



2013 SENATE BILL 259

August 21, 2013 – Introduced by Senator ELLIS, cosponsored by Representative BERNARD SCHABER. Referred to Committee on Transportation, Public Safety, and Veterans and Military Affairs.

1 **AN ACT** *to amend* 32.02 (11), 32.05 (1) (a), 32.07 (2), 40.02 (28), 66.0301 (1) (a),
2 66.0903 (1) (d), 67.01 (5), 70.11 (2), 71.26 (1) (b), chapter 77 (title), subchapter
3 V (title) of chapter 77 [precedes 77.70], 77.71, 77.73 (2), 77.73 (3), 77.75, 77.76
4 (1), 77.76 (2), 77.76 (4), 77.77 (1), 77.77 (3), 77.78, 85.063 (3) (b) 1., 85.064 (1)
5 (b), 345.05 (2) and 611.11 (4) (a); and *to create* 20.566 (1) (gc), 20.835 (4) (gc),
6 66.1039, 77.54 (9a) (er), 77.708, 77.76 (3r) and 345.05 (1) (ag) of the statutes;
7 **relating to:** authorizing the creation of a Fox Cities regional transit authority
8 and making appropriations.

Analysis by the Legislative Reference Bureau

The 2009 Biennial Budget Act (2009 Act 28) authorized the creation of several regional transit authorities (RTAs): the Dane County RTA, the Chippewa Valley RTA, and the Chequamegon Bay RTA. Under 2009 Act 28, each RTA, once created, is a public body corporate and politic and a separate governmental entity. An RTA's authority is vested in its board of directors, and its bylaws govern its management, operations, and administration. Among its powers, an RTA may operate a transportation system or provide for its operation by contracting with a public or private organization; impose, by its board of directors adopting a resolution, a sales and use tax in the RTA's jurisdictional area at a rate not exceeding 0.5 percent of the

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sales price if certain conditions are satisfied; acquire property by condemnation; and issue tax-exempt revenue bonds. An RTA has a duty to provide, or contract for the provision of, transit service within the RTA's jurisdictional area. Rates and other charges received by an RTA must be used only for the general expenses and capital expenditures of the RTA, to pay interest, amortization, and retirement charges on the RTA's revenue bonds, and for specific purposes of the RTA and may not be transferred to any political subdivision.

The 2011 Biennial Budget Act (2011 Act 32) eliminated authorization to create an RTA and dissolved the Dane County RTA, the Chippewa Valley RTA, and the Chequamegon Bay RTA to the extent previously created.

This bill authorizes the creation of a Fox Cities RTA, with the same powers and authority as provided other RTAs under 2009 Act 28. Under the bill, the Fox Cities RTA is created if the governing body of any two or more municipalities located in whole or in part within the urbanized Fox Cities metropolitan planning area (planning area) adopt a resolution authorizing the municipality to become a member of the RTA and each resolution is ratified by the electors at a referendum held in the municipality. Each resolution must also include an identical provision specifying the number and composition of the RTA's board of directors, and all directors must be elected officials of one or more of the RTA's participating political subdivisions. After the Fox Cities RTA is created, any municipality located in whole or in part within the planning area, and any municipality within the counties of Outagamie, Calumet, or Winnebago that is outside the planning area, may also join the RTA if the governing body of the municipality adopts a resolution to join the RTA, the resolution is ratified by the electors at a referendum held in the municipality, and the board of directors of the RTA approves. The jurisdictional area of the Fox Cities RTA is the geographic area encompassing the combined territorial boundaries of all municipalities creating or joining the RTA.

The provisions of 2009 Act 28 are recreated to establish the powers and duties of the Fox Cities RTA. In brief, the RTA's authority is vested in its board of directors and its bylaws govern its management, operations, and administration. The RTA may: operate a transportation system or provide for its operation by contracting with a public or private organization; impose, by its board of directors adopting a resolution, a sales and use tax in the RTA's jurisdictional area at a rate, in one-tenth increments, not exceeding 0.5 percent of the sales price if certain conditions are satisfied; acquire property by condemnation; and issue tax-exempt revenue bonds. The RTA has a duty to provide, or contract for the provision of, transit service within the RTA's jurisdictional area. Rates and other charges received by the RTA must be used only for the general expenses and capital expenditures of the RTA, to pay interest, amortization, and retirement charges on the RTA's revenue bonds, and for specific purposes of the RTA and may not be transferred to any political subdivision.

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1 for the purpose of distribution to the transit authorities that adopt a resolution
2 imposing taxes under subch. V of ch. 77 which is affirmed by referendum, except that
3 1.5 percent of those tax revenues collected under subch. V of ch. 77 shall be credited
4 to the appropriation account under s. 20.566 (1) (gc).

5 **SECTION 4.** 32.02 (11) of the statutes is amended to read:

6 32.02 (11) Any housing authority created under ss. 66.1201 to 66.1211;
7 redevelopment authority created under s. 66.1333; community development
8 authority created under s. 66.1335; local cultural arts district created under subch.
9 V of ch. 229, subject to s. 229.844 (4) (c); ~~or~~ local exposition district created under
10 subch. II of ch. 229; or transit authority created under s. 66.1039.

11 **SECTION 5.** 32.05 (1) (a) of the statutes is amended to read:

12 32.05 (1) (a) Except as provided under par. (b), a county board of supervisors
13 or a county highway committee when so authorized by the county board of
14 supervisors, a city council, a village board, a town board, a sewerage commission
15 governing a metropolitan sewerage district created by ss. 200.05 or 200.21 to 200.65,
16 the secretary of transportation, a commission created by contract under s. 66.0301,
17 a joint local water authority created by contract under s. 66.0823, a transit authority
18 created under s. 66.1039, a housing authority under ss. 66.1201 to 66.1211, a local
19 exposition district created under subch. II of ch. 229, a local cultural arts district
20 created under subch. V of ch. 229, a redevelopment authority under s. 66.1333 or a
21 community development authority under s. 66.1335 shall make an order providing
22 for the laying out, relocation and improvement of the public highway, street, alley,
23 storm and sanitary sewers, watercourses, water transmission and distribution
24 facilities, mass transit facilities, airport, or other transportation facilities, gas or
25 leachate extraction systems to remedy environmental pollution from a solid waste

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1 disposal facility, housing project, redevelopment project, cultural arts facilities,
2 exposition center or exposition center facilities which shall be known as the
3 relocation order. This order shall include a map or plat showing the old and new
4 locations and the lands and interests required. A copy of the order shall, within 20
5 days after its issue, be filed with the county clerk of the county wherein the lands are
6 located or, in lieu of filing a copy of the order, a plat may be filed or recorded in
7 accordance with s. 84.095.

8 **SECTION 6.** 32.07 (2) of the statutes is amended to read:

9 32.07 (2) The petitioner shall determine necessity if application is by the state
10 or any commission, department, board or other branch of state government or by a
11 city, village, town, county, school district, board, commission, public officer,
12 commission created by contract under s. 66.0301, joint local water authority under
13 s. 66.0823, transit authority created under s. 66.1039, redevelopment authority
14 created under s. 66.1333, local exposition district created under subch. II of ch. 229,
15 local cultural arts district created under subch. V of ch. 229, housing authority
16 created under ss. 66.1201 to 66.1211 or for the right-of-way of a railroad up to 100
17 feet in width, for a telegraph, telephone or other electric line, for the right-of-way
18 for a gas pipeline, main or service or for easements for the construction of any
19 elevated structure or subway for railroad purposes.

20 **SECTION 7.** 40.02 (28) of the statutes is amended to read:

21 40.02 (28) “Employer” means the state, including each state agency, any
22 county, city, village, town, school district, other governmental unit or
23 instrumentality of 2 or more units of government now existing or hereafter created
24 within the state, any federated public library system established under s. 43.19
25 whose territory lies within a single county with a population of 500,000 or more, a

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1 local exposition district created under subch. II of ch. 229, a transit authority created
2 under s. 66.1039, and a long-term care district created under s. 46.2895, except as
3 provided under ss. 40.51 (7) and 40.61 (3). “Employer” does not include a local
4 cultural arts district created under subch. V of ch. 229. Each employer shall be a
5 separate legal jurisdiction for OASDHI purposes.

6 **SECTION 8.** 66.0301 (1) (a) of the statutes is amended to read:

7 66.0301 (1) (a) Except as provided in pars. (b) and (c), in this section
8 “municipality” means the state or any department or agency thereof, or any city,
9 village, town, county, school district, public library system, public inland lake
10 protection and rehabilitation district, sanitary district, farm drainage district,
11 metropolitan sewerage district, sewer utility district, solid waste management
12 system created under s. 59.70 (2), local exposition district created under subch. II of
13 ch. 229, local professional baseball park district created under subch. III of ch. 229,
14 local professional football stadium district created under subch. IV of ch. 229, local
15 cultural arts district created under subch. V of ch. 229, transit authority created
16 under s. 66.1039, long-term care district under s. 46.2895, water utility district,
17 mosquito control district, municipal electric company, county or city transit
18 commission, commission created by contract under this section, taxation district,
19 regional planning commission, housing authority created under s. 66.1201,
20 redevelopment authority created under s. 66.1333, community development
21 authority created under s. 66.1335, or city-county health department.

22 **SECTION 9.** 66.0903 (1) (d) of the statutes is amended to read:

23 66.0903 (1) (d) “Local governmental unit” means a political subdivision of this
24 state, a special purpose district in this state, an instrumentality or corporation of
25 such a political subdivision or special purpose district, a combination or subunit of

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1 any of the foregoing or an instrumentality of the state and any of the foregoing.
2 “Local governmental unit” includes a regional transit authority created under s.
3 66.1039.

4 **SECTION 10.** 66.1039 of the statutes is created to read:

5 **66.1039 Transit authorities. (1) DEFINITIONS.** In this section:

6 (a) “Authority” means a transit authority created under this section.

7 (b) “Bonds” means any bonds, interim certificates, notes, debentures, or other
8 obligations of an authority issued under this section.

9 (c) “Common carrier” means any of the following:

10 1. A common motor carrier, as defined in s. 194.01 (1).

11 2. A contract motor carrier, as defined in s. 194.01 (2).

12 3. A railroad subject to ch. 195, as described in s. 195.02 (1) and (3).

13 4. A water carrier, as defined in s. 195.02 (5).

14 (d) “Comprehensive unified local transportation system” means a
15 transportation system that is comprised of motor bus lines and any other local public
16 transportation facilities, the major portion of which is located within, or the major
17 portion of the service of which is supplied to the inhabitants of, the jurisdictional area
18 of the authority.

19 (e) “Municipality” means any city, village, or town.

20 (f) “Participating political subdivision” means a political subdivision that is a
21 member of an authority, either from the time of creation of the authority or by later
22 joining the authority.

23 (g) “Political subdivision” means a municipality or county.

24 (h) “Transportation system” means all land, shops, structures, equipment,
25 property, franchises, and rights of whatever nature required for transportation of

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1 passengers within the jurisdictional area of the authority and, only to the extent
2 specifically authorized under this section, outside the jurisdictional area of the
3 authority. “Transportation system” includes elevated railroads, subways,
4 underground railroads, motor vehicles, motor buses, and any combination thereof,
5 and any other form of mass transportation, but does not include transportation
6 excluded from the definition of “common motor carrier” under s. 194.01 (1) or charter
7 or contract operations to, from, or between points that are outside the jurisdictional
8 area of the authority.

9 (i) “Urbanized Fox Cities metropolitan planning area” means the urbanized
10 area, as defined in 23 USC 134 (b) (7), of the metropolitan planning area, as defined
11 in 23 USC 134 (b) (1), that includes the city of Appleton.

12 **(2) CREATION OF TRANSIT AUTHORITIES.** (d) *Fox Cities regional transit authority.*

13 1. The Fox Cities regional transit authority, a public body corporate and politic and
14 a separate governmental entity, is created if the governing body of any 2 or more
15 municipalities located in whole or in part within the urbanized Fox Cities
16 metropolitan planning area adopt a resolution authorizing the municipality to
17 become a member of the authority and each resolution is ratified by the electors at
18 a referendum held in the municipality at a general election. Except as provided in
19 subds. 2. and 3., once created, this authority shall consist of all municipalities that
20 adopt a resolution ratified at a referendum, as provided in this subdivision. Once
21 created, this authority may transact business and exercise any powers granted to it
22 under this section.

23 2. After an authority is created under subd. 1., any municipality located in
24 whole or in part within the urbanized Fox Cities metropolitan planning area may
25 join the authority created under subd. 1. if the governing body of the municipality

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1 adopts a resolution to join the authority, the resolution is ratified by the electors at
2 a referendum held in the municipality, and the board of directors of the authority
3 approves the municipality's joinder.

4 3. After an authority is created under subd. 1., any municipality located in
5 whole or in part within Outagamie County, Calumet County, or Winnebago County
6 that is not located in whole or in part within the urbanized Fox Cities metropolitan
7 planning area may join the authority created under subd. 1. if the governing body
8 of the municipality adopts a resolution to join the authority, the resolution is ratified
9 by the electors at a referendum held in the municipality, and the board of directors
10 of the authority approves the municipality's joinder.

11 4. The jurisdictional area of the authority created under this paragraph is the
12 geographic area formed by the combined territorial boundaries of all municipalities
13 that create or join the authority under subs. 1., 2., and 3.

14 5. If a municipality joins the authority under subd. 2. or 3. after it is created,
15 the authority shall provide the department of revenue with a certified copy of the
16 resolution that approves the joining, a certification of the referendum results
17 ratifying this resolution, and a certified copy of the authority's board of directors
18 approval. The municipality's joining of the authority shall take effect on the first day
19 of the calendar quarter that begins at least 120 days after the department receives
20 this information. The authority shall also provide the department with a description
21 of the new boundaries of the authority's jurisdictional area, as provided under sub.
22 (4) (s) 2.

23 **(3) TRANSIT AUTHORITY GOVERNANCE.** (a) The powers of an authority shall be
24 vested in its board of directors. Directors shall be appointed for 4-year terms. A
25 majority of the board of directors' full authorized membership constitutes a quorum

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1 for the purpose of conducting the authority's business and exercising its powers.
2 Action may be taken by the board of directors upon a vote of a majority of the directors
3 present and voting, unless the bylaws of the authority require a larger number.

4 (e) If an authority is created under sub. (2) (d), the resolutions creating the
5 authority under sub. (2) (d) 1. shall include identical provisions specifying the
6 number and composition of the authority's board of directors. All directors shall be
7 elected officials of one or more of the authority's participating political subdivisions.
8 If a municipality joins an authority after its creation, the resolution joining the
9 authority under sub. (2) (d) 2. or 3. shall specify what the number and composition
10 of the authority's board of directors will be after the municipality's joinder, and all
11 municipalities that are participating political subdivisions of the authority at the
12 time of the new municipality's joinder shall amend or modify their resolutions
13 creating or joining the authority to make them identical to the resolution of the newly
14 joining municipality.

15 (g) The bylaws of an authority shall govern its management, operations, and
16 administration, consistent with the provisions of this section, and shall include
17 provisions specifying all of the following:

- 18 1. The functions or services to be provided by the authority.
- 19 2. The powers, duties, and limitations of the authority.
- 20 3. The maximum rate of the taxes that may be imposed by the authority under
21 sub. (4) (s), not to exceed the maximum rate specified in s. 77.708 (1).
- 22 4. The composition of the board of directors of the authority, as determined
23 under par. (e).

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1 (4) POWERS. Notwithstanding s. 59.84 (2) and any other provision of this
2 chapter or ch. 59 or 85, an authority may do all of the following, to the extent
3 authorized in the authority's bylaws:

4 (a) Establish, maintain, and operate a comprehensive unified local
5 transportation system primarily for the transportation of persons.

6 (b) Acquire a comprehensive unified local transportation system and provide
7 funds for the operation and maintenance of the system. Upon the acquisition of a
8 comprehensive unified local transportation system, the authority may:

9 1. Operate and maintain it or lease it to an operator or contract for its use by
10 an operator.

11 2. Contract for superintendence of the system with an organization that has
12 personnel with the requisite experience and skill.

13 3. Delegate responsibility for the operation and maintenance of the system to
14 an appropriate administrative officer, board, or commission of a participating
15 political subdivision.

16 4. Maintain and improve railroad rights-of-way and improvements on these
17 rights-of-way for future use.

18 (c) Contract with a public or private organization to provide transportation
19 services in lieu of directly providing these services.

20 (d) Purchase and lease transportation facilities to public or private transit
21 companies that operate within and outside the jurisdictional area.

22 (e) Apply for federal aids to purchase transportation facilities considered
23 essential for the authority's operation.

24 (f) Coordinate specialized transportation services, as defined in s. 85.21 (2) (g),
25 for residents who reside within the jurisdictional area and who are disabled or aged

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1 60 or older, including services funded under 42 USC 3001 to 3057n, 42 USC 5001, and
2 42 USC 5011 (b), under ss. 49.43 to 49.499 and 85.21, and under other public funds
3 administered by the county. An authority may contract with a county that is a
4 participating political subdivision for the authority to provide specialized
5 transportation services, but an authority is not an eligible applicant under s. 85.21
6 (2) (e) and may not receive payments directly from the department of transportation
7 under s. 85.21.

8 (g) Acquire, own, hold, use, lease as lessor or lessee, sell or otherwise dispose
9 of, mortgage, pledge, or grant a security interest in any real or personal property or
10 service.

11 (h) Acquire property by condemnation using the procedure under s. 32.05 for
12 the purposes set forth in this section.

13 (i) Enter upon any state, county, or municipal street, road, or alley, or any public
14 highway for the purpose of installing, maintaining, and operating the authority's
15 facilities. Whenever the work is to be done in a state, county, or municipal highway,
16 street, road, or alley, the public authority having control thereof shall be duly
17 notified, and the highway, street, road, or alley shall be restored to as good a condition
18 as existed before the commencement of the work with all costs incident to the work
19 to be borne by the authority.

20 (j) Fix, maintain, and revise fees, rates, rents, and charges for functions,
21 facilities, and services provided by the authority.

22 (k) Make, and from time to time amend and repeal, bylaws, rules, and
23 regulations to carry into effect the powers and purposes of the authority.

24 (L) Sue and be sued in its own name.

25 (m) Have and use a corporate seal.

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1 (n) Employ agents, consultants, and employees, engage professional services,
2 and purchase such furniture, stationery, and other supplies and materials as are
3 reasonably necessary to perform its duties and exercise its powers.

4 (o) Incur debts, liabilities, or obligations including the borrowing of money and
5 the issuance of bonds under subs. (7) and (10).

6 (p) Invest any funds held in reserve or sinking funds, or any funds not required
7 for immediate disbursement, including the proceeds from the sale of any bonds, in
8 such obligations, securities, and other investments as the authority deems proper in
9 accordance with s. 66.0603 (1m).

10 (q) Do and perform any acts and things authorized by this section under,
11 through, or by means of an agent or by contracts with any person.

12 (r) Exercise any other powers that the board of directors considers necessary
13 and convenient to effectuate the purposes of the authority, including providing for
14 passenger safety.

15 (s) 1. Impose, by the adoption of a resolution by the board of directors, the taxes
16 under subch. V of ch. 77 in the authority's jurisdictional area. If an authority adopts
17 a resolution to impose the taxes, it shall deliver a certified copy of the resolution to
18 the department of revenue at least 120 days before its effective date. The authority
19 may, by adoption of a resolution by the board of directors, repeal the imposition of
20 taxes under subch. V of ch. 77 and shall deliver a certified copy of the repeal
21 resolution to the department of revenue at least 120 days before its effective date.

22 2. If an authority adopts a resolution to impose the tax, as provided in subd.
23 1., an authority shall specify to the department of revenue, as provided in this
24 subdivision, the exact boundaries of the authority's jurisdictional area. If the
25 boundaries are the same as the county lines on all sides of the authority's

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1 jurisdictional area, the resolution shall specify the county or counties that comprise
2 the authority's entire jurisdictional area. If the boundaries are other than a county
3 line on any side of the authority's jurisdictional area, the authority shall provide the
4 department with a complete list of all the 9-digit zip codes that are entirely within
5 the authority's jurisdictional area and a complete list of all the street addresses that
6 are within the authority's jurisdictional area and not included in any 9-digit zip code
7 that is entirely within the authority's jurisdictional area. The authority shall
8 provide a certified copy of the information required under this subdivision to the
9 department, in the manner, format, and layout prescribed by the department, at
10 least 120 days prior to the first day of the calendar quarter before the effective date
11 of the tax imposed under subd. 1. If the boundaries of the authority's jurisdictional
12 area subsequently change, the authority shall submit a certified copy of the
13 information required under this subdivision to the department at least 120 days
14 prior to the first day of the calendar quarter before the effective date of such change,
15 in the manner, format, and layout prescribed by the department.

16 3. Notwithstanding subd. 1., an authority created under sub. (2) (d) may not
17 impose the taxes authorized under subd. 1. unless the authorizing resolutions under
18 sub. (2) (d) 1. and, if applicable, sub. (2) (d) 2. and 3., as well as the referendum
19 question on the referendum ballot specified in sub. (2) (d) 1. and, if applicable, sub.
20 (2) (d) 2. and 3., each clearly identifies the maximum rate of the taxes that may be
21 imposed by the authority under subd. 1.

22 4. If an authority created under sub. (2) (d) adopts a resolution to impose the
23 taxes under subd. 1., no political subdivision that is a member of the authority may
24 levy property taxes for transit purposes in excess of the amount of property taxes

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1 levied for transit purposes in the year before the year in which the taxes are imposed
2 under subd. 1.

3 (5) LIMITATIONS ON AUTHORITY POWERS. (a) Notwithstanding sub. (4) (a), (b), (c),
4 (d), (q), and (r), no authority, and no public or private organization with which an
5 authority has contracted for service, may provide service outside the jurisdictional
6 area of the authority unless the authority receives financial support for the service
7 under a contract with a public or other private organization for the service or unless
8 it is necessary in order to provide service to connect residents within the authority's
9 jurisdictional area to transit systems in adjacent counties.

10 (b) Whenever the proposed operations of an authority would be competitive
11 with the operations of a common carrier in existence prior to the time the authority
12 commences operations, the authority shall coordinate proposed operations with the
13 common carrier to eliminate adverse financial impact for the carrier. This
14 coordination may include route overlapping, transfers, transfer points, schedule
15 coordination, joint use of facilities, lease of route service, and acquisition of route and
16 corollary equipment. If this coordination does not result in mutual agreement, the
17 proposals of the authority and the common carrier shall be submitted to the
18 department of transportation for arbitration.

19 (c) In exercising its powers under sub. (4), an authority shall consider any plan
20 of a metropolitan planning organization under 23 USC 134 that covers any portion
21 of the authority's jurisdictional area.

22 (6) AUTHORITY OBLIGATIONS TO EMPLOYEES OF MASS TRANSPORTATION SYSTEMS. (a)
23 An authority acquiring a comprehensive unified local transportation system for the
24 purpose of the authority's operation of the system shall assume all of the employer's

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1 obligations under any contract between the employees and management of the
2 system to the extent allowed by law.

3 (b) An authority acquiring, constructing, controlling, or operating a
4 comprehensive unified local transportation system shall negotiate an agreement
5 with the representative of the labor organization that covers the employees affected
6 by the acquisition, construction, control, or operation to protect the interests of
7 employees affected. This agreement shall include all of the provisions identified in
8 s. 59.58 (4) (b) 1. to 8. and may include provisions identified in s. 59.58 (4) (c). An
9 affected employee has all the rights and the same status under subch. IV of ch. 111
10 that he or she enjoyed immediately before the acquisition, construction, control, or
11 operation and may not be required to serve a probationary period if he or she attained
12 permanent status before the acquisition, construction, control, or operation.

13 (c) In all negotiations under this subsection, a senior executive officer of the
14 authority shall be a member of the authority's negotiating body.

15 (7) BONDS; GENERALLY. (a) An authority may issue bonds, the principal and
16 interest on which are payable exclusively from all or a portion of any revenues
17 received by the authority. The authority may secure its bonds by a pledge of any
18 income or revenues from any operations, rent, aids, grants, subsidies, contributions,
19 or other source of moneys whatsoever.

20 (b) An authority may issue bonds in such principal amounts as the authority
21 deems necessary.

22 (c) 1. Neither the members of the board of directors of an authority nor any
23 person executing the bonds is personally liable on the bonds by reason of the issuance
24 of the bonds.

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1 2. The bonds of an authority are not a debt of the participating political
2 subdivisions. Neither the participating political subdivisions nor the state are liable
3 for the payment of the bonds. The bonds of any authority shall be payable only out
4 of funds or properties of the authority. The bonds of the authority shall state the
5 restrictions contained in this paragraph on the face of the bonds.

6 **(8) ISSUANCE OF BONDS.** (a) Bonds of an authority shall be authorized by
7 resolution of the board of directors. The bonds may be issued under such a resolution
8 or under a trust indenture or other security instrument. The bonds may be issued
9 in one or more series and may be in the form of coupon bonds or registered bonds
10 under s. 67.09. The bonds shall bear the dates, mature at the times, bear interest
11 at the rates, be in the denominations, have the rank or priority, be executed in the
12 manner, be payable in the medium of payment and at the places, and be subject to
13 the terms of redemption, with or without premium, as the resolution, trust
14 indenture, or other security instrument provides. Bonds of an authority are issued
15 for an essential public and governmental purpose and are public instrumentalities
16 and, together with interest and income, are exempt from taxes.

17 (b) The authority may sell the bonds at public or private sales at the price or
18 prices determined by the authority.

19 (c) If an officer whose signatures appear on any bonds or coupons ceases to be
20 an officer of the authority before the delivery of the bonds or coupons, the officer's
21 signature shall, nevertheless, be valid for all purposes as if the officer had remained
22 in office until delivery of the bonds or coupons.

23 **(9) COVENANTS.** An authority may do all of the following in connection with the
24 issuance of bonds:

25 (a) Covenant as to the use of any or all of its property, real or personal.

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1 (b) Redeem the bonds, or covenant for the redemption of the bonds, and provide
2 the terms and conditions of the redemption.

3 (c) Covenant as to charge fees, rates, rents, and charges sufficient to meet
4 operating and maintenance expenses, renewals, and replacements of any
5 transportation system, principal and debt service on bond creation and maintenance
6 of any reserves required by a bond resolution, trust indenture, or other security
7 instrument and to provide for any margins or coverages over and above debt service
8 on the bonds that the board of directors considers desirable for the marketability of
9 the bonds.

10 (d) Covenant as to the events of default on the bonds and the terms and
11 conditions upon which the bonds shall become or may be declared due before
12 maturity, as to the terms and conditions upon which this declaration and its
13 consequences may be waived, and as to the consequences of default and the remedies
14 of bondholders.

15 (e) Covenant as to the mortgage or pledge of, or the grant of a security interest
16 in, any real or personal property and all or any part of the revenues of the authority
17 to secure the payment of bonds, subject to any agreements with the bondholders.

18 (f) Covenant as to the custody, collection, securing, investment, and payment
19 of any revenues, assets, moneys, funds, or property with respect to which the
20 authority may have any rights or interest.

21 (g) Covenant as to the purposes to which the proceeds from the sale of any bonds
22 may be applied, and as to the pledge of such proceeds to secure the payment of the
23 bonds.

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1 (h) Covenant as to limitations on the issuance of any additional bonds, the
2 terms upon which additional bonds may be issued and secured, and the refunding
3 of outstanding bonds.

4 (i) Covenant as to the rank or priority of any bonds with respect to any lien or
5 security.

6 (j) Covenant as to the procedure by which the terms of any contract with or for
7 the benefit of the holders of bonds may be amended or abrogated, the amount of
8 bonds, the holders of which must consent thereto, and the manner in which such
9 consent may be given.

10 (k) Covenant as to the custody and safekeeping of any of its properties or
11 investments, the insurance to be carried on the property or investments, and the use
12 and disposition of insurance proceeds.

13 (L) Covenant as to the vesting in one or more trustees, within or outside the
14 state, of those properties, rights, powers, and duties in trust as the authority
15 determines.

16 (m) Covenant as to the appointing of, and providing for the duties and
17 obligations of, one or more paying agent or other fiduciaries within or outside the
18 state.

19 (n) Make all other covenants and do any act that may be necessary or
20 convenient or desirable in order to secure its bonds or, in the absolute discretion of
21 the authority, tend to make the bonds more marketable.

22 (o) Execute all instruments necessary or convenient in the exercise of the
23 powers granted under this section or in the performance of covenants or duties,
24 which may contain such covenants and provisions as a purchaser of the bonds of the
25 authority may reasonably require.

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1 **(10) REFUNDING BONDS.** An authority may issue refunding bonds for the
2 purpose of paying any of its bonds at or prior to maturity or upon acceleration or
3 redemption. An authority may issue refunding bonds at such time prior to the
4 maturity or redemption of the refunded bonds as the authority deems to be in the
5 public interest. The refunding bonds may be issued in sufficient amounts to pay or
6 provide the principal of the bonds being refunded, together with any redemption
7 premium on the bonds, any interest accrued or to accrue to the date of payment of
8 the bonds, the expenses of issue of the refunding bonds, the expenses of redeeming
9 the bonds being refunded, and such reserves for debt service or other capital or
10 current expenses from the proceeds of such refunding bonds as may be required by
11 the resolution, trust indenture, or other security instruments. To the extent
12 applicable, refunding bonds are subject to subs. (8) and (9).

13 **(11) BONDS ELIGIBLE FOR INVESTMENT.** (a) Any of the following may invest funds,
14 including capital in their control or belonging to them, in bonds of the authority:

- 15 1. Public officers and agencies of the state.
- 16 2. Local governmental units, as defined in s. 19.42 (7u).
- 17 3. Insurance companies.
- 18 4. Trust companies.
- 19 5. Banks.
- 20 6. Savings banks.
- 21 7. Savings and loan associations.
- 22 8. Investment companies.
- 23 9. Personal representatives.
- 24 10. Trustees.
- 25 11. Other fiduciaries not listed in this paragraph.

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1 (b) The authority's bonds are securities that may be deposited with and
2 received by any officer or agency of the state or any local governmental unit, as
3 defined in s. 19.42 (7u), for any purpose for which the deposit of bonds or obligations
4 of the state or any local governmental unit is authorized by law.

5 (12) BUDGETS; RATES AND CHARGES; AUDIT. The board of directors of an authority
6 shall annually prepare a budget for the authority. Rates and other charges received
7 by an authority shall be used only for the general expenses and capital expenditures
8 of the authority, to pay interest, amortization, and retirement charges on bonds, and
9 for specific purposes of the authority and may not be transferred to any political
10 subdivision. The authority shall maintain an accounting system in accordance with
11 generally accepted accounting principles and shall have its financial statements and
12 debt covenants audited annually by an independent certified public accountant.

13 (13) WITHDRAWAL FROM AUTHORITY. A participating political subdivision that
14 joined an authority under sub. (2) (d) 2. or 3. may withdraw from an authority if all
15 of the following conditions are met:

16 (a) The governing body of the political subdivision adopts a resolution
17 requesting withdrawal of the political subdivision from the authority.

18 (b) The political subdivision has paid, or made provision for the payment of, all
19 obligations of the political subdivision to the authority.

20 (c) If a participating political subdivision withdraws from an authority, the
21 authority shall provide the department of revenue with a certified copy of the
22 resolution that approves the withdrawal. The withdrawal is effective on the first day
23 of the calendar quarter that begins at least 120 days after the department receives
24 the certified copy of the resolution approving the withdrawal. If the authority from
25 which the political subdivision withdraws continues to exist after the withdrawal,

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1 the authority shall provide information describing the exact boundaries of its
2 jurisdictional area, as provided in sub. (4) (s) 2.

3 (14) DUTY TO PROVIDE TRANSIT SERVICE. An authority shall provide, or contract
4 for the provision of, transit service within the authority’s jurisdictional area.

5 (17) OTHER STATUTES. This section does not limit the powers of political
6 subdivisions to enter into intergovernmental cooperation or contracts or to establish
7 separate legal entities under s. 66.0301 or 66.1021 or any other applicable law, or
8 otherwise to carry out their powers under applicable statutory provisions. Section
9 66.0803 (2) does not apply to an authority.

10 **SECTION 11.** 67.01 (5) of the statutes is amended to read:

11 67.01 (5) “Municipality” means any of the following which is authorized to levy
12 a tax: a county, city, village, town, school district, board of park commissioners,
13 technical college district, metropolitan sewerage district created under ss. 200.01 to
14 200.15 or 200.21 to 200.65, town sanitary district under subch. IX of ch. 60, transit
15 authority created under s. 66.1039, public inland lake protection and rehabilitation
16 district established under s. 33.23, 33.235, or 33.24, and any other public body
17 empowered to borrow money and issue obligations to repay the money out of public
18 funds or revenues. “Municipality” does not include the state.

19 **SECTION 12.** 70.11 (2) of the statutes is amended to read:

20 70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION.
21 Property owned by any county, city, village, town, school district, technical college
22 district, public inland lake protection and rehabilitation district, metropolitan
23 sewerage district, municipal water district created under s. 198.22, joint local water
24 authority created under s. 66.0823, transit authority created under s. 66.1039,
25 long-term care district under s. 46.2895 or town sanitary district; lands belonging

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1 to cities of any other state used for public parks; land tax–deeded to any county or
2 city before January 2; but any residence located upon property owned by the county
3 for park purposes that is rented out by the county for a nonpark purpose shall not
4 be exempt from taxation. Except as to land acquired under s. 59.84 (2) (d), this
5 exemption shall not apply to land conveyed after August 17, 1961, to any such
6 governmental unit or for its benefit while the grantor or others for his or her benefit
7 are permitted to occupy the land or part thereof in consideration for the conveyance.
8 Leasing the property exempt under this subsection, regardless of the lessee and the
9 use of the leasehold income, does not render that property taxable.

10 **SECTION 13.** 71.26 (1) (b) of the statutes is amended to read:

11 71.26 (1) (b) *Political units.* Income received by the United States, the state
12 and all counties, cities, villages, towns, school districts, technical college districts,
13 joint local water authorities created under s. 66.0823, transit authorities created
14 under s. 66.1039, long–term care districts under s. 46.2895 or other political units
15 of this state.

16 **SECTION 14.** Chapter 77 (title) of the statutes is amended to read:

CHAPTER 77**TAXATION OF FOREST CROPLANDS;****REAL ESTATE TRANSFER FEES;****SALES AND USE TAXES; COUNTY,****TRANSIT AUTHORITY, AND SPECIAL****DISTRICT SALES AND USE TAXES;****MANAGED FOREST LAND; ECONOMIC****DEVELOPMENT SURCHARGE; LOCAL FOOD****AND BEVERAGE TAX; LOCAL RENTAL**

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1 **CAR TAX; PREMIER RESORT AREA**
2 **TAXES; STATE RENTAL VEHICLE FEE;**
3 **DRY CLEANING FEES**

4 **SECTION 15.** 77.54 (9a) (er) of the statutes is created to read:

5 77.54 **(9a)** (er) Any transit authority created under s. 66.1039.

6 **SECTION 16.** Subchapter V (title) of chapter 77 [precedes 77.70] of the statutes
7 is amended to read:

8 **CHAPTER 77**

9 **SUBCHAPTER V**

10 **COUNTY, TRANSIT AUTHORITY, AND**

11 **SPECIAL DISTRICT SALES AND USE**

12 **TAXES**

13 **SECTION 17.** 77.708 of the statutes is created to read:

14 **77.708 Adoption by resolution and referendum; transit authority. (1)**

15 A transit authority created under s. 66.1039, by resolution and referendum under s.
16 66.1039 (4) (s), may impose a sales tax and a use tax under this subchapter at a rate
17 of 0.1, 0.2, 0.3, 0.4, or 0.5 percent of the sales price or purchase price. Those taxes
18 may be imposed only in their entirety. The resolution and referendum shall be
19 effective on the first day of the first calendar quarter that begins at least 120 days
20 after a certified copy of the resolution and affirmative result of the referendum are
21 delivered to the department of revenue.

22 **(2)** Retailers and the department of revenue may not collect a tax under sub.
23 (1) for any transit authority created under s. 66.1039 beginning on the first day of
24 the calendar quarter that is at least 120 days after a certified copy of the repeal
25 resolution under s. 66.1039 (4) (s) is delivered to the department of revenue, except

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1 that the department of revenue may collect from retailers taxes that accrued before
2 such calendar quarter and fees, interest, and penalties that relate to those taxes.

3 **SECTION 18.** 77.71 of the statutes is amended to read:

4 **77.71 Imposition of county, transit authority, and special district sales**
5 **and use taxes.** Whenever a county sales and use tax ordinance is adopted under
6 s. 77.70, a transit authority resolution is adopted under s. 77.708 and affirmed by
7 referendum, or a special district resolution is adopted under s. 77.705 or 77.706, the
8 following taxes are imposed:

9 (1) For the privilege of selling, licensing, leasing, or renting tangible personal
10 property and the items, property, and goods specified under s. 77.52 (1) (b), (c), and
11 (d), and for the privilege of selling, licensing, performing, or furnishing services a
12 sales tax is imposed upon retailers at the rates under s. 77.70 in the case of a county
13 tax, at the rate under s. 77.708 in the case of a transit authority tax, or at the rate
14 under s. 77.705 or 77.706 in the case of a special district tax of the sales price from
15 the sale, license, lease, or rental of tangible personal property and the items,
16 property, and goods specified under s. 77.52 (1) (b), (c), and (d), except property taxed
17 under sub. (4), sold, licensed, leased, or rented at retail in the county or, special
18 district, or transit authority's jurisdictional area, or from selling, licensing,
19 performing, or furnishing services described under s. 77.52 (2) in the county or,
20 special district, or transit authority's jurisdictional area.

21 (2) An excise tax is imposed at the rates under s. 77.70 in the case of a county
22 tax, at the rate under s. 77.708 in the case of a transit authority tax, or at the rate
23 under s. 77.705 or 77.706 in the case of a special district tax of the purchase price
24 upon every person storing, using, or otherwise consuming in the county or, special
25 district, or transit authority's jurisdictional area tangible personal property, or

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1 items, property, or goods specified under s. 77.52 (1) (b), (c), or (d), or services if the
2 tangible personal property, item, property, good, or service is subject to the state use
3 tax under s. 77.53, except that a receipt indicating that the tax under sub. (1), (3),
4 or (4) has been paid relieves the buyer of liability for the tax under this subsection
5 and except that if the buyer has paid a similar local tax in another state on a purchase
6 of the same tangible personal property, item, property, good, or service that tax shall
7 be credited against the tax under this subsection and except that for motor vehicles
8 that are used for a purpose in addition to retention, demonstration, or display while
9 held for sale in the regular course of business by a dealer the tax under this
10 subsection is imposed not on the purchase price but on the amount under s. 77.53
11 (1m).

12 (3) An excise tax is imposed upon a contractor engaged in construction
13 activities within the county ~~or~~, special district, or transit authority's jurisdictional
14 area, at the rates under s. 77.70 in the case of a county tax, at the rate under s. 77.708
15 in the case of a transit authority tax, or at the rate under s. 77.705 or 77.706 in the
16 case of a special district tax of the purchase price of tangible personal property or
17 items, property, or goods under s. 77.52 (1) (b), (c), or (d) that are used in constructing,
18 altering, repairing, or improving real property and that became a component part of
19 real property in that county or special district or in the transit authority's
20 jurisdictional area, except that if the contractor has paid the sales tax of a county,
21 transit authority, or special district in this state on that tangible personal property,
22 item, property, or good, or has paid a similar local sales tax in another state on a
23 purchase of the same tangible personal property, item, property, or good, that tax
24 shall be credited against the tax under this subsection.

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1 (4) An excise tax is imposed at the rates under s. 77.70 in the case of a county
2 tax, at the rate under s. 77.708 in the case of a transit authority tax, or at the rate
3 under s. 77.705 or 77.706 in the case of a special district tax of the purchase price
4 upon every person storing, using, or otherwise consuming a motor vehicle, boat,
5 recreational vehicle, as defined in s. 340.01 (48r), or aircraft, if that property must
6 be registered or titled with this state and if that property is to be customarily kept
7 in a county that has in effect an ordinance under s. 77.70, the jurisdictional area of
8 a transit authority that has in effect a resolution under s. 77.708, or in a special
9 district that has in effect a resolution under s. 77.705 or 77.706, except that if the
10 buyer has paid a similar local sales tax in another state on a purchase of the same
11 property that tax shall be credited against the tax under this subsection.

12 **SECTION 19.** 77.73 (2) of the statutes is amended to read:

13 77.73 (2) Counties ~~and,~~ special districts, and transit authorities do not have
14 jurisdiction to impose the tax under s. 77.71 (2) in regard to items, property, and
15 goods under s. 77.52 (1) (b), (c), and (d), and tangible personal property, except
16 snowmobiles, trailers, semitrailers, all-terrain vehicles, and utility terrain vehicles,
17 purchased in a sale that is consummated in another county or special district in this
18 state, or in another transit authority's jurisdictional area, that does not have in effect
19 an ordinance or resolution imposing the taxes under this subchapter and later
20 brought by the buyer into the county ~~or,~~ special district, or jurisdictional area of the
21 transit authority that has imposed a tax under s. 77.71 (2).

22 **SECTION 20.** 77.73 (3) of the statutes is amended to read:

23 77.73 (3) Counties ~~and,~~ special districts, and transit authorities have
24 jurisdiction to impose the taxes under this subchapter on retailers who file, or who
25 are required to file, an application under s. 77.52 (7) or who register, or who are

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1 required to register, under s. 77.53 (9) or (9m), regardless of whether such retailers
2 are engaged in business in the county ~~or~~, special district, or transit authority's
3 jurisdictional area, as provided in s. 77.51 (13g). A retailer who files, or is required
4 to file, an application under s. 77.52 (7) or who registers, or is required to register,
5 under s. 77.53 (9) or (9m) shall collect, report, and remit to the department the taxes
6 imposed under this subchapter for all counties ~~or~~, special districts, and transit
7 authorities that have an ordinance or resolution imposing the taxes under this
8 subchapter.

9 **SECTION 21.** 77.75 of the statutes is amended to read:

10 **77.75 Reports.** Every person subject to county, transit authority, or special
11 district sales and use taxes shall, for each reporting period, record that person's sales
12 made in the county ~~or~~, special district, or jurisdictional area of a transit authority
13 that has imposed those taxes separately from sales made elsewhere in this state and
14 file a report as prescribed by the department of revenue.

15 **SECTION 22.** 77.76 (1) of the statutes is amended to read:

16 **77.76 (1)** The department of revenue shall have full power to levy, enforce, and
17 collect county, transit authority, and special district sales and use taxes and may take
18 any action, conduct any proceeding, impose interest and penalties, and in all respects
19 proceed as it is authorized to proceed for the taxes imposed by subch. III. The
20 department of transportation and the department of natural resources may
21 administer the county, transit authority, and special district sales and use taxes in
22 regard to items under s. 77.61 (1).

23 **SECTION 23.** 77.76 (2) of the statutes is amended to read:

24 **77.76 (2)** Judicial and administrative review of departmental determinations
25 shall be as provided in subch. III for state sales and use taxes, and no county, transit

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1 authority, or special district may intervene in any matter related to the levy,
2 enforcement, and collection of the taxes under this subchapter.

3 **SECTION 24.** 77.76 (3r) of the statutes is created to read:

4 77.76 (3r) From the appropriation under s. 20.835 (4) (gc) the department of
5 revenue shall distribute 98.5 percent of the taxes reported for each transit authority
6 that has imposed taxes under this subchapter, minus the transit authority portion
7 of the retailers' discount, to the transit authority no later than the end of the 3rd
8 month following the end of the calendar quarter in which such amounts were
9 reported. At the time of distribution the department of revenue shall indicate the
10 taxes reported by each taxpayer. In this subsection, the "transit authority portion
11 of the retailers' discount" is the amount determined by multiplying the total
12 retailers' discount by a fraction the numerator of which is the gross transit authority
13 sales and use taxes payable and the denominator of which is the sum of the gross
14 state and transit authority sales and use taxes payable. The transit authority taxes
15 distributed shall be increased or decreased to reflect subsequent refunds, audit
16 adjustments, and all other adjustments of the transit authority taxes previously
17 distributed. Interest paid on refunds of transit authority sales and use taxes shall
18 be paid from the appropriation under s. 20.835 (4) (gc) at the rate paid by this state
19 under s. 77.60 (1) (a). Any transit authority receiving a report under this subsection
20 is subject to the duties of confidentiality to which the department of revenue is
21 subject under s. 77.61 (5).

22 **SECTION 25.** 77.76 (4) of the statutes is amended to read:

23 77.76 (4) There shall be retained by the state 1.5% of the taxes collected for
24 taxes imposed by special districts under ss. 77.705 and 77.706 and transit authorities
25 under s. 77.708 and 1.75% of the taxes collected for taxes imposed by counties under

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1 s. 77.70 to cover costs incurred by the state in administering, enforcing, and
2 collecting the tax. All interest and penalties collected shall be deposited and retained
3 by this state in the general fund.

4 **SECTION 26.** 77.77 (1) of the statutes is amended to read:

5 77.77 (1) (a) The sales price from services subject to the tax under s. 77.52 (2)
6 or the lease, rental, or license of tangible personal property and property, items, and
7 goods specified under s. 77.52 (1) (b), (c), and (d), is subject to the taxes under this
8 subchapter, and the incremental amount of tax caused by a rate increase applicable
9 to those services, leases, rentals, or licenses is due, beginning with the first billing
10 period starting on or after the effective date of the county ordinance, special district
11 resolution, transit authority resolution, or rate increase, regardless of whether the
12 service is furnished or the property, item, or good is leased, rented, or licensed to the
13 customer before or after that date.

14 (b) The sales price from services subject to the tax under s. 77.52 (2) or the lease,
15 rental, or license of tangible personal property and property, items, and goods
16 specified under s. 77.52 (1) (b), (c), and (d), is not subject to the taxes under this
17 subchapter, and a decrease in the tax rate imposed under this subchapter on those
18 services first applies, beginning with bills rendered on or after the effective date of
19 the repeal or sunset of a county ordinance ~~or~~, special district resolution, or transit
20 authority resolution imposing the tax or other rate decrease, regardless of whether
21 the service is furnished or the property, item, or good is leased, rented, or licensed
22 to the customer before or after that date.

23 **SECTION 27.** 77.77 (3) of the statutes is amended to read:

24 77.77 (3) The sale of building materials to contractors engaged in the business
25 of constructing, altering, repairing or improving real estate for others is not subject

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1 to the taxes under this subchapter, and the incremental amount of tax caused by the
2 rate increase applicable to those materials is not due, if the materials are affixed and
3 made a structural part of real estate, and the amount payable to the contractor is
4 fixed without regard to the costs incurred in performing a written contract that was
5 irrevocably entered into prior to the effective date of the county ordinance, special
6 district resolution, transit authority resolution, or rate increase or that resulted from
7 the acceptance of a formal written bid accompanied by a bond or other performance
8 guaranty that was irrevocably submitted before that date.

9 **SECTION 28.** 77.78 of the statutes is amended to read:

10 **77.78 Registration.** No motor vehicle, boat, snowmobile, recreational vehicle,
11 as defined in s. 340.01 (48r), trailer, semitrailer, all-terrain vehicle, utility terrain
12 vehicle, or aircraft that is required to be registered by this state may be registered
13 or titled by this state unless the registrant files a sales and use tax report and pays
14 the county tax, transit authority tax, and special district tax at the time of registering
15 or titling to the state agency that registers or titles the property. That state agency
16 shall transmit those tax revenues to the department of revenue.

17 **SECTION 29.** 85.063 (3) (b) 1. of the statutes is amended to read:

18 85.063 (3) (b) 1. Upon completion of a planning study under sub. (2), or, to the
19 satisfaction of the department, of a study under s. 85.022, a political subdivision in
20 a county, or a transit authority created under s. 66.1039, that includes the urban area
21 may apply to the department for a grant for property acquisition for an urban rail
22 transit system.

23 **SECTION 30.** 85.064 (1) (b) of the statutes is amended to read:

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1 85.064 (1) (b) “Political subdivision” means any city, village, town, county, or
2 transit commission organized under s. 59.58 (2) or 66.1021 or recognized under s.
3 66.0301, or transit authority created under s. 66.1039 within this state.

4 **SECTION 31.** 345.05 (1) (ag) of the statutes is created to read:

5 345.05 (1) (ag) “Authority” means a transit authority created under s. 66.1039.

6 **SECTION 32.** 345.05 (2) of the statutes is amended to read:

7 345.05 (2) A person suffering any damage proximately resulting from the
8 negligent operation of a motor vehicle owned and operated by a municipality or
9 authority, which damage was occasioned by the operation of the motor vehicle in the
10 course of its business, may file a claim for damages against the municipality or
11 authority concerned and the governing body of the municipality, or the board of
12 directors of the authority, may allow, compromise, settle and pay the claim. In this
13 subsection, a motor vehicle is deemed owned and operated by a municipality or
14 authority if the vehicle is either being rented or leased, or is being purchased under
15 a contract whereby the municipality or authority will acquire title.

16 **SECTION 33.** 611.11 (4) (a) of the statutes is amended to read:

17 611.11 (4) (a) In this subsection, “municipality” has the meaning given in s.
18 345.05 (1) (c), but also includes any transit authority created under s. 66.1039.

19 (END)