

report concerning the proposed penalty and the costs or savings that are likely to result if the bill is enacted.

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:

- 1 ***-1942/P1.1* SECTION 1.** 13.94 (1) (ms) of the statutes is created to read:
2 13.94 (1) (ms) No later than July 1, 2014, prepare a financial and performance
3 evaluation audit of the economic development tax benefit program under ss. 560.701
4 to 560.706. The legislative audit bureau shall file a copy of the report of the audit
5 under this paragraph with the distributees specified in par. (b).
- 6 ***-1942/P1.2* SECTION 2.** 13.94 (4) (a) 1. of the statutes is amended to read:
7 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
8 credentialing board, commission, independent agency, council or office in the
9 executive branch of state government; all bodies created by the legislature in the
10 legislative or judicial branch of state government; any public body corporate and
11 politic created by the legislature including specifically the Fox River Navigational
12 System Authority, the Lower Fox River Remediation Authority, and the Wisconsin
13 Aerospace Authority, a professional baseball park district, a local professional
14 football stadium district, a local cultural arts district and a long-term care district
15 under s. 46.2895; every Wisconsin works agency under subch. III of ch. 49; every
16 provider of medical assistance under subch. IV of ch. 49; technical college district
17 boards; ~~development zones designated under s. 560.71~~; every county department
18 under s. 51.42 or 51.437; every nonprofit corporation or cooperative or
19 unincorporated cooperative association to which moneys are specifically
20 appropriated by state law; and every corporation, institution, association or other

1 organization which receives more than 50% of its annual budget from appropriations
2 made by state law, including subgrantee or subcontractor recipients of such funds.

3 ***-1896/1.1* SECTION 3.** 15.09 (6) of the statutes is amended to read:

4 15.09 (6) REIMBURSEMENT FOR EXPENSES. Members of a council shall not be
5 compensated for their services, but, except as otherwise provided in this subsection,
6 members of councils created by statute shall be reimbursed for their actual and
7 necessary expenses incurred in the performance of their duties, such reimbursement
8 in the case of an elective or appointive officer or employee of this state who represents
9 an agency as a member of a council to be paid by the agency which pays his or her
10 salary. Members of the mortgage loan originator council under s. 15.187 (1) may not
11 be reimbursed for their actual and necessary expenses incurred in the performance
12 of their duties. Members of the agricultural education and workforce development
13 council may not be reimbursed for their actual and necessary expenses incurred in
14 the performance of their duties.

15 ***-1896/1.2* SECTION 4.** 15.187 (1) (intro.), (a), (b) and (c) of the statutes are
16 amended to read:

17 15.187 (1) LOAN MORTGAGE LOAN ORIGINATOR REVIEW COUNCIL. (intro.) There is
18 created in the department of financial institutions a mortgage loan originator
19 council. The council shall consist of the following members, appointed by the
20 secretary of financial institutions for 4-year terms:

21 (a) ~~Three~~ Four persons who are mortgage loan originators ~~registered~~ licensed
22 under s. ~~224.72 (1m)~~ 224.725.

23 (b) One person who is an agent of a mortgage broker ~~registered~~ licensed under
24 s. 224.72 (1m).

1 (c) One person who is an agent of a mortgage banker registered licensed under
 2 s. 224.72 (1m).

3 ***-1896/1.3* SECTION 5.** 15.187 (1) (d) of the statutes is repealed.

4 ***-1152/P8.1* SECTION 6.** 20.005 (3) (schedule) of the statutes: at the
 5 appropriate place, insert the following amounts for the purposes indicated:

6 **2007-08 2008-09**

7 **20.435 Health services, department of**

8 (4) HEALTH SERVICES PLANNING; REG & DELIVERY; HLTH
 9 CARE FIN; OTHER SUPPORT PGMS

10 (xc) Hospital assessment fund; hospi-
 11 tal payments SEG A -0- 275,445,100

12 ***-1888/P1.1* SECTION 7.** 20.143 (1) (c) of the statutes is amended to read:

13 20.143 (1) (c) *Wisconsin development fund; grants, loans, reimbursements, and*
 14 *assistance.* Biennially, the amounts in the schedule for grants and loans under s.
 15 560.275 (2) and subch. V of ch. 560; for reimbursements under s. 560.167; for
 16 providing assistance under s. 560.06; for the costs specified in s. 560.607; for the loan
 17 under 1999 Wisconsin Act 9, section 9110 (4); for the grants under 1995 Wisconsin
 18 Act 27, section 9116 (7gg), 1995 Wisconsin Act 119, section 2 (1), 1997 Wisconsin Act
 19 27, section 9110 (6g), 1999 Wisconsin Act 9, section 9110 (5), 2003 Wisconsin Act 33,
 20 section 9109 (1d) and (2q), and 2007 Wisconsin Act 20, section 9108 (4u), (6c), (7c),
 21 (7f), (8c), (8i), (9i), and (10q), and 2009 Wisconsin Act (this act), section 9110 (2)
 22 and (3); and for providing up to \$100,000 annually for the continued development of
 23 a manufacturing and advanced technology training center in Racine. Of the

1 amounts in the schedule, \$50,000 shall be allocated in each of fiscal years 1997-98
2 and 1998-99 for providing the assistance under s. 560.06 (1).

3 ***-1949/P1.1* SECTION 8.** 20.143 (1) (gm) of the statutes is amended to read:

4 20.143 (1) (gm) *Wisconsin development fund, administration of grants and*
5 *loans.* All moneys received from origination fees under s. 560.68 (3), and from
6 transfer fees under s. 560.205 (3) (e), for administering the programs under subch.
7 V of ch. 560 and for the costs of underwriting grants and loans awarded under subch.
8 V of ch. 560.

9 ***-1885/P2.1* SECTION 9.** 20.143 (2) (b) of the statutes is amended to read:

10 20.143 (2) (b) *Housing grants and loans; general purpose revenue.* Biennially,
11 the amounts in the schedule for grants and loans under s. 560.9803 and for grants
12 under s. 560.9805 and for the grant under 2009 Wisconsin Act (this act), section
13 9110 (1).

14 ***-1152/P8.2* SECTION 10.** 20.435 (4) (gp) of the statutes is repealed.

15 ***-1152/P8.3* SECTION 11.** 20.435 (4) (jw) of the statutes is amended to read:

16 20.435 (4) (jw) *BadgerCare Plus and hospital assessment administrative costs.*

17 Biennially, the amounts in the schedule to provide a portion of the state share of
18 administrative costs for the BadgerCare Plus Medical Assistance program under s.
19 49.471. ~~Ten~~ and for administration of the hospital assessment under s. 50.38. All
20 moneys transferred under s. 50.38 (9) and 10 percent of all moneys received from
21 penalty assessments under s. 49.471 (9) (c) shall be credited to this appropriation
22 account.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

23 ***-1152/P8.4* SECTION 12.** 20.435 (4) (w) of the statutes is amended to read:

1 20.435 (4) (w) *Medical Assistance trust fund*. From the Medical Assistance
2 trust fund, biennially, the amounts in the schedule for meeting costs of medical
3 assistance administered under ss. 46.27, 46.275 (5), 46.278 (6), 46.283 (5), 46.284 (5),
4 49.45, and 49.472 (6), for refunds under s. 50.38 (6) (a), and for administrative costs
5 associated with augmenting the amount of federal moneys received under 42 CFR
6 433.51.

7 ***-1152/P8.5* SECTION 13.** 20.435 (4) (xc) of the statutes is created to read:

8 20.435 (4) (xc) *Hospital assessment fund; hospital payments*. From the hospital
9 assessment fund, the amounts in the schedule to reimburse eligible hospitals for
10 services provided under the Medical Assistance Program under subch. IV of ch. 49,
11 make payments to health maintenance organizations under s. 49.45 (59), provide
12 supplemental funds to rural hospitals under s. 49.45 (5m) (am), make supplemental
13 payments to Level I adult trauma centers under s. 49.45 (6y) (ap), make
14 supplemental payments to hospitals based on performance under s. 49.45 (6y) (ar),
15 make refunds under s. 50.38 (6), and make the transfer under s. 50.38 (8).

16 ***-0377/P10.1* *-4294/P1.1* SECTION 14.** 20.566 (1) (ho) of the statutes is
17 created to read:

18 20.566 (1) (ho) *Collections under multistate streamlined sales tax project*. From
19 moneys collected under the multistate streamlined sales tax project as provided
20 under s. 73.03 (28e), a sum sufficient to pay the dues necessary to participate in the
21 governing board of the multistate streamlined sales tax project.

22 ***-1948/P1.1* SECTION 15.** 20.835 (2) (bd) of the statutes is created to read:

23 20.835 (2) (bd) *Meat processing facility investment credit*. A sum sufficient to
24 make the payments under ss. 71.07 (3r), 71.28 (3r), and 71.47 (3r).

25 ***-1947/P1.1* SECTION 16.** 20.835 (2) (bn) of the statutes is amended to read:

1 20.835 (2) (bn) *Dairy manufacturing facility investment credit*. The amounts
2 in the schedule to make the payments under ss. 71.07 (3p) (d) 2., 71.28 (3p) (d) 2., and
3 71.47 (3p) (d) 2.

4 ***-1947/P1.2* SECTION 17.** 20.835 (2) (bp) of the statutes is created to read:

5 20.835 (2) (bp) *Dairy manufacturing facility investment credit; dairy*
6 *cooperatives*. A sum sufficient to make the payments under ss. 71.07 (3p) (d) 3., 71.28
7 (3p) (d) 3., and 71.47 (3p) (d) 3.

8 ***-1951/1.1* SECTION 18.** 20.924 (1) (intro.) of the statutes is amended to read:

9 20.924 (1) (intro.) Except as provided in ~~sub. (3)~~ subs. (3) and (3m), in
10 supervising and authorizing the implementation of the state building program
11 under the appropriation authority of s. 20.867, the building commission:

12 ***-1951/1.2* SECTION 19.** 20.924 (3m) of the statutes is created to read:

13 20.924 (3m) Subsection (1) (a) and (b) does not apply to the design,
14 construction, repair, remodeling, or improvement of any building, structure, or
15 facility, or the acquisition of land for that purpose, if the project is funded entirely
16 with federal funds or gifts, grants, or bequests, or a combination thereof and the
17 project is approved by the joint committee on finance.

18 ***-1889/1.1* SECTION 20.** 24.61 (4) of the statutes is amended to read:

19 24.61 (4) LOAN LIMITATIONS. Notwithstanding sub. (3), the board may not loan
20 moneys to a county unless the governing body of the county demonstrates to the
21 board's satisfaction that s. 67.045 (1) (a), (b), (c), (d), (e) ~~or~~, (f), (g), or (h) applies.

22 ***-1889/1.2* SECTION 21.** 24.63 (4) of the statutes is amended to read:

23 24.63 (4) REPAYMENT BEFORE DUE DATE PERMITTED. Any borrower after ~~March 15~~
24 January 1 and prior to ~~August~~ September 1 of any year may repay one or more
25 installments of a state trust fund loan in advance of the due date, and all interest

1 upon such advance payment shall thereupon terminate. The board may charge a
2 borrower who repays one or more installments of a loan a fee to cover any
3 administrative costs incurred by the board in originating and servicing the loan.

4 ***-1889/1.3* SECTION 22.** 24.66 (3) (am) of the statutes is amended to read:

5 24.66 (3) (am) *For short-term loans by common, union high and 1st class city*
6 *school districts.* Every application for a loan, the required repayment of which is 10
7 years or less, shall be approved and authorized for a common, union high or 1st class
8 city school district under par. (a) or ~~under the procedure in s. 67.12 (12) (c)~~, to the
9 extent applicable.

10 ***-1889/1.4* SECTION 23.** 24.66 (3) (bm) of the statutes is amended to read:

11 24.66 (3) (bm) *For short-term loans by unified school districts.* Every
12 application for a loan, the required repayment of which is 10 years or less, shall be
13 approved and authorized for a unified school district under par. (b) or ~~under the~~
14 ~~procedure in s. 67.12 (12) (c)~~, to the extent applicable.

15 ***-1889/1.5* SECTION 24.** 24.66 (3) (c) of the statutes is created to read:

16 24.66 (3) (c) *Alternative short-term loan process for all school districts.* 1. If
17 the procedure in par. (a) or (b) is not used for the approval of a school district loan,
18 the required repayment of which is 10 years or less, the governing body of the school
19 district, before any certificate of indebtedness is issued, shall adopt and record a
20 resolution specifying the purposes and the maximum amount of the certificate of
21 indebtedness issued.

22 2. Unless the purpose and amount of the borrowing have been approved by the
23 electors under s. 67.05 (6a) or considered approved by the electors under s. 67.05 (7)
24 (d) 3., the purpose is to refund any outstanding obligation, the purpose is to pay
25 unfunded prior service liability contributions under the Wisconsin Retirement

1 System if all of the proceeds of the note will be used for that purpose, or the borrowing
2 would not be subject to a referendum as a bond issue under s. 67.05 (7) (cc), (h), or
3 (i), or s. 67.12 (12) (e) 2g., (f), or (h) applies, the school district clerk shall, within 10
4 days after a governing body of a school district adopts a resolution as described above
5 to issue a certificate of indebtedness, publish notice of such adoption as a class 1
6 notice, under ch. 985. Alternatively, the notice may be posted as provided under s.
7 10.05. The notice need not set forth the full contents of the resolution, but shall state
8 the maximum amount proposed to be borrowed, the purpose thereof, that the
9 resolution was adopted under this subsection, and the place where, and the hours
10 during which, the resolution may be inspected. If, within 30 days after publication
11 or posting, a petition conforming to the requirements of s. 8.40 is filed with the school
12 district clerk for a referendum on the resolution signed by at least 7,500 electors of
13 the district or at least 20 percent of the number of district electors voting for governor
14 at the last general election, as determined under s. 115.01 (13), whichever is the
15 lesser, then the resolution shall not be effective unless adopted by a majority of the
16 district electors voting at the referendum. The referendum shall be called in the
17 manner provided under s. 67.05 (6a), except that the question which appears on the
18 ballot shall be "Shall ... (name of district) borrow the sum of \$... for (state purpose)
19 by issuing its general obligation promissory note (or notes) under section 24.66 (3)
20 of the Wisconsin Statutes?". If a governing body of a school district adopts a
21 resolution to borrow a sum of money under this subsection and a sufficient petition
22 for referendum is not filed within the time permitted, then the power of the governing
23 body of a school district to borrow the sum and expend the sum for the purpose stated
24 shall be deemed approved by the school district electors upon the expiration of the
25 time for filing the petition.

1 3. If the governing body of a school district adopts a resolution to borrow a sum
2 of money under this subsection, and if subd. 2. does not apply, the governing body of
3 a school district has the power to borrow and spend the sum for the purpose stated
4 without the approval of the electors of the school district.

5 *-1889/1.6* SECTION 25. 24.70 (4) of the statutes is amended to read:

6 24.70 (4) ~~PAYMENT TO SECRETARY OF ADMINISTRATION~~ BOARD. The treasurer of each
7 municipality shall transmit to the ~~secretary of administration on his or her~~ board on
8 its order the full amount levied for state trust fund loans within 15 days after March
9 15. Each cooperative educational service agency shall similarly transmit the annual
10 amount owed on any state trust fund loan made to the agency by that date. ~~The~~
11 ~~secretary of administration shall notify the board when he or she receives payment.~~
12 Any payment not made by March 30 is delinquent and is subject to a penalty of one
13 percent per month to be paid to the ~~secretary of administration~~ board with the
14 delinquent payment.

15 *-1889/1.7* SECTION 26. 24.71 (4) of the statutes is amended to read:

16 24.71 (4) ~~PAYMENT TO SECRETARY OF ADMINISTRATION~~ BOARD. The school district
17 treasurer shall transmit to the ~~secretary of administration~~ board the full amount
18 levied for state trust fund loans within 15 days after March 15. ~~The secretary of~~
19 ~~administration shall notify the board when he or she receives payment.~~ Any
20 payment not made by March 30 is delinquent and is subject to a penalty of one
21 percent per month or fraction thereof, to be paid to the ~~secretary of administration~~
22 board with the delinquent payment.

23 *-1889/1.8* SECTION 27. 24.715 (3) of the statutes is amended to read:

24 24.715 (3) ~~PAYMENT TO STATE TREASURER~~ BOARD. The system board shall transmit
25 to the ~~state treasurer~~ board on its own order the full amount levied for state trust

1 fund loans within 15 days after March 15. ~~The state treasurer shall notify the board~~
2 ~~when he or she receives payment.~~ Any payment not made by March 30 is delinquent
3 and is subject to a penalty of one percent per month or fraction thereof, to be paid to
4 the ~~state treasurer~~ board with the delinquent payment.

5 ***-1889/1.9* SECTION 28.** 24.716 (3) of the statutes is amended to read:

6 24.716 (3) ~~PAYMENT TO SECRETARY OF ADMINISTRATION BOARD.~~ The district board
7 shall transmit to the ~~secretary of administration~~ board on its own order the full
8 amount levied for state trust fund loans within 15 days after March 15. ~~The secretary~~
9 ~~of administration shall notify the board when he or she receives payment.~~ Any
10 payment not made by March 30 is delinquent and is subject to a penalty of 1 percent
11 per month or fraction thereof, to be paid to the ~~secretary of administration~~ board with
12 the delinquent payment.

13 ***-1152/P8.6* SECTION 29.** 25.77 (11) of the statutes is created to read:

14 25.77 (11) All moneys transferred under s. 50.38 (8).

15 ***-1152/P8.7* SECTION 30.** 25.77 (12) of the statutes is created to read:

16 25.77 (12) All moneys recouped and deposited under s. 50.38 (6) (a) 4.

17 ***-1152/P8.8* SECTION 31.** 25.772 of the statutes is created to read:

18 **25.772 Hospital assessment fund.** There is established a separate
19 nonlapsible trust fund designated as the hospital assessment fund, to consist of all
20 moneys received under s. 50.38 (2) from assessments on hospitals and all moneys
21 recouped and deposited under s. 50.38 (6) (a) 3.

22 ***-1152/P8.9* *-0892/11.13* SECTION 32.** 46.27 (9) (a) of the statutes is
23 amended to read:

24 46.27 (9) (a) The department may select up to 5 counties that volunteer to
25 participate in a pilot project under which they will receive certain funds allocated for

1 long-term care. The department shall allocate a level of funds to these counties
2 equal to the amount that would otherwise be paid under s. 20.435 (4) (b), ~~(gp)~~, or (w)
3 to nursing homes for providing care because of increased utilization of nursing home
4 services, as estimated by the department. In estimating these levels, the department
5 shall exclude any increased utilization of services provided by state centers for the
6 developmentally disabled. The department shall calculate these amounts on a
7 calendar year basis under sub. (10).

8 ***-1152/P8.10* *-0892/11.14* SECTION 33.** 46.27 (10) (a) 1. of the statutes is
9 amended to read:

10 46.27 (10) (a) 1. The department shall determine for each county participating
11 in the pilot project under sub. (9) a funding level of state medical assistance
12 expenditures to be received by the county. This level shall equal the amount that the
13 department determines would otherwise be paid under s. 20.435 (4) (b), ~~(gp)~~, or (w)
14 because of increased utilization of nursing home services, as estimated by the
15 department.

16 ***-1152/P8.11* *-0892/11.15* SECTION 34.** 46.275 (5) (a) of the statutes is
17 amended to read:

18 46.275 (5) (a) Medical Assistance reimbursement for services a county, or the
19 department under sub. (3r), provides under this program is available from the
20 appropriation accounts under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w). If 2 or more counties
21 jointly contract to provide services under this program and the department approves
22 the contract, Medical Assistance reimbursement is also available for services
23 provided jointly by these counties.

24 ***-1152/P8.12* *-0892/11.16* SECTION 35.** 46.275 (5) (c) of the statutes is
25 amended to read:

1 46.275 (5) (c) The total allocation under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w) to
2 counties and to the department under sub. (3r) for services provided under this
3 section may not exceed the amount approved by the federal department of health and
4 human services. A county may use funds received under this section only to provide
5 services to persons who meet the requirements under sub. (4) and may not use
6 unexpended funds received under this section to serve other developmentally
7 disabled persons residing in the county.

8 ***-1152/P8.13* *-0892/11.19* SECTION 36.** 46.283 (5) of the statutes is
9 amended to read:

10 46.283 (5) FUNDING. From the appropriation accounts under s. 20.435 (4) (b),
11 (bm), ~~(gp)~~, (pa), and (w) and (7) (b), (bd), and (md), the department may contract with
12 organizations that meet standards under sub. (3) for performance of the duties under
13 sub. (4) and shall distribute funds for services provided by resource centers.

14 ***-1152/P8.14* SECTION 37.** 46.284 (5) (a) of the statutes is amended to read:

15 46.284 (5) (a) From the appropriation accounts under s. 20.435 (4) (b), (g), ~~(gp)~~,
16 (im), (o), and (w) and (7) (b), (bd), and (g), the department shall provide funding on
17 a capitated payment basis for the provision of services under this section.
18 Notwithstanding s. 46.036 (3) and (5m), a care management organization that is
19 under contract with the department may expend the funds, consistent with this
20 section, including providing payment, on a capitated basis, to providers of services
21 under the family care benefit.

22 ***-1152/P8.15* *-0892/11.21* SECTION 38.** 46.485 (2g) (intro.) of the statutes
23 is amended to read:

24 46.485 (2g) (intro.) From the appropriation accounts account under s. 20.435
25 (4) (b) and ~~(gp)~~, the department may in each fiscal year transfer funds to the

1 appropriation under s. 20.435 (7) (kb) for distribution under this section and from the
2 appropriation account under s. 20.435 (7) (mb) the department may not distribute
3 more than \$1,330,500 in each fiscal year to applying counties in this state that meet
4 all of the following requirements, as determined by the department:

5 ***-0377/P10.2* *-4294/P1.2* SECTION 39.** 46.513 of the statutes is repealed.

6 ***-1942/P1.3* SECTION 40.** 49.149 (4) of the statutes is repealed.

7 ***-1902/2.1* SECTION 41.** 49.175 (1) (i) of the statutes is amended to read:

8 49.175 (1) (i) *Emergency assistance.* For emergency assistance under s. 49.138,
9 \$6,000,000 in each fiscal year 2007-08 and \$8,600,000 in fiscal year 2008-09.

10 ***-1902/2.2* SECTION 42.** 49.175 (1) (p) of the statutes is amended to read:

11 49.175 (1) (p) *Direct child care services.* For direct child care services under s.
12 49.155, \$359,201,800 in fiscal year 2007-08 and ~~\$355,352,000~~ \$375,736,400 in fiscal
13 year 2008-09.

14 ***-1902/2.3* SECTION 43.** 49.175 (1) (q) of the statutes is amended to read:

15 49.175 (1) (q) *Child care state administration.* For administration of child care
16 services under s. 49.155 (1g) (b), \$1,765,600 in fiscal year 2007-08 and ~~\$1,600,300~~
17 \$2,437,500 in fiscal year 2008-09.

18 ***-1152/P8.16* SECTION 44.** 49.45 (2) (a) 17. of the statutes is repealed.

19 ***-1152/P8.17* SECTION 45.** 49.45 (3) (e) 8. of the statutes is repealed.

20 ***-0680/P2.1* SECTION 46.** 49.45 (3) (e) ^{or 10m.} (11) of the statutes is created to read:

21 49.45 (3) (e) ^{or 10m.} (11) All facilities listed in a certificate of approval issued to the
22 University of Wisconsin Hospitals and Clinics Authority under s. 50.35 are a hospital
23 for purposes of reimbursement under this section.

24 ***-1152/P8.18* SECTION 47.** 49.45 (3) (e) 11. of the statutes is created to read:

1 49.45 (3) (e) 11. The department shall use a portion of the moneys collected
2 under s. 50.38 to pay for services provided by eligible hospitals, as defined in s. 50.38
3 (1), under the Medical Assistance Program under this subchapter, including services
4 reimbursed on a fee-for-service basis and services provided under a managed care
5 system. For state fiscal year 2008-09, total payments under this subdivision,
6 including both the federal and state share of Medical Assistance, shall equal the
7 amount collected under s. 50.38 (2) for fiscal year 2008-09 divided by 57.75 percent.
8 For each state fiscal year after state fiscal year 2008-09, total payments under this
9 subdivision, including both the federal and state share of Medical Assistance, shall
10 equal the amount collected under s. 50.38 (2) for the fiscal year divided by 61.68
11 percent.

12 ***-1152/P8.19*** SECTION 48. 49.45 (5m) (am) of the statutes is amended to read:

13 49.45 (5m) (am) Notwithstanding sub. (3) (e), from the appropriation accounts
14 under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w) and (xc), the department shall distribute not
15 more than ~~\$2,256,000~~ \$5,000,000 in each fiscal year, to provide supplemental funds
16 to rural hospitals that, as determined by the department, have high utilization of
17 inpatient services by patients whose care is provided from governmental sources,
18 ~~and to provide supplemental funds to critical access hospitals,~~ except that the
19 department may not distribute funds to a rural hospital ~~or to a critical access hospital~~
20 to the extent that the distribution would exceed any limitation under 42 USC 1396b
21 (i) (3).

22 ***-1152/P8.20*** SECTION 49. 49.45 (5m) (am) of the statutes, as affected by 2009
23 Wisconsin Act (this act), is amended to read:

24 49.45 (5m) (am) Notwithstanding sub. (3) (e), from the appropriation accounts
25 under s. 20.435 (4) (b), (o), (w) and (xc), the department shall distribute not more than

1 \$5,000,000 \$2,256,000 in each fiscal year, to provide supplemental funds to rural
2 hospitals that, as determined by the department, have high utilization of inpatient
3 services by patients whose care is provided from governmental sources, except that
4 the department may not distribute funds to a rural hospital to the extent that the
5 distribution would exceed any limitation under 42 USC 1396b (i) (3).

6 ***-1152/P8.21* *-0892/11.24* SECTION 50.** 49.45 (6m) (ag) (intro.) of the
7 statutes is amended to read:

8 49.45 **(6m)** (ag) (intro.) Payment for care provided in a facility under this
9 subsection made under s. 20.435 (4) (b), (~~gp~~), (o), (pa), or (w) shall, except as provided
10 in pars. (bg), (bm), and (br), be determined according to a prospective payment
11 system updated annually by the department. The payment system shall implement
12 standards that are necessary and proper for providing patient care and that meet
13 quality and safety standards established under subch. II of ch. 50 and ch. 150. The
14 payment system shall reflect all of the following:

15 ***-1152/P8.22* *-0892/11.25* SECTION 51.** 49.45 (6v) (b) of the statutes is
16 amended to read:

17 49.45 **(6v)** (b) The department shall, each year, submit to the joint committee
18 on finance a report for the previous fiscal year, except for the 1997-98 fiscal year, that
19 provides information on the utilization of beds by recipients of medical assistance in
20 facilities and a discussion and detailed projection of the likely balances,
21 expenditures, encumbrances and carry over of currently appropriated amounts in
22 the appropriation accounts under s. 20.435 (4) (b), (~~gp~~), and (o).

23 ***-1152/P8.23* *-0892/11.26* SECTION 52.** 49.45 (6x) (a) of the statutes is
24 amended to read:

1 49.45 (6x) (a) Notwithstanding sub. (3) (e), from the appropriation accounts
2 under s. 20.435 (4) (b), (~~gp~~), (o), and (w), the department shall distribute not more
3 than \$4,748,000 in each fiscal year, to provide funds to an essential access city
4 hospital, except that the department may not allocate funds to an essential access
5 city hospital to the extent that the allocation would exceed any limitation under 42
6 USC 1396b (i) (3).

7 ***-1152/P8.24* *-0892/11.27* SECTION 53.** 49.45 (6y) (a) of the statutes is
8 amended to read:

9 49.45 (6y) (a) Notwithstanding sub. (3) (e), from the appropriation accounts
10 under s. 20.435 (4) (b), (~~gp~~), (o), and (w), the department ~~shall~~ may distribute funding
11 in each fiscal year to provide supplemental payment to hospitals that enter into a
12 contract under s. 49.02 (2) to provide health care services funded by a relief block
13 grant, as determined by the department, for hospital services that are not in excess
14 of the hospitals' customary charges for the services, as limited under 42 USC 1396b
15 (i) (3). If no relief block grant is awarded under this chapter or if the allocation of
16 funds to such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the
17 department may distribute funds to hospitals that have not entered into a contract
18 under s. 49.02 (2).

19 ***-1152/P8.25* *-0892/11.28* SECTION 54.** 49.45 (6y) (am) of the statutes is
20 amended to read:

21 49.45 (6y) (am) Notwithstanding sub. (3) (e), from the appropriation accounts
22 under s. 20.435 (4) (b), (h), (~~gp~~), (o), and (w), the department shall distribute funding
23 in each fiscal year to provide supplemental payments to hospitals that enter into
24 contracts under s. 49.02 (2) with a county having a population of 500,000 or more to
25 provide health care services funded by a relief block grant, as determined by the

1 department, for hospital services that are not in excess of the hospitals' customary
2 charges for the services, as limited under 42 USC 1396b (i) (3).

3 ***-1152/P8.26* SECTION 55.** 49.45 (6y) (ap) of the statutes is created to read:

4 49.45 (6y) (ap) Notwithstanding sub. (3) (e), from the appropriation accounts
5 under s. 20.435 (4) (o) and (xc), the department shall distribute not more than
6 \$8,000,000 in each fiscal year as supplemental payments to hospitals that satisfy the
7 criteria established by the American College of Surgeons for classification as a Level
8 I adult trauma center, except that the department may not make payments that
9 exceed limitations based on customary charges under 42 USC 1396b (i) (3).

10 ***-1152/P8.27* SECTION 56.** 49.45 (6y) (ap) of the statutes, as created by 2009

11 Wisconsin Act (this act), is repealed.

12 ***-1152/P8.28* SECTION 57.** 49.45 (6y) (ar) of the statutes is created to read:

13 49.45 (6y) (ar) Notwithstanding sub (3) (e), the department may, from the
14 appropriation account under s. 20.435 (4) (xc), make supplemental payments to
15 hospitals based on hospital performance, in accordance with a payment methodology
16 developed by the department, except that the department may not make payments
17 that exceed limitations based on customary charges under 42 USC 1396b (i) (3).

18 ***-1152/P8.29* SECTION 58.** 49.45 (6y) (ar) of the statutes, as created by 2009

19 Wisconsin Act (this act), is repealed.

20 ***-1152/P8.30* SECTION 59.** 49.45 (6y) (at) of the statutes is created to read:

21 49.45 (6y) (at) Notwithstanding sub. (3) (e), from the appropriation account
22 under s. 20.435 (4) (w), the department shall distribute \$3,000,000 in each fiscal year
23 to the University of Wisconsin Hospital and Clinics for care that is not otherwise
24 compensated, except that the department may not make payments that exceed
25 limitations based on customary charges under 42 USC 1396b (i) (3).

1 ***-1152/P8.31* SECTION 60.** 49.45 (6y) (at) of the statutes, as created by 2009
2 Wisconsin Act (this act), is repealed.

3 ***-1152/P8.32* SECTION 61.** 49.45 (6z) (a) (intro.) of the statutes is amended to
4 read:

5 49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriation
6 accounts under s. 20.435 (4) (b), (~~gp~~), (o), and (w), the department may distribute
7 funding in each fiscal year to supplement payment for services to hospitals that enter
8 into indigent care agreements, in accordance with the approved state plan for
9 services under 42 USC 1396a, with relief agencies that administer the medical relief
10 block grant under this chapter, if the department determines that the hospitals serve
11 a disproportionate number of low-income patients with special needs. If no medical
12 relief block grant under this chapter is awarded or if the allocation of funds to such
13 hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department
14 may distribute funds to hospitals that have not entered into indigent care
15 agreements. The department may not distribute funds under this subsection to the
16 extent that the distribution would do any of the following:

17 ***-1152/P8.33* *-0892/11.29* SECTION 62.** 49.45 (8) (b) of the statutes is
18 amended to read:

19 49.45 (8) (b) Reimbursement under s. 20.435 (4) (b), (~~gp~~), (o), and (w) for home
20 health services provided by a certified home health agency or independent nurse
21 shall be made at the home health agency's or nurse's usual and customary fee per
22 patient care visit, subject to a maximum allowable fee per patient care visit that is
23 established under par. (c).

24 ***-1152/P8.34* *-0892/11.30* SECTION 63.** 49.45 (24m) (intro.) of the statutes
25 is amended to read:

1 49.45 **(24m)** (intro.) From the appropriation accounts under s. 20.435 (4) (b),
2 ~~(gp)~~, (o), and (w), in order to test the feasibility of instituting a system of
3 reimbursement for providers of home health care and personal care services for
4 medical assistance recipients that is based on competitive bidding, the department
5 shall:

6 ***-1152/P8.35*** ***-0892/11.31*** **SECTION 64.** 49.45 (52) of the statutes is
7 amended to read:

8 49.45 **(52)** PAYMENT ADJUSTMENTS. Beginning on January 1, 2003, the
9 department may, from the appropriation account under s. 20.435 (7) (b), make
10 Medical Assistance payment adjustments to county departments under s. 46.215,
11 46.22, 46.23, or 51.42, or 51.437 or to local health departments, as defined in s. 250.01
12 (4), as appropriate, for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and
13 (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16. Payment
14 adjustments under this subsection shall include the state share of the payments.
15 The total of any payment adjustments under this subsection and Medical Assistance
16 payments made from appropriation accounts under s. 20.435 (4) (b), ~~(gp)~~, (o), and (w),
17 may not exceed applicable limitations on payments under 42 USC 1396a (a) (30) (A).

18 ***-1152/P8.36*** **SECTION 65.** 49.45 (59) of the statutes is created to read:

19 49.45 **(59)** HEALTH MAINTENANCE ORGANIZATION PAYMENTS TO HOSPITALS. (a)
20 Except as provided under par. (h), the department shall, from the appropriation
21 account under s. 20.435 (4) (xc), pay each health maintenance organization with
22 which it contracts to provide medical assistance a monthly amount that the health
23 maintenance organization shall use to make payments to hospitals under par. (b).

24 (b) Except as provided under par. (h), health maintenance organizations shall
25 pay all of the moneys they receive under par. (a) to eligible hospitals, as defined in

1 s. 50.38 (1), within 15 days after receiving the moneys. The department shall specify
2 in contracts with health maintenance organizations to provide medical assistance a
3 method that health maintenance organizations shall use to allocate the amounts
4 received under par. (a) among eligible hospitals based on the number of discharges
5 from inpatient stays and the number of outpatient visits for which the health
6 maintenance organization paid such a hospital in the previous month for enrollees
7 who are recipients of medical assistance, except enrollees who receive medical
8 assistance under s. 49.45 (23). Payments under this paragraph shall be in addition
9 to any amount that a health maintenance organization is required by agreement
10 between the health maintenance organization and a hospital to pay the hospital for
11 providing services to the health maintenance organization's enrollees.

12 (c) Except as provided under par. (h), each health maintenance organization
13 that provides medical assistance shall report to the department each month the
14 amount it paid each hospital under par. (b) and the percentage of the total payments
15 it made under par. (b) that it paid to each hospital.

16 (d) Except as provided under par. (h), each health maintenance organization
17 that provides medical assistance shall report monthly to each hospital to which the
18 health maintenance organization makes payments under par. (b) such information
19 regarding the payments that the department specifies in its contract with the health
20 maintenance organization to provide medical assistance.

21 (e) 1. If the department determines that a health maintenance organization
22 has not complied with a requirement under pars. (b) to (d), the department shall
23 order the health maintenance organization to comply with the requirement within
24 15 days after the department's determination of noncompliance.

1 2. The department may terminate a contract with a health maintenance
2 organization to provide medical assistance if the health maintenance organization
3 fails to comply with a requirement under pars. (b) to (d).

4 3. The department may audit a health maintenance organization to determine
5 whether the health maintenance organization has complied with the requirements
6 under pars. (b) to (d).

7 (f) The department shall specify in contracts with health maintenance
8 organizations to provide medical assistance the method for adjusting payments
9 under par. (b) to correct a health maintenance organization's inaccurate counting of
10 inpatient discharges or outpatient visits in calculating a monthly payment to a
11 hospital under par. (b).

12 (g) If a health maintenance organization and hospital do not agree on the
13 amount of a monthly payment that the health maintenance organization is required
14 to pay the hospital under par. (b), either the health maintenance organization or the
15 hospital, within 6 months after the first day of the month in which the payment is
16 due, may request that the department determine the amount of the payment. The
17 department shall determine the amount of the payment within 60 days after the
18 request for a determination is made. The health maintenance organization or
19 hospital is, upon request, entitled to a contested case hearing under ch. 227 on the
20 department's determination.

21 (h) Paragraphs (a) to (d) do not apply after June 30, 2013.

22 ***-1152/P8.37*** ***-0892/11.32*** **SECTION 66.** 49.472 (6) (a) of the statutes is
23 amended to read:

24 49.472 (6) (a) Notwithstanding sub. (4) (a) 3., from the appropriation account
25 under s. 20.435 (4) (b), ~~(gp)~~, or (w), the department shall, on the part of an individual

1 who is eligible for medical assistance under sub. (3), pay premiums for or purchase
2 individual coverage offered by the individual's employer if the department
3 determines that paying the premiums for or purchasing the coverage will not be more
4 costly than providing medical assistance.

5 ***-1152/P8.38* *-0892/11.33* SECTION 67.** 49.472 (6) (b) of the statutes is
6 amended to read:

7 49.472 (6) (b) If federal financial participation is available, from the
8 appropriation account under s. 20.435 (4) (b), ~~(gp)~~, or (w), the department may pay
9 medicare Part A and Part B premiums for individuals who are eligible for medicare
10 and for medical assistance under sub. (3).

11 ***-1152/P8.39* *-0892/11.34* SECTION 68.** 49.473 (5) of the statutes is
12 amended to read:

13 49.473 (5) The department shall audit and pay, from the appropriation
14 accounts under s. 20.435 (4) (b), ~~(gp)~~, and (o), allowable charges to a provider who is
15 certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who
16 meets the requirements under sub. (2) for all benefits and services specified under
17 s. 49.46 (2).

18 ***-1896/1.4* SECTION 69.** 49.857 (1) (d) 12. of the statutes is amended to read:

19 49.857 (1) (d) 12. A license or certificate of registration issued under ss. 138.09,
20 138.12, 217.06, 218.0101 to 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725,
21 224.93 or subch. IV of ch. 551.

22 ***-0680/P2.2* SECTION 70.** 50.35 of the statutes is amended to read:

23 **50.35 Application and approval.** Application for approval to maintain a
24 hospital shall be made to the department on forms provided by the department. On
25 receipt of an application, the department shall, except as provided in s. 50.498, issue

1 a certificate of approval if the applicant and hospital facilities meet the requirements
2 established by the department. The department shall issue a single certificate of
3 approval for the University of Wisconsin Hospitals and Clinics Authority that
4 applies to all of the Authority's inpatient and outpatient hospital facilities that meet
5 the requirements established by the department and for which the Authority
6 requests approval. Except as provided in s. 50.498, this approval shall be in effect
7 until, for just cause and in the manner herein prescribed, it is suspended or revoked.
8 The certificate of approval may be issued only for the premises and persons or
9 governmental unit named in the application and is not transferable or assignable.
10 The department shall withhold, suspend or revoke approval for a failure to comply
11 with s. 165.40 (6) (a) 1. or 2., but, except as provided in s. 50.498, otherwise may not
12 withhold, suspend or revoke approval unless for a substantial failure to comply with
13 ss. 50.32 to 50.39 or the rules and standards adopted by the department after giving
14 a reasonable notice, a fair hearing and a reasonable opportunity to comply. Failure
15 by a hospital to comply with s. 50.36 (3m) shall be considered to be a substantial
16 failure to comply under this section.

17 ***-1152/P8.40* SECTION 71.** 50.38 of the statutes is created to read:

18 **50.38 Hospital assessment. (1)** In this section "eligible hospital" means a
19 hospital that is not any of the following:

20 (a) A critical access hospital.

21 (b) An institution for mental diseases, as defined in s. 46.011 (1m).

22 (c) A general psychiatric hospital for which the department has issued a
23 certificate of approval under s. 50.35 that applies only to the psychiatric hospital, and
24 that is not a satellite of an acute care hospital.

1 **(2)** Except as provided in sub. (10), for the privilege of doing business in this
2 state, there is imposed on each eligible hospital an assessment each state fiscal year
3 that is equal to a uniform percentage, determined under sub. (3), of the hospital's
4 gross patient revenues, as reported under s. 153.46 (5) and determined by the
5 department. The assessments shall be deposited in the hospital assessment fund.

6 **(3)** The department shall establish the percentage under sub. (2) so that the
7 total amount of assessments collected under this section in a state fiscal year is equal
8 to the amount in the schedule under s. 20.005 (3) for the appropriation under s.
9 20.435 (4) (xc) for that fiscal year.

10 **(4)** Except as provided in sub. (5), each eligible hospital shall pay the annual
11 assessment under sub. (2) in 4 equal amounts that are due by September 30,
12 December 31, March 31, and June 30 of each year.

13 **(5)** At the discretion of the department, a hospital that is unable timely to make
14 a payment by a date specified under sub. (4) may be allowed to make a delayed
15 payment. A determination by the department that a hospital may not make a
16 delayed payment under this subsection is final and is not subject to review under ch.
17 227.

18 **(6)** (a) 1. If the federal government does not provide federal financial
19 participation under the federal Medicaid program for amounts collected under this
20 section that are used to make payments under s. 49.45 (3) (e) 11. or (6y) (at), that are
21 transferred under sub. (8) and used to make payments from the Medical Assistance
22 trust fund, or that are transferred under sub. (9) and expended under under s. 20.435
23 (4) (jw), the department shall, from the fund from which the payment or expenditure
24 was made, refund hospitals the amount for which the federal government does not
25 provide federal financial participation.

1 2. If the department makes a refund under subd. 1. as result of failure to obtain
2 federal financial participation under the federal Medicaid program for a payment
3 under s. 49.45 (3) (e) 11. or (6y) (at) or a payment from the Medical Assistance trust
4 fund, the department shall recoup the part of the payment for which the federal
5 government does not provide federal financial participation.

6 3. Moneys recouped under subd. 2. for payments made from the hospital
7 assessment fund shall be deposited in the hospital assessment fund.

8 4. Moneys recouped under subd. 2. for payments made from the Medical
9 Assistance trust fund shall be deposited in the Medical Assistance trust fund.

10 (b) On June 30 of each state fiscal year, the department shall, from the
11 appropriation account under s. 20.435 (4) (xc), refund to hospitals the difference
12 between the amount in the schedule under s. 20.005 (3) for that appropriation and
13 the amount expended or encumbered from that appropriation in the fiscal year.

14 (c) The department shall allocate any refund under this subsection to hospitals
15 in proportion to the percentage of the total assessments collected under sub. (2) that
16 each hospital paid.

17 (7) By January 1 of each year the department shall report to the joint
18 committee on finance all of the following information for the state fiscal year ending
19 the previous June 30:

20 (a) The amount each eligible hospital paid under sub. (2).

21 (b) The amounts the department paid each health maintenance organization
22 under s. 49.45 (59) (a).

23 (c) The total amounts that each eligible hospital received from health
24 maintenance organizations under s. 49.45 (59) (b).

1 (d) The total amount of payment increases the department made, in connection
2 with implementation of the hospital assessment under sub. (2), for inpatient and
3 outpatient hospital services that are reimbursed on a fee-for-service basis.

4 (e) The total amount of payments that the department made to each hospital
5 under the Medical Assistance Program under subch. IV of ch. 49.

6 (f) The portion of capitated payments that the department made to each health
7 maintenance organization under the Medical Assistance Program under subch. IV
8 of ch. 49 from appropriation accounts of general purpose revenues that is for
9 inpatient and outpatient hospital services.

10 (g) The results of any audits conducted by the department under s. 49.45 (59)
11 (e) 3. and any actions taken by the department as a result of the audits.

12 (8) Except as provided in sub. (10), in each state fiscal year, the secretary of
13 administration shall transfer from the hospital assessment fund to the Medical
14 Assistance trust fund an amount equal to the amount in the schedule under s. 20.005
15 (3) for the appropriation under s. 20.435 (4) (xc) for that fiscal year minus the state
16 share of payments to hospitals under s. 49.45 (3) (e) 11., and minus any refunds paid
17 to hospitals from the hospital assessment fund under sub. (6) (a) in that fiscal year.

18 (9) Except as provided in sub. (10), on June 30 of each state fiscal year, the
19 secretary of administration shall transfer from the Medical Assistance trust fund to
20 the appropriation account under s. 20.435 (4) (jw), an amount equal to 0.5 percent
21 of the amount transferred under sub. (8).

22 (10) Assessments may not be collected under sub. (2) after June 30, 2013, and
23 transfers may not be made under subs. (8) and (9) after June 30, 2013.

24 ***-1152/P8.41* SECTION 72.** 50.389 of the statutes is renumbered 50.377.

1 ***-0377/P10.3* *-4294/P1.3* SECTION 73.** 66.0615 (1m) (f) 2. of the statutes is
2 amended to read:

3 66.0615 (1m) (f) 2. Sections 77.51 (12m), (14) (~~e~~), (~~f~~) and (~~j~~) and, (14g), (15a),
4 and (15b), 77.52 (3), (4), (~~6~~) and (13), (14), (18), and (19), 77.522, 77.58 (1) to (5), (6m),
5 and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m), (5), (8), (9), and (12) to (~~14~~) (15), and
6 77.62, as they apply to the taxes under subch. III of ch. 77, apply to the tax described
7 under subd. 1.

8 ***-1889/1.10* SECTION 74.** 67.045 (1) (h) of the statutes is created to read:

9 67.045 (1) (h) The debt is issued for the purpose of acquiring or installing
10 energy efficient equipment.

11 ***-0377/P10.4* *-4294/P1.4* SECTION 75.** 70.111 (23) of the statutes is
12 amended to read:

13 70.111 (23) VENDING MACHINES. All machines that automatically dispense soda
14 water beverages, as defined in s. 97.29 (1) (i), and items included as a food or beverage
15 under s. 77.54 (20) (~~a~~) and (~~b~~) food and food ingredient, as defined in s. 77.51 (3t),
16 upon the deposit in the machines of specified coins or currency, or insertion of a credit
17 card, in payment for the ~~soda water beverages, food or beverages~~ food and food
18 ingredient, as defined in s. 77.51 (3t).

19 ***-1942/P1.4* SECTION 76.** 71.05 (6) (a) 15. of the statutes is amended to read:

20 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),
21 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3s), (3t), (3w),
22 (5e), (5f), (5h), (5i), (5j), and (5k) and not passed through by a partnership, limited
23 liability company, or tax-option corporation that has added that amount to the
24 partnership's, company's, or tax-option corporation's income under s. 71.21 (4) or
25 71.34 (1k) (g).

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1 ***-1948/P1.2* SECTION 77.** 71.05 (6) (a) 15. of the statutes is amended to read:
 2 71.05 (6) (a) 15. The amount of the credits computed under s. 71.07 (2dd), (2de),
 3 (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), (3g), (3h), (3n), (3p), (3r), (3s), (3t), (3w),
 4 (5e), (5f), (5h), (5i), (5j), and (5k) and not passed through by a partnership, limited
 5 liability company, or tax-option corporation that has added that amount to the
 6 partnership's, company's, or tax-option corporation's income under s. 71.21 (4) or
 7 71.34 (1k) (g).

8 ***-1942/P1.5* SECTION 78.** 71.07 (2dy) of the statutes is created to read:

9 71.07 (2dy) ECONOMIC DEVELOPMENT TAX CREDIT. (a) *Definition.* In this
 10 subsection, "claimant" means a person who files a claim under this subsection and
 11 is certified under s. 560.701 (2) and authorized to claim tax benefits under s. 560.703.

12 (b) *Filing claims.* Subject to the limitations under this subsection and ss.
 13 560.701 to 560.706, for taxable years beginning after December 31, 2008, a claimant
 14 may claim as a credit against the tax imposed under s. 71.02 or 71.08, up to the
 15 amount of the tax, the amount authorized for the claimant under s. 560.703.

16 (c) *Limitations.* 1. No credit may be allowed under this subsection unless the
 17 claimant includes with the claimant's return a copy of the claimant's certification
 18 under s. 560.701 (2) and a copy of the claimant's notice of eligibility to receive tax
 19 benefits under s. 560.703 (3).

20 2. Partnerships, limited liability companies, and tax-option corporations may
 21 not claim the credit under this subsection, but the eligibility for, and the amount of,
 22 the credit are based on their authorization to claim tax benefits under s. 560.703.
 23 A partnership, limited liability company, or tax-option corporation shall compute
 24 the amount of credit that each of its partners, members, or shareholders may claim
 25 and shall provide that information to each of them. Partners, members of limited

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1 liability companies, and shareholders of tax-option corporations may claim the
2 credit in proportion to their ownership interests.

3 (d) *Administration.* 1. Except as provided in subd. 2., s. 71.28 (4) (e) and (f),
4 as it applies to the credit under s. 71.28 (4), applies to the credit under this
5 subsection.

6 2. If a claimant's certification is revoked under s. 560.705, or if a claimant
7 becomes ineligible for tax benefits under s. 560.702, the claimant may not claim
8 credits under this subsection for the taxable year that includes the day on which the
9 certification is revoked; the taxable year that includes the day on which the claimant
10 becomes ineligible for tax benefits; or succeeding taxable years and the claimant may
11 not carry over unused credits from previous years to offset the tax imposed under s.
12 71.02 or 71.08 for the taxable year that includes the day on which certification is
13 revoked; the taxable year that includes the day on which the claimant becomes
14 ineligible for tax benefits; or succeeding taxable years.

15 3. Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4),
16 applies to the credit under this subsection.

17 ***-1947/P1.3* SECTION 79.** 71.07 (3p) (a) 1m. of the statutes is created to read:
18 71.07 (3p) (a) 1m. "Dairy cooperative" means a business organized under ch.
19 185 or 193 for the purpose of obtaining or processing milk.

20 ***-1947/P1.4* SECTION 80.** 71.07 (3p) (a) 3. (intro.) of the statutes is amended
21 to read:

22 71.07 (3p) (a) 3. (intro.) "Dairy manufacturing modernization or expansion"
23 means constructing, improving, or acquiring buildings or facilities, or acquiring
24 equipment, for dairy manufacturing, including the following, if used exclusively for
25 dairy manufacturing and if acquired and placed in service in this state during

1 taxable years that begin after December 31, 2006, and before January 1, 2015, or, in
2 the case of dairy cooperatives, if acquired and placed in service in this state during
3 taxable years that begin after December 31, 2008, and before January 1, 2017:

4 ***-1947/P1.5* SECTION 81.** 71.07 (3p) (b) of the statutes is amended to read:

5 71.07 (3p) (b) *Filing claims.* Subject to the limitations provided in this
6 subsection and s. 560.207, except as provided in par. (c) 5., for taxable years
7 beginning after December 31, 2006, and before January 1, 2015, a claimant may
8 claim as a credit against the taxes imposed under s. 71.02 or 71.08, up to the amount
9 of the tax, an amount equal to 10 percent of the amount the claimant paid in the
10 taxable year for dairy manufacturing modernization or expansion related to the
11 claimant's dairy manufacturing operation.

12 ***-1947/P1.6* SECTION 82.** 71.07 (3p) (c) 2m. b. of the statutes is amended to
13 read:

14 71.07 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
15 by all claimants, other than members of dairy cooperatives, under this subsection
16 and ss. 71.28 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
17 thereafter, is \$700,000, as allocated under s. 560.207.

18 ***-1947/P1.7* SECTION 83.** 71.07 (3p) (c) 2m. bm. of the statutes is created to
19 read:

20 71.07 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
21 by members of dairy cooperatives under this subsection and ss. 71.28 (3p) and 71.47
22 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, and the
23 maximum amount of the credits that may be claimed by members of dairy
24 cooperatives under this subsection and ss. 71.28 (3p) and 71.47 (3p) in fiscal year

1 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s.
2 560.207.

3 ***-1947/P1.8* SECTION 84.** 71.07 (3p) (c) 3. of the statutes is amended to read:

4 71.07 (3p) (c) 3. Partnerships, limited liability companies, ~~and~~ tax-option
5 corporations, and dairy cooperatives may not claim the credit under this subsection,
6 but the eligibility for, and the amount of, the credit are based on their payment of
7 expenses under par. (b), except that the aggregate amount of credits that the entity
8 may compute shall not exceed \$200,000 for each of the entity's dairy manufacturing
9 facilities. A partnership, limited liability company, ~~or~~ tax-option corporation, or
10 dairy cooperative shall compute the amount of credit that each of its partners,
11 members, or shareholders may claim and shall provide that information to each of
12 them. Partners, members of limited liability companies, and shareholders of
13 tax-option corporations may claim the credit in proportion to their ownership
14 interest. Members of a dairy cooperative may claim the credit in proportion to the
15 amount of milk that each member delivers to the dairy cooperative, as determined
16 by the dairy cooperative.

17 ***-1947/P1.9* SECTION 85.** 71.07 (3p) (c) 5. of the statutes is created to read:

18 71.07 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
19 the credit, based on amounts described under par. (b) that are paid by the dairy
20 cooperative, for taxable years beginning after December 31, 2008, and before
21 January 1, 2017.

22 ***-1947/P1.10* SECTION 86.** 71.07 (3p) (c) 6. of the statutes is created to read:

23 71.07 (3p) (c) 6. No credit may be allowed under this subsection unless the
24 claimant submits with the claimant's return a copy of the claimant's credit
25 certification and allocation under s. 560.207.

1 ***-1947/P1.11* SECTION 87.** 71.07 (3p) (d) 2. of the statutes is amended to read:

2 71.07 (3p) (d) 2. If Except as provided in subd. 3., if the allowable amount of
3 the claim under par. (b) exceeds the tax otherwise due under s. 71.02 or 71.08 ~~or no~~
4 ~~tax is due under s. 71.02 or 71.08~~, the amount of the claim not used to offset the tax
5 due shall be certified by the department of revenue to the department of
6 administration for payment by check, share draft, or other draft drawn from the
7 appropriation account under s. 20.835 (2) (bn).

8 ***-1947/P1.12* SECTION 88.** 71.07 (3p) (d) 3. of the statutes is created to read:

9 71.07 (3p) (d) 3. With regard to claims that are based on amounts described
10 under par. (b) that are paid by a dairy cooperative, if the allowable amount of the
11 claim under par. (b) exceeds the tax otherwise due under s. 71.02 or 71.08, the
12 amount of the claim not used to offset the tax due shall be certified by the department
13 of revenue to the department of administration for payment by check, share draft,
14 or other draft drawn from the appropriation account under s. 20.835 (2) (bp).

15 ***-1948/P1.3* SECTION 89.** 71.07 (3r) of the statutes is created to read:

16 71.07 (3r) MEAT PROCESSING FACILITY INVESTMENT CREDIT. (a) *Definitions.* In this
17 subsection:

18 1. "Claimant" means a person who files a claim under this subsection.

19 2. "Meat processing" means processing livestock into meat products or
20 processing meat products for sale commercially.

21 3. "Meat processing modernization or expansion" means constructing,
22 improving, or acquiring buildings or facilities, or acquiring equipment, for meat
23 processing, including the following, if used exclusively for meat processing and if
24 acquired and placed in service in this state during taxable years that begin after
25 December 31, 2008, and before January 1, 2017:

1 a. Building construction, including livestock handling, product intake, storage,
2 and warehouse facilities.

3 b. Building additions.

4 c. Upgrades to utilities, including water, electric, heat, refrigeration, freezing,
5 and waste facilities.

6 d. Livestock intake and storage equipment.

7 e. Processing and manufacturing equipment, including cutting equipment,
8 mixers, grinders, sausage stuffers, meat smokers, curing equipment, cooking
9 equipment, pipes, motors, pumps, and valves.

10 f. Packaging and handling equipment, including sealing, bagging, boxing,
11 labeling, conveying, and product movement equipment.

12 g. Warehouse equipment, including storage and curing racks.

13 h. Waste treatment and waste management equipment, including tanks,
14 blowers, separators, dryers, digesters, and equipment that uses waste to produce
15 energy, fuel, or industrial products.

16 i. Computer software and hardware used for managing the claimant's meat
17 processing operation, including software and hardware related to logistics,
18 inventory management, production plant controls, and temperature monitoring
19 controls.

20 4. "Used exclusively" means used to the exclusion of all other uses except for
21 use not exceeding 5 percent of total use.

22 (b) *Filing claims.* Subject to the limitations provided in this subsection and s.
23 560.208, for taxable years beginning after December 31, 2008, and before January
24 1, 2017, a claimant may claim as a credit against the taxes imposed under s. 71.02
25 or 71.08, up to the amount of the tax, an amount equal to 10 percent of the amount

1 the claimant paid in the taxable year for meat processing modernization or
2 expansion related to the claimant's meat processing operation.

3 (c) *Limitations.* 1. No credit may be allowed under this subsection for any
4 amount that the claimant paid for expenses described under par. (b) that the
5 claimant also claimed as a deduction under section 162 of the Internal Revenue Code.

6 2. The aggregate amount of credits that a claimant may claim under this
7 subsection is \$200,000.

8 3. a. The maximum amount of the credits that may be allocated under this
9 subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2009-10 is \$300,000, as
10 allocated under s. 560.208.

11 b. The maximum amount of the credits that may be allocated under this
12 subsection and ss. 71.28 (3r) and 71.47 (3r) in fiscal year 2010-11, and in each fiscal
13 year thereafter, is \$700,000, as allocated under s. 560.208.

14 4. Partnerships, limited liability companies, and tax-option corporations may
15 not claim the credit under this subsection, but the eligibility for, and the amount of,
16 the credit are based on their payment of expenses under par. (b), except that the
17 aggregate amount of credits that the entity may compute shall not exceed \$200,000.
18 A partnership, limited liability company, or tax-option corporation shall compute
19 the amount of credit that each of its partners, members, or shareholders may claim
20 and shall provide that information to each of them. Partners, members of limited
21 liability companies, and shareholders of tax-option corporations may claim the
22 credit in proportion to their ownership interest.

23 5. If 2 or more persons own and operate the meat processing operation, each
24 person may claim a credit under par. (b) in proportion to his or her ownership

1 interest, except that the aggregate amount of the credits claimed by all persons who
2 own and operate the meat processing operation shall not exceed \$200,000.

3 6. No credit may be allowed under this subsection unless the claimant submits
4 with the claimant's return a copy of the claimant's credit certification and allocation
5 under s. 560.208.

6 (d) *Administration.* 1. Section 71.28 (4) (e), (g), and (h), as it applies to the
7 credit under s. 71.28 (4), applies to the credit under this subsection.

8 2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise
9 due under s. 71.02 or 71.08, the amount of the claim not used to offset the tax due
10 shall be certified by the department of revenue to the department of administration
11 for payment by check, share draft, or other draft drawn from the appropriation
12 account under s. 20.835 (2) (bd).

13 ***-1949/P1.2* SECTION 90.** 71.07 (5d) (b) of the statutes is renumbered 71.07
14 (5d) (b) (intro.) and amended to read:

15 71.07 (5d) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
16 subsection and in s. 560.205, a claimant may claim as a credit against the tax
17 imposed under s. 71.02 or 71.08, up to the amount of those taxes, the following:

18 1. For taxable years beginning before January 1, 2008, in each taxable year for
19 2 consecutive years, beginning with the taxable year as certified by the department
20 of commerce, an amount equal to 12.5 percent of the claimant's bona fide angel
21 investment made directly in a qualified new business venture.

22 ***-1949/P1.3* SECTION 91.** 71.07 (5d) (b) 2. of the statutes is created to read:

23 71.07 (5d) (b) 2. For taxable years beginning after December 31, 2007, for the
24 taxable year certified by the department of commerce, an amount equal to 25 percent

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1 of the claimant's bona fide angel investment made directly in a qualified new
2 business venture.

3 ***-1949/P1.4* SECTION 92.** 71.07 (5d) (c) 2. of the statutes is amended to read:

4 71.07 (5d) (c) 2. The For taxable years beginning before January 1, 2008, the
5 maximum amount of a claimant's investment that may be used as the basis for a
6 credit under this subsection is \$2,000,000 for each investment made directly in a
7 business certified under s. 560.205 (1).

8 ***-0377/P10.5* *-4294/P1.5* SECTION 93.** 71.07 (5e) (b) of the statutes is
9 amended to read:

10 71.07 (5e) (b) *Filing claims.* Subject to the limitations provided in this
11 subsection and subject to 2005 Wisconsin Act 479, section 17, beginning in the first
12 taxable year following the taxable year in which the claimant claims ~~an exemption~~
13 a deduction under s. ~~77.54 (48)~~ 77.585 (9), a claimant may claim as a credit against
14 the taxes imposed under ss. 71.02 and 71.08, up to the amount of those taxes, in each
15 taxable year for 2 years, the amount of sales and use tax certified by the department
16 of commerce that resulted from the claimant ~~claimed as an exemption~~ claiming a
17 deduction under s. ~~77.54 (48)~~ 77.585 (9).

18 ***-0377/P10.6* *-4294/P1.6* SECTION 94.** 71.07 (5e) (c) 1. of the statutes is
19 amended to read:

20 71.07 (5e) (c) 1. No credit may be allowed under this subsection unless the
21 claimant satisfies the requirements under s. ~~77.54 (48)~~ 77.585 (9).

22 ***-0377/P10.7* *-4294/P1.7* SECTION 95.** 71.07 (5e) (c) 3. of the statutes is
23 amended to read:

24 71.07 (5e) (c) 3. The total amount of the credits and ~~exemptions~~ the sales and
25 use tax resulting from the deductions claimed under s. 77.585 (9) that may be claimed

1 by all claimants under this subsection and ss. 71.28 (5e), 71.47 (5e), and ~~77.54 (48)~~
2 77.585 (9) is \$7,500,000, as determined by the department of commerce.

3 ***-1942/P1.6* SECTION 96.** 71.08 (1) (intro.) of the statutes is amended to read:

4 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
5 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
6 ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2dy), (2fd), (3m), (3n),
7 (3p), (3s), (3t), (3w), (5b), (5d), (5e), (5f), (6), (6e), and (9e), 71.28 (1dd), (1de), (1di),
8 (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m), (3), (3n), (3t), and (3w), and 71.47 (1dd),
9 (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1dy), (1fd), (2m), (3), (3n), (3t), and (3w), and
10 subchs. VIII and IX and payments to other states under s. 71.07 (7), is less than the
11 tax under this section, there is imposed on that natural person, married couple filing
12 jointly, trust or estate, instead of the tax under s. 71.02, an alternative minimum tax
13 computed as follows:

14 ***-1948/P1.4* SECTION 97.** 71.08 (1) (intro.) of the statutes is amended to read:

15 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
16 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
17 ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), ^(2dy)(2fd), (3m), (3n), (3p),
18 (3r), (3s), (3t), (3w), (5b), (5d), (5e), (5f), (6), (6e), and (9e), 71.28 (1dd), (1de), (1di),
19 (1dj), (1dL), (1ds), (1dx), ^(1dy)(1fd), (2m), (3), (3n), (3t), and (3w), and 71.47 (1dd), (1de),
20 (1di), (1dj), (1dL), (1ds), (1dx), ^(1dy)(1fd), (2m), (3), (3n), (3t), and (3w), and subchs. VIII
21 and IX and payments to other states under s. 71.07 (7), is less than the tax under this
22 section, there is imposed on that natural person, married couple filing jointly, trust
23 or estate, instead of the tax under s. 71.02, an alternative minimum tax computed
24 as follows:

25 ***-1942/P1.7* SECTION 98.** 71.10 (4) (gv) of the statutes is created to read:

1 71.10 (4) (gv) Economic development tax credit under s. 71.07 (2dy).

2 ***-1948/P1.5* SECTION 99.** 71.10 (4) (i) of the statutes is amended to read:

3 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
4 preservation credit under subch. IX, homestead credit under subch. VIII, farmland
5 tax relief credit under s. 71.07 (3m), farmers' drought property tax credit under s.
6 71.07 (2fd), dairy manufacturing facility investment credit under s. 71.07 (3p), meat
7 processing facility investment credit under s. 71.07 (3r), film production services
8 credit under s. 71.07 (5f) (b) 2., veterans and surviving spouses property tax credit
9 under s. 71.07 (6e), enterprise zone jobs credit under s. 71.07 (3w), earned income tax
10 credit under s. 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld
11 under subch. X.

12 ***-1992/1.1* SECTION 100.** 71.21 (3) of the statutes is amended to read:

13 71.21 (3) The credits under s. 71.28 (4), (4m), and (5) may not be claimed by a
14 partnership or by partners, including partners of a publicly traded partnership.

15 ***-1942/P1.8* SECTION 101.** 71.21 (4) of the statutes is amended to read:

16 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
17 (2dj), (2dL), (2dm), (2ds), (2dx), (2dy), (3g), (3h), (3n), (3p), (3s), (3t), (3w), (5e), (5f),
18 (5g), (5h), (5i), (5j), and (5k) and passed through to partners shall be added to the
19 partnership's income.

(2dy) ^

20 ***-1948/P1.6* SECTION 102.** 71.21 (4) of the statutes is amended to read:

21 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
22 (2dj), (2dL), (2dm), (2ds), (2dx), (3g), (3h), (3n), (3p), (3r), (3s), (3t), (3w), (5e), (5f), (5g),
23 (5h), (5i), (5j), and (5k) and passed through to partners shall be added to the
24 partnership's income.

25 ***-1992/1.2* SECTION 103.** 71.26 (2) (a) 2. of the statutes is amended to read:

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1 71.26 (2) (a) 2. Plus the amount of credit computed under s. 71.28 (1), (3), (4),
2 (4m), and (5).

3 ***-1942/P1.9* SECTION 104.** 71.26 (2) (a) 4. of the statutes is amended to read:

4 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dd),
5 (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (1dy), (3g), (3h), (3n), (3p), (3t), (3w), (5e),
6 (5f), (5g), (5h), (5i), (5j), and (5k) and not passed through by a partnership, limited
7 liability company, or tax-option corporation that has added that amount to the
8 partnership's, limited liability company's, or tax-option corporation's income under
9 s. 71.21 (4) or 71.34 (1k) (g). ^{(1dy) ^}

10 ***-1948/P1.7* SECTION 105.** 71.26 (2) (a) 4. of the statutes 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), (3g), (3h), (3n), (3p), (3r), (3t), (3w), (5e),
13 (5f), (5g), (5h), (5i), (5j), and (5k) and not passed through by a partnership, limited
14 liability company, or tax-option corporation that has added that amount to the
15 partnership's, limited liability company's, or tax-option corporation's income under
16 s. 71.21 (4) or 71.34 (1k) (g).

17 ***-1992/1.3* SECTION 106.** 71.26 (3) (n) of the statutes is amended to read:

18 71.26 (3) (n) Sections 381, 382 and 383 (relating to carry-overs in certain
19 corporate acquisitions) are modified so that they apply to losses under sub. (4) and
20 credits under s. 71.28 (1di), (1dL), (1dm), (1dx), (3), (4), (4m), and (5) instead of to
21 federal credits and federal net operating losses.

22 ***-1942/P1.10* SECTION 107.** 71.28 (1dy) of the statutes is created to read:

23 71.28 (1dy) ECONOMIC DEVELOPMENT TAX CREDIT. (a) *Definition.* In this
24 subsection, "claimant" means a person who files a claim under this subsection and
25 is certified under s. 560.701 (2) and authorized to claim tax benefits under s. 560.703.

1 (b) *Filing claims.* Subject to the limitations under this subsection and ss.
2 560.701 to 560.706, for taxable years beginning after December 31, 2008, a claimant
3 may claim as a credit against the tax imposed under s. 71.23, up to the amount of the
4 tax, the amount authorized for the claimant under s. 560.703.

5 (c) *Limitations.* 1. No credit may be allowed under this subsection unless the
6 claimant includes with the claimant's return a copy of the claimant's certification
7 under s. 560.701 (2) and a copy of the claimant's notice of eligibility to receive tax
8 benefits under s. 560.703 (3).

9 2. Partnerships, limited liability companies, and tax-option corporations may
10 not claim the credit under this subsection, but the eligibility for, and the amount of,
11 the credit are based on their authorization to claim tax benefits under s. 560.703.
12 A partnership, limited liability company, or tax-option corporation shall compute
13 the amount of credit that each of its partners, members, or shareholders may claim
14 and shall provide that information to each of them. Partners, members of limited
15 liability companies, and shareholders of tax-option corporations may claim the
16 credit in proportion to their ownership interests.

17 (d) *Administration.* 1. Except as provided in subd. 2., sub. (4) (e) and (f), as it
18 applies to the credit under sub. (4), applies to the credit under this subsection.

19 2. If a claimant's certification is revoked under s. 560.705, or if a claimant
20 becomes ineligible for tax benefits under s. 560.702, the claimant may not claim
21 credits under this subsection for the taxable year that includes the day on which the
22 certification is revoked; the taxable year that includes the day on which the claimant
23 becomes ineligible for tax benefits; or succeeding taxable years and the claimant may
24 not carry over unused credits from previous years to offset the tax imposed under s.
25 71.23 for the taxable year that includes the day on which certification is revoked; the

1 taxable year that includes the day on which the claimant becomes ineligible for tax
2 benefits; or succeeding taxable years.

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

5 ***-1947/P1.13* SECTION 108.** 71.28 (3p) (a) 1m. of the statutes is created to
6 read:

7 71.28 (3p) (a) 1m. "Dairy cooperative" means a business organized under ch.
8 185 or 193 for the purpose of obtaining or processing milk.

9 ***-1947/P1.14* SECTION 109.** 71.28 (3p) (a) 3. (intro.) of the statutes is amended
10 to read:

11 71.28 (3p) (a) 3. (intro.) "Dairy manufacturing modernization or expansion"
12 means constructing, improving, or acquiring buildings or facilities, or acquiring
13 equipment, for dairy manufacturing, including the following, if used exclusively for
14 dairy manufacturing and if acquired and placed in service in this state during
15 taxable years that begin after December 31, 2006, and before January 1, 2015, or, in
16 the case of dairy cooperatives, if acquired and placed in service in this state during
17 taxable years that begin after December 31, 2008, and before January 1, 2017:

18 ***-1947/P1.15* SECTION 110.** 71.28 (3p) (b) of the statutes is amended to read:

19 71.28 (3p) (b) *Filing claims.* Subject to the limitations provided in this
20 subsection and s. 560.207, except as provided in par. (c) 5., for taxable years
21 beginning after December 31, 2006, and before January 1, 2015, a claimant may
22 claim as a credit against the taxes imposed under s. 71.23, up to the amount of the
23 tax, an amount equal to 10 percent of the amount the claimant paid in the taxable
24 year for dairy manufacturing modernization or expansion related to the claimant's
25 dairy manufacturing operation.

1 ***-1947/P1.16* SECTION 111.** 71.28 (3p) (c) 2m. b. of the statutes is amended to
2 read:

3 71.28 (3p) (c) 2m. b. The maximum amount of the credits that may be claimed
4 by all claimants, other than members of dairy cooperatives, under this subsection
5 and ss. 71.07 (3p) and 71.47 (3p) in fiscal year 2008-09, and in each fiscal year
6 thereafter, is \$700,000, as allocated under s. 560.207.

7 ***-1947/P1.17* SECTION 112.** 71.28 (3p) (c) 2m. bm. of the statutes is created
8 to read:

9 71.28 (3p) (c) 2m. bm. The maximum amount of the credits that may be claimed
10 by members of dairy cooperatives under this subsection and ss. 71.07 (3p) and 71.47
11 (3p) in fiscal year 2009-10 is \$600,000, as allocated under s. 560.207, and the
12 maximum amount of the credits that may be claimed by members of dairy
13 cooperatives under this subsection and ss. 71.07 (3p) and 71.47 (3p) in fiscal year
14 2010-11, and in each fiscal year thereafter, is \$700,000, as allocated under s.
15 560.207.

16 ***-1947/P1.18* SECTION 113.** 71.28 (3p) (c) 3. of the statutes is amended to read:

17 71.28 (3p) (c) 3. Partnerships, limited liability companies, ~~and~~ tax-option
18 corporations, and dairy cooperatives may not claim the credit under this subsection,
19 but the eligibility for, and the amount of, the credit are based on their payment of
20 expenses under par. (b), except that the aggregate amount of credits that the entity
21 may compute shall not exceed \$200,000 for each of the entity's dairy manufacturing
22 facilities. A partnership, limited liability company, ~~or~~ tax-option corporation, or
23 dairy cooperative shall compute the amount of credit that each of its partners,
24 members, or shareholders may claim and shall provide that information to each of
25 them. Partners, members of limited liability companies, and shareholders of

1 tax-option corporations may claim the credit in proportion to their ownership
2 interest. Members of a dairy cooperative may claim the credit in proportion to the
3 amount of milk that each member delivers to the dairy cooperative, as determined
4 by the dairy cooperative.

5 ***-1947/P1.19* SECTION 114.** 71.28 (3p) (c) 5. of the statutes is created to read:

6 71.28 (3p) (c) 5. A claimant who is a member of a dairy cooperative may claim
7 the credit, based on amounts described under par. (b) that are paid by the dairy
8 cooperative, for taxable years beginning after December 31, 2008, and before
9 January 1, 2017.

10 ***-1947/P1.20* SECTION 115.** 71.28 (3p) (c) 6. of the statutes is created to read:

11 71.28 (3p) (c) 6. No credit may be allowed under this subsection unless the
12 claimant submits with the claimant's return a copy of the claimant's credit
13 certification and allocation under s. 560.207.

14 ***-1947/P1.21* SECTION 116.** 71.28 (3p) (d) 2. of the statutes is amended to read:

15 71.28 (3p) (d) 2. If Except as provided in subd. 3., if the allowable amount of
16 the claim under par. (b) exceeds the tax otherwise due under s. 71.23 or no tax is due
17 under s. 71.23, the amount of the claim not used to offset the tax due shall be certified
18 by the department of revenue to the department of administration for payment by
19 check, share draft, or other draft drawn from the appropriation account under s.
20 20.835 (2) (bn).

21 ***-1947/P1.22* SECTION 117.** 71.28 (3p) (d) 3. of the statutes is created to read:

22 71.28 (3p) (d) 3. With regard to claims that are based on amounts described
23 under par. (b) that are paid by a dairy cooperative, if the allowable amount of the
24 claim under par. (b) exceeds the tax otherwise due under s. 71.23, the amount of the
25 claim not used to offset the tax due shall be certified by the department of revenue

1 to the department of administration for payment by check, share draft, or other draft
2 drawn from the appropriation account under s. 20.835 (2) (bp).

3 ***-1948/P1.8* SECTION 118.** 71.28 (3r) of the statutes is created to read:

4 71.28 (3r) MEAT PROCESSING FACILITY INVESTMENT CREDIT. (a) *Definitions.* In this
5 subsection:

6 1. "Claimant" means a person who files a claim under this subsection.

7 2. "Meat processing" means processing livestock into meat products or
8 processing meat products for sale commercially.

9 3. "Meat processing modernization or expansion" means constructing,
10 improving, or acquiring buildings or facilities, or acquiring equipment, for meat
11 processing, including the following, if used exclusively for meat processing and if
12 acquired and placed in service in this state during taxable years that begin after
13 December 31, 2008, and before January 1, 2017:

14 a. Building construction, including livestock handling, product intake, storage,
15 and warehouse facilities.

16 b. Building additions.

17 c. Upgrades to utilities, including water, electric, heat, refrigeration, freezing,
18 and waste facilities.

19 d. Livestock intake and storage equipment.

20 e. Processing and manufacturing equipment, including cutting equipment,
21 mixers, grinders, sausage stuffers, meat smokers, curing equipment, cooking
22 equipment, pipes, motors, pumps, and valves.

23 f. Packaging and handling equipment, including sealing, bagging, boxing,
24 labeling, conveying, and product movement equipment.

25 g. Warehouse equipment, including storage and curing racks.

1 h. Waste treatment and waste management equipment, including tanks,
2 blowers, separators, dryers, digesters, and equipment that uses waste to produce
3 energy, fuel, or industrial products.

4 i. Computer software and hardware used for managing the claimant's meat
5 processing operation, including software and hardware related to logistics,
6 inventory management, production plant controls, and temperature monitoring
7 controls.

8 4. "Used exclusively" means used to the exclusion of all other uses except for
9 use not exceeding 5 percent of total use.

10 (b) *Filing claims.* Subject to the limitations provided in this subsection and s.
11 560.208, for taxable years beginning after December 31, 2008, and before January
12 1, 2017, a claimant may claim as a credit against the taxes imposed under s. 71.23,
13 up to the amount of the tax, an amount equal to 10 percent of the amount the
14 claimant paid in the taxable year for meat processing modernization or expansion
15 related to the claimant's meat processing operation.

16 (c) *Limitations.* 1. No credit may be allowed under this subsection for any
17 amount that the claimant paid for expenses described under par. (b) that the
18 claimant also claimed as a deduction under section 162 of the Internal Revenue Code.

19 2. The aggregate amount of credits that a claimant may claim under this
20 subsection is \$200,000.

21 3. a. The maximum amount of the credits that may be allocated under this
22 subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2009-10 is \$300,000, as
23 allocated under s. 560.208.

1 b. The maximum amount of the credits that may be allocated under this
2 subsection and ss. 71.07 (3r) and 71.47 (3r) in fiscal year 2010-11, and in each fiscal
3 year thereafter, is \$700,000, as allocated under s. 560.208.

4 4. Partnerships, limited liability companies, and tax-option corporations may
5 not claim the credit under this subsection, but the eligibility for, and the amount of,
6 the credit are based on their payment of expenses under par. (b), except that the
7 aggregate amount of credits that the entity may compute shall not exceed \$200,000.
8 A partnership, limited liability company, or tax-option corporation shall compute
9 the amount of credit that each of its partners, members, or shareholders may claim
10 and shall provide that information to each of them. Partners, members of limited
11 liability companies, and shareholders of tax-option corporations may claim the
12 credit in proportion to their ownership interest.

13 5. If 2 or more persons own and operate the meat processing operation, each
14 person may claim a credit under par. (b) in proportion to his or her ownership
15 interest, except that the aggregate amount of the credits claimed by all persons who
16 own and operate the meat processing operation shall not exceed \$200,000.

17 6. No credit may be allowed under this subsection unless the claimant submits
18 with the claimant's return a copy of the claimant's credit certification and allocation
19 under s. 560.208.

20 (d) *Administration.* 1. Subsection (4) (e), (g), and (h), as it applies to the credit
21 under sub. (4), applies to the credit under this subsection.

22 2. If the allowable amount of the claim under par. (b) exceeds the tax otherwise
23 due under s. 71.23, the amount of the claim not used to offset the tax due shall be
24 certified by the department of revenue to the department of administration for

1 payment by check, share draft, or other draft drawn from the appropriation account
2 under s. 20.835 (2) (bd).

3 ***-1992/1.4* SECTION 119.** 71.28 (4m) of the statutes is created to read:

4 71.28 (4m) SUPER RESEARCH AND DEVELOPMENT CREDIT. (a) *Definition.* In this
5 subsection, “qualified research expenses” means qualified research expenses as
6 defined in section 41 of the Internal Revenue Code, except that “qualified research
7 expenses” includes only expenses incurred by the claimant for research conducted
8 in this state for the taxable year and except that “qualified research expenses” do not
9 include compensation used in computing the credits under subs. (1dj) and (1dx).

10 (b) *Credit.* Subject to the limitations provided under this subsection, for
11 taxable years beginning on or after January 1, 2011, a corporation may claim as a
12 credit against the tax imposed under s. 71.23, up to the amount of those taxes, an
13 amount equal to the amount of qualified research expenses paid or incurred by the
14 corporation in the taxable year that exceeds the amount calculated as follows:

15 1. Determine the average amount of the qualified research expenses paid or
16 incurred by the corporation in the 3 taxable years immediately preceding the taxable
17 year for which a credit is claimed under this subsection.

18 2. Multiply the amount determined under subd. 1. by 1.25.

19 (c) *Limitations.* Subsection (4) (b) to (d) and (i), as it applies to the credit under
20 sub. (4), applies to the credit under this subsection.

21 (d) *Administration.* 1. Subsection (4) (e), (g), and (h), as it applies to the credit
22 under sub. (4), applies to the credit under this subsection.

23 2. If a credit computed under this subsection is not entirely offset against
24 Wisconsin income or franchise taxes otherwise due, the unused balance may be
25 carried forward and credited against Wisconsin income or franchise taxes otherwise

1 due for the following 5 taxable years to the extent not offset by these taxes otherwise
2 due in all intervening years between the year in which the expense was incurred and
3 the year in which the carry-forward credit is claimed.

4 ***-0377/P10.8* *-4294/P1.8* SECTION 120.** 71.28 (5e) (b) of the statutes is
5 amended to read:

6 71.28 (5e) (b) *Filing claims.* Subject to the limitations provided in this
7 subsection and subject to 2005 Wisconsin Act 479, section 17, beginning in the first
8 taxable year following the taxable year in which the claimant claims an exemption
9 a deduction under s. ~~77.54 (48)~~ 77.585 (9), a claimant may claim as a credit against
10 the taxes imposed under s. 71.23, up to the amount of those taxes, in each taxable
11 year for 2 years, the amount of sales and use tax certified by the department of
12 commerce that resulted from the claimant ~~claimed as an exemption~~ claiming a
13 deduction under s. ~~77.54 (48)~~ 77.585 (9).

14 ***-0377/P10.9* *-4294/P1.9* SECTION 121.** 71.28 (5e) (c) 1. of the statutes is
15 amended to read:

16 71.28 (5e) (c) 1. No credit may be allowed under this subsection unless the
17 claimant satisfies the requirements under s. ~~77.54 (48)~~ 77.585 (9).

18 ***-0377/P10.10* *-4294/P1.10* SECTION 122.** 71.28 (5e) (c) 3. of the statutes
19 is amended to read:

20 71.28 (5e) (c) 3. The total amount of the credits and ~~exemptions~~ the sales and
21 use tax resulting from the deductions claimed under s. 77.585 (9) that may be claimed
22 by all claimants under this subsection and ss. 71.07 (5e), 71.47 (5e), and ~~77.54 (48)~~
23 77.585 (9) is \$7,500,000, as determined by the department of commerce.

24 ***-1992/1.5* SECTION 123.** 71.30 (3) (db) of the statutes is created to read:

25 71.30 (3) (db) Super research and development credit under s. 71.28 (4m).

INACT
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