



**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

WANTED;  
Wed. 10/14

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AN ACT ...; **relating to:** the southeastern regional transit authority and the creation of interim regional transit authorities in Southeast Wisconsin, and requiring the exercise of rule-making authority.

***Analysis by the Legislative Reference Bureau***

This is a preliminary draft. An analysis will be provided in a later version. 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:***

SECTION 1. 20.395 (5) (iv) of the statutes is amended to read:  
20.395 (5) (iv) ~~Municipal and county~~ Local vehicle registration fee, local funds.  
All moneys received under s. 341.35, less the portion of the fee attributable to the department's administrative costs, for the purpose of remitting the ~~municipal or county~~ local vehicle registration fee to the municipality ~~or~~ county, or transit authority under s. 341.35 (6).

**History:** 1971 c. 40 s. 93; 1971 c. 42, 107; 1971 c. 125 ss. 122 to 137, 522 (1); 1971 c. 197, 211, 215, 307; 1973 c. 90, 142, 243, 333, 336; 1975 c. 39; 1975 c. 163 s. 16; 1975 c. 200, 224, 270, 288, 340, 422; 1977 c. 29, 377, 418; 1979 c. 34 ss. 322e to 420, 574, 575; 1979 c. 221; 1981 c. 20 ss. 238 to 300, 2202 (51) (c), (e); 1981 c. 165, 234;

*as affected by 2009 Wisconsin Act 28,*

1981 c. 314 s. 146; 1981 c. 347 s. 80; 1981 c. 362; 1983 a. 27 ss. 270g to 315, 2202 (20); 1984 a. 243; 1985 a. 29 ss. 357 to 402, 3202 (51) (a); 1985 a. 65, 76, 341; 1987 a. 27, 137, 349, 369, 399, 403; 1989 a. 31, 56; 1991 a. 39, 104, 239, 269; 1993 a. 16, 285, 354, 437; 1995 a. 27, 113, 201, 338, 445; 1997 a. 27, 35, 135, 237, 255; 1999 a. 9, 109, 146, 167, 185; 2001 a. 16, 104, 109; 2003 a. 33, 64, 139, 220, 320; 2005 a. 25, 319, 335; 2007 a. 20, 42; 2009 a. 28.

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**SECTION 2.** 59.58 (6) of the statutes is repealed.

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**SECTION 3.** 59.58 (7) (a) 1. of the statutes, as created by 2009 Wisconsin Act 28,

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is amended to read:

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59.58 (7) (a) 1. ~~“Authority”~~ Except as used in subd. 2m., “authority” means the

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southeastern regional transit authority created under this subsection.

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**History:** 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20; 2009 a. 28.

**SECTION 4.** 59.58 (7) (a) 2m. of the statutes is created to read:

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59.58 (7) (a) 2m. “Interim regional transit authority” means an authority

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created under s. 66.1041.

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**SECTION 5.** 59.58 (7) (a) 4., 5, and 6. of the statutes are created to read:

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59.58 (7) (a) 4. “Participating political subdivision” means a political

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subdivision that has adopted a resolution creating an interim regional transit

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authority or joining an established interim regional transit authority.

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5. “Political subdivision” has the meaning given in s. 66.1041 (1) (f).

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6. “Southeast Wisconsin” has the meaning given in s. 66.1041 (1) (h).

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**SECTION 6.** 59.58 (7) (b) of the statutes, as created by 2009 Wisconsin Act 28,

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is amended to read:

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59.58 (7) (b) There is created the southeastern regional transit authority, a

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public body corporate and politic and a separate governmental entity, consisting

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that, except as provided in par. (n) 4., consists of the counties and cities of Kenosha,

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Racine, and Milwaukee. This authority may transact business and exercise any

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powers granted to it under this subsection. The Except as provided in par. (n) 3., the

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jurisdictional area of this authority is the geographic area formed by the combined

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territorial boundaries of the counties of Kenosha, Racine, and Milwaukee.

1           **SECTION 7.** 59.58 (7) (c) 1. (intro.) of the statutes, as created by 2009 Wisconsin  
2 Act 28, is amended to read:

3           59.58 (7) (c) 1. (intro.) The powers of the authority shall be vested in its board  
4 of directors, ~~consisting which, except as provided in par. (n) 5., shall consist~~ of the  
5 following members:

6 History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20; 2009 a. 28.

6           **SECTION 8.** 59.58 (7) (c) 1. h. and i. of the statutes are created to read:

7           59.58 (7) (c) 1. h. One member from any city with a population of more than  
8 60,000, other than a city identified in subd. 1.b., 1.d., or 1.f., that is a participating  
9 political subdivision in an interim regional transit authority, appointed by the mayor  
10 of the city.

11           i. One member from any county, other than a county identified in subd. 1.a., 1.c.,  
12 or 1.e., that is a participating political subdivision in an interim regional transit  
13 authority, appointed by the chairperson of the county board.

14           **SECTION 9.** 59.58 (7) (d) of the statutes, as created by 2009 Wisconsin Act 28,  
15 is amended to read:

16           59.58 (7) (d) The authority shall have all powers necessary and convenient to  
17 plan, create, construct, operate, and manage a KRM commuter rail line. The  
18 authority may operate the KRM commuter rail line itself or may contract for a rail  
19 service to operate the KRM commuter rail line.

20 History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20; 2009 a. 28.

20           **SECTION 10.** 59.58 (7) (e) 2. of the statutes, as created by 2009 Wisconsin Act  
21 28, is amended to read:

22           59.58 (7) (e) 2. ~~Retain~~ Except as provided in subd. 3., retain the difference  
23 between the amount of the fees imposed under subch. XIII of ch. 77 and the amount  
24 of those fees retained under subd. 1. for expenditures related to the KRM commuter

1 rail line, including planning, construction, maintenance, operations, and  
2 engineering expenditures.

3 History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20; 2009 a. 28.

3 SECTION 11. 59.58 (7) (e) 3. of the statutes is created to read:

4 59.58 (7) (e) 3. Provide incentive funds to any interim regional transit authority  
5 in compliance with the requirements specified in par. (L). No incentive funds may  
6 be provided under this subdivision after December 31, 2011.

7 SECTION 12. 59.58 (7) (f) 2. of the statutes, as created by 2009 Wisconsin Act  
8 28, is amended to read:

9 59.58 (7) (f) 2. The Except as provided in par. (n) 6., the authority may issue  
10 bonds in an aggregate principal amount not to exceed \$50,000,000, excluding bonds  
11 issued to refund outstanding bonds issued under this subdivision, for the purpose of  
12 providing funds for the anticipated local funding share required for initiating KRM  
13 commuter rail line service.

14 History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20; 2009 a. 28.

14 SECTION 13. 59.58 (7) (f) 4. of the statutes, as created by 2009 Wisconsin Act

15 28, is amended to read:

16 59.58 (7) (f) 4. The bonds of the authority are not a debt of the counties or cities  
17 that comprise the authority. Neither these counties ~~nor cities~~ nor the state are liable  
18 for the payment of the bonds. The bonds of the authority shall be payable only out  
19 of funds or properties of the authority. The bonds of the authority shall state the  
20 restrictions contained in this subdivision on the face of the bonds.

21 History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20; 2009 a. 28.

21 SECTION 14. 59.58 (7) (g) of the statutes, as created by 2009 Wisconsin Act 28,

22 is amended to read:

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score → ⊕ ⊖ ← score

1           59.58 (7) (g) All moneys transferred under s. 59.58 (6) (cg), 2007 stats., shall  
2 be used by the authority to assist in the planning of the KRM commuter rail line  
3 project.

4 History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20; 2009 a. 28.

4           **SECTION 15.** 59.58 (7) (i) of the statutes, as created by 2009 Wisconsin Act 28,  
5 is amended to read:

6           59.58 (7) (i) The authority is the only entity in ~~the counties of Milwaukee,~~  
7 ~~Racine, and Kenosha~~ southeast Wisconsin that may submit an application for  
8 funding to the federal transit administration in the U.S. department of  
9 transportation under the federal new starts grant program ~~for funding for the KRM~~

10 ~~commuter rail line.~~ Upon receiving any application for federal funds described in s.  
11 66.1041 (5), the authority shall promptly submit the application to the appropriate  
12 federal agency for consideration. *plain*

13 History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20; 2009 a. 28.

13           **SECTION 16.** 59.58 (7) (k) of the statutes is created to read:

14           59.58 (7) (k) 1. The authority may provide non-financial transit assistance to  
15 any interim regional transit authority, including reviewing the transit plans of the  
16 interim regional transit authority.

17           2. If the authority receives federal or state funding intended to ultimately be  
18 received by any interim regional transit authority, the authority shall forward this  
19 funding to the intended recipient.

20           3. Upon request from any municipality or county considering the creation of an  
21 interim regional transit authority, the authority shall assist the municipality or  
22 county in determining the amount of incentive funds under par. (L) that the interim  
23 regional transit authority would likely receive after its creation.

24           **SECTION 17.** 59.58 (7) (L) of the statutes is created to read:

## SECTION 17

1 59.58 (7) (L) 1. From the fees identified in par. (e), the authority may provide  
2 incentive funds to interim regional transit authorities. Upon application for  
3 incentive funds by an interim regional transit authority, the board of directors of the  
4 authority shall evaluate the application and provide incentive funding in compliance  
5 with the provisions of this subsection and the bylaws of the authority.

6 2. The board of directors of the authority may not provide incentive funds to  
7 an interim regional transit authority in an amount in excess of the total amount of  
8 revenue generated by the interim regional transit authority from all sources  
9 identified in s. 66.1041 (2) (c) 2. or \$5,000,000, whichever is less.

10 3. In evaluating and awarding incentive funding under this paragraph, the  
11 board of directors of the authority shall apply uniform criteria to all applicants. The  
12 board shall consider all of the following factors in evaluating applications by interim  
13 regional transit authorities for incentive funds:

14 a. The number of participating political subdivisions in the interim regional  
15 transit authority.

16 b. All funding sources providing revenue to the interim regional transit  
17 authority.

18 c. The long-term transit goals for the interim regional transit authority.

19 d. Whether the interim regional transit authority has satisfied any of the  
20 requirements under s. 66.1041 (6) (c) and (d) ahead of schedule.

21 4. The bylaws of the authority shall specify a minimum amount of revenue that  
22 must be generated by an interim regional transit authority from all sources  
23 identified in s. 66.1041 (2) (c) 2. in order to obtain incentive funding under this  
24 paragraph.

SECTION #. 59.58 (7) (m); CR

59.58 (7) (m)

(m) Beginning on July 1, 2011, from the aids received by the authority under s. 85.20 (4m) (a) 6. e., the authority shall provide incentive funds to interim regional transit authorities to assist interim regional transit authorities in meeting the minimum revenue requirement specified in par. (L) 4.

2. The bylaws of the authority shall specify a method, which must be uniformly applicable to all interim regional transit authorities, for determining the amount of incentive funding provided under this paragraph. For each interim regional transit authority receiving incentive funding under both this paragraph and par. (L), the proportion of incentive funding under this paragraph to the incentive funding under par. (L) must be uniform in comparison to all other interim regional transit authorities receiving such incentive funding.

59.58 (7) (n)

SECTION #. 59.58 (7) (n); CR

(n) 1. After the department of transportation provides the notice specified in s. 66.1041 (7) (a), the authority shall assist each interim regional transit authority in the winding down process described in s. 66.1041 (7) (b), including assisting in the orderly transfer of assets and property to the southeastern regional transit authority.

2. a. Within 120 days after the department of transportation provides the notice specified in s. 66.1041 (7) (a), the authority shall assume responsibility for providing transit service and transit planning within the jurisdictional area of every interim regional transit authority. In assuming this responsibility, the authority shall have available all options for providing transit service that were formerly available to the interim regional transit authority, including those described in s. 66.1041 (4) (a) 1. and (b) 1., and shall impose the taxes under s. 77.708 (1), if any interim regional transit authority imposed the taxes and if the authority adopts an

1 resolution to establish the tax rate. The authority shall have all powers necessary  
2 and convenient to carry out its responsibilities under this subdivision.

3 b. If an authority adopts a resolution to establish the tax rate, as described in  
4 subd. 2. a., it shall deliver a certified copy of the resolution to the department of  
5 revenue at least 120 days before its effective date. The authority may, by adoption  
6 of a resolution by the board of directors, repeal the imposition of the taxes under s.  
7 77.708 and shall deliver a certified copy of the repeal resolution to the department  
8 of revenue at least 120 days before its effective date.

9 c. If the authority adopts a resolution as provided in subd. 2. a., it shall specify  
10 to the department of revenue the exact boundaries of the authority's jurisdictional  
11 area. If the boundaries are other than a county line on any side of the authority's  
12 jurisdictional area, the authority shall provide the department with a complete list  
13 of all <sup>of</sup> the 9-digit zip codes that are entirely within the authority's jurisdictional area  
14 and a complete list of all the street addresses that are within the authority's  
15 jurisdictional area and not included in any 9-digit zip code that is entirely within the  
16 authority's jurisdictional area. The authority shall provide a certified copy of the  
17 information required under this subd. 2. c. to the department, in the manner, format,  
18 and layout prescribed by the department, at least 120 days prior to the resolution's  
19 effective date. If the boundaries of the authority's jurisdictional area subsequently  
20 change, the authority shall submit a certified copy of the information required under  
21 this subd. 2. c. to the department, in the manner, format, and layout prescribed by  
22 the department, at least 120 days prior to the change's effective date.

23 3. a. For all purposes except those specified in subds. 3. b. and c., upon  
24 assuming responsibility for transit as provided in subd. 2., the jurisdictional area of



1 the authority shall be the combined jurisdictional areas of all interim regional  
2 transit authorities.

3 b. For purposes of s. 77.9971 (1), if part but not all of Racine County is included  
4 in the jurisdictional area described in subd. 3.a., the authority's jurisdictional area  
5 shall include, in addition to the area in subd. 3. a., all of Racine County unless the  
6 board of the authority votes to not impose the fees under subch. XIII of ch. 77 in the  
7 part of Racine County that did not become a participating political subdivision in an  
8 interim regional transit authority.

9 c. For purposes of imposing the taxes under s. 77.708 (1), the authority's  
10 jurisdictional area shall not include the jurisdictional area of any interim regional  
11 transit authority that did not impose the taxes under s. 77.708 (1) before the  
12 department of transportation provided the notice specified in s. 66.1041 (7) (a).

13 4. After the department of transportation provides the notice specified in s.  
14 66.1041 (7) (a), the authority consists of the participating political subdivisions of all  
15 interim regional transit authorities. If Racine County was not a participating  
16 political subdivision of an interim regional transit authority at the time that the  
17 department of transportation provided the notice specified in s. 66.1041 (7) (a),  
18 Racine County may subsequently join the southeastern regional transit authority if  
19 the governing body of Racine County adopts a resolution to join the authority and the  
20 board of directors of the authority approves. *stays in* The bylaws of the authority shall specify  
21 the necessary contents of such a resolution.

22 5. After the department of transportation provides the notice specified in s.  
23 66.1041 (7) (a), all of the following apply with respect to the authority's board of  
24 directors:

be paid from the appropriation under s. 20.835 (4) (gg) at the rate under s. 77.60 (1) (a). Any authority that receives a report along with a payment under this subdivision or subd. 3. is subject to the duties of confidentiality to which the department of revenue is subject under s. 77.61 (5).

**SECTION 6.** 66.0615 (1m) (em) of the statutes is created to read:

66.0615 (1m) (em) 1. Following the completion of a winding down, dissolution, and transition process described in s. 66.1041 (7), and a transit authority becoming the successor to the authorities created under s. 66.1041 and assuming responsibility for providing transit service and transit planning as described in s. 59.58 (7) (n) 2., a transit authority may adopt a resolution imposing a room tax under par. (a) in an amount not to exceed 8% of total room charges. A room tax imposed by a transit authority under this subdivision applies within the authority's jurisdiction, as specified in subd. 2., and the proceeds of the tax may be used for any lawful purpose of the transit authority.

2. a. For all purposes except those specified in subds. 2. b. and c., upon assuming responsibility for transit service and transit planning as described in subd. 1., the jurisdictional area of the transit authority shall be the combined jurisdictional areas of all authorities.

b. For purposes of par. (ee), if part but not all of Racine County is included in the jurisdictional area described in subd. 2. a., the transit authority's jurisdictional area shall include, in addition to the area in subd. 2. a., all of Racine County unless the board of the transit authority votes to not impose the tax under this paragraph in the part of Racine County that did not become a participating political subdivision in an authority.

1 a. The political subdivisions that are members of the authority may adopt  
2 identical resolutions providing for representation on the board of directors in  
3 proportion to each political subdivision's population.

4 b. If any <sup>member of the board of</sup> director <sup>use twice</sup> described in par. (c) 1. a. to g. is from a political subdivision  
5 that is not a participating political subdivision in an interim regional transit  
6 authority, the board of directors may vote to remove that <sup>member</sup> director.

7 c. Any <sup>s</sup> director <sup>s</sup> described in par. (c) 1. a. to g. that is from a political subdivision  
8 which is not a participating political subdivision in an interim regional transit  
9 authority, and that has not been removed under subd. 5. <sup>a. ← b.</sup> is limited to voting on  
10 issues directly related to the KRM commuter rail line.

11 6. After the department of transportation provides the notice specified in s.  
12 66.1041 (7) (a), in addition to the authorization under par. (f) 2., the authority may  
13 use bond proceeds from the bonds issued under par. (f) for the construction of new  
14 capital improvements to the authority's transit system or for the acquisition of  
15 existing transit systems.

16 SECTION 18. 66.1041 of the statutes is created to read:

17 **66.1041 Interim regional transit authorities.** (1) DEFINITIONS. In this  
18 section:

19 (a) Except as used in par. (g), "authority" means an interim regional transit  
20 authority created under this section.

21 (b) "Comprehensive unified local transit system" means a transit system that  
22 is comprised of motor bus lines and any other local public transit facilities, the major  
23 portion of which is located within, or the major portion of the service of which is  
24 supplied to the inhabitants of, the jurisdictional area of the authority.

25 (c) "Department" means the department of transportation.

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1 (d) "Municipality" means any city, village, or town.

2 (e) "Participating political subdivision" means a political subdivision that has  
3 adopted a resolution creating an authority or joining an established authority under  
4 this section.

5 (f) "Political subdivision" means a municipality or county.

6 (g) "Southeastern regional transit authority" means the southeastern regional  
7 transit authority created under s. 59.58 (7).

8 (h) "Southeast Wisconsin" means the geographical area comprising the  
9 counties of Kenosha, Milwaukee, Ozaukee, Washington, Racine, and Waukesha.

10 (i) "Transit system" means all land, shops, structures, equipment, property,  
11 franchises, and rights of whatever nature required for transit of passengers within  
12 the jurisdictional area of the authority and outside the jurisdictional area of the  
13 authority. "Transit system" includes motor buses, fixed guideway transit,  
14 ridesharing, specialized transportation, motor vehicles, elevated railroads,  
15 subways, underground railroads, and any combination thereof, and any other form  
16 of mass transit, but does not include transportation excluded from the definition of  
17 "common motor carrier" under s. 194.01 (1), charter or contract operations to, from,  
18 or between points that are outside the jurisdictional area of the authority, or travel  
19 by aircraft flight.

20 (2) CREATION OF AUTHORITY. (a) Subject to pars. (e) and (f), the governing body  
21 of a political subdivision in southeast Wisconsin may, by resolution, create an  
22 authority consisting of the political subdivision or may join together with one or more  
23 other political subdivisions to jointly create, by adopting identical resolutions, an  
24 authority. An authority created under this section is a public body corporate and

## SECTION 18

1 politic and shall be known as an "interim regional transit authority." The authority  
2 may transact business and exercise any powers granted to it under this section.

3 (b) 1. Subject to pars. (e) and (f), and except as provided in subd. 2., if an  
4 authority has been created under par. (a), a political subdivision may join the  
5 authority if the governing body of the political subdivision adopts a resolution  
6 identical to the existing resolutions of the authority's participating political  
7 subdivisions or, if the authority is created by a single political subdivision, identical  
8 to the existing resolution of the authority's participating political subdivision, and  
9 if the authority's board of directors adopts a resolution allowing the political  
10 subdivision to join the authority. For purposes of determining whether a resolution  
11 adopted under this subdivision is identical to an existing resolution of the authority,  
12 both the resolutions adopted under par. (a) to create the authority under par. (a) and  
13 any modifications to those resolutions under par. (g) shall be considered.

14 2. The resolution of a political subdivision adopted under subd. 1. may differ  
15 from each existing resolution by specifying what the composition of the authority's  
16 board of directors will be after the political subdivision has joined the authority, but  
17 this resolution must be consistent with the authority's bylaws as described in sub.

18 (3) (b) 3. If the authority's board of directors thereafter adopts a resolution allowing  
19 the political subdivision to join the authority, the board of directors thereby agrees  
20 to the new composition of the authority's board of directors specified in the resolution  
21 of the joining political subdivision and any existing resolution is considered modified  
22 under par. (g) 2. to reflect this new board composition.

23 (c) Any resolution creating an authority under par. (a) or joining an authority  
24 under par. (b) shall specify all of the following:

1           1. Subject to sub. (3) (b), the composition of the authority's board of directors  
2 and other matters relating to the selection, terms, and duties of the board of  
3 directors.

4           2. All revenue sources on which the authority will rely for funding and the  
5 minimum amount of revenue that the authority will commit to satisfy the revenue  
6 requirements for the authority specified in this section.

7           (d) 1. Except as provided in subd. 2., the jurisdictional area of an authority is  
8 the geographic area formed by the combined territorial boundaries of all  
9 participating political subdivisions of the authority.

10           2. If the authority includes a county as a participating political subdivision, the  
11 jurisdictional area of the authority includes only that portion of the county that is  
12 within the territorial boundaries of municipalities in the county that are also  
13 participating political subdivisions except that, for Milwaukee County, the  
14 jurisdictional area includes all of Milwaukee County.

15           (e) An authority may be created under par. (a) only if all of the following apply:

16           1. At least one of the political subdivisions creating the authority operated a  
17 transit system receiving funding under s. 85.20 on the effective date of this  
18 subdivision .... [LRB inserts date].

19           2. The political subdivision or political subdivisions creating the authority  
20 commit to providing funding for the authority, upon creation, in an amount of at least  
21 the political subdivision's property tax levy contribution to transit as of one year prior  
22 to the effective date of this subdivision .... [LRB inserts date], and also make a  
23 commitment that the authority, after creation, will meet the revenue requirements  
24 specified in sub. (6) through one or more of the revenue sources identified in par. (c)

25           2.

1 (f) An authority may not include more than one county. An authority may not  
2 include municipalities located in different counties.

3 (g) 1. Subject to subds. 2. and 3., if an authority has been created under this  
4 subsection, the participating political subdivisions of the authority may amend or  
5 modify their resolutions creating or joining the authority if, after any amendment or  
6 modification, the resolutions of all participating political subdivisions of the  
7 authority remain identical and continue to satisfy the requirements under this  
8 subsection.

9 2. If a political subdivision joins an authority under par. (b), the participating  
10 political subdivisions of the authority may amend or modify their existing  
11 resolutions to accomplish any changes necessary to reflect the addition of the new  
12 political subdivision to the authority, including any changes to the composition of the  
13 authority's board of directors. In lieu of expressly amending or modifying their  
14 existing resolutions, the participating political subdivisions of the authority may  
15 also effect changes to the composition of the authority's board of directors, in  
16 connection with the addition of a new political subdivision to the authority, by means  
17 of the approval process specified in par. (b) 2., in which case the existing resolutions  
18 of the participating political subdivisions are considered modified to reflect the new  
19 composition of the authority's board of directors.

20 3. In lieu of expressly amending or modifying the existing resolutions of the  
21 participating political subdivisions of an authority to reflect changes to the revenue  
22 sources specified in par. (c) 2., these changes to the revenue sources relied upon may  
23 be made by a vote of the authority's board of directors if, after the changes, the  
24 authority continues to satisfy the revenue requirements specified in sub. (6). After

1 such a vote, the existing resolutions of the participating political subdivisions are  
2 considered modified to reflect the change in revenue sources.

3 (3) GOVERNANCE OF AUTHORITY. (a) The powers of an authority shall be vested  
4 in its board of directors. A majority of the board of directors' full authorized  
5 membership constitutes a quorum for the purpose of conducting the authority's  
6 business and exercising its powers. Action may be taken by the board of directors  
7 upon a vote of a majority of the directors present and voting, unless the bylaws of the  
8 authority require a larger number.

9 (b) The board of directors of an authority shall be determined as provided in  
10 resolutions creating the authority under ~~par~~ (a) or joining an existing authority  
11 under ~~par~~ (b) except that all of the following shall apply:

12 1. The board of directors shall consist of at least 5 members and not more than  
13 9 members.

14 2. The board of directors shall include at least one member from the authority's  
15 jurisdictional area, appointed by the governor.

16 3. Subject to subds. 1. and 2., the bylaws of the authority shall specify a  
17 procedure and guidelines for changing board membership upon the joinder of a  
18 political subdivision under sub. (2) (b).

19 4. Notwithstanding subds. 1. to 3., the board of directors of an authority that  
20 includes Milwaukee County shall consist of the following members:

21 a. Two members from the authority's jurisdictional area, appointed by the  
22 Milwaukee County board chairperson.

23 b. One member from that portion of the authority's jurisdictional area that is  
24 outside the city of Milwaukee, appointed by the Milwaukee County board  
25 chairperson.



**SECTION 18**

1 c. One member, appointed by the mayor of the city of Milwaukee.

2 d. One member from the authority's jurisdictional area, appointed by the  
3 governor.

4 (4) AUTHORITY POWERS AND DUTIES. (a) Notwithstanding s. 59.84 (2) and any  
5 other provision of this chapter or ch. 59 or 85, an authority shall do all of the  
6 following:

7 1. Provide, or contract with existing transit providers for the provision of,  
8 transit service within the authority's jurisdictional area, except that an authority  
9 that includes Milwaukee County shall contract with the Milwaukee County board  
10 for the authority to provide transit service in Milwaukee County.

11 2. Provide transit planning within the authority's jurisdictional area. Each  
12 transit plan of the authority shall be submitted to the southeastern regional transit  
13 authority.

14 (b) Notwithstanding s. 59.84 (2) and any other provision of this chapter or ch.  
15 59 or 85, in addition to the duties specified in par. (a), an authority may do any of the  
16 following:

17 1. Acquire a comprehensive unified local transit system by entering into a  
18 transfer agreement with the owner of the system.

19 2. Subject to sub. (5), apply for and utilize state and federal funds.

20 (5) FEDERAL AND STATE AID; INCENTIVE FUNDS. Any application by an authority  
21 for federal or state funding shall first be submitted to the southeastern regional  
22 transit authority, which shall then provide the application to the appropriate federal  
23 or state agency. If the application results in the receipt of any federal or state funds,  
24 those federal or state funds shall first be received by the southeastern regional

1 transit authority, which shall then forward the funds to the authority that provided  
2 the application.

3 (6) AUTHORITY REVENUE REQUIREMENTS. (a) An authority may generate revenue  
4 by doing any of the following:

5 1. Imposing a local vehicle registration fee under s. 341.35. ✓

6 2. Levying a hotel tax.

7 3. a. Imposing, by the adoption of a resolution by the board of directors, the  
8 taxes under s. 77.708, except that no authority may adopt such a resolution until a  
9 referendum is held in the authority's jurisdictional area on the question of whether  
10 the authority may impose the taxes under s. 77.708 and the referendum is decided  
11 in the affirmative. For purposes of an authority that has Milwaukee County as the  
12 boundaries of its jurisdictional area, the referendum for imposing sales and use taxes  
13 for transit purposes that was approved in 2009 in Milwaukee County satisfies the  
14 referendum requirement of this subd. 3. a. If an authority adopts a resolution to  
15 impose the taxes, it shall deliver a certified copy of the resolution to the department  
16 of revenue at least 120 days before its effective date. The authority may, by adoption  
17 of a resolution by the board of directors, repeal the imposition of the taxes under s.  
18 77.708 and shall deliver a certified copy of the repeal resolution to the department  
19 of revenue at least 120 days before its effective date. ✓

20 b. If the authority adopts a resolution as provided in subd. 3. a., it shall specify  
21 to the department of revenue the exact boundaries of the authority's jurisdictional  
22 area. If the boundaries are the same as the county lines on all sides of the authority's  
23 jurisdictional area, the resolution shall specify the county or counties that comprise  
24 the authority's entire jurisdictional area. If the boundaries are other than a county  
25 line on any side of the authority's jurisdictional area, the authority shall provide the

## SECTION 18

1 department with a complete list of all the 9-digit zip codes that are entirely within  
2 the authority's jurisdictional area and a complete list of all the street addresses that  
3 are within the authority's jurisdictional area and not included in any 9-digit zip code  
4 that is entirely within the authority's jurisdictional area. The authority shall  
5 provide a certified copy of the information required under this subd. 3. b. to the  
6 department, in the manner, format, and layout prescribed by the department, at  
7 least 120 days prior to the resolution's effective date. If the boundaries of the  
8 authority's jurisdictional area subsequently change, the authority shall submit a  
9 certified copy of the information required under this subd. 3. b. to the department,  
10 in the manner, format, and layout prescribed by the department, at least 120 days  
11 prior to the change's effective date.

12 4. Charging a membership fee to the participating political subdivisions of the  
13 authority in an amount not to exceed the amount of property taxes that each political  
14 subdivision levied for transit purposes in the year before the year the authority is  
15 created.

16 (b) An authority shall generate revenue equal to the amount required by pars.  
17 (c) and (d). This minimum revenue requirement may be met through funding from  
18 one or a combination of revenue sources identified by resolution under sub. (2) (c) 2.,  
19 including any revenue option under par. (a).

20 (c) 1. Within 2 years after the creation of an authority, the authority shall  
21 generate revenue sufficient to offset a 30 percent reduction in passenger fare  
22 revenues resulting from transit operations or to provide a 2 percent increase in  
23 transit service, or a combination of both, as compared with passenger fare revenues  
24 and transit service as of the time that the authority was created.

1           2. Within 4 years after the creation of an authority, the authority shall generate  
 2 revenue sufficient to offset a 60 percent reduction in passenger fare revenues  
 3 resulting from transit operations or to provide a 4 percent increase in transit service,  
 4 or a combination of both, as compared with passenger fare revenues and transit  
 5 service as of the time that the authority was created.

6           3. For purposes of this paragraph, a 15 percent reduction in passenger fare  
 7 revenues is equivalent to a 1 percent increase in transit service, and increases in  
 8 transit service may be calculated by the increase in either transit service miles or  
 9 transit service hours.

10          4. Every 2 years after an authority is created under this section, the  
 11 department shall determine and certify whether the authority has met the  
 12 requirements specified in this paragraph. In making this determination, the  
 13 department shall calculate, and make publicly available, the dollar amount of the  
 14 passenger fare revenue reductions and the transit service mile or hour increases that  
 15 would be necessary for the authority to satisfy the requirements under subds. 1. and

16          2. In making its calculation and determination under this subdivision, the  
 17 department shall consider whether, and make allowances for the fact that, any  
 18 municipality or county joined the authority under ~~par.~~ <sup>sub. (2)</sup> (b) after its initial creation.

19          (d) 1. Within 6 years after the creation of an authority, in addition to continuing  
 20 to satisfy the requirements specified in par. (c), the authority shall improve the  
 21 interconnectivity of its transit system by linking with other modes of transportation  
 22 and improving cross-county links.

23          2. The department shall, by rule, establish criteria for determining whether an  
 24 authority has satisfied the requirement under subd. 1.

SECTION 18

1           3. The department shall determine and certify whether an authority has  
2 satisfied the requirement specified in subd. 1.

3           (e) 1. Subject to subd. 3., if an authority does not meet the requirements  
4 specified in pars. (c) 1. and 2. and (d) within the time limits specified in those  
5 provisions, the authority is not eligible for incentive funding provided under s. 59.58  
6 (7) (L) or (m).

7           2. Subject to subd. 3., if an authority does not meet the requirements specified  
8 in pars. (c) 1. and 2. and (d) within 2 years after the time limits specified in those  
9 provisions, the authority shall be dissolved and responsibility for providing transit  
10 service and transit planning, as well as all assets, liabilities, rights, and obligations  
11 of the authority, shall revert to the participating political subdivisions of the  
12 authority.

13           3. If any municipality or county joins an authority under ~~subd.~~ (b) after its initial  
14 creation, the department may make allowances for this fact, including delaying or  
15 suspending the penalties under subds. 1. and 2. for failure to meet the requirements  
16 specified in pars. (c) 1. and 2. and (d).

17           (7) SUNSET AND TRANSITION. (a) When every authority created under this  
18 section has been certified by the department under sub. (6) (d) 3. as having satisfied  
19 the requirement specified in sub. (6) (d) 1., the department shall provide notice of this  
20 fact to every such authority.

21           (b) Upon receiving the notice specified in par. (a), each authority created under  
22 this section shall begin the process of winding down and dissolving, including taking  
23 those actions specified in this subsection, and shall complete this process no later  
24 than 120 days after receiving the notice specified in par. (a). Notwithstanding sub.  
25 (4), upon receiving the notice specified in par. (a), the duties of the authority shall be

Sub. (2)

1 limited to winding down and dissolving the authority and facilitating the transition  
2 described in this paragraph. The board of directors of each authority created under  
3 this section shall assist in good faith in the transition from the authority created  
4 under this section to the southeastern regional transit authority. The southeastern  
5 regional transit authority shall be considered the successor to an authority created  
6 under this section, except one that is dissolved as provided in sub. (6) (e) 2. As part  
7 of the winding down process for an authority created under this section, all of the  
8 following shall occur:

9 1. The assets and liabilities of the authority shall become the assets and  
10 liabilities of the southeastern regional transit authority.

11 2. All tangible personal property, including records, of the authority shall be  
12 transferred to the southeastern regional transit authority.

13 3. All contracts entered into by the authority, in effect at the time of winding  
14 down the authority, remain in effect and are transferred to the southeastern regional  
15 transit authority. The southeastern regional transit authority shall carry out any  
16 obligations under such a contract until the contract is modified or rescinded by the  
17 southeastern regional transit authority to the extent allowed under the contract.

18 (c) Any authority created under this section terminates on the 120th day after  
19 the authority receives the notice specified in par. (a).

20 **SECTION 19.** 77.708 (1) of the statutes, as affected by 2009 Wisconsin Act 28,  
21 is amended to read:

22 77.708 (1) A transit authority created under s. 59.58, 66.1039, or 66.1041, by  
23 resolution under s. 59.58 (7) (n) 2., 66.1039 (4) (s), or 66.1041 (6) (a) 3., respectively,  
24 may impose a sales tax and a use tax under this subchapter at a rate not to exceed  
25 0.5 percent of the sales price or purchase price. Those taxes may be imposed only in

1 their entirety. The resolution shall be effective on the first day of the first calendar  
2 quarter that begins at least 120 days after the adoption of the resolution.

History: 2009 a. 28.

NOTE: NOTE: Sub. (1) is shown as repealed and recreated eff. 10-1-09 by 2009 Wis. Act 28. Prior to 10-1-09 it reads:NOTE:

3 (1) A transit authority created under s. 66.1039, by resolution under s. 66.1039 (4) (s), may impose a sales tax and a use tax under this subchapter at a rate not to  
4 exceed 0.5 percent of the gross receipts or sales price. Those taxes may be imposed only in their entirety. The resolution shall be effective on the first  
5 calendar quarter that begins at least 120 days after the adoption of the resolution.

6 SECTION 20. 77.708 (2) of the statutes, as created by 2009 Wisconsin Act 28, is  
7 amended to read:

8 77.708 (2) Retailers and the department of revenue may not collect a tax under  
9 sub. (1) for any transit authority created under s. 59.58, 66.1039 <sup>2</sup> or 66.1041, after the  
10 calendar quarter during which the transit authority adopts a repeal resolution under  
11 s. 59.58 (7) (n) <sup>2</sup>, 66.1039 (4) (s), or 66.1041 (6) (a) <sup>3</sup>, respectively, except that the  
12 department of revenue may collect from retailers taxes that accrued before such  
13 calendar quarter and fees, interest, and penalties that relate to those taxes.

History: 2009 a. 28.

14 SECTION 21. 77.9971 (1) of the statutes <sup>✓</sup> is amended to read: *as affected by 2009 Wisconsin Act 28,*

15 77.9971 (1) The southeastern regional transit authority under s. 59.58 (7) may  
16 impose a fee at a rate not to exceed \$18, as adjusted under sub. (2), for each  
17 transaction in the authority's jurisdictional area, as described in s. 59.58 (7) (b) and  
18 (n) 3., on the rental, but not for rerental and not for rental as a service or repair  
19 replacement vehicle, of Type 1 automobiles, as defined in s. 340.01 (4) (a), by  
20 establishments primarily engaged in short-term rental of passenger cars without  
21 drivers, for a period of 30 days or less, unless the sale is exempt from the sales tax  
22 under s. 77.54 (1), (4), (7) (a), (7m), (9), or (9a). The fee imposed under this subchapter  
23 shall be effective on the first day of the first month that begins at least 90 days after  
24 the board of directors of the southeastern regional transit authority approves the  
25 imposition of the fee and notifies the department of revenue. The board of directors

1 shall notify the department of a repeal of the fee imposed under this subchapter at  
2 least 60 days before the effective date of the repeal.

3 **History:** 2005 a. 25; 2009 a. 28.

3 **SECTION 22.** 79.03 (3) (b) 4. a. of the statutes is amended to read:

4 79.03 (3) (b) 4. a. "Local general purpose taxes" means the portion of tax  
5 increments collected for payment to a municipality under s. 66.1105 which is  
6 attributable to that municipality's own levy, the portion of environmental  
7 remediation tax increments collected for payment to a municipality or county under  
8 s. 66.1106 that is attributable to that municipality's or county's own levy, general  
9 property taxes, excluding taxes for a county children with disabilities education  
10 board, collected to finance the general purpose government unit, property taxes  
11 collected for sewage and sanitary districts, monthly municipal permit fees under s.  
12 66.0435 (3), the proceeds of county sales and use taxes, and ~~municipal and county~~  
13 local vehicle registration fees under s. 341.35 (1).

**History:** 1971 c. 125, 215; 1973 c. 90; 1975 c. 39; 1977 c. 29, 203, 418; 1979 c. 1; 1979 c. 34 ss. 903s to 905m, 2102 (46) (d); 1979 c. 221; 1981 c. 20, 93, 314, 317; 1983  
a. 27, 189; 1985 a. 29, 120; 1987 a. 27, 399; 1989 a. 31, 56, 336; 1991 a. 39, 269; 1993 a. 16, 437, 490; 1995 a. 27; 1997 a. 27, 164, 237; 1999 a. 9; 1999 a. 150 s. 672; 2001  
a. 16, 109; 2003 a. 33, 320; 2005 a. 253, 254; 2007 a. 11.

14 **SECTION 23.** 85.11 (1) (a) of the statutes, as created by 2009 Wisconsin Act 28,  
15 is amended to read:

16 85.11 (1) (a) "Eligible applicant" means the southeastern regional transit  
17 authority under s. 59.58 (7) or an interim regional transit authority created under  
18 s. 66.1041.

19 **History:** 2009 a. 28.

20 **SECTION 24.** 85.20 (4m) (a) 6. e. of the statutes, as created by 2009 Wisconsin  
21 Act 28, is amended to read:

22 85.20 (4m) (a) 6. e. From the appropriation under s. 20.395 (1) (hw), the  
23 department may pay the uniform percentage for each eligible applicant for a planned  
commuter or light rail system that has been enumerated under s. 85.062 (3) and for



1 making payments under s. 59.58 (7) (m). An eligible applicant may not receive aid  
2 under subd. 6. cm. or d., 7., or 8. for a commuter rail or light rail transit system.

**History:** 1973 c. 90, 333; 1975 c. 39; 1977 c. 29; 1979 c. 34 ss. 911p, 911r, 2102 (52) (a); 1979 c. 110 s. 60 (11); 1981 c. 20 ss. 1202 to 1207, 1232 to 1233; Stats. 1981 s. 85.20; 1983 a. 27; 1985 a. 29; 1987 a. 27, 399; 1989 a. 31; 1991 a. 39, 239; 1993 a. 16, 279; 1995 a. 113, 201; 1997 a. 27; 1999 a. 9; 1999 a. 150 ss. 626, 672; 2001 a. 4, 16, 38; 2003 a. 33; 2005 a. 25; 2007 a. 20; 2009 a. 28.

3 **SECTION 25.** 341.35 (title) of the statutes is amended to read:

4 **341.35 (title) ~~Municipal or county~~ Local vehicle registration fee.**

**History:** 1971 c. 125 s. 521; 1971 c. 164 s. 83; 1977 c. 29 ss. 1446, 1654 (7) (a); 1977 c. 273; 1979 c. 221; 1983 a. 27; 1987 a. 216; 1997 a. 27; 1999 a. 80.

5 **SECTION 26.** 341.35 (1) of the statutes is amended to read:

6 **341.35 (1) ANNUAL REGISTRATION FEE.** In this section “municipality” means a  
7 town, village or city and “motor vehicle” means an automobile or motor truck  
8 registered under s. 341.25 (1) (c) at a gross weight of not more than 8,000 pounds.  
9 Subject to sub. (9), in this section “authority” means an interim regional  
10 authority created under s. 66.1041. The governing body of a municipality or county  
11 may enact an ordinance imposing an annual flat municipal or county registration fee  
12 on all motor vehicles registered in this state which are customarily kept in the  
13 municipality or county. The board of directors of an authority may adopt a resolution  
14 imposing an annual flat registration fee on all motor vehicles registered in this state  
15 which are customarily kept in the jurisdictional area of the authority, but the  
16 resolution may only be given effect if the resolution is ratified by the electors at a  
17 referendum held in the authority’s jurisdictional area. A registration fee imposed  
18 under this section shall be in addition to state registration fees.

**History:** 1971 c. 125 s. 521; 1971 c. 164 s. 83; 1977 c. 29 ss. 1446, 1654 (7) (a); 1977 c. 273; 1979 c. 221; 1983 a. 27; 1987 a. 216; 1997 a. 27; 1999 a. 80.

19 **SECTION 27.** 341.35 (2) (intro.) of the statutes is amended to read:

20 **341.35 (2) EXEMPTIONS.** (intro.) The following vehicles are exempt from any  
21 municipal or county local vehicle registration fee under this section:

**History:** 1971 c. 125 s. 521; 1971 c. 164 s. 83; 1977 c. 29 ss. 1446, 1654 (7) (a); 1977 c. 273; 1979 c. 221; 1983 a. 27; 1987 a. 216; 1997 a. 27; 1999 a. 80.

22 **SECTION 28.** 341.35 (3m) of the statutes is amended to read:

1           341.35 (3m) ~~COUNTY AND MUNICIPAL~~ MULTIPLE LOCAL FEES. If a municipality and  
2           the county in which the municipality is located enact ordinances under this section,  
3           a motor vehicle customarily kept in the municipality shall be subject to a municipal  
4           registration fee and a county registration fee. If an authority imposes a local  
5           registration fee under this section, this fee is in addition to any local registration fee  
6           imposed by a municipality or county under this section.

7           History: 1971 c. 125 s. 521; 1971 c. 164 s. 83; 1977 c. 29 ss. 1446, 1654 (7) (a); 1977 c. 273; 1979 c. 221; 1983 a. 27; 1987 a. 216; 1997 a. 27; 1999 a. 80.

7           **SECTION 29.** 341.35 (4) of the statutes is amended to read:

8           341.35 (4) NOTICE OF FEES. The governing body of a municipality or county  
9           ~~which enacts a municipal or county, and the board of directors of an authority, that~~  
10           imposes a local vehicle registration fee under this section shall notify the department  
11           that it has so elected and report the amount of such fee. The municipality ~~or~~, county,  
12           or authority shall report any change in such amount to the department. The  
13           notification shall be made at the time and in the form prescribed by the department.

14           History: 1971 c. 125 s. 521; 1971 c. 164 s. 83; 1977 c. 29 ss. 1446, 1654 (7) (a); 1977 c. 273; 1979 c. 221; 1983 a. 27; 1987 a. 216; 1997 a. 27; 1999 a. 80.

14           **SECTION 30.** 341.35 (5) of the statutes is amended to read:

15           341.35 (5) PAYMENT OF FEES. At the time a motor vehicle is first registered or  
16           at the time of registration renewal, the applicant shall pay to the department any fee  
17           imposed by a county ~~or~~, municipality, or authority under this section in addition to  
18           fees required under this chapter.

19           History: 1971 c. 125 s. 521; 1971 c. 164 s. 83; 1977 c. 29 ss. 1446, 1654 (7) (a); 1977 c. 273; 1979 c. 221; 1983 a. 27; 1987 a. 216; 1997 a. 27; 1999 a. 80.

19           **SECTION 31.** 341.35 (6) of the statutes is amended to read:

20           341.35 (6) ~~DEPARTMENT TO REMIT FEES TO MUNICIPALITIES AND COUNTIES.~~  
21           Beginning July 1, 1984, and annually thereafter, the department shall remit those  
22           moneys collected under this section, less administrative costs under sub. (6m), to any  
23           municipality ~~or~~, county which, or authority that has imposed a fee under this section.

1 The department may by rule provide that the moneys be remitted at more frequent  
2 intervals if the department deems it advisable.

3 History: 1971 c. 125 s. 521; 1971 c. 164 s. 83; 1977 c. 29 ss. 1446, 1654 (7) (a); 1977 c. 273; 1979 c. 221; 1983 a. 27; 1987 a. 216; 1997 a. 27; 1999 a. 80.

**SECTION 32.** 341.35 (6r) of the statutes is amended to read:

4 341.35 (6r) USE OF FEE PROCEEDS. Any municipality ~~or~~, county, or authority  
5 receiving moneys under sub. (6) shall use the moneys only for transportation related  
6 purposes.

7 History: 1971 c. 125 s. 521; 1971 c. 164 s. 83; 1977 c. 29 ss. 1446, 1654 (7) (a); 1977 c. 273; 1979 c. 221; 1983 a. 27; 1987 a. 216; 1997 a. 27; 1999 a. 80.

**SECTION 33.** 341.35 (7) of the statutes is amended to read:

8 341.35 (7) REPLACEMENTS. No ~~municipal or county~~ local vehicle registration fee  
9 may be imposed on a motor vehicle which is a replacement for a motor vehicle for  
10 which a current ~~municipal or county~~ local vehicle registration fee has been paid.

11 History: 1971 c. 125 s. 521; 1971 c. 164 s. 83; 1977 c. 29 ss. 1446, 1654 (7) (a); 1977 c. 273; 1979 c. 221; 1983 a. 27; 1987 a. 216; 1997 a. 27; 1999 a. 80.

**SECTION 34.** 341.35 (9) of the statutes is created to read:

12 341.35 (9) REGIONAL TRANSIT AUTHORITY TRANSITION. If the department provides  
13 the notice specified in s. 66.1041 (7) (a), all of the following apply:

14 (a) "Authority" in this section shall mean the southeastern regional transit  
15 authority under s. 59.58 (7).

16 (b) If an interim regional transit authority created under s. 66.1041 imposed  
17 a local registration fee under this section prior to the department's notice, that fee  
18 shall continue to be imposed, and the southeastern regional transit authority under  
19 s. 59.58 (7) shall be the successor to the fee, unless the board of directors of the  
20 southeastern regional transit authority votes to modify or terminate the fee.

21 (END)

D-Note

2009-2010 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-3451/PinsMES  
ARG/JK/MES:.....

INS/ ~~DATA~~ MES 10-15  
P. 1064

SECTION 1. 66.0615 (1) (a) of the statutes is renumbered 66.0615 (1) (ah).

SECTION 2. 66.0615 (1) (ad) of the statutes is created to read:

66.0615 (1) (ad) "Authority" has the meaning given in s. 66.1041 (1) (a) for an interim regional transit authority.

SECTION 3. 66.0615 (1) (ge) of the statutes is created to read:

66.0615 (1) (ge) "Transit authority" has the meaning given in s. 59.58 (7) (a) 1. for the southeastern regional transit authority.

SECTION 4. 66.0615 (1m) (a) of the statutes is amended to read:

66.0615 (1m) (a) The governing body of a municipality may enact an ordinance, and a district, under par. (e), an authority under par. (ee), and a transit authority under par. (em), may adopt a resolution, imposing a tax on the privilege of furnishing, at retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel operators and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations. A tax imposed under this paragraph is not subject to the selective sales tax imposed by s. 77.52 (2) (a) 1. and may not be imposed on sales to the federal government and persons listed under s. 77.54 (9a). A tax imposed under this paragraph by a municipality shall be paid to the municipality and may be forwarded to a commission if one is created under par. (c), as provided in par. (d). Except as provided in par. (am), a tax imposed under this paragraph by a municipality may not exceed ~~8%~~ 8 percent. Except as provided in par. (am), if a tax greater

X

X than ~~8%~~<sup>8 percent</sup> under this paragraph is in effect on May 13, 1994, the municipality  
 X imposing the tax shall reduce the tax to ~~8%~~<sup>8 percent</sup> effective on June 1, 1994.

History: 1983 a. 189, 514; 1993 a. 263, 467, 491; 1999 a. 9; 1999 a. 150 ss. 565 to 567; Stats. 1999 s. 66.0615; 2003 a. 203; 2005 a. 135; 2007 a. 20; 2009 a. 2.

**SECTION 5.** 66.0615 (1m) (ee) of the statutes is created to read:

X 66.0615 (1m) (ee) 1. An authority may adopt a resolution imposing a room tax  
 X under par. (a) in an amount not to exceed ~~8%~~<sup>8 percent</sup> of total room charges. A room tax  
 imposed by an authority under this subdivision applies within the authority's  
 jurisdiction, as specified in s. 66.1041 (2) (d), and the proceeds of the tax may be used  
 for any lawful purpose of the ~~the~~<sup>the</sup> authority.

2. An authority adopting a resolution to impose the taxes under subd. 1. shall  
 deliver a certified copy of the resolution to the secretary of revenue at least 120 days  
 before its effective date.

X 3. The department of revenue shall administer the tax that is imposed under  
 par. (a) by an authority and may take any action, conduct any proceeding, and impose  
 interest and penalties. Sections 77.51 (12m), (14), (14g), (15a), and (15b), 77.52 (3),  
 (4), (13), (14), (18), and (19), 77.522, 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60,  
 77.61 (2), (3m), (5), (8), (9), and (12) to (15), and 77.62, as they apply to the taxes under  
 subch. III of ch. 77, apply to the tax described under subd. 1.

X 4. From the appropriation under s. 20.835 (4) (gg), the department of revenue  
 shall distribute ~~97.45%~~<sup>97.45 percent</sup> of the taxes collected under this paragraph for each authority  
 to that authority and shall indicate to the authority the taxes reported by each  
 taxpayer in that authority, no later than the end of the month following the end of  
 the calendar quarter in which the amounts were collected. The taxes distributed  
 shall be increased or decreased to reflect subsequent refunds, audit adjustments, and  
 all other adjustments. Interest paid on refunds of the tax under this paragraph shall

c. For purposes of imposing the taxes under this paragraph, the transit authority's jurisdictional area shall not include the jurisdictional area of any authority that did not impose the taxes under par. (ee) before the department of transportation provided the notice specified in s. 66.104<sup>1</sup>(7) (a).

3. A transit authority adopting a resolution to impose the taxes under subd. 1. shall deliver a certified copy of the resolution to the secretary of revenue at least 120 days before its effective date. If the transit authority adopts a resolution as provided in subd. 1., it shall specify to the department of revenue the exact boundaries of the transit authority's jurisdictional area. If the boundaries are other than a county line on any side of the transit authority's jurisdictional area, the transit authority shall provide the department with a complete list of all the 9-digit zip codes that are entirely within the transit authority's jurisdictional area and a complete list of all the street addresses that are within the transit authority's jurisdictional area and not included in any 9-digit zip code that is entirely within the transit authority's jurisdictional area. The transit authority shall provide a certified copy of the information required under this subdivision to the department, in the manner, format, and layout prescribed by the department, at least 120 days prior to the resolution's effective date. If the boundaries of the transit authority's jurisdictional area subsequently change, the transit authority shall submit a certified copy of the information required under this subdivision to the department, in the manner, format, and layout prescribed by the department, at least 120 days prior to the change's effective date.

4. Paragraph (ee) 3. and 4., to the extent that it applies to the tax under that paragraph, applies to the tax under this paragraph.

END OF PINS MES 10-15

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-3451/P1dn

ARG: *kgf*

*Date*

ATTN: Tyler Byrnes ✓

Please review the attached draft carefully to ensure that it is consistent with your intent. At times I had difficulty interpreting the drafting instructions and piecing together the various components into an integrated whole. To complete the draft, I have made certain decisions and assumptions with respect to the drafting instructions, which may not be consistent with your expectations.

X There is a tension between the requirement for "identical" authorizing resolutions of the originally forming governments and the type of flexibility necessary to allow other governments to later join into these interim regional transit authorities (IRTAs). The "locked-in" provisions of the original identical resolutions may need to be modified to accommodate entry of a new member into the IRTA. This draft specifically allows for modification of the original identical resolutions. See created s. 66.1041 (2) (g). The draft also contains other related provisions. Created s. 66.1041 (2) (b) 2. and (g) 2. are intended to make joinder of IRTA's after their initial creation less cumbersome. These provisions are not specifically included in the drafting instructions but are an elaboration of the drafting instructions. These provisions assume that the newly joining municipality would work out a deal with the IRTA on what the IRTA's board of directors' composition would be after the municipality's joinder and would then specify that composition in its authorizing resolution. The IRTA board would then simply approve this new composition when it approves the municipality's joinder into the IRTA. If the IRTA board does not approve of the proposed board composition, the IRTA board would simply deny approval of the joinder.

X With respect to created s. 59.58 (7) (c) 1. h., the drafting instructions refer to a "municipality" but also require appointment by the "mayor." Because the municipality must have a population of more than 60,000, I have drafted the provision to apply only to cities. If the intent was otherwise, I will need to use a term other than "mayor."

The instructions require a pass-through of federal and state funding through the SERTA to the IRTAs but suggest that incentive funds not pass through SERTA starting in the fall of 2011. The only mechanism provided to me for incentive funds is one in which SERTA actually provides the incentive funds and does not act as a pass-through intermediary, so it is unclear to me what was intended by this instruction. If you would like this provision included, I will need more information about the intent and how a direct state distribution to IRTAs would work.

Because there is no time limit for creating an IRTA, when can DOT say that all IRTAs that might be formed have been formed? It seems that DOT needs to know how many IRTAs will be formed before it can say that all IRTAs have reached "phase 4."

I have prepared this draft according to the instructions provided. The draft does not include all of the provisions that were included in the executive budget bill and budget amendments related to regional transit authorities. For example, the draft does not include provisions related to condemnation powers, WRS or MERA status, intergovernmental cooperation agreements, property tax exemptions, rail planning and development grants, and vehicle accident liability and mutual insurance.

Please let me know if you would like any changes made to the attached draft or if you have any questions. If the attached draft meets with your approval, let me know and I will convert it to an introducible "/1" draft.

Aaron R. Gary  
Legislative Attorney  
Phone: (608) 261-6926  
E-mail: [aaron.gary@legis.wisconsin.gov](mailto:aaron.gary@legis.wisconsin.gov)



**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-3451/P1dn  
ARG:kjf:rs

October 14, 2009

ATTN: Tyler Byrnes

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Aaron R. Gary  
Legislative Attorney  
Phone: (608) 261-6926  
E-mail: [aaron.gary@legis.wisconsin.gov](mailto:aaron.gary@legis.wisconsin.gov)

**Gary, Aaron**


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**From:** Byrnes, Tyler - DOA [Tyler.Byrnes@wisconsin.gov]  
**Sent:** Wednesday, October 14, 2009 1:36 PM  
**To:** Gary, Aaron  
**Cc:** Kreye, Joseph - LEGIS; Schmiedicke, David P - DOA; Kraus, Jennifer - DOA; Kanninen, Dan - GOV  
**Subject:** RE: RTA Draft - ETA

Aaron,

Six changes to the draft from our first read:

1. Per your drafter's note, we would like to add in provisions included in the budget bill and budget amendments related to condemnation powers, WRS and MERA status, intergovernmental cooperation agreements, property tax exemptions, rail planning and development grants and vehicle accident liability and mutual insurance.
2. On page 24, lines 17-20 requires the sunset process to begin when "every" IRTA reaches phase 4. I think this should be changed to "when the first three IRTAs created" reach phase 4 or something similar. This will make it more certain for when the sunset process should be started.
3. Page 10, lines 7-9 allow the members of SERTA to set board membership proportionally to population. This section should be removed, as the board membership of SERTA has been determined.
4. Page 13, lines 14-17 requires that the hotel tax be imposed in the part of Racine County that is not part of an IRTA. This should be changed to only charge the hotel tax in the part of Racine County that is part of the IRTA.
5. Page 22, lines 12-15 caps the membership fee that could be charged by the IRTA at the current amount of property tax being levied. We do not want this cap.
6. Page 28, lines 11-13 require a referendum before the imposition of an IRTA wheel tax. We do not want the referendum requirement for the wheel tax.

Let me know if you have questions related to these changes. The first version of the draft is currently being circulated in our legislative group. They will work through Scott and Larry at Leg. Council or myself to get changes to you after we meet Wednesday. Changes they request are ok as long as I've approved them first. I'll contact them about how that will work.

Thanks again,

Tyler

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**From:** Gary, Aaron [mailto:Aaron.Gary@legis.wisconsin.gov]  
**Sent:** Wednesday, October 14, 2009 10:47 AM  
**To:** Byrnes, Tyler - DOA  
**Subject:** RE: RTA Draft - ETA

Tyler,

You should have just received it. I'll send copies to Dan and Dave per your e-mail yesterday.

Aaron

10/14/2009

Aaron R. Gary  
Attorney, Legislative Reference Bureau  
608.261.6926 (voice)  
608.264.6948 (fax)  
aaron.gary@legis.state.wi.us

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**From:** Byrnes, Tyler - DOA [mailto:Tyler.Byrnes@wisconsin.gov]  
**Sent:** Wednesday, October 14, 2009 10:23 AM  
**To:** Gary, Aaron  
**Subject:** RTA Draft - ETA

Aaron,

Do you know if we're still looking at today for a first draft of the RTA bill?

Thanks,

Tyler

10/14/2009

**Gary, Aaron**

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**From:** Byrnes, Tyler - DOA [Tyler.Byrnes@wisconsin.gov]  
**Sent:** Thursday, October 15, 2009 8:19 AM  
**To:** Gary, Aaron  
**Subject:** RE: RTA Draft - ETA

Aaron,

You are correct that the power transfer would occur when the first three reach phase 4. For any IRTA created after the first 3, the IRTA can continue operating until it reaches phase 4 or fails to do so and just dissolves.

Thanks,

Tyler

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**From:** Gary, Aaron [mailto:Aaron.Gary@legis.wisconsin.gov]  
**Sent:** Wednesday, October 14, 2009 4:50 PM  
**To:** Byrnes, Tyler - DOA  
**Subject:** RE: RTA Draft - ETA

Tyler,

I have not started making changes yet and may have more follow up, but I wanted to try to clarify item 2. now. If 4 IRTAs are created, what happens to the 4th IRTA when the first 3 IRTA's reach phase 4? Under the current draft, the trigger event for the transfer of IRTA functions and jurisdiction to the SERTA is when all IRTAs reach phase 4 (upon which the IRTAs dissolve and the SERTA assumes all authority). I assume you still want this transfer of power to occur when the first 3 IRTAs reach phase 4, but what about the 4th IRTA? Can it continue to operate as an IRTA until it too reaches phase 4 and dissolves into SERTA or fails to meet benchmarks and just dissolves? Or does it simply dissolve when the first 3 IRTAs merge into SERTA?

Thanks. Aaron

Aaron R. Gary  
*Attorney, Legislative Reference Bureau*  
608.261.6926 (voice)  
608.264.6948 (fax)  
aaron.gary@legis.state.wi.us

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**Subject:** RE: RTA Draft - ETA

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Six changes to the draft from our first read:

10/15/2009