 **SECTION 4.** 20.143 (1) (fi) of the statutes, as created by 2009 Wisconsin Act 28,
16 is amended to read:

17 20.143 (1) (fi) *Forward innovation fund; grants and loans.* Biennially, the
18 amounts in the schedule for grants and loans under s. 560.276 and under subch. II
19 of ch. 560.

20 **SECTION 5.** 20.143 (1) (ie) of the statutes, as affected by 2009 Wisconsin Act 28,
21 is amended to read:

22 20.143 (1) (ie) *Wisconsin development fund, repayments.* All moneys received
23 in repayment of grants or loans under s. 560.085 (4) (b), 1985 stats., s. 560.10, 2005
24 stats., s. 560.147, 2005 stats., s. 560.16, 1995 stats., s. 560.165, 1993 stats., s. 560.275
25 (2), s. 560.62, 2005 stats., s. 560.63, 2005 stats., s. 560.66, 2005 stats., ss. 560.145,

1 560.157, and 560.45, subch. V of ch. 560, 1989 Wisconsin Act 336, section 3015 (1m),
2 1989 Wisconsin Act 336, section 3015 (2m), 1989 Wisconsin Act 336, section 3015
3 (3gx), 1997 Wisconsin Act 27, section 9110 (7f), 1997 Wisconsin Act 310, section 2
4 (2d), 1999 Wisconsin Act 9, section 9110 (4), and 2007 Wisconsin Act 20, section 9108
5 (5x), not appropriated under par. (gv) to be used for grants and loans under ~~s. ss.~~
6 560.275 (2), ~~s. 560.276, and 560.45~~, and subch. V of ch. 560, for the loan under 1999
7 Wisconsin Act 9, section 9110 (4), for the grant under 2001 Wisconsin Act 16, section
8 9110 (7g), for the grants under 2003 Wisconsin Act 33, section 9109 (1d) and (2q), for
9 grants under 2009 Wisconsin Act ... (this act), section 45 (1), for the study under 2009
10 Wisconsin Act 28, section 9110 (15u), and for reimbursements under s. 560.167.

11 **SECTION 6.** 20.143 (1) (ig) of the statutes, as affected by 2009 Wisconsin Act 28,
12 is amended to read:

13 20.143 (1) (ig) *Gaming economic development and diversification; repayments.*
14 Biennially, the amounts in the schedule for grants and loans under s. 560.138, for
15 grants under ~~s. 2009 Wisconsin Act ... (this act), section 45 (1), and under ss. 560.276~~
16 and 560.45, and for the study under 2009 Wisconsin Act 28, section 9110 (15u). All
17 moneys received in repayment of loans under ss. 560.137 (2), 2005 stats., and 560.138
18 shall be credited to this appropriation account.

19 **SECTION 7.** 20.143 (1) (im) of the statutes, as affected by 2009 Wisconsin Act
20 28, is amended to read:

21 20.143 (1) (im) *Minority business projects; repayments.* All moneys received on
22 or before June 30, 2009, in repayment of grants or loans under s. 560.82 (1m) (b), 2007
23 stats., and s. 560.82 (1m) (c), 2007 stats., and loans under 1997 Wisconsin Act 9,
24 section 3, to be used for grants and loans under s. 560.45 and subch. II of ch. 560, for

1 grants under 2009 Wisconsin Act (this act), section 45 (1), and for the study under
2 2009 Wisconsin Act 28, section 9110 (15u).

3 **SECTION 8.** 20.143 (1) (io) of the statutes, as created by 2009 Wisconsin Act 28,
4 is amended to read:

5 20.143 (1) (io) *Grant and loan repayments; forward innovation fund.* All
6 moneys received in repayment of grants or loans under subch. II of ch. 560, grants
7 or loans under s. 560.82 (1m) (b) and (c), 2007 stats., and loans under 1997 Wisconsin
8 Act 9, section 3, to be used for grants and loans under s. 560.276 and under subch.
9 II of ch. 560.

10 **SECTION 9.** 20.143 (1) (ir) of the statutes, as affected by 2009 Wisconsin Act 28,
11 is amended to read:

12 20.143 (1) (ir) *Rural economic development loan repayments.* All moneys
13 received in repayment of loans under s. 560.17, to be used for grants and loans under
14 ss. 560.17 and 560.45, for grants under 2009 Wisconsin Act (this act), section 45
15 (1), and for the study under 2009 Wisconsin Act 28, section 9110 (15u).

16 **SECTION 10.** 20.143 (1) (kj) of the statutes, as affected by 2009 Wisconsin Act
17 28, is amended to read:

18 20.143 (1) (kj) *Gaming economic development and diversification; grants and*
19 *loans.* Biennially, the amounts in the schedule for grants and loans under ~~s.~~ ss.
20 560.138 and 560.276, for the grants under s. 560.139 (1) (a), and for the grants under
21 2001 Wisconsin Act 16, section 9110 (2k), (11pk), and (11zx), and 2009 Wisconsin Act
22 28, section 9110 (16i). All moneys transferred from the appropriation account under
23 s. 20.505 (8) (hm) 6j. shall be credited to this appropriation account.
24 Notwithstanding s. 20.001 (3) (b), the unencumbered balance on June 30 of each

1 odd-numbered year shall revert to the appropriation account under s. 20.505 (8)
2 (hm).

3 **SECTION 11.** 20.285 (1) (cd) of the statutes is created to read:

4 20.285 (1) (cd) *WiSys Technology Foundation grants.* A sum sufficient not to
5 exceed \$2,000,000 for grants to the WiSys Technology Foundation, Inc., under s.
6 36.25 (52) (b).

7 **SECTION 12.** 20.285 (1) (eb) of the statutes is created to read:

8 20.285 (1) (eb) *Business plan competition.* The amounts in the schedule to
9 support a business plan competition program under s. 36.25 (53).

10 **SECTION 13.** 20.285 (1) (eg) of the statutes is created to read:

11 20.285 (1) (eg) *Emerging technology center.* Biennially, the amounts in the
12 schedule to develop a business plan for an emerging technology center under s. 36.25
13 (54).

14 **SECTION 14.** 20.285 (1) (eg) of the statutes, as created by 2009 Wisconsin Act
15 (this act), is repealed.

16 **SECTION 15.** 20.437 (2) (fr) of the statutes is created to read:

17 20.437 (2) (fr) *Skills enhancement grants.* The amounts in the schedule to
18 provide skills enhancement grants under s. 49.265 (4) (cm).

19 **SECTION 16.** 36.25 (52) of the statutes is created to read:

20 36.25 (52) **WISYS TECHNOLOGY FOUNDATION GRANTS.** (a) In this subsection,
21 “foundation” means the WiSys Technology Foundation, Inc.

22 (b) From the appropriation under s. 20.285 (1) (cd), the board shall award
23 grants to the foundation for the Wisconsin Small Company Advancement program
24 to provide intellectual property management services to the extension and all
25 institutions and college campuses other than the University of Wisconsin–Madison

1 and the University of Wisconsin–Milwaukee and for the administrative costs of the
2 program. The amount of each grant shall be \$250,000. The foundation may use no
3 more than \$75,000 of the amount appropriated under s. 20.285 (1) (cd) for the
4 administrative costs of the program. The board may not award a grant unless the
5 foundation shows to the satisfaction of the board that the foundation has secured,
6 after January 1, 2010, matching funds for the program from sources other than the
7 state that are equal to the amount of the grant, except that the amounts used for
8 administrative costs of the program are exempt from the matching requirement.
9 In-kind contributions may be applied to meet the matching requirement.

10 (c) The board shall submit progress reports on the use of grants under par. (b)
11 to the joint committee on finance and the chief clerk of each house of the legislature
12 for distribution to the appropriate standing committees under s. 13.172 (3), at least
13 annually until the program funded by the grants under par. (b) is terminated.

14 **SECTION 17.** 36.25 (53) of the statutes is created to read:

15 36.25 (53) BUSINESS PLAN COMPETITION. The board shall use the moneys
16 appropriated under s. 20.285 (1) (eb) to support a business plan competition program
17 existing on the effective date of this subsection [LRB inserts date], at institutions
18 and college campuses other than the University of Wisconsin–Madison that makes
19 entrepreneurial expertise available to students and that has ties to campus–based
20 business plan contests and national organizations that foster student
21 entrepreneurship. The board may use the moneys only if the board receives matching
22 funds for the same purpose from private contributions.

23 **SECTION 18.** 36.25 (54) of the statutes is created to read:

24 36.25 (54) EMERGING TECHNOLOGY CENTER. The board shall use the moneys
25 appropriated under s. 20.285 (1) (eg) to develop an emerging technology center at the

1 University of Wisconsin–La Crosse. The board may use the moneys only if the board
2 receives matching funds for the same purpose from sources other than the state.
3 In-kind contributions may be applied to meet the matching requirement.

4 **SECTION 19.** 36.25 (54) of the statutes, as created by 2009 Wisconsin Act (this
5 act), is repealed.

6 **SECTION 20.** 38.41 (3) (d) of the statutes, as created by 2009 Wisconsin Act 2,
7 is amended to read:

8 38.41 (3) (d) Beginning in the 2008–09 school year, the board shall award at
9 least \$1,000,000 annually under sub. (1) for training in advanced manufacturing
10 skills, ~~with priority given to welding and beginning in the 2010–11 school year, the~~
11 board shall award at least \$2,000,000 annually under sub. (1) for such training.

12 **SECTION 21.** 49.265 (3) (b) 11. of the statutes is created to read:

13 49.265 (3) (b) 11. Provide, to individuals who work at least 20 hours per week
14 and whose earned income is at or below 150 percent of the poverty line, a program
15 of skills enhancement that shall include access to transportation, child care, career
16 counseling, job placement assistance, and financial support for education and
17 training.

18 **SECTION 22.** 49.265 (4) (cm) of the statutes is created to read:

19 49.265 (4) (cm) From the appropriation under s. 20.437 (2) (fr), the department
20 of children and families shall distribute grants to community action agencies to
21 provide the skills enhancement services specified under sub. (3) (b) 11.

22 **SECTION 23.** 71.05 (6) (a) 15. of the statutes, as affected by 2009 Wisconsin Act
23 28, is amended to read:

24 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),
25 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3s),

1 (3t), (3w), (5e), (5f), (5h), (5i), (5j), (5k), (5r), and (8r) and not passed through by a
2 partnership, limited liability company, or tax–option corporation that has added that
3 amount to the partnership’s, company’s, or tax–option corporation’s income under s.
4 71.21 (4) or 71.34 (1k) (g).

5 **SECTION 24.** 71.07 (5d) (c) 4. of the statutes is created to read:

6 71.07 (5d) (c) 4. A claimant may claim the credit under this subsection for an
7 investment that was made in a business that was located outside of this state if the
8 investment was made no more than 60 days before the business relocated to this
9 state and the business was certified as a qualified new business venture no later than
10 180 days after relocating to this state.

11 **SECTION 25.** 71.07 (5r) of the statutes is created to read:

12 71.07 (5r) POSTSECONDARY EDUCATION CREDIT. (a) *Definitions.* In this
13 subsection:

14 1. “Claimant” means a sole proprietor, a partner, a member of a limited liability
15 company, or a shareholder of a tax–option corporation who files a claim under this
16 subsection.

17 2. “Course of instruction” has the meaning given in s. 38.50 (1) (c).

18 3. “Family member” has the meaning given in s. 157.061 (7).

19 4. “Managing employee” means an individual who wholly or partially exercises
20 operational or managerial control over, or who directly or indirectly conducts, the
21 operation of the claimant’s business.

22 5. “Paid or incurred” includes any amount paid by the claimant to reimburse
23 an individual for the tuition that the individual paid or incurred.

24 6. “Qualified postsecondary institution” means all of the following:

1 a. A University of Wisconsin System institution, a technical college system
2 institution, or a regionally accredited 4–year nonprofit college or university having
3 its regional headquarters and principal place of business in this state.

4 b. A school approved under s. 38.50, if the delivery of education occurs in this
5 state.

6 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
7 claimant may claim as a credit against the tax imposed under s. 71.02 an amount
8 equal to the following:

9 1. Twenty–five percent of the tuition that the claimant paid or incurred for an
10 individual to participate in an education program of a qualified postsecondary
11 institution, if the individual was enrolled in a course of instruction and eligible for
12 a grant from the Federal Pell Grant Program.

13 2. Thirty percent of the tuition that the claimant paid or incurred for an
14 individual to participate in an education program of a qualified postsecondary
15 institution, if the individual was enrolled in a course of instruction that relates to a
16 projected worker shortage in this state, as determined by the local workforce
17 development boards established under 29 USC 2832, and if the individual was
18 eligible for a grant from the Federal Pell Grant Program.

19 (c) *Limitations.* 1. No credit may be allowed under par. (b) unless the claimant
20 certifies to the department of revenue that the claimant will not be reimbursed for
21 any amount of tuition for which the claimant claims a credit under par. (b).

22 2. A claimant may not claim the credit under par. (b) for any tuition amounts
23 that the individual described under par. (b) excluded under s. 71.05 (6) (b) 28. or
24 under section 127 of the Internal Revenue Code.

1 3. A claimant may not claim the credit under par. (b) for any tuition amounts
2 that the claimant paid or incurred for a family member of the claimant or for a family
3 member of a managing employee unless all of the following apply:

4 a. The family member was employed an average of at least 20 hours per week
5 as an employee of the claimant, or the claimant's business, during the one-year
6 period prior to commencing participation in the education program in connection
7 with which the claimant claims a credit under par. (b).

8 b. The family member is enrolled in a course of instruction that is substantially
9 related to the claimant's business.

10 3m. A claimant may not claim the credit under par. (b) for any tuition amounts
11 that the claimant paid or incurred for an individual who is not a resident of this state.

12 4. The claimant shall claim the credit for the taxable year in which the
13 individual graduates from a course of instruction in an amount equal to the total
14 amount the claimant paid or incurred under par. (b) for all taxable years in which
15 the claimant paid or incurred such amounts related to that individual.

16 5. Partnerships, limited liability companies, and tax-option corporations may
17 not claim the credit under this subsection, but the eligibility for, and the amount of,
18 the credit are based on their payment of tuition under par. (b). A partnership, limited
19 liability company, or tax-option corporation shall compute the amount of credit that
20 each of its partners, members, or shareholders may claim and shall provide that
21 information to each of them. Partners, members of limited liability companies, and
22 shareholders of tax-option corporations may claim the credit in proportion to their
23 ownership interest.

24 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under
25 s. 71.28 (4), applies to the credit under this subsection.

1 **SECTION 26.** 71.10 (4) (cd) of the statutes is created to read:

2 71.10 (4) (cd) Postsecondary education credit under s. 71.07 (5r).

3 **SECTION 27.** 71.21 (4) of the statutes, as affected by 2009 Wisconsin Act 28, is
4 amended to read:

5 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
6 (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3s), (3t), (3w),
7 (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), and (8r) and passed through to partners shall
8 be added to the partnership's income.

9 **SECTION 28.** 71.26 (2) (a) 4. of the statutes, as affected by 2009 Wisconsin Act
10 28, is amended to read:

11 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),
12 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3t),
13 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), and (8r) and not passed through by a
14 partnership, limited liability company, or tax-option corporation that has added that
15 amount to the partnership's, limited liability company's, or tax-option corporation's
16 income under s. 71.21 (4) or 71.34 (1k) (g).

17 **SECTION 29.** 71.28 (5r) of the statutes is created to read:

18 71.28 (5r) POSTSECONDARY EDUCATION CREDIT. (a) *Definitions.* In this
19 subsection:

20 1. "Claimant" means a corporation that files a claim under this subsection.

21 2. "Course of instruction" has the meaning given in s. 38.50 (1) (c).

22 3. "Family member" has the meaning given in s. 157.061 (7).

23 4. "Managing employee" means an individual who wholly or partially exercises
24 operational or managerial control over, or who directly or indirectly conducts, the
25 operation of the claimant's business.

1 5. “Paid or incurred” includes any amount paid by the claimant to reimburse
2 an individual for the tuition that the individual paid or incurred.

3 6. “Qualified postsecondary institution” means all of the following:

4 a. A University of Wisconsin System institution, a technical college system
5 institution, or a regionally accredited 4–year nonprofit college or university having
6 its regional headquarters and principal place of business in this state.

7 b. A school approved under s. 38.50, if the delivery of education occurs in this
8 state.

9 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
10 claimant may claim as a credit against the tax imposed under s. 71.23 an amount
11 equal to the following:

12 1. Twenty–five percent of the tuition that the claimant paid or incurred for an
13 individual to participate in an education program of a qualified postsecondary
14 institution, if the individual was enrolled in a course of instruction and eligible for
15 a grant from the Federal Pell Grant Program.

16 2. Thirty percent of the tuition that the claimant paid or incurred for an
17 individual to participate in an education program of a qualified postsecondary
18 institution, if the individual was enrolled in a course of instruction that relates to a
19 projected worker shortage in this state, as determined by the local workforce
20 development boards established under 29 USC 2832, and if the individual was
21 eligible for a grant from the Federal Pell Grant Program.

22 (c) *Limitations.* 1. No credit may be allowed under par. (b) unless the claimant
23 certifies to the department of revenue that the claimant will not be reimbursed for
24 any amount of tuition for which the claimant claims a credit under par. (b).

1 2. A claimant may not claim the credit under par. (b) for any tuition amounts
2 that the individual described under par. (b) excluded under section 127 of the
3 Internal Revenue Code.

4 3. A claimant may not claim the credit under par. (b) for any tuition amounts
5 that the claimant paid or incurred for a family member of a managing employee
6 unless all of the following apply:

7 a. The family member was employed an average of at least 20 hours per week
8 as an employee of the claimant, or the claimant's business, during the one-year
9 period prior to commencing participation in the education program in connection
10 with which the claimant claims a credit under par. (b).

11 b. The family member is enrolled in a course of instruction that is substantially
12 related to the claimant's business.

13 3m. A claimant may not claim the credit under par. (b) for any tuition amounts
14 that the claimant paid or incurred for an individual who is not a resident of this state.

15 4. The claimant shall claim the credit for the taxable year in which the
16 individual graduates from a course of instruction in an amount equal to the total
17 amount the claimant paid or incurred under par. (b) for all taxable years in which
18 the claimant paid or incurred such amounts related to that individual.

19 5. Partnerships, limited liability companies, and tax-option corporations may
20 not claim the credit under this subsection, but the eligibility for, and the amount of,
21 the credit are based on their payment of tuition under par. (b). A partnership, limited
22 liability company, or tax-option corporation shall compute the amount of credit that
23 each of its partners, members, or shareholders may claim and shall provide that
24 information to each of them. Partners, members of limited liability companies, and

1 shareholders of tax–option corporations may claim the credit in proportion to their
2 ownership interest.

3 (d) *Administration.* Subsection (4) (e) to (h), as it applies to the credit under
4 sub. (4), applies to the credit under this subsection.

5 **SECTION 30.** 71.30 (3) (cd) of the statutes is created to read:

6 71.30 (3) (cd) Postsecondary education credit under s. 71.28 (5r).

7 **SECTION 31.** 71.34 (1k) (g) of the statutes, as affected by 2009 Wisconsin Act 28,
8 is amended to read:

9 71.34 (1k) (g) An addition shall be made for credits computed by a tax–option
10 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy),
11 (3), (3g), (3h), (3n), (3p), (3q), (3r), (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r),
12 and (8r) and passed through to shareholders.

13 **SECTION 32.** 71.45 (2) (a) 10. of the statutes, as affected by 2009 Wisconsin Act
14 28, is amended to read:

15 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
16 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3w), (5e), (5f),
17 (5g), (5h), (5i), (5j), (5k), (5r), and (8r) and not passed through by a partnership,
18 limited liability company, or tax–option corporation that has added that amount to
19 the partnership’s, limited liability company’s, or tax–option corporation’s income
20 under s. 71.21 (4) or 71.34 (1k) (g) and the amount of credit computed under s. 71.47
21 (1), (3), (3t), (4), (4m), and (5).

22 **SECTION 33.** 71.47 (5r) of the statutes is created to read:

23 71.47 (5r) POSTSECONDARY EDUCATION CREDIT. (a) *Definitions.* In this
24 subsection:

25 1. “Claimant” means a corporation that files a claim under this subsection.

- 1 2. “Course of instruction” has the meaning given in s. 38.50 (1) (c).
- 2 3. “Family member” has the meaning given in s. 157.061 (7).
- 3 4. “Managing employee” means an individual who wholly or partially exercises
4 operational or managerial control over, or who directly or indirectly conducts, the
5 operation of the claimant’s business.
- 6 5. “Paid or incurred” includes any amount paid by the claimant to reimburse
7 an individual for the tuition that the individual paid or incurred.
- 8 6. “Qualified postsecondary institution” means all of the following:
- 9 a. A University of Wisconsin System institution, a technical college system
10 institution, or a regionally accredited 4–year nonprofit college or university having
11 its regional headquarters and principal place of business in this state.
- 12 b. A school approved under s. 38.50, if the delivery of education occurs in this
13 state.
- 14 (b) *Filing claims.* Subject to the limitations provided in this subsection, a
15 claimant may claim as a credit against the tax imposed under s. 71.43 an amount
16 equal to the following:
- 17 1. Twenty–five percent of the tuition that the claimant paid or incurred for an
18 individual to participate in an education program of a qualified postsecondary
19 institution, if the individual was enrolled in a course of instruction and eligible for
20 a grant from the Federal Pell Grant Program.
- 21 2. Thirty percent of the tuition that the claimant paid or incurred for an
22 individual to participate in an education program of a qualified postsecondary
23 institution, if the individual was enrolled in a course of instruction that relates to a
24 projected worker shortage in this state, as determined by the local workforce

1 development boards established under 29 USC 2832, and if the individual was
2 eligible for a grant from the Federal Pell Grant Program.

3 (c) *Limitations.* 1. No credit maybe allowed under par. (b) unless the claimant
4 certifies to the department of revenue that the claimant will not be reimbursed for
5 any amount of tuition for which the claimant claims a credit under par. (b).

6 2. A claimant may not claim the credit under par. (b) for any tuition amounts
7 that the individual described under par. (b) excluded under section 127 of the
8 Internal Revenue Code.

9 3. A claimant may not claim the credit under par. (b) for any tuition amounts
10 that the claimant paid or incurred for a family member of a managing employee
11 unless all of the following apply:

12 a. The family member was employed an average of at least 20 hours per week
13 as an employee of the claimant, or the claimant's business, during the one-year
14 period prior to commencing participation in the education program in connection
15 with which the claimant claims a credit under par. (b).

16 b. The family member is enrolled in a course of instruction that is substantially
17 related to the claimant's business.

18 3m. A claimant may not claim the credit under par. (b) for any tuition amounts
19 that the claimant paid or incurred for an individual who is not a resident of this state.

20 4. The claimant shall claim the credit for the taxable year in which the
21 individual graduates from a course of instruction in an amount equal to the total
22 amount the claimant paid or incurred under par. (b) for all taxable years in which
23 the claimant paid or incurred such amounts related to that individual.

24 5. Partnerships, limited liability companies, and tax-option corporations may
25 not claim the credit under this subsection, but the eligibility for, and the amount of,

1 the credit are based on their payment of tuition under par. (b). A partnership, limited
2 liability company, or tax-option corporation shall compute the amount of credit that
3 each of its partners, members, or shareholders may claim and shall provide that
4 information to each of them. Partners, members of limited liability companies, and
5 shareholders of tax-option corporations may claim the credit in proportion to their
6 ownership interest.

7 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under
8 s. 71.28 (4), applies to the credit under this subsection.

9 **SECTION 34.** 71.49 (1) (cd) of the statutes is created to read:

10 71.49 (1) (cd) Postsecondary education credit under s. 71.47 (5r).

11 **SECTION 35.** 77.92 (4) of the statutes, as affected by 2009 Wisconsin Act 28, is
12 amended to read:

13 77.92 (4) “Net business income,” with respect to a partnership, means taxable
14 income as calculated under section 703 of the Internal Revenue Code; plus the items
15 of income and gain under section 702 of the Internal Revenue Code, including taxable
16 state and municipal bond interest and excluding nontaxable interest income or
17 dividend income from federal government obligations; minus the items of loss and
18 deduction under section 702 of the Internal Revenue Code, except items that are not
19 deductible under s. 71.21; plus guaranteed payments to partners under section 707
20 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),
21 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3s),
22 (3t), (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), and (8r); and plus or minus, as
23 appropriate, transitional adjustments, depreciation differences, and basis
24 differences under s. 71.05 (13), (15), (16), (17), and (19); but excluding income, gain,
25 loss, and deductions from farming. “Net business income,” with respect to a natural

1 person, estate, or trust, means profit from a trade or business for federal income tax
2 purposes and includes net income derived as an employee as defined in section 3121
3 (d) (3) of the Internal Revenue Code.

Intro (4)
4 **SECTION 36.** 560.203 of the statutes is created to read:

5 **560.203 Targeted microloans.** The department shall create a pilot program
6 for making microloans from the appropriation under s. 20.143 (1) (c) at nominal
7 interest rates for the creation of new businesses. The department shall designate 2
8 areas of the state, one urban and one rural, that are affected by high unemployment.
9 Only residents of the areas designated by the department are eligible for loans under
10 this section, and the amount of a loan under this section may not exceed \$25,000.
11 The department shall, through a competitive process, select a Wisconsin nonprofit
12 finance corporation to administer the pilot program. The department shall partner
13 with federal, state, regional, and local economic development entities to provide
14 business training for applicants and borrowers under this section. The department
15 may not make a loan under this section after July 31, 2013.

16 **SECTION 37.** 560.205 (3) (d) of the statutes, as affected by 2009 Wisconsin Act
17 2, is renumbered 560.205 (3) (d) (intro.) and amended to read:

18 560.205 (3) (d) *Rules.* (intro.) The department of commerce, in consultation
19 with the department of revenue, shall promulgate rules to administer this section.
20 The rules shall further define “bona fide angel investment” for purposes of s. 71.07
21 (5d) (a) 1. The rules shall limit the aggregate amount of tax credits under s. 71.07
22 (5d) that may be claimed for investments in businesses certified under sub. (1) at
23 \$3,000,000 per calendar year for calendar years beginning after December 31, 2004,
24 and before January 1, 2008, \$5,500,000 per calendar year for calendar years
25 beginning after December 31, 2007, and before January 1, ~~2011~~ 2010, \$6,500,000 for

1 calendar year 2010, and \$18,000,000 \$20,000,000 per calendar year for calendar
2 years beginning after December 31, 2010, plus, for taxable years beginning after
3 December 31, 2010, an additional \$250,000 for tax credits that may be claimed for
4 investments in nanotechnology businesses certified under sub. (1). The rules shall
5 also limit the aggregate amount of the tax credits under ss. 71.07 (5b), 71.28 (5b),
6 71.47 (5b), and 76.638 that may be claimed for investments paid to fund managers
7 certified under sub. (2) at \$3,500,000 per calendar year for calendar years beginning
8 after December 31, 2004, and before January 1, 2008, \$6,000,000 per calendar year
9 for calendar years beginning after December 31, 2007, and before January 1, 2011
10 2010, \$8,000,000 for calendar year 2010, and \$18,500,000 \$20,500,000 per calendar
11 year for calendar years beginning after December 31, 2010, plus, for taxable years
12 beginning after December 31, 2010, an additional \$250,000 for tax credits that may
13 be claimed for investments in nanotechnology businesses certified under sub. (1).
14 The rules shall also provide that, for calendar years beginning after December 31,
15 2007, no person may receive a credit under ss. 71.07 (5b) and (5d), 71.28 (5b), 71.47
16 (5b), or 76.638 unless the person's investment is kept in a certified business, or with
17 a certified fund manager, for no less than 3 years. The rules shall permit the
18 department to reallocate credits under this section that are unused in any calendar
19 year to a person eligible for tax benefits, as defined under s. 560.2055 (1) (d) or
20 560.799 (1) (c), if all of the following apply:

21 **SECTION 38.** 560.205 (3) (d) 1. of the statutes is created to read:

22 560.205 (3) (d) 1. The department notifies the joint committee on finance in
23 writing of its proposed reallocation.

24 **SECTION 39.** 560.205 (3) (d) 2. of the statutes is created to read:

25 560.205 (3) (d) 2. One of the following is true:

1 a. The cochairpersons of the joint committee on finance fail to notify the
2 department, within 14 working days after the date of the department's notification
3 under subd. 1., that the committee has scheduled a meeting for the purpose of
4 reviewing the proposed reallocation.

5 b. The cochairpersons of the joint committee on finance notify the department
6 that the committee has approved the proposed reallocation.

7 **SECTION 40.** 560.2055 (4) (c) of the statutes, as created by 2009 Wisconsin Act
8 28, is amended to read:

9 560.2055 (4) (c) The Subject to a reallocation by the department pursuant to
10 rules promulgated under s. 560.205 (3) (d), the department may allocate up to
11 \$5,000,000 in tax benefits under this section in any calendar year.

12 **SECTION 41.** 560.27 (1) (c) of the statutes is created to read:

13 560.27 (1) (c) Annually, beginning in fiscal year 2010–11, the department shall
14 award a grant of \$100,000 from the appropriation under s. 20.143 (1) (d) to the
15 high–technology business development corporation. The department shall enter
16 into an agreement with the high–technology business development corporation
17 requiring the grant proceeds to be used for employing a grant writer to assist
18 businesses to apply for federal small business innovation research grants. The
19 department shall submit annually to the legislature under s. 13.172 (2) a report
20 detailing the number of grant applications assisted by the grant writer, the number
21 of applications assisted by the grant writer that won grants and the total amount of
22 the grants, and the number of any jobs created as a result of the grant writer's
23 activities.

24 **SECTION 42.** 560.27 (3) (c) of the statutes is amended to read:

1 560.27 (3) (c) The department may not make grants under this subsection that
2 exceed \$200,000 in total in fiscal year 2000–01, or that exceed ~~\$250,000~~ \$750,000 in
3 total in any fiscal year thereafter.

4 **SECTION 43.** 560.276 of the statutes is created to read:

5 **560.276 Technology transfer grant and loan program.** (1) DEFINITIONS.

6 In this section:

7 (a) “Business” has the meaning given in s. 560.60 (2).

8 (b) “Research institution” means any of the following if located in this state:

9 1. An accredited college or university.

10 2. An accredited school of medicine, dentistry, veterinary medicine, medicine
11 and public health, public health, or health professionals.

12 3. An accredited center for health sciences.

13 4. A hospital in which research is conducted. In this subdivision, “hospital” has
14 the meaning given in s. 50.33 (2).

15 **(2) GRANTS AND LOANS.** From the appropriations under s. 20.143 (1) (c), (fi), (ie),
16 (ig), (io), and (kj), the department may award a grant or loan to a research institution
17 to provide money for research and development activities related to the creation or
18 retention of jobs by a business, or to improving the competitive position of a business
19 by improving the innovativeness of the business. The department may award a
20 grant or loan under this section if the research institution applies for a grant or loan
21 on a form prepared by the department and all of the following are satisfied:

22 (a) The department determines that the research and development activities
23 are likely to result in an economic benefit to one or more specific businesses.

24 (b) The department determines that the research and development activities
25 will be conducted substantially in this state.

1 (c) The department considers the availability of matching funds from the
2 research institution, the business, and other sources.

3 (d) The department enters into a written agreement with the research
4 institution that specifies the conditions for use of the grant or loan proceeds,
5 including reporting and auditing requirements.

6 **(3) LIMITS.** No grant or loan awarded to a research institution under this
7 section may exceed \$100,000.

8 **SECTION 44.** 560.703 (1) (a) of the statutes, as created by 2009 Wisconsin Act
9 2, is amended to read:

10 560.703 (1) (a) Except as provided in par. (b), and subject to a reallocation by
11 the department pursuant to rules promulgated under s. 560.205 (3) (d), the total tax
12 benefits available to be allocated by the department under ss. 560.701 to 560.706
13 may not exceed the sum of the tax benefits remaining to be allocated under ss. 560.71
14 to 560.785, 560.797, 560.798, 560.7995, and 560.96 on March 6, 2009.

15 **SECTION 45. Nonstatutory provisions.**

16 (1) **RURAL OUTSOURCING GRANTS.** From the appropriations under section 20.143
17 (1) (ie), (ig), (im), and (ir) of the statutes, as affected by this act, the department of
18 commerce may award grants during the 2009–11 fiscal biennium to businesses for
19 outsourcing work to rural municipalities, as defined under section 560.17 (1) (d) of
20 the statutes. The department shall require grantees to obtain funding from sources
21 other than the state in an amount at least equal to the amount of the grant. In
22 determining whether a grantee has obtained sufficient funding from sources other
23 than the state, the department shall credit the grantee's capital expenditures, family
24 supporting wages, rent or other facility costs, electricity costs, equipment leases, and
25 software expenditures. The total amount of grants awarded under this subsection

1 may not exceed \$500,000. The department may promulgate rules necessary to
2 administer this subsection as emergency rules under section 227.24 of the statutes.
3 Notwithstanding section 227.24 (1) (a) and (3) of the statutes, the department is not
4 required to provide evidence that promulgating a rule under this subsection as an
5 emergency rule is necessary for the preservation of public peace, health, safety, or
6 welfare and is not required to provide a finding of emergency for a rule promulgated
7 under this subsection.

8 (2) HIGH-TECHNOLOGY BUSINESS DEVELOPMENT CORPORATION GRANT. In fiscal year
9 2010–11, the department of commerce shall award to the high–technology business
10 development corporation under section 560.27 of the statutes a grant of \$100,000
11 from the appropriation account under section 20.143 (1) (d) of the statutes, for
12 procuring an economic modeling database for the use of regional economic
13 development entities.

14 (3) MANUFACTURING FACILITY CONVERSION GRANTS. In fiscal year 2010–11, the
15 department of commerce shall award grants from the appropriation account under
16 section 20.143 (1) (c) of the statutes to provide incentives to companies for converting
17 existing manufacturing facilities to the production of renewable energy or the
18 manufacturing of equipment used in the production of renewable energy. The total
19 amount of grants awarded under this subsection may not exceed \$2,000,000. The
20 department of commerce may promulgate rules necessary to implement this
21 subsection as emergency rules under section 227.24 of the statutes.
22 Notwithstanding section 227.24 (1) (a) and (3) of the statutes, the department is not
23 required to provide evidence that promulgating a rule under this subsection as an
24 emergency rule is necessary for the preservation of public peace, health, safety, or

1 welfare and is not required to provide a finding of emergency for a rule promulgated
2 under this subsection.

3 (4) GRANT TO PLEASANT PRAIRIE TECHNOLOGY INCUBATOR CENTER.
4 Notwithstanding 2009 Wisconsin Act 28, section 9110 (17q), the department of
5 commerce shall award the grant required under 2009 Wisconsin Act 28, section 9110
6 (17q), no later than than 30 days after the effective date of this subsection.

7 (5) TARGETED MICROLOANS; RULES. The department of commerce may
8 promulgate emergency rules under section 227.24 of the statutes for the
9 establishment and administration of section 560.203 of the statutes, as created by
10 this act, for the period before the effective date of any permanent rules promulgated
11 under section 560.203 of the statutes, as created by this act, but not to exceed the
12 period authorized under section 227.24 (1) (c) and (2) of the statutes.
13 Notwithstanding section 227.24 (1) (a), (2) (b), and (3) of the statutes, the department
14 is not required to provide evidence that promulgating a rule under this subsection
15 as an emergency rule is necessary for the preservation of the public peace, health,
16 safety, or welfare and is not required to provide a finding of emergency for a rule
17 promulgated under this subsection.

18 **SECTION 46. Fiscal changes.**

19 (1) WISCONSIN DEVELOPMENT FUND.

20 (a) In the schedule under section 20.005 (3) of the statutes for the appropriation
21 to the department of commerce under section 20.143 (1) (c) of the statutes, as affected
22 by the acts of 2009, the dollar amount is increased by \$500,000 for the first fiscal year
23 of the fiscal biennium in which this subsection takes effect to increase funding for the
24 purposes for which the appropriation is made. In the schedule under section 20.005
25 (3) of the statutes for the appropriation to the department of commerce under section

1 20.143 (1) (c) of the statutes, as affected by the acts of 2009, the dollar amount is
2 increased by \$2,500,000 for the second fiscal year of the fiscal biennium in which this
3 subsection takes effect to increase funding for the purposes for which the
4 appropriation is made, and to provide funding for grants under SECTION 45 (3) of this
5 act.

6 (b) In the schedule under section 20.005 (3) of the statutes for the appropriation
7 to the department of commerce under section 20.143 (1) (c) of the statutes, as affected
8 by the acts of 2009, the dollar amount is increased by \$500,000 for the second fiscal
9 year of the fiscal biennium in which this subsection takes effect to provide funding
10 for loans under section 560.203 of the statutes, as created by this act.

11 (2) HIGH-TECHNOLOGY BUSINESS DEVELOPMENT CORPORATION GRANTS. In the
12 schedule under section 20.005 (3) of the statutes for the appropriation to the
13 department of commerce under section 20.143 (1) (d) of the statutes, as affected by
14 the acts of 2009, the dollar amount is increased by \$200,000 for the second fiscal year
15 of the fiscal biennium in which this subsection takes effect to provide funding for the
16 grant under section 560.27 (1) (c) of the statutes, as created by this act, and for the
17 grant under SECTION 45 (2) of this act.

18 (3) RURAL OUTSOURCING GRANTS. In the schedule under section 20.005 (3) of the
19 statutes for the appropriation to the department of commerce under section 20.143
20 (1) (im) of the statutes, as affected by the acts of 2009, the dollar amount is increased
21 by \$250,000 for the first fiscal year of the fiscal biennium in which this subsection
22 takes effect to provide funding for rural outsourcing grants. In the schedule under
23 section 20.005 (3) of the statutes for the appropriation to the department of commerce
24 under section 20.143 (1) (im) of the statutes, as affected by the acts of 2009, the dollar

1 amount is increased by \$250,000 for the second fiscal year of the fiscal biennium in
2 which this subsection takes effect to provide funding for rural outsourcing grants.

3 (4) TRAINING PROGRAM GRANTS. In the schedule under section 20.005 (3) of the
4 statutes for the appropriation to the technical college system board under section
5 20.292 (1) (eh) of the statutes, as affected by the acts of 2009, the dollar amount is
6 increased by \$1,000,000 for the second fiscal year of the fiscal biennium in which this
7 subsection takes effect to increase funding for the purpose for which the
8 appropriation is made.

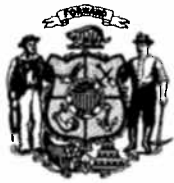
9 (5) REGULATORY OMBUDSMAN CENTER POSITION. In the schedule under section
10 20.005 (3) of the statutes for the appropriation to the department of commerce under
11 section 20.143 (1) (a) of the statutes, as affected by the acts of 2009, the dollar amount
12 is increased by \$75,000 for the second fiscal year of the fiscal biennium in which this
13 subsection takes effect to increase the authorized FTE positions for the regulatory
14 ombudsman center by 1.0 GPR position.

15 **SECTION 47. Initial applicability.**

16 (1) POSTSECONDARY EDUCATION TAX CREDITS The treatment of sections 71.05 (6)
17 (a) 15., 71.07 (5r), 71.10 (4) (cd), 71.21 (4), 71.26 (2) (a) 4., 71.28 (5r), 71.30 (3) (cd),
18 71.34 (1k) (g), 71.45 (2) (a) 10., 71.47 (5r), 71.49 (1) (cd), and 77.92 (4) of the statutes
19 first applies to taxable years beginning on January 1 of the year in which this
20 subsection takes effect, except that if this subsection takes effect after July 31 this
21 act first applies to taxable years beginning on January 1 of the year following the
22 year in which this subsection takes effect.

23 **SECTION 48. Effective dates.** This act takes effect on the day after publication,
24 except as follows:

MS (5)



State of Wisconsin
2009 - 2010 LEGISLATURE

LRBa20832
JTK/RK/PG/MS/TK:.....

inserts

RMM/R

1KF
ES/nwr
Dmy/a
K/S

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT ,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2009 ASSEMBLY BILL 641**

in 4:20p 4/7
Wanted for 8:30 am
exec.
4/8

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 2, line 7: after "grants;" insert: ^{g not} INSERT 1-3

3 2. Page 2, line 9: before that line insert: INSERT 1-4

4 3. Page 2, line 9: delete "SECTION 1" and substitute "SECTION 1B".

5 4. Page 8, line 21: after that line insert: Insert 1-6 [ⓐ]

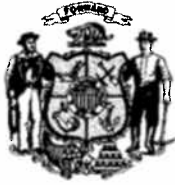
Insert 1-7 6 5. Page 19, line 3: after that line insert:

7 6. Page 27, line 16: delete "POSTSECONDARY EDUCATION TAX CREDITS."

8 7. Page 27, line 22: after that line insert:

Insert 1-9

(END)



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-3485/4

JTK/RNK/PG/MES:cjs&nwn:md

~~2009 ASSEMBLY BILL 843~~

March 11, 2010 - Introduced by Representatives MOLEPSKE JR., MASON, PASCH, ROYS, POPE-ROBERTS, MILROY, SINICKI and BERCEAU, cosponsored by Senators RISSE and SCHULTZ. Referred to Committee on Jobs, the Economy and Small Business.

1 AN ACT *to renumber and amend* 13.48 (15) and 101.025 (4) (intro.); *to amend*
 2 16.84 (5), 101.027 (2), 101.027 (3) (a) 1., 101.027 (3) (b) 1., 101.05 (1) and (3),
 3 101.65 (1) (a) (intro.) and 119.04 (1); and *to create* 13.48 (2) (jm), 13.48 (15) (b),
 4 16.85 (3m), 16.856, 20.255 (2) (ed), 66.0902, 101.02 (23), 101.025 (4) (ar),
 5 101.028, 120.24 and 145.133 of the statutes; **relating to** energy conservation
 6 standards for the construction of certain buildings, energy and environmental
 7 design standards for state buildings, structures, and facilities, energy and
 8 environmental design standards for school district facilities and other local
 9 government buildings, leasing of state buildings, structures, and facilities,
 10 standards for the construction and use of graywater systems, **granting**
 11 **rule-making authority, and making an appropriation.**

INSERT
1-2

~~Analysis by the Legislative Reference Bureau~~

~~Currently, with certain exceptions, the Department of Administration (DOA) must ensure that the specifications for each state construction project require the use of recovered and recycled materials to the extent that such use is technically and economically feasible. With certain exceptions, DOA must also prescribe and enforce~~

ASSEMBLY BILL 843

office space, or for the repair, renewal, or renovation of an existing public building that contains such space if the repair, renewal, renovation, or expansion affects more than 50 percent of the existing building, or for the expansion of an existing public building that adds at least 10,000 gross square feet of such space. The requirements imposed on a political subdivision under the bill are based on the requirements that the bill imposes on DOA and the Building Commission for a major state construction project.

The bill requires a political subdivision to ensure that the plans and specifications for each major construction project conform at a minimum to the requirements for certification at the silver performance level under the LEED Green Building Rating System, as prescribed by Commerce and based on the standards of the U.S. Green Building Council, and that the energy performance, use and disposal of construction and demolition materials, ventilation components, indoor air quality performance, and water usage level for each major construction project conform to the standards that apply to a major state construction project of DOA and the Building Commission. Upon completion of a major construction project, the bill requires a political subdivision to obtain certification from the U.S. Green Building Council that the project meets at least the minimum standards for certification at the LEED silver level.

This bill imposes similar requirements for major construction projects of school districts. Each school board must ensure that the plans and specifications for each major construction project conform at a minimum to the requirements of the LEED Green Building Rating System at the silver performance level, as prescribed by Commerce. Upon the request of a school district, the state must pay all necessary LEED registration and certification fees on behalf of the school district. Upon completion of a major construction project, a school district must obtain certification from the U.S. Green Building Council that the project conforms at a minimum to the standards for certification at the LEED silver level. The bill also directs each school board to ensure that the energy performance, use and disposal of construction and demolition materials, ventilation components, indoor air quality performance, and water usage level for each major construction project conform to standards specified by Commerce that are derived from various national and international building codes.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

Begin
Insert
1-4
↓

1 ✓ SECTION ^{(1b)(3)} 13.48 (2) (jm) of the statutes is created to read:

2 13.48 (2) (jm) 1. In this paragraph, "conditioned space" means space that is
3 designed to have controlled environmental conditions.

ASSEMBLY BILL 843**SECTION 1**

1 2. The building commission shall not approve the design or construction of any
2 project for the construction of any building, structure, or facility for a board, agency,
3 officer, department, commission, or body corporate, if the building, structure, or
4 facility after construction will contain at least 10,000 gross square feet of conditioned
5 space for occupancy by any such entity, or of any project for the repair, renewal,
6 renovation, or expansion of any existing building, structure, or facility for occupancy
7 by any such entity if the building, structure, or facility contains at least 10,000 gross
8 square feet of conditioned space and the project affects more than 50 percent of the
9 existing gross square feet of conditioned space in the building, structure, or facility,
10 regardless of the funding source of the project, unless the department of
11 administration verifies and certifies to the commission, after reviewing the plans
12 and specifications, all of the following:

13 a. That the project conforms at a minimum to the requirements under the
14 LEED Green Building Rating System for certification at the silver level, as defined
15 in s. 16.856 (1) (f), for construction projects.

16 b. That the energy performance for the project is at least 30 percent better than
17 the performance standard prescribed by the department of commerce under s.
18 101.028 based upon standard 90.1-2007 of the American Society of Heating,
19 Refrigerating and Air Conditioning Engineers or its most current equivalent, as
20 documented by energy modeling and certified in writing by the chief engineer for the
21 project.

22 c. That at least 75 percent of the construction materials delivered to the project
23 site but not used in the project and the demolition materials from any demolition
24 required to undertake the project are recycled in the project or transferred to a 3rd

Insert 4

ASSEMBLY BILL 843

1 party for recycling as a part of another construction project for an agency, as defined
2 in s. 16.70 (1e), or a local governmental unit, as defined in s. 19.42 (7u).

3 d. That the ventilation components for the project are strictly in conformity
4 with standards prescribed by the department of commerce under s. 101.028 based
5 upon standard 62.1-2004 of the American Society of Heating, Refrigerating, and Air
6 Conditioning Engineers, and the chief engineer for the project certifies in writing
7 that no exemptions from strict conformity with that standard have been authorized.

8 e. That the project has an indoor air quality management plan that addresses
9 adherence to the heating, ventilation, and air conditioning performance standards
10 for the project, source control that ensures use of low emission materials and
11 finishes, pathway interruption to prevent migration of contaminants during the
12 construction process, housekeeping procedures to prevent the spread and growth of
13 contaminants during the construction process, and construction activity scheduling
14 to prevent cross contamination of materials used in the project during the
15 construction process. The plan shall be consistent at a minimum with standards
16 promulgated by the department of commerce under s. 101.028 based upon indoor air
17 quality guidelines for occupied building of the Sheet Metal and Air Conditioning
18 Contractors' National Association, 2nd edition, 2007.

19 f. That the project upon completion will attain a level of interior water use no
20 greater than 30 percent below the interior water use baseline, as determined by the
21 department of administration in accordance with the LEED Green Building Rating
22 System, as defined in s. 16.856 (1) (e) assuming that 100 percent of the indoor
23 plumbing fixtures used in the project are in compliance with standards promulgated
24 by the department of commerce under s. 101.028 based upon the strictest applicable
25 standard under the Uniform Plumbing Codes-2006 promulgated by the

Insert 1-4

ASSEMBLY BILL 843

SECTION 1

1 International Association of Plumbing and Mechanical Officials or the International
2 Plumbing Codes-2006 fixture and fitting performance requirements promulgated
3 by the International Code Council.

4 3. The building commission shall not enter into an agreement for the purchase
5 of or for the lease of, or renewal of a lease of, with option to purchase, any building,
6 structure, or facility that is constructed or to be constructed for occupancy by any
7 board, agency, officer, department, commission, or body corporate, if the building,
8 structure, or facility after construction will contain at least 10,000 gross square feet
9 of conditioned space for occupancy by any such entity, or any building, structure, or
10 facility that is to be repaired, renewed, renovated, or expanded for occupancy by any
11 such entity if the building, structure, or facility contains at least 10,000 gross square
12 feet of conditioned space and the repair, renewal, renovation, or expansion affects
13 more than 50 percent of the existing gross square feet of conditioned space in the
14 building, structure, or facility, regardless of the funding source of the agreement,
15 unless the department of administration verifies and certifies that the building,
16 structure, or facility conforms or will after construction, repair, renewal, renovation
17 or expansion conform to all of the standards specified in subd. 2. The building
18 commission shall obtain certification by the U.S. Green Building Council that the
19 building, structure, or facility conforms at a minimum to the requirements for
20 certification at the LEED silver level.

21 4. The building commission shall apply all moneys available for its use under
22 the authorized state building program to achieve certification as of January 1, 2015,
23 by the U.S. Green Building Council for not less than 15 percent of the total gross
24 square footage of conditioned space in buildings, structures, and facilities that are
25 owned or leased by agencies on that date, as determined by the department of

Insert 1-4

ASSEMBLY BILL 843

1 administration under s. 16.856 (3), as conforming at a minimum to LEED
2 performance requirements for the operation and maintenance of existing buildings,
3 as defined in s. 16.856 (1) (h).

4 5. The building commission shall apply all moneys available for its use under
5 the authorized state building program to achieve certification by the dates specified
6 by rule of the department of administration under s. 16.856 (6) by the U.S. Green
7 Building Council for not less than the percentages specified by that rule of the total
8 gross square footage of conditioned space in buildings, structures, and facilities that
9 are owned or leased by agencies on the dates specified by that rule, as determined
10 by the department of administration under s. 16.856 (3), for meeting at a minimum
11 the LEED performance requirements for the operation and maintenance of existing
12 buildings, as defined in s. 16.856 (1) (h).

Invert 1-4

13 SECTION 2. 13.48 (15) of the statutes is renumbered 13.48 (15) (a) and amended
14 to read: (1f) (B)

15 13.48 (15) (a) Subject to the requirements of par. (b) and s. 20.924 (1) (i), the
16 building commission shall have the authority to acquire leasehold interests in land
17 and buildings where such authority is not otherwise provided to an agency by law.

18 SECTION 3. 13.48 (15) (b) of the statutes is created to read:

19 13.48 (15) (b) The building commission shall not approve the leasing of, or the
20 renewal or extension of any lease for, property for use by this state unless the
21 department of administration has certified to the commission that the energy use
22 intensity for the total property and the annual energy usage for the total property
23 conform to standards promulgated by the department of commerce under s. 101.028
24 based upon Energy Star standards consistent with the minimum LEED performance
25 requirements for the operation and maintenance of existing buildings. The

ASSEMBLY BILL 843

SECTION 3

1 commission shall also require other agencies, as defined in s. 16.70 (1e), that have
2 authority to lease improved real property, to certify to the commission, before
3 entering into, or renewing or extending, any lease of real property, that the energy
4 use intensity for the total property and the annual energy usage for the total property
5 conform to the same standards.

6 SECTION 4. 16.84 (5) of the statutes is amended to read:

7 16.84 (5) Have responsibility, subject to approval of the governor, for all
8 functions relating to the leasing, acquisition, allocation and utilization of all real
9 property by the state, except where such responsibility is otherwise provided by the
10 statutes. In this connection, the Prior to entering into any lease, or renewing or
11 extending any lease, for property to be used by this state, the department shall
12 require the prospective lessor to disclose the energy use intensity for the total
13 property, measured on a square foot basis, and the annual energy usage for the total
14 property, calculated in accordance with standards promulgated by the department
15 of commerce under s. 101.028 based upon Energy Star standards, as defined in s.
16 13.48 (15) (b), consistent with the minimum LEED performance requirements for the
17 operation and maintenance of existing buildings, as defined in s. 16.856 (1) (h). The
18 department shall verify and certify this information to the building commission
19 before the commission considers approval of the lease, or the renewal or extension
20 of the lease. The department shall also require other agencies, as defined in s. 16.70
21 (1e), that have authority to enter into leases for real property to obtain, verify, and
22 certify the same information to the commission before entering into any lease, or
23 renewing or extending any lease, for property to be used by those agencies. The
24 department shall, with the governor's approval, require physical consolidation of
25 office space utilized by any executive branch agency having fewer than 50 authorized

Invent 1-4

ASSEMBLY BILL 843

1 full-time equivalent positions with office space utilized by another executive branch
2 agency, whenever feasible. The department shall lease or acquire office space for
3 legislative offices or legislative service agencies at the direction of the joint
4 committee on legislative organization. In this subsection, "executive branch agency"
5 has the meaning given in s. 16.70 (4).

6 SECTION 5. 16.85 (3m) of the statutes is created to read:

7 16.85 (3m) To appoint or approve the appointment of a chief engineer for each
8 major construction project, as defined in s. 16.856 (1) (g).

9 SECTION 6. 16.856 of the statutes is created to read:

10 **16.856 Energy and environmental design standards for certain state**
11 **buildings, structures, and facilities. (1)** In this section:

12 (a) "Agency" has the meaning given in s. 16.70 (1e).

13 (b) "ASHRAE standard" means the standard promulgated by the department
14 of commerce under s. 101.028 based upon standard 90.1-2007 of the American
15 Society of Heating, Refrigerating and Air Conditioning Engineers or its current
16 equivalent as determined by the department of commerce under s. 101.028.

17 (c) "Conditioned space" means space that is designed to have controlled
18 environmental conditions.

19 (d) "IECC standards" means the energy efficiency design standards
20 promulgated by the department of commerce under s. 101.028 based upon the
21 national energy efficiency design standards of the International Energy
22 Conservation Code or their current equivalents as determined by the department of
23 commerce under s. 101.028.

24 (e) "LEED Green Building Rating System" means the green building rating
25 system of the U.S. Green Building Council designated as the leadership in energy

Insert 1-4

ASSEMBLY BILL 843

1 and environmental design system or its current equivalent as determined by the
2 department of commerce under s. 101.028.

3 (f) "LEED silver level" means the performance level designated as the silver
4 level under the LEED Green Building Rating System or its current equivalent as
5 determined by the department of commerce under s. 101.028.

12-4 ✓

12-5 ✓

6 (g) "Major construction project" means a project for the construction of a state
7 building, structure, or facility that will, upon completion, contain at least 10,000
8 gross square feet of conditioned space, or for the repair, renewal, or renovation of an
9 existing state building, structure, or facility containing at least 10,000 gross square
10 feet of conditioned space that affects more than 50 percent of the existing gross
11 square feet of conditioned space in that building, structure, or facility, or for the
12 expansion of an existing state building, structure, or facility to add at least 10,000
13 gross square feet of conditioned space.

14 (h) "Minimum LEED performance requirements for the operation and
15 maintenance of existing buildings" means the performance requirements so
16 designated under the LEED Green Building Rating System, as prescribed by the
17 U.S. Green Building Council, or its current equivalent as determined by the
18 department of commerce under s. 101.028.

19 (i) "Zero net energy" means an energy consumption level under which a
20 building, structure, or facility produces as much energy for electricity, heating, and
21 cooling from renewable sources in any calendar year as the building, structure, or
22 facility consumes during the same period.

23 (2) The department shall ensure that the plans and specifications for each
24 major construction project conform at a minimum to the requirements for
25 certification at the LEED silver level. Upon completion of each major construction

Insert 1-4

4

5

ASSEMBLY BILL 843

1 project, the department shall obtain certification by the U.S. Green Building Council
 2 that the project conforms at a minimum to the requirements for certification at the
 3 LEED silver level. The department shall also ensure that the energy performance,
 4 recycling of construction and demolition materials, ventilation components, indoor
 5 air quality performance, and water usage level for each major construction project
 6 conform to the standards specified s. 13.48 (2) (jm) 2.

7 (3) The department shall maintain a current inventory of the location and
 8 gross square footage of the conditioned space in all buildings, structures, and
 9 facilities that are owned or leased by any agency for its use or the use of another
 10 agency. The inventory shall include for each building, structure, or facility
 11 information concerning the conditioned space in the building, structure, or facility
 12 and whether the building, structure, or facility or any portion thereof is certified or
 13 eligible for certification by the U.S. Green Building Council as conforming at a
 14 minimum to LEED performance requirements for the operation and maintenance of
 15 existing buildings.

16 (4) Except as provided in sub. (5), the department shall ensure that each
 17 building, structure, or facility constructed, repaired, renewed, renovated, or
 18 expanded by or for the state that is a major construction project conforms to
 19 whichever of the following energy performance standards applies, based upon the
 20 year in which construction, repair, renewal, renovation, or expansion of the building,
 21 structure, or facility begins:

22 (a) For a building, structure, or facility the construction, repair, renewal,
 23 renovation, or expansion of which begins on or after the first day of the 7th month
 24 beginning after the effective date of this paragraph [LRB inserts date], but before
 25 January 1, 2015, the energy performance shall be at least 30 percent better than the

Insert 1-4

ASSEMBLY BILL 843**SECTION 6**

1 energy performance under the ASHRAE standard or the IECC standards, whichever
2 is the most stringent.

3 (b) For a building, structure, or facility the construction, repair, renewal,
4 renovation, or expansion of which begins after December 31, 2014, but before
5 January 1, 2020, the energy performance shall be at least 70 percent better than the
6 performance under the ASHRAE standard or the IECC standards, whichever is the
7 most stringent.

8 (c) For a building, structure, or facility the construction, repair, renewal,
9 renovation, or expansion of which begins after December 31, 2019, but before
10 January 1, 2025, the energy performance shall be at least 80 percent better than the
11 energy performance under the ASHRAE standard or the IECC standards, whichever
12 is the most stringent.

13 (d) For a building, structure, or facility the construction, repair, renewal,
14 renovation, or expansion of which begins after December 31, 2024, but before
15 January 1, 2030, the energy performance shall be at least 90 percent better than the
16 energy performance under the ASHRAE standard or the IECC standards, whichever
17 is the most stringent.

18 (e) For a building, structure, or facility the construction, repair, renewal,
19 renovation, or expansion of which begins after December 31, 2029, the energy
20 performance shall be 100 percent better than the energy performance under the
21 ASHRAE standard or the IECC standards, whichever is more stringent, and the
22 building, structure, or facility shall consume zero net energy.

23 (5) Subsection (4) does not apply to the gross square footage of enclosed space
24 of any building, structure, or facility that is dedicated for laboratory usage if the

Insert 1-4

ASSEMBLY BILL 843

1 ventilation requirements for that gross square footage do not permit compliance with
2 sub. (4) in that area.

3 (6) The department shall assess the feasibility of achieving certification by the
4 U.S. Green Building Council for greater than 15 percent of the total gross square
5 footage of conditioned space in buildings, structures, and facilities that are owned or
6 leased by agencies, as determined under sub. (3), as conforming at a minimum to
7 LEED performance requirements for the operation and maintenance of existing
8 buildings and shall, by rule, specify, for purposes of s. 13.48 (2) (jm) 5., increased
9 levels of certification and dates during the period from January 1, 2015, to January
10 1, 2030, by which those increased levels are to be achieved.

11 (7) Annually no later than March 31, the department shall report to the
12 governor and the building commission concerning the percentage level of adherence
13 as of the preceding December 31 to each of the requirements under s. 13.48 (2) (jm)
14 and this section that become effective on a date following that December 31 and the
15 percentage level of adherence as of the preceding December 31 to the applicable
16 requirement under s. 13.48 (2) (jm) 4. or 5.))

End
Insert
1-4

~~SECTION 7. 20.255 (2) (ed) of the statutes is created to read:
20.255 (2) (ed) LEED fees. A sum sufficient to pay LEED registration and
certification fees on behalf of school districts under s. 120.24.~~

Begin
Insert
1-6

17
18
19
20 " SECTION 66.0902 of the statutes is created to read:
21 **66.0902 Energy and environmental design standards for political**
22 **subdivision facilities. (1) In this section:**
23 (a) "Conditioned space" means space that is designated to have controlled
24 environmental conditions.
25 (b) "LEED silver level" has the meaning given in s. 16.856 (1) (f).

ASSEMBLY BILL 843

SECTION 8

1 (c) "Major construction project" means a project for the construction of a public
 2 building by or for a political subdivision that will, upon completion of the project,
 3 contain at least 10,000 gross square feet of conditioned space, or for the repair,
 4 renewal, or renovation of an existing public building by or for a political subdivision
 5 containing at least 10,000 gross square feet of conditioned space that affects more
 6 than 50 percent of the existing gross square feet of conditioned space in that building,
 7 or for the expansion of an existing public building by or for a political subdivision to
 8 add at least 10,000 gross square feet of conditioned space.

9 (d) "Political subdivision" means any city, village, town, or county.

10 (2) A political subdivision shall ensure that the plans and specifications for
 11 each major construction project conform at a minimum to the requirements for
 12 certification at the LEED silver level. Upon completion of each major construction
 13 project, the political subdivision shall obtain certification from the U.S. Green
 14 Building Council that the project conforms at a minimum to the requirements for
 15 certification at the LEED silver level. The political subdivision shall also ensure that
 16 the energy performance, use and disposal of construction and demolition materials,
 17 ventilation components, indoor air quality performance, and water usage level for
 18 each major construction project conform to the standards specified s. 13.48 (2) (jm)

19 2. " 0
 20 " SECTION 35b (23) of the statutes is created to read:

21 101.02 (23) The department may promulgate rules that establish building and
 22 design requirements for public buildings and places of employment that are based
 23 upon standard 189.1-2009 developed by the American Society of Heating,
 24 Refrigerating and Air-Conditioning Engineers in conjunction with the U.S. Green
 25 Building Council and the Illuminating Engineering Society or that are based upon

End
 Insert
 1-6
 18
 19
 20
 Begin
 Insert
 1-7

16-6

ASSEMBLY BILL 843

1 the current equivalent of that standard. If the department promulgates rules under
2 this subsection, the department shall review the rules whenever a revision of
3 standard 189.1-2009, or its current equivalent, is published. The department shall
4 complete its review of the rules and submit to the legislature proposed rules
5 changing the requirements no later than 18 months after the date on which the
6 revision of the standard is published.

7 SECTION ^{35d}10. 101.025 (4) (intro.) of the statutes is renumbered 101.025 (4) (ag),
8 and 101.025 (4) (ag) (intro.), as renumbered, is amended to read:

9 101.025 (4) (ag) (intro.) For ventilation systems in public buildings and places
10 of employment, the department shall ~~adopt~~ promulgate rules setting that
11 incorporate standard 62.1-2007, or its current equivalent, of the American Society
12 of Heating, Refrigerating and Air Conditioning Engineers and that set all of the
13 following:

14 SECTION ^{35f}11. 101.025 (4) (ar) of the statutes is created to read:

15 101.025 (4) (ar) The department shall review the rules promulgated under par.
16 (ag) whenever a revision of standard 62.1-2007, or its current equivalent, of the
17 American Society of Heating, Refrigerating and Air Conditioning Engineers, is
18 published. The department shall complete its review of the rules and submit to the
19 legislature a proposed rule changing the rules no later than 18 months after the date
20 on which the revision of the standard is published.

21 SECTION ^{35h}12. 101.027 (2) of the statutes is amended to read:

22 101.027 (2) The department shall review the energy conservation code and
23 shall promulgate rules that change the requirements of the energy conservation code
24 to improve energy conservation. No rule may be promulgated that has not taken into
25 account the cost of the energy conservation code requirement, as changed by the rule,

Insert 1-7

ASSEMBLY BILL 843

SECTION 12

Insert 1 - 7

1 in relationship to the benefits derived from that requirement, including the
 2 reasonably foreseeable economic and environmental benefits to the state from any
 3 reduction in the use of imported fossil fuel. The proposed rules changing the energy
 4 conservation code shall be submitted to the legislature in the manner provided under
 5 s. 227.19. In conducting a review under this subsection, the department shall
 6 ~~consider incorporating~~ incorporate, into the energy conservation code, design
 7 ~~requirements from standard 90.1-2007, or its current equivalent, of the most current~~
 8 ~~national energy efficiency design standards, including the International Energy~~
 9 ~~Conservation Code or an energy efficiency code other than the International Energy~~
 10 ~~Conservation Code if that energy efficiency code is used to prescribe design~~
 11 ~~requirements for the purpose of conserving energy in buildings and is generally~~
 12 ~~accepted and used by engineers and the construction industry~~ American Society of
 13 Heating, Refrigerating and Air Conditioning Engineers.

14 SECTION ^{35j} ~~13.~~ 101.027 (3) (a) 1. of the statutes is amended to read:

15 101.027 (3) (a) 1. A revision of standard 90.1-2007, or its current equivalent,
 16 of the International Energy Conservation Code American Society of Heating,
 17 Refrigerating and Air Conditioning Engineers is published.

18 SECTION ^{35L} ~~14.~~ 101.027 (3) (b) 1. of the statutes is amended to read:

19 101.027 (3) (b) 1. If the department begins a review under sub. (2) because a
 20 revision of standard 90.1-2007, or its current equivalent, of the International
 21 Energy Conservation Code American Society of Heating, Refrigerating and Air
 22 Conditioning Engineers is published, the department shall complete its review of the
 23 energy conservation code, as defined in sub. (1), and submit to the legislature
 24 proposed rules changing the energy conservation code, as defined in sub. (1), no later
 25 than 18 months after the date on which the revision of standard 90.1-2007, or its

ASSEMBLY BILL 843

1 current equivalent of the International Energy Conservation Code American
2 Society of Heating, Refrigerating and Air Conditioning Engineers is published.

3 SECTION 15. ^{35 n (B)} 101.028 of the statutes is created to read:

4 **101.028 Energy performance and environmental design standards for**
5 **certain public buildings, structures and facilities. (1)** In this section:

6 (a) "Energy Star standards" means the standards prescribed by the U.S.
7 Environmental Protection Agency under 42 USC 7403 (g) for energy use in buildings.

8 (b) "LEED Green Building Rating System" means the green building rating
9 system of the U.S. Green Building Council designated as the leadership in energy
10 and environmental design system or its current equivalent as determined by the
11 department.

12 (c) "LEED silver level" means the performance level designated as the silver
13 level under the LEED Green Building Rating System or its current equivalent as
14 determined by the department. ⁽¹⁹⁻¹⁴⁾

15 (d) "Minimum LEED performance requirements for the operation and
16 maintenance of existing buildings" means the performance requirements so
17 designated under the LEED Green Building Rating System, as prescribed by the
18 U.S. Green Building Council, or its current equivalent as determined by the
19 department.

20 (e) "U.S. Green Building Council" means the United States Green Building
21 Council or any successor organization that is substantially the same organization,
22 as determined by the department.

23 (2) The department shall prescribe, by rule, standards for energy performance
24 and environmental design in buildings, structures, and facilities which shall apply
25 to the extent required under ss. 13.48 (2) and (15), 16.84 (5), 16.856, 66.0902, and

Insert 1-7

ASSEMBLY BILL 843

1 120.24. The standards shall be based upon the following standards or, if they are
2 updated, their current equivalents:

3 (a) The LEED silver level for new building construction.

4 (b) Minimum LEED performance requirements for the operation and
5 maintenance of existing buildings.

6 (c) Energy Star standards.

7 (d) Energy performance standard 90.1-2007 of the American Society of
8 Heating, Refrigerating, and Air Conditioning Engineers.

9 (e) Standard 62.1-2004 of the American Society of Heating, Refrigerating, and
10 Air Conditioning Engineers.

11 (f) National energy efficiency design standards of the International Energy
12 Conservation Code adopted the the International Code Council-2006.

13 (g) The Uniform Plumbing Codes-2006 promulgated by the International
14 Association of Plumbing and Mechanical Officials.

15 (i) Indoor air quality guidelines for occupied buildings promulgated by the
16 Sheet Metal and Air Conditioning Contractors' National Association, 2nd edition,
17 2007.

18 (j) The International Plumbing Codes-2006 fixture and fitting performance
19 requirements promulgated by the International Code Council.

20 (3) The department shall review a rule promulgated under sub. (2) whenever
21 a revision of a standard on which the rule is based is published. The department
22 shall complete its review of the rule and submit to the legislature a proposed rule
23 changing the standard no later than 18 months after the date on which the revision
24 of the standard is published.

25 SECTION 16. 101.05 (1) and (3) of the statutes are amended to read:

35p B

7-1 insert

ASSEMBLY BILL 843

1 101.05 (1) ~~No~~ Except for rules promulgated under s. 101.028, no building code
2 adopted by the department under this chapter shall affect buildings located on
3 research or laboratory farms of public universities or other state institutions and
4 used primarily for housing livestock or other agricultural purposes.

5 (3) ~~No~~ Except for rules promulgated under s. 101.028, no standard, rule, code
6 or regulation of the department under this subchapter applies to construction
7 undertaken by the state for the purpose of renovation of the state capitol building.

8 SECTION 17. 101.65 (1) (a) (intro.) of the statutes is amended to read:

9 101.65 (1) (a) (intro.) Exercise jurisdiction over the construction and inspection
10 of new dwellings by passage of ordinances, provided such ordinances meet the
11 requirements of the one- and 2- family dwelling code adopted in accordance with this
12 subchapter. An ordinance under this paragraph may exceed the requirements of the
13 one- and 2-family dwelling code that relate to energy conservation in the
14 construction of new dwellings. Except as provided by s. 101.651, a county ordinance
15 ~~shall apply in any city, village or town which has not enacted such ordinance.~~

Insert 1-7

16 SECTION 18. 119.04 (1) of the statutes, as affected by 2009 Wisconsin Acts 60
17 and 96, is amended to read:

35 r 8

18 119.04 (1) Subchapters IV, V and VII of ch. 115, ch. 121 and ss. 66.0235 (3) (c),
19 66.0603 (1m) to (3), 115.01 (1) and (2), 115.28, 115.31, 115.33, 115.34, 115.343,
20 115.345, 115.361, 115.365 (3), 115.38 (2), 115.445, 115.45, 118.001 to 118.04, 118.045,
21 118.06, 118.07, 118.075, 118.10, 118.12, 118.125 to 118.14, 118.145 (4), 118.15,
22 118.153, 118.16, 118.162, 118.163, 118.164, 118.18, 118.19, 118.20, 118.225, 118.24
23 (1), (2) (c) to (f), (6) and (8), 118.255, 118.258, 118.291, 118.30 to 118.43, 118.51,
24 118.52, 118.55, 120.12 (5) and (15) to (25), 120.125, 120.13 (1), (2) (b) to (g), (3), (14),

1 (17) to (19), (26), (34), (35), (37), (37m), and (38), 120.14, 120.21 (3), 120.24, and
2 120.25 are applicable to a 1st class city school district and board.

3 SECTION ^{a 35t B}19. 120.24 of the statutes is created to read:

4 **120.24 Energy performance and environmental design standards for**
5 **school district facilities. (1)** In this section:

6 (a) "Conditioned space" has the meaning given in s. 16.856 (1) (c).

7 (b) "LEED silver level" has the meaning given in s. 16.856 (1) (f).

8 (c) "Major construction project" means a project for the construction of a
9 building that will, upon completion, contain at least 10,000 gross square feet of
10 conditioned space, or for the repair, renewal, or renovation of an existing building
11 containing at least 10,000 gross square feet of conditioned space that affects more
12 than 50 percent of the existing gross square feet of conditioned space in that building,

13 or for the expansion of an existing building to add at least 10,000 gross square feet
14 of conditioned space.

15 (2) Each school board shall ensure that the plans and specifications for each
16 major construction project conform at a minimum to the requirements for
17 certification at the LEED silver level. Upon completion of each major construction

18 project, the school board shall obtain certification from the U.S. Green Building
19 Council that the project conforms at a minimum to the requirements for certification
20 at the LEED silver level. The school board shall also ensure that the energy

21 performance, use and disposal of construction and demolition materials, ventilation
22 components, indoor air quality performance, and water usage level for each major
23 construction project conform to the standards specified s. 13.48 (2) (jm) 2.

Invert 1-7

22-12

ASSEMBLY BILL 843

SECTION 19

1 (3) Upon request, the department shall pay necessary LEED registration and
 2 certification fees for a major construction project on behalf of a school district. The
 3 department shall pay the fees from the appropriation under s. 20.255 (2) (ed).

4 (4) SECTION 20. 145.133 of the statutes is created to read:

5 145.133 ^{35 v (B)} Graywater systems. (1) In this section:

6 (a) "Graywater" means wastewater generated from the use of a clothes washer,
 7 sink, shower, or bathtub.

8 (b) "Graywater system" means a system for the collection and reuse of
 9 graywater.

10 (c) "Rainwater system" means a system for the collection and reuse of
 11 rainwater generated from building roofs.

12 (2) The department shall promulgate rules that establish standards for the
 13 installation of graywater and rainwater systems. The standards shall authorize the
 14 reuse of graywater and rainwater within the building, or on the property
 15 surrounding the building, from which the graywater or rainwater was generated.))

16 SECTION 21. Initial applicability.

17 (1) The treatment of section 13.48 (2) (jm) 2. and 3. of the statutes first applies
 18 with respect to projects approved and agreements entered into on the effective date
 19 of this subsection.

20 (2) The treatment of section 16.856 (2) of the statutes first applies with respect
 21 to projects for which design is commenced on the effective date of this subsection.

22 (3) The treatment of section 16.84 (5) of the statutes, the renumbering and
 23 amendment of section 13.48 (15) of the statutes, and the creation of section 13.48 (15)
 24 (b) of the statutes first apply with respect to leases of real property by the state that
 25 are entered into, renewed, or extended on the effective date of this subsection.

End
Insert
1-7

Begin
Insert
1-9

ASSEMBLY BILL 843

1

(4) ⁽⁵⁾

The treatment of section 120.24 (2) of the statutes first applies with respect to projects for which design is commenced on the effective date of this subsection.

3

(5) ⁽⁶⁾

The treatment of section 66.0902 (2) of the statutes first applies with respect to projects for which a request for proposal is issued by a political subdivision on the effective date of this subsection.))

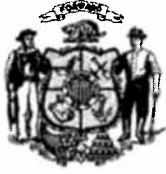
4

5

))

(END)

End
Insert
1-9
6



**ASSEMBLY AMENDMENT 1,
TO 2009 ASSEMBLY BILL 843**

March 29, 2010 - Offered by Representative MOLEPSKE JR..

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

2 **1.** Page 1, line 10: after "systems," insert "and".

3 **2.** Page 1, line 11: delete ", and making an appropriation".

4 **3.** Page 12, line 4: after "equivalent" insert "12-4, or an equivalent performance
5 level under an equivalent rating system".

6 **4.** Page 12, line 5: after "101.028." insert "12-5 The department shall recognize the
7 use of wood-based materials and products certified by the Forest Stewardship
8 Council, American Tree Farm System, or Sustainable Forest Initiative programs".

9 **5.** Page 15, line 17: delete lines 17 to 19.

10 **6.** Page 16, line 3: delete "repair".

11 **7.** Page 16, line 4: delete "renewal, or".

