



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-1215/P5
MPG:jld/wlj/kjf:jm

DOA:.....Quinn, BB0428 - WEDC-WHEDA Consolidation

FOR 2015-2017 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

HOUSING AND ECONOMIC DEVELOPMENT

Under current law, WEDC is an authority, which is a public body corporate and politic, that has as its primary function the development, implementation, and administration of economic development programs in Wisconsin. Also under current law, WHEDA is an authority whose primary function is to establish and administer housing programs in Wisconsin, especially housing programs for persons and families of low and moderate income. Like WEDC, WHEDA is also tasked with developing, implementing, and administering economic development programs in the state.

This bill eliminates WEDC and WHEDA and merges their functions into a new authority to be known as the Forward Wisconsin Development Authority.

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

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

SECTION 1. 1.12 (1) (b) of the statutes is amended to read:

1.12 (1) (b) “State agency” means an office, department, agency, institution of higher education, the legislature, a legislative service agency, the courts, a judicial branch agency, an association, society, or other body in state government that is created or authorized to be created by the constitution or by law, for which appropriations are made by law, excluding the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 2. 7.33 (1) (c) of the statutes is amended to read:

7.33 (1) (c) “State agency” has the meaning given under s. 20.001 (1) and includes an authority created under subch. II of ch. 114 or ch. 36, 231, 232, 233, ~~234~~, or 237.

****NOTE: This is reconciled s. 7.33 (1) (c). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 3. 13.172 (1) of the statutes is amended to read:

13.172 (1) In this section, “agency” means an office, department, agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, and any authority created in subch. II of ch. 114 or in ch. 36, 231, 233, ~~234~~, ~~238~~ 235, or 279.

****NOTE: This is reconciled s. 13.72 (1). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 4. 13.48 (10) (b) 6. of the statutes is amended to read:

13.48 (10) (b) 6. Projects of the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 5. 13.48 (12) (b) 5. of the statutes is amended to read:

13.48 (12) (b) 5. A facility constructed by or for the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 6. 13.48 (13) (a) of the statutes is amended to read:

13.48 (13) (a) Except as provided in par. (b) or (c), every building, structure or facility that is constructed for the benefit of or use of the state, any state agency, board, commission or department, the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Fox River Navigational System Authority, the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, or any local professional baseball park district created under subch. III of ch. 229 if the construction is undertaken by the department of administration on behalf of the district, shall be in compliance with all applicable state laws, rules, codes and regulations but the construction is not subject to the ordinances or regulations of the municipality in which the construction takes place except zoning, including without limitation because of enumeration ordinances or regulations relating to materials used, permits, supervision of construction or installation, payment of permit fees, or other restrictions.

***NOTE: This is reconciled s. 13.48 (13) (a). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 7. 13.62 (2) of the statutes is amended to read:

13.62 (2) “Agency” means any board, commission, department, office, society, institution of higher education, council, or committee in the state government, or any authority created in subch. II of ch. 114 or in ch. 36, 231, 232, 233, ~~234~~ 235, 237, ~~238~~, or 279, except that the term does not include a council or committee of the legislature.

***NOTE: This is reconciled s. 13.62 (2). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 8. 13.625 (9) of the statutes is amended to read:

13.625 (9) This section does not apply to the solicitation, acceptance, or furnishing of anything of pecuniary value by the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, or to a principal furnishing anything of pecuniary value to the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, under s. 19.56 (3) (e) or (f) for the activities specified in s. 19.56 (3) (e).

SECTION 9. 13.94 (1) (dr) of the statutes is amended to read:

13.94 (1) (dr) Biennially, beginning in ~~2013~~ 2017, conduct a ~~financial audit of the Wisconsin Economic Development Corporation and a~~ program evaluation audit of the economic development programs administered by the ~~Wisconsin Economic Development Corporation under ch. 238~~ Forward Wisconsin Development Authority and funded by moneys appropriated under s. 20.885 or another ch. 20 appropriation. The legislative audit bureau shall file a copy of each audit report under this paragraph with the distributees specified in par. (b).

SECTION 10. 13.94 (1) (ms) of the statutes is repealed.

SECTION 11. 13.94 (1s) (c) 5. of the statutes is amended to read:

13.94 (1s) (c) 5. The ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority for the cost of the audit required to be performed under sub. (1) (dr).

SECTION 12. 13.94 (4) (a) 1. of the statutes is amended to read:

13.94 (4) (a) 1. Every state department, board, examining board, affiliated credentialing board, commission, independent agency, council or office in the executive branch of state government; all bodies created by the legislature in the legislative or judicial branch of state government; any public body corporate and politic created by the legislature including specifically the University of Wisconsin

System Authority, the Fox River Navigational System Authority, the Lower Fox River Remediation Authority, the Wisconsin Aerospace Authority, the Wisconsin Economic Development Corporation Forward Wisconsin Development Authority, a professional baseball park district, a local professional football stadium district, a local cultural arts district and a long-term care district under s. 46.2895; every Wisconsin works agency under subch. III of ch. 49; every provider of medical assistance under subch. IV of ch. 49; technical college district boards; every county department under s. 51.42 or 51.437; every nonprofit corporation or cooperative or unincorporated cooperative association to which moneys are specifically appropriated by state law; and every corporation, institution, association or other organization which receives more than 50% of its annual budget from appropriations made by state law, including subgrantee or subcontractor recipients of such funds.

****NOTE: This is reconciled s. 13.94 (4) (a) 1. This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 13. 13.95 (intro.) of the statutes is amended to read:

13.95 Legislative fiscal bureau. (intro.) There is created a bureau to be known as the “Legislative Fiscal Bureau” headed by a director. The fiscal bureau shall be strictly nonpartisan and shall at all times observe the confidential nature of the research requests received by it; however, with the prior approval of the requester in each instance, the bureau may duplicate the results of its research for distribution. Subject to s. 230.35 (4) (a) and (f), the director or the director’s designated employees shall at all times, with or without notice, have access to all state agencies, the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, Forward Wisconsin Development

Authority, the Wisconsin Economic Development Corporation Forward Wisconsin Development Authority, and the Fox River Navigational System Authority, and to any books, records, or other documents maintained by such agencies or authorities and relating to their expenditures, revenues, operations, and structure.

***NOTE: This is reconciled s. 13.95 (intro.). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 14. 15.137 (2) (a) 3m. of the statutes is amended to read:

15.137 (2) (a) 3m. The chief executive officer of the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority or his or her designee.

SECTION 15. 15.435 (1) (a) 1. of the statutes is amended to read:

15.435 (1) (a) 1. The chief executive officer of the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority and the secretary of revenue or their designees.

SECTION 16. 16.002 (2) of the statutes is amended to read:

16.002 (2) "Departments" means constitutional offices, departments, and independent agencies and includes all societies, associations, and other agencies of state government for which appropriations are made by law, but not including authorities created in subch. II of ch. 114 or in ch. 36, 231, 232, 233, 234 235, 237, 238, or 279.

***NOTE: This is reconciled s. 16.002 (2). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 17. 16.004 (4) of the statutes is amended to read:

16.004 (4) FREEDOM OF ACCESS. The secretary and such employees of the department as the secretary designates may enter into the offices of state agencies and authorities created under subch. II of ch. 114 and under chs. 36, 231, 233, 234

235, 237, ~~238~~, and 279, and may examine their books and accounts and any other matter that in the secretary's judgment should be examined and may interrogate the agency's employees publicly or privately relative thereto.

****NOTE: This is reconciled s. 16.004 (4). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 18. 16.004 (5) of the statutes is amended to read:

16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and authorities created under subch. II of ch. 114 and under chs. 36, 231, 233, ~~234~~ 235, 237, ~~238~~, and 279, and their officers and employees, shall cooperate with the secretary and shall comply with every request of the secretary relating to his or her functions.

****NOTE: This is reconciled s. 16.004 (5). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 19. 16.004 (12) (a) of the statutes is amended to read:

16.004 (12) (a) In this subsection, "state agency" means an association, authority, board, department, commission, independent agency, institution, office, society, or other body in state government created or authorized to be created by the constitution or any law, including the legislature, the office of the governor, and the courts, but excluding the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, and the Fox River Navigational System Authority.

****NOTE: This is reconciled s. 16.004 (12) (a). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 20. 16.01 (1) of the statutes is amended to read:

16.01 (1) In this section, “agency” means any office, department, agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law which is entitled to expend moneys appropriated by law, including the legislature and the courts, and any authority created under subch. II of ch. 114 or ch. 36, 231, 233, or 234 235.

****NOTE: This is reconciled s. 16.01 (1). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 21. 16.045 (1) (a) of the statutes is amended to read:

16.045 (1) (a) “Agency” means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or in ch. 36, 231, 232, 233, 234 235, 237, 238, or 279.

****NOTE: This is reconciled s. 16.045 (1) (a). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 22. 16.15 (1) (ab) of the statutes is amended to read:

16.15 (1) (ab) “Authority” has the meaning given under s. 16.70 (2), but excludes the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Lower Fox River Remediation Authority, and the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

****NOTE: This is reconciled s. 16.15 (1) (ab). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 23. 16.41 (4) of the statutes is amended to read:

16.41 (4) In this section, “authority” means a body created under subch. II of ch. 114 or under ch. 36, 231, 233, ~~234~~ 235, 237, ~~238~~, or 279.

****NOTE: This is reconciled s. 16.41 (4). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 24. 16.417 (1) (b) of the statutes is amended to read:

16.417 (1) (b) “Authority” means a body created under subch. II of ch. 114 or ch. 36, 231, 232, 233, ~~234~~ 235, 237, ~~238~~, or 279.

****NOTE: This is reconciled s. 16.417 (1) (b). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 25. 16.52 (7) of the statutes is amended to read:

16.52 (7) PETTY CASH ACCOUNT. With the approval of the secretary, each agency that is authorized to maintain a contingent fund under s. 20.920 may establish a petty cash account from its contingent fund. The procedure for operation and maintenance of petty cash accounts and the character of expenditures therefrom shall be prescribed by the secretary. In this subsection, “agency” means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or in ch. 36, 231, 233, ~~234~~ 235, 237, ~~238~~, or 279.

****NOTE: This is reconciled s. 16.52 (7). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 26. 16.528 (1) (a) of the statutes is amended to read:

16.528 (1) (a) “Agency” means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the

courts, but not including an authority created in subch. II of ch. 114 or in ch. 36, 231, 233, ~~234~~ 235, 237, ~~238~~, or 279.

****NOTE: This is reconciled s. 16.528 (1) (a). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 27. 16.53 (2) of the statutes is amended to read:

16.53 (2) IMPROPER INVOICES. If an agency receives an improperly completed invoice, the agency shall notify the sender of the invoice within 10 working days after it receives the invoice of the reason it is improperly completed. In this subsection, “agency” means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or in ch. 36, 231, 233, ~~234~~ 235, 237, ~~238~~, or 279.

****NOTE: This is reconciled s. 16.53 (2). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 28. 16.54 (9) (a) 1. of the statutes is amended to read:

16.54 (9) (a) 1. “Agency” means an office, department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or in ch. 36, 231, 233, ~~234~~ 235, 237, ~~238~~, or 279.

****NOTE: This is reconciled s. 16.54 (9) (a) 1. This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 29. 16.70 (2) of the statutes is amended to read:

16.70 (2) “Authority” means a body created under subch. II of ch. 114 or under ch. ~~36~~, 231, 232, 233, ~~234~~, 237, or 279.

***NOTE: This is reconciled s. 16.70 (2). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 30. 16.765 (1) of the statutes is amended to read:

16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development Corporation~~, and the Bradley Center Sports and Entertainment Corporation shall include in all contracts executed by them a provision obligating the contractor not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national origin and, except with respect to sexual orientation, obligating the contractor to take affirmative action to ensure equal employment opportunities.

***NOTE: This is reconciled s. 16.765 (1). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 31. 16.765 (2) of the statutes is amended to read:

16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development Corporation~~, and the Bradley Center Sports and Entertainment Corporation shall include the following provision in every contract executed by them: “In connection with the performance of work under this contract, the contractor agrees not to discriminate

against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01 (5), sexual orientation or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the contractor further agrees to take affirmative action to ensure equal employment opportunities. The contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause”.

***NOTE: This is reconciled s. 16.765 (2). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 32. 16.765 (5) of the statutes is amended to read:

16.765 (5) The head of each contracting agency and the boards of directors of the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development Corporation~~, and the Bradley Center Sports and Entertainment Corporation shall be primarily responsible for obtaining compliance by any contractor with the nondiscrimination and affirmative action provisions prescribed by this section, according to procedures recommended by the department. The department shall make recommendations to the contracting agencies and the boards of directors of the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Fox River Navigational System

Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development Corporation,~~ and the Bradley Center Sports and Entertainment Corporation for improving and making more effective the nondiscrimination and affirmative action provisions of contracts. The department shall promulgate such rules as may be necessary for the performance of its functions under this section.

****NOTE: This is reconciled s. 16.765 (5)). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 33. 16.765 (6) of the statutes is amended to read:

16.765 (6) The department may receive complaints of alleged violations of the nondiscrimination provisions of such contracts. The department shall investigate and determine whether a violation of this section has occurred. The department may delegate this authority to the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development Corporation,~~ or the Bradley Center Sports and Entertainment Corporation for processing in accordance with the department's procedures.

****NOTE: This is reconciled s. 16.765 (6). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 34. 16.765 (7) (intro.) of the statutes is amended to read:

16.765 (7) (intro.) When a violation of this section has been determined by ~~the department, the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the Wisconsin Economic Development Corporation, or the Bradley Center Sports and~~

~~Entertainment Corporation~~, the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the ~~Wisconsin Economic Development Corporation~~, or the Bradley Center Sports and Entertainment Corporation shall:

****NOTE: This is reconciled s. 16.765 (7) (intro.). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 35. 16.765 (7) (d) of the statutes is amended to read:

16.765 (7) (d) Direct the violating party to take immediate steps to prevent further violations of this section and to report its corrective action to the contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development Corporation~~, or the Bradley Center Sports and Entertainment Corporation.

****NOTE: This is reconciled s. 16.765 (7) (d). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 36. 16.765 (8) of the statutes is amended to read:

16.765 (8) If further violations of this section are committed during the term of the contract, the contracting agency, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development Corporation~~, or the Bradley Center Sports and Entertainment Corporation may permit the violating party to complete the contract, after complying with this section, but thereafter the contracting agency, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development~~

~~Corporation,~~ or the Bradley Center Sports and Entertainment Corporation shall request the department to place the name of the party on the ineligible list for state contracts, or the contracting agency, the Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development Corporation,~~ or the Bradley Center Sports and Entertainment Corporation may terminate the contract without liability for the uncompleted portion or any materials or services purchased or paid for by the contracting party for use in completing the contract.

SECTION 37. 16.838 (1) (b) of the statutes is amended to read:

16.838 (1) (b) “Authority” means a body created under subch. II of ch. 114 or ch. 36, 231, 232, 233, ~~234~~, or 237.

****NOTE: This is reconciled s. 16.838 (1) (b). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 38. 16.85 (2) of the statutes is amended to read:

16.85 (2) To furnish engineering, architectural, project management, and other building construction services whenever requisitions therefor are presented to the department by any agency. The department may deposit moneys received from the provision of these services in the account under s. 20.505 (1) (kc) or in the general fund as general purpose revenue — earned. In this subsection, “agency” means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or in ch. 36, 231, 233, ~~234~~ 235, 237, ~~238~~, or 279.

****NOTE: This is reconciled s. 16.85 (2). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 39. 16.865 (8) of the statutes is amended to read:

16.865 (8) Annually in each fiscal year, allocate as a charge to each agency a proportionate share of the estimated costs attributable to programs administered by the agency to be paid from the appropriation under s. 20.505 (2) (k). The department may charge premiums to agencies to finance costs under this subsection and pay the costs from the appropriation on an actual basis. The department shall deposit all collections under this subsection in the appropriation account under s. 20.505 (2) (k). Costs assessed under this subsection may include judgments, investigative and adjustment fees, data processing and staff support costs, program administration costs, litigation costs, and the cost of insurance contracts under sub. (5). In this subsection, "agency" means an office, department, independent agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law, that is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 232, 233, 234 235, 237, ~~238~~, or 279.

SECTION 40. 19.42 (10) (h) of the statutes is amended to read:

19.42 (10) (h) The members of the board of directors and employees of the Forward Wisconsin Housing and Economic Development Authority, except clerical employees.

SECTION 41. 19.42 (10) (sm) of the statutes is repealed.

SECTION 42. 19.42 (13) (g) of the statutes is amended to read:

19.42 (13) (g) The members of the board of directors and employees of the Forward Wisconsin Housing and Economic Development Authority, except clerical employees.

SECTION 43. 19.42 (13) (om) of the statutes is repealed.

****NOTE: This is reconciled s. 19.42 (13) (om). This SECTION has been affected by drafts with the following LRB numbers:-0369/P1 and -1215/P2.

SECTION 44. 19.56 (2) (b) 6. of the statutes is amended to read:

19.56 (2) (b) 6. Is made available to the official by the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority or the department of tourism in accordance with sub. (3) (e), (em) or (f).

SECTION 45. 19.56 (3) (e) (intro.) of the statutes is amended to read:

19.56 (3) (e) (intro.) A state public official who is an officer or employee of the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority may solicit, receive and retain on behalf of the state anything of value for the purpose of any of the following:

SECTION 46. 19.56 (3) (e) 1. of the statutes is amended to read:

19.56 (3) (e) 1. The sponsorship by the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority of a trip to a foreign country primarily to promote trade between that country and this state that the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority can demonstrate through clear and convincing evidence is primarily for the benefit of this state.

SECTION 47. 19.56 (3) (f) of the statutes is amended to read:

19.56 (3) (f) A state public official may receive and retain from the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority anything of value which the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority is authorized to provide under par. (e) and may

receive and retain from the department of tourism anything of value which the department of tourism is authorized to provide under par. (em).

SECTION 48. 19.57 of the statutes is amended to read:

19.57 Conferences, visits and economic development activities. The ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority shall file a report with the board no later than April 30 annually, specifying the source and amount of anything of value received by the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority during the preceding calendar year for a purpose specified in s. 19.56 (3) (e), and the program or activity in connection with which the thing is received, together with the location and date of that program or activity.

SECTION 49. 20.192 of the statutes is repealed.

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

SECTION 50. 20.320 (2) (s) of the statutes is amended to read:

20.320 (2) (s) *Safe drinking water loan programs financial assistance.* From the environmental improvement fund, a sum sufficient for financial assistance under the safe drinking water loan program under s. 281.61, for other drinking water quality activities under s. 281.62 and to transfer funds to the Wisconsin drinking water reserve fund under s. ~~234.933~~ 235.933, as authorized under s. 281.625 (4).

SECTION 51. 20.320 (2) (x) of the statutes is amended to read:

20.320 (2) (x) *Safe drinking water loan programs financial assistance; federal.* From the safe drinking water loan program federal revolving loan fund account in the environmental improvement fund, all moneys received from the federal government to provide financial assistance under the safe drinking water loan

program under s. 281.61, for other drinking water quality activities under s. 281.62 and for drinking water loan guarantees under s. ~~234.86~~ 235.86, as authorized by the governor under s. 16.54, for financial assistance under the safe drinking water loan program under s. 281.61, other drinking water quality activities under s. 281.62 and to transfer funds to the Wisconsin drinking water reserve fund under s. ~~234.933~~ 235.933, as authorized under s. 281.625 (4).

SECTION 52. 20.370 (2) (mr) of the statutes is amended to read:

20.370 (2) (mr) *General program operations — brownfields.* From the environmental fund, the amounts in the schedule for administration of activities related to brownfields, as defined in s. ~~238.13~~ 235.13 (1) (a).

SECTION 53. 20.370 (9) (ny) of the statutes is amended to read:

20.370 (9) (ny) *Aids administration — safe drinking water loan programs; federal funds.* From the safe drinking water loan program federal revolving loan fund account in the environmental improvement fund, all moneys received from the federal government to administer the safe drinking water loan program, as authorized by the governor under s. 16.54, for the administration of the safe drinking water loan program under s. 281.59 or 281.61, the drinking water loan guarantee program under ss. ~~234.86~~ 235.86 and 281.625 and other drinking water quality activities under s. 281.62.

SECTION 54. 20.485 (2) (vm) of the statutes is amended to read:

20.485 (2) (vm) *Assistance to needy veterans and veteran start-up businesses.* The amounts in the schedule for aid payments under s. 45.40 ~~and for the grant to VETransfer, Inc., under s. 45.45.~~

SECTION 55. 20.485 (3) (b) of the statutes is amended to read:

20.485 (3) (b) *Self insurance*. A sum sufficient to cover deficiencies in the amounts necessary to repay principal and interest on veterans housing loans made under s. 45.37 and financed by bonds sold under s. ~~234.40~~ 235.409.

SECTION 56. 20.485 (3) (e) of the statutes is amended to read:

20.485 (3) (e) *General program deficiency*. A sum sufficient to pay any general program deficiency under s. 45.37, including any deficiency in the capital reserve fund requirement under s. ~~234.42~~ 235.42.

SECTION 57. 20.490 of the statutes is repealed.

SECTION 58. 20.885 of the statutes is created to read:

20.885 Grants to Forward Wisconsin Development Authority. There is appropriated to the department of administration for the following programs:

(1) GENERAL ADMINISTRATION. (m) *Federal aid*. All moneys received from the federal government as authorized by the governor under s. 16.54, for grants to the Forward Wisconsin Development Authority, which the Forward Wisconsin Development Authority shall use for the purposes for which received.

(2) HOUSING PROGRAMS. (a) *General program operations*. As a continuing appropriation, the amounts in the schedule for grants to the Forward Wisconsin Development Authority, for that authority's housing and loan guarantee general program operations under subchs. II and V of ch. 235.

(ad) *Housing rehabilitation loan program*. As a continuing appropriation, the amounts in the schedule for general program operations under s. 235.51.

(ah) *Capital reserve fund deficiency*. As a continuing appropriation, the amounts in the schedule for grants to the Forward Wisconsin Development Authority to restore the capital reserve fund requirement in accordance with s. 235.024 (4) or 235.54.

(at) *Homeowner eviction lien protection program.* As a continuing appropriation, the amounts in the schedule to operate the homeowner eviction and lien protection program under s. 235.605.

(q) *Loan-loss reserve fund.* As a continuing appropriation, from the state housing authority reserve fund, the amounts in the schedule for grants to the Forward Wisconsin Development Authority, which the Forward Wisconsin Development Authority shall use for a loan-loss reserve fund in accordance with s. 235.52.

(qm) *Environmental fund transfer to Wisconsin development reserve fund.* From the environmental fund, as a continuing appropriation, the amounts in the schedule for grants to the Forward Wisconsin Development Authority, which the Forward Wisconsin Development Authority shall deposit in the Wisconsin development reserve fund under s. 235.93.

(r) *Agrichemical management fund transfer to Wisconsin development reserve fund.* From the agrichemical management fund, as a continuing appropriation, the amounts in the schedule for grants to the Forward Wisconsin Development Authority, which the Forward Wisconsin Development Authority shall deposit in the Wisconsin development reserve fund under s. 235.93.

(s) *Petroleum inspection fund transfer to Wisconsin development reserve fund.* From the petroleum inspection fund, the amounts in the schedule for grants to the Forward Wisconsin Development Authority, which the Forward Wisconsin Development Authority shall deposit in the Wisconsin development reserve fund under s. 235.93.

(3) ECONOMIC DEVELOPMENT PROGRAMS. (a) *General program operations.* As a continuing appropriation, the amounts in the schedule for grants to the Forward

Wisconsin Development Authority, for the Forward Wisconsin Development Authority's economic development programs developed, implemented, and operated under ch. 235.

(am) *Regional revolving loan fund grants.* The amounts in the schedule for grants to the Forward Wisconsin Development Authority to establish the regional revolving loan fund program under s. 235.137.

(ap) *Wisconsin development reserve fund.* As a continuing appropriation, the amounts in the schedule for grants to the Forward Wisconsin Development Authority, which the Forward Wisconsin Development Authority shall deposit in the Wisconsin development reserve fund under s. 235.93.

(r) *Economic development fund; programs.* From the economic development fund, as a continuing appropriation, the amounts in the schedule for grants to the Forward Wisconsin Development Authority for funding economic development programs administered by the Forward Wisconsin Development Authority under ch. 235.

(s) *Brownfield site assessment grants.* Biennially, from the environmental fund, the amounts in the schedule for grants to the Forward Wisconsin Development Authority for brownfield site assessment grants under s. 235.133.

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

SECTION 59. 23.167 (2) (intro.) of the statutes is amended to read:

23.167 (2) (intro.) The department, in consultation with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, shall do all of the following for each economic development program administered by the department:

SECTION 60. 23.169 (1) of the statutes is amended to read:

23.169 (1) The department shall coordinate any economic development assistance with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 61. 23.169 (2) of the statutes is amended to read:

23.169 (2) Annually, no later than October 1, the department shall submit to the joint legislative audit committee and to the appropriate standing committees of the legislature under s. 13.172 (3) a comprehensive report assessing economic development programs, as defined in s. 23.167 (1), administered by the department. The report shall include all of the information required under s. ~~238.07~~ 235.016 (2). The department shall collaborate with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority to make readily accessible to the public on an Internet-based system the information required under this section.

SECTION 62. 23.175 (1) (b) of the statutes is amended to read:

23.175 (1) (b) "State agency" means any office, department, agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law which is entitled to expend moneys appropriated by law, including any authority created under subch. II of ch. 114 or ch. ~~36~~, 231, 233, ~~234~~ 235, or 237 but not including the legislature or the courts.

****NOTE: This is reconciled s. 23.175 (1) (b). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 63. 25.17 (2) (c) of the statutes is amended to read:

25.17 (2) (c) Invest the State Housing Authority reserve fund as directed by the Forward Wisconsin Housing and Economic Development Authority in housing

rehabilitation loan program bonds of the authority including subordinated bonds that may also be special obligations of the authority. In making the investment, the board shall accept the terms and conditions as the authority specifies and is relieved of any obligations relative to prudent investment of the fund, including those set forth under ch. 881.

SECTION 64. 25.41 (1) of the statutes is amended to read:

25.41 (1) All moneys appropriated or transferred by law; all moneys received from the federal government, from the ~~state housing and economic development authority~~ Forward Wisconsin Development Authority, or from any other source for the purpose of the state housing authority reserve fund; and all income or interest earned by, or increment to the state housing authority reserve fund due to the investment thereof shall constitute the state housing authority reserve fund which shall be used only as provided in this section.

SECTION 65. 25.41 (2) of the statutes is amended to read:

25.41 (2) Except for the purpose of investment as provided in s. 25.17 (2) (c), moneys in the fund shall be used only for the purpose of funding the appropriation to the housing rehabilitation loan program loan loss reserve fund under s. ~~20.490~~ 20.885 (2) (q). Nothing in this section may be construed as limiting the power of the legislature, at any time, to abolish the fund.

SECTION 66. 25.50 (1) (d) of the statutes is amended to read:

25.50 (1) (d) "Local government" means any county, town, village, city, power district, sewerage district, drainage district, town sanitary district, public inland lake protection and rehabilitation district, local professional baseball park district created under subch. III of ch. 229, long-term care district under s. 46.2895, local professional football stadium district created under subch. IV of ch. 229, local

cultural arts district created under subch. V of ch. 229, public library system, school district or technical college district in this state, any commission, committee, board or officer of any governmental subdivision of this state, any court of this state, other than the court of appeals or the supreme court, the University of Wisconsin System Authority, or any authority created under s. 114.61, 231.02, 233.02, or 234.02 235.011.

***NOTE: This is reconciled s. 25.50 (1) (d). This SECTION has been affected by drafts with the following LRB numbers: -0971/P4 and -1215/P2.

SECTION 67. 26.37 (1) (b) of the statutes is amended to read:

26.37 (1) (b) Establish an implementation committee for the consortium. Members of the committee may include one or more representatives from the department of natural resources, the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, and the forest products industry.

SECTION 68. 26.37 (2) of the statutes is amended to read:

26.37 (2) The department of natural resources may not expend moneys from the appropriations under s. 20.370 (5) (ax) or (6) (bt), 1997 stats., unless the department of natural resources and the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority first submit to the joint committee on finance the plan required under sub. (1). If the cochairpersons of the joint committee on finance do not notify the department of natural resources within 14 working days after the date of the submittal of the plan that the committee has scheduled a meeting to review the plan, the plan may be implemented and moneys may be expended as proposed by the department of natural resources. If, within 14 days after the date of the submittal of the plan, the cochairpersons of the committee notify the department of natural resources that the committee has scheduled a

meeting to review the plan, moneys may be expended only after the plan has been approved by the committee.

SECTION 69. 30.121 (3w) (b) of the statutes is amended to read:

30.121 (3w) (b) The boathouse is located on land zoned exclusively for commercial or industrial purposes or the boathouse is located on a brownfield, as defined in s. ~~238.13~~ 235.13 (1) (a), or in a blighted area, as defined in s. 66.1331 (3) (a).

SECTION 70. 34.01 (1) of the statutes is amended to read:

34.01 (1) “Governing board” means the investment board in the case of the state, the ~~housing and economic development authority~~ Forward Wisconsin Development Authority if the authority elects to be bound by all or part of this chapter under s. ~~234.32~~ 235.0289 (2), the county board or committee designated by the county board to designate public depositories in the case of a county, the city council in the case of a city, the village board in the case of a village, the town board in the case of a town, the school board in the case of a school district, the board of control in the case of a cooperative educational service agency, the clerk of court in the case of any court in this state, and any other commission, committee, board or officer of any governmental subdivision of the state not mentioned in this subsection.

SECTION 71. 34.01 (4) of the statutes is amended to read:

34.01 (4) “Public depositor” means the state or any county, city, village, town, drainage district, power district, school district, cooperative educational service agency, sewer district, or any commission, committee, board or officer of any governmental subdivision of the state or any court of this state, a corporation organized under s. 39.33 or the ~~housing and economic development authority~~ Forward Wisconsin Development Authority if the authority elects to be bound by all

or part of this chapter under s. ~~234.32~~ 235.0289 (2), which deposits any moneys in a public depository.

SECTION 72. 36.09 (1) (am) (intro.) of the statutes is amended to read:

36.09 (1) (am) (intro.) The board, in consultation with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, shall do all of the following for each economic development program, as defined in s. 36.11 (29r) (a), administered by the board:

SECTION 73. 36.11 (29r) (b) 1. of the statutes is amended to read:

36.11 (29r) (b) 1. The board shall coordinate any economic development assistance with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 74. 36.11 (29r) (b) 2. of the statutes is amended to read:

36.11 (29r) (b) 2. Annually, no later than October 1, the board shall submit to the joint legislative audit committee and to the appropriate standing committees of the legislature under s. 13.172 (3) a comprehensive report assessing economic development programs administered by the board. The report shall include all of the information required under s. ~~238.07~~ 235.016 (2). The board shall collaborate with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority to make readily accessible to the public on an Internet-based system the information required under this subsection.

SECTION 75. 36.25 (24) of the statutes is amended to read:

36.25 (24) EMPLOYEE-OWNED BUSINESSES PROGRAM. Through the University of Wisconsin small business development center, in cooperation with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, the technical college system board and the University of Wisconsin-Extension, the

board shall create, as needed, educational programs to provide training in the management of employee-owned businesses and shall provide technical assistance to employee-owned businesses in matters affecting their management and business operations, including assistance with governmental relations and assistance in obtaining management, technical and financial assistance.

SECTION 76. 38.04 (1m) (b) (intro.) of the statutes is amended to read:

38.04 **(1m)** (b) (intro.) The board, in consultation with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, shall do all of the following for each economic development program administered by the board:

SECTION 77. 38.04 (10m) (a) of the statutes is amended to read:

38.04 **(10m)** (a) The board shall coordinate any economic development assistance with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 78. 38.04 (10m) (b) of the statutes is amended to read:

38.04 **(10m)** (b) Annually, no later than October 1, the board shall submit to the joint legislative audit committee and to the appropriate standing committees of the legislature under s. 13.172 (3) a comprehensive report assessing economic development programs, as defined in sub. (1m) (a), administered by the board. The report shall include all of the information required under s. ~~238.07~~ 235.016 (2). The board shall collaborate with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority to make readily accessible to the public on an Internet-based system the information required under this subsection.

SECTION 79. 40.02 (54) (b) of the statutes is amended to read:

40.02 **(54)** (b) The Forward Wisconsin Housing and Economic Development Authority.

SECTION 80. 40.05 (4) (b) of the statutes is amended to read:

40.05 (4) (b) Except as provided under pars. (bc) and (bp), accumulated unused sick leave under ss. 13.121 (4), 36.30, 230.35 (2), 233.10, ~~238.04 (8)~~, and 757.02 (5) and subch. V of ch. 111 of any eligible employee, and of any eligible employee of the Wisconsin Forward Development Authority, shall, at the time of death, upon qualifying for an immediate annuity or for a lump sum payment under s. 40.25 (1) or upon termination of creditable service and qualifying as an eligible employee under s. 40.02 (25) (b) 6. or 10., be converted, at the employee's highest basic pay rate he or she received while employed by the state, to credits for payment of health insurance premiums on behalf of the employee or the employee's surviving insured dependents. Any supplemental compensation that is paid to a state employee who is classified under the state classified civil service as a teacher, teacher supervisor, or education director for the employee's completion of educational courses that have been approved by the employee's employer is considered as part of the employee's basic pay for purposes of this paragraph. The full premium for any eligible employee who is insured at the time of retirement, or for the surviving insured dependents of an eligible employee who is deceased, shall be deducted from the credits until the credits are exhausted and paid from the account under s. 40.04 (10), and then deducted from annuity payments, if the annuity is sufficient. The department shall provide for the direct payment of premiums by the insured to the insurer if the premium to be withheld exceeds the annuity payment. Upon conversion of an employee's unused sick leave to credits under this paragraph or par. (bf), the employee or, if the employee is deceased, the employee's surviving insured dependents may initiate deductions from those credits or may elect to delay initiation of deductions from those credits, but only if the employee or surviving

insured dependents are covered by a comparable health insurance plan or policy during the period beginning on the date of the conversion and ending on the date on which the employee or surviving insured dependents later elect to initiate deductions from those credits. If an employee or an employee's surviving insured dependents elect to delay initiation of deductions from those credits, an employee or the employee's surviving insured dependents may only later elect to initiate deductions from those credits during the annual enrollment period under par. (be). A health insurance plan or policy is considered comparable if it provides hospital and medical benefits that are substantially equivalent to the standard health insurance plan established under s. 40.52 (1).

SECTION 81. 40.05 (4) (bm) of the statutes is amended to read:

40.05 (4) (bm) Except as provided under par. (bp), accumulated unused sick leave under ss. 36.30 and 230.35 (2), or 233.10, or 238.04 (8) of any eligible employee, and of any eligible employee of the Forward Wisconsin Development Authority, shall, upon request of the employee at the time the employee is subject to layoff under s. 40.02 (40), be converted at the employee's highest basic pay rate he or she received while employed by the state to credits for payment of health insurance premiums on behalf of the employee. Any supplemental compensation that is paid to a state employee who is classified under the state classified civil service as a teacher, teacher supervisor or education director for the employee's completion of educational courses that have been approved by the employee's employer is considered as part of the employee's basic pay for purposes of this paragraph. The full amount of the required employee contribution for any eligible employee who is insured at the time of the layoff shall be deducted from the credits until the credits are exhausted, the

employee is reemployed, or 5 years have elapsed from the date of layoff, whichever occurs first.

SECTION 82. 40.05 (5) (b) 4. of the statutes is amended to read:

40.05 (5) (b) 4. The accrual and crediting of sick leave shall be determined in accordance with ss. 13.121 (4), 36.30, 230.35 (2), 233.10, ~~238.04 (8)~~, and 757.02 (5) and subch. V of ch. 111 and in accordance with the policies and procedures of the Forward Wisconsin Development Authority for any of its employees it deems eligible.

SECTION 83. 40.62 (2) of the statutes is amended to read:

40.62 (2) Sick leave accumulation shall be determined in accordance with rules of the department, any collective bargaining agreement under subch. V of ch. 111, and ss. 13.121 (4), 36.30, 49.825 (4) (d) and (5) (d), 49.826 (4) (d), 230.35 (2), 233.10, ~~238.04 (8)~~, 757.02 (5) and 978.12 (3) and in accordance with the policies and procedures of the Forward Wisconsin Development Authority for any of its employees it deems eligible.

SECTION 84. 40.95 (1) (a) 1. of the statutes is amended to read:

40.95 (1) (a) 1. The employee accrues accumulated unused sick leave under s. 13.121 (4), 36.30, 230.35 (2), 233.10, ~~238.04~~ 235.03 (8), or 757.02 (5).

SECTION 85. 41.11 (1g) (b) (intro.) of the statutes is amended to read:

41.11 (1g) (b) (intro.) The department, in consultation with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, shall do all of the following for each economic development program administered by the department:

SECTION 86. 41.11 (1r) (a) of the statutes is amended to read:

41.11 (1r) (a) The department shall coordinate any economic development assistance with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 87. 41.11 (1r) (b) of the statutes is amended to read:

41.11 (1r) (b) Annually, no later than October 1, the department shall submit to the joint legislative audit committee and to the appropriate standing committees of the legislature under s. 13.172 (3) a comprehensive report assessing economic development programs, as defined in sub. (1g) (a), administered by the department. The report shall include all of the information required under s. ~~238.07~~ 235.016 (2). The department shall collaborate with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority to make readily accessible to the public on an Internet-based system the information required under this subsection.

SECTION 88. 41.60 (1) (c) of the statutes is amended to read:

41.60 (1) (c) “Nonprofit business development organization” means a housing and community development authority created under s. 66.1335 (1), redevelopment corporation, as defined in s. 66.1301 (3) (s), redevelopment authority created under s. 66.1333 (3), community development corporation, as defined in s. ~~234.94~~ 235.94 (2), or any nonprofit organization whose primary purpose is to promote the economic development of a particular area or region in the state.

SECTION 89. 45.31 (2) of the statutes is amended to read:

45.31 (2) “Authority” means the Forward Wisconsin Housing and Economic Development Authority.

SECTION 90. 45.34 (1) (a) 2. of the statutes is amended to read:

45.34 (1) (a) 2. A home and eligible rehabilitation of a home, as defined in s. ~~234.49~~ 235.49 (1) (d).

SECTION 91. 45.37 (6) (b) of the statutes is amended to read:

45.37 (6) (b) Loans made under this section may be purchased by the authority from the veterans housing loan fund under s. ~~234.41~~ 235.41. All receipts of interest, except amounts retained as servicing fees by the authorized lenders servicing the loans purchased by the authority, and principal on the loans, payments of losses by insurers not used for restoration of the property securing the loans, and any other collections, shall be deposited by the authority into the veterans housing bond redemption fund under s. ~~234.43~~ 235.43 and shall be disbursed from the fund as provided in s. 234.43 (2).

SECTION 92. 45.45 of the statutes is renumbered 235.26, and 235.26 (title), (1), (2), (3), (4) (intro.), (a), (b), (c) (intro.), 5. and 6. and (d) and (5) (a) and (b), as renumbered, are amended to read.

235.26 (title) **Grant to ~~VETransfer~~ Global Entrepreneurship Collective, Inc.**

(1) PAYMENT. ~~From the appropriation under s. 20.485 (2) (vm), the department~~ The authority shall pay \$500,000 to ~~VETransfer, Inc.~~ Global Entrepreneurship Collective, in fiscal year ~~2013-14~~ 2016-2017, subject to the requirements under subs. (2) to (5).

(2) GRANTS TO VETERAN-OWNED START-UP BUSINESSES. Of the moneys ~~VETransfer~~ Global Entrepreneurship Collective, Inc., receives under sub. (1), ~~VETransfer~~ Global Entrepreneurship Collective, Inc., shall grant at least \$300,000 to veterans who are residents of this state or to businesses owned by veterans who are residents of this state. A veteran or a veteran's business that is awarded a grant under this subsection

may use the grant only to pay for costs associated with the start-up of a business located in this state that the veteran owns.

(3) ~~VETERAN ENTREPRENEURSHIP TRAINING.~~ Of the moneys ~~VETransfer~~ Global Entrepreneurship Collective, Inc., receives under sub. (1), ~~VETransfer~~ Global Entrepreneurship Collective, Inc., may use up to \$200,000 to provide entrepreneurial training and related services to veterans who are residents of this state.

(4) ~~REPORTING REQUIREMENTS.~~ (intro.) Annually, by March 1, until 2018 or one year following the date established by the ~~department~~ authority under sub. (5) (a), ~~VETransfer~~ Global Entrepreneurship Collective, Inc., shall submit to the ~~secretary,~~ the governor, and the secretary of administration ~~authority and the secretary of veterans affairs~~ a report that includes all of the following:

(a) The most recent financial statement for ~~VETransfer~~ Global Entrepreneurship Collective, Inc.

(b) A detailed description of the criteria ~~VETransfer~~ Global Entrepreneurship Collective, Inc., used to determine who received a grant under sub. (2) during the previous year.

(c) (intro.) A verified statement describing in detail the grants ~~VETransfer~~ Global Entrepreneurship Collective, Inc., made under sub. (2), and the expenditures ~~VETransfer~~ Global Entrepreneurship Collective, Inc., made under sub. (3), during the previous year, signed by an independent certified public accountant and the director or principal officer of ~~VETransfer~~ Global Entrepreneurship Collective, Inc., to attest to the accuracy of the verified statement. The verified statement shall include all of the following concerning each award of a grant ~~VETransfer~~ Global Entrepreneurship Collective, Inc., made under sub. (2) during the previous year:

5. Any information the grant recipient submitted to VETransfer Global Entrepreneurship Collective, Inc., to apply for the grant.

6. The amount of the grant and the date VETransfer Global Entrepreneurship Collective, Inc., awarded the grant.

(d) A summary of all investments and grants of any kind that VETransfer Global Entrepreneurship Collective, Inc., made during the previous year.

(5) (a) Except as provided under par. (b), VETransfer Global Entrepreneurship Collective, Inc., may not expend any moneys it receives under sub. (1) after June 30, 2017, or a later date established by the department authority.

(b) VETransfer Global Entrepreneurship Collective, Inc., shall pay to the secretary of administration for deposit in the general fund any moneys it receives under sub. (1) but does not expend by June 30, 2017, or by a later date established by the department authority under par. (a).

SECTION 93. 46.28 (1) (a) of the statutes is amended to read:

46.28 (1) (a) "Authority" means the Forward Wisconsin Housing and Economic Development Authority created under ch. ~~234~~ 235.

SECTION 94. 46.28 (3) of the statutes is amended to read:

46.28 (3) The department may authorize the authority to issue revenue bonds under s. ~~234.61~~ 235.61 to finance any residential facility it approves under sub. (2).

SECTION 95. 46.28 (4) of the statutes is amended to read:

46.28 (4) The department may charge sponsors for administrative costs and expenses it incurs in exercising its powers and duties under this section and under s. ~~234.61~~ 235.61.

SECTION 96. 59.57 (1) (a) of the statutes is amended to read:

59.57 (1) (a) Subject to par. (b), the board may appropriate money for and create a county industrial development agency or to any nonprofit agency organized to engage or engaging in activities described in this paragraph, appoint an executive officer and provide a staff and facilities to promote and develop the resources of the county and of its component municipalities. To this end the agency may, without limitation because of enumeration, develop data regarding the industrial needs, advantages and sites in the county, acquaint the purchaser with the products of the county by promotional activities, coordinate its work with that of the county planning commission, the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, and private credit development corporations, and do all things necessary to provide for the continued improvement of the industrial climate of the county.

SECTION 97. 60.23 (4) (c) of the statutes is amended to read:

60.23 (4) (c) Coordinate its activities with the county planning commission, the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, and private credit development organizations.

SECTION 98. 66.1015 (2) (intro.) of the statutes is amended to read:

66.1015 (2) (intro.) This section does not prohibit a city, village, town, county, or housing authority or the Forward Wisconsin Housing and Economic Development Authority from doing any of the following:

SECTION 99. 66.1103 (4m) (a) 1. of the statutes is amended to read:

66.1103 (4m) (a) 1. The person, at least 30 days prior to entering into the revenue agreement, has given a notice of intent to enter into the agreement, on a form prescribed under s. ~~238.11~~ 235.11 (1), to the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority and to any collective

bargaining agent in this state with whom the person has a collective bargaining agreement.

SECTION 100. 66.1103 (4m) (a) 2. of the statutes is amended to read:

66.1103 (4m) (a) 2. The municipality or county has received an estimate issued under s. ~~238.11~~ 235.11 (5), and the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority has estimated whether the project which the municipality or county would finance under the revenue agreement is expected to eliminate, create, or maintain jobs on the project site and elsewhere in this state and the net number of jobs expected to be eliminated, created, or maintained as a result of the project.

SECTION 101. 66.1103 (4m) (b) of the statutes is amended to read:

66.1103 (4m) (b) Any revenue agreement which an eligible participant enters into with a municipality or county to finance a project shall require the eligible participant to submit to the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority within 12 months after the project is completed or 2 years after a revenue bond is issued to finance the project, whichever is sooner, on a form prescribed under s. ~~238.11~~ 235.11 (1), the net number of jobs eliminated, created, or maintained on the project site and elsewhere in this state as a result of the project.

SECTION 102. 66.1103 (4s) (a) 1. of the statutes is amended to read:

66.1103 (4s) (a) 1. “Corporation” “Authority” means the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 103. 66.1103 (4s) (b) 3. of the statutes is amended to read:

66.1103 (4s) (b) 3. The employer shall certify compliance with this subsection to the ~~corporation~~ authority, to the governing body of each municipality or county

within which a lost job exists and to any collective bargaining agent in this state with which the employer has a collective bargaining agreement at the project site or at a site where a lost job exists.

SECTION 104. 66.1103 (4s) (b) 4. of the statutes is amended to read:

66.1103 (4s) (b) 4. The employer shall submit a report to the ~~corporation~~ authority every 3 months during the first year after the construction of the project is completed. The reports shall provide information about new jobs, lost jobs, and offers of employment made to persons who were formerly employed at lost jobs. The 4th report shall be the final report. The form and content of the reports shall be prescribed by the ~~corporation~~ authority under par. (d).

SECTION 105. 66.1103 (4s) (d) of the statutes is amended to read:

66.1103 (4s) (d) The ~~corporation~~ authority shall administer this subsection and shall prescribe forms for certification and reports under par. (b).

SECTION 106. 66.1103 (10) (c) of the statutes is amended to read:

66.1103 (10) (c) A copy of the initial resolution together with a statement indicating when the public notice required under par. (b) was published shall be filed with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority within 20 days following publication of notice. Prior to the closing of the bond issue, the ~~corporation~~ authority may require additional information from the eligible participant or the municipality or county. After the closing of the bond issue, the ~~corporation~~ authority shall be notified of the closing date, any substantive changes made to documents previously filed with the ~~corporation~~ authority, and the principal amount of the financing.

SECTION 107. 66.1103 (10) (g) of the statutes is amended to read:

66.1103 (10) (g) Bonds may not be issued unless prior to adoption of an initial resolution a document which provides a good faith estimate of attorney fees which will be paid from bond proceeds is filed with the clerk of the municipality or county and the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 108. 66.1107 (2) (a) of the statutes is amended to read:

66.1107 (2) (a) Holding of a public hearing by the planning commission or by the local governing body at which interested parties are afforded a reasonable opportunity to express their views on the proposed designation and boundaries of a reinvestment neighborhood or area. Notice of the hearing shall be published as a class 2 notice, under ch. 985. Before publication, a copy of the notice shall be sent by 1st class mail to the Forward Wisconsin Housing and Economic Development Authority, and a copy shall be posted in each school building and in at least 3 other places of public assembly within the reinvestment neighborhood or area proposed to be designated.

SECTION 109. 66.1201 (16) (a) of the statutes is amended to read:

66.1201 (16) (a) In this subsection, "government" includes the Forward Wisconsin Housing and Economic Development Authority.

SECTION 110. 66.1205 (3) of the statutes is amended to read:

66.1205 (3) Subsection (1) (a) and (c) does not apply in the case of housing projects to the financing of which the Forward Wisconsin Housing and Economic Development Authority is a party, as to which ch. 234 ~~235~~ shall be controlling.

SECTION 111. 66.1213 (7) (b) of the statutes is amended to read:

66.1213 (7) (b) As set down by the Forward Wisconsin Housing and Economic Development Authority in accordance with ch. 234 ~~235~~ in the case of housing projects to the financing of which it is a party.

SECTION 112. 70.11 (4b) (b) of the statutes is amended to read:

70.11 (4b) (b) It is financed by the Housing and Economic Development Authority under s. 234.03 (13), 2013 stats.

SECTION 113. 70.11 (4b) (c) of the statutes is amended to read:

70.11 (4b) (c) The ~~Housing and Economic~~ Forward Wisconsin Development Authority holds a first-lien mortgage security interest on it.

SECTION 114. 70.11 (38r) of the statutes is amended to read:

70.11 (38r) ~~ECONOMIC DEVELOPMENT CORPORATION~~ FORWARD AUTHORITY. All property owned by the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, provided that use of the property is primarily related to the purposes of the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 115. 71.05 (1) (c) 1. of the statutes is amended to read:

71.05 (1) (c) 1. The Wisconsin Housing and Economic Development Authority under s. 234.65, 2013 stats., if the bonds are used to fund an economic development loan to finance construction, renovation, or development of property that would be exempt under s. 70.11 (36).

SECTION 116. 71.05 (1) (c) 1m. of the statutes is amended to read:

71.05 (1) (c) 1m. The Wisconsin Housing and Economic Development Authority under s. 234.08, 2013 stats., or s. 234.61, 2013 stats., on or after January 1, 2004, or the Forward Wisconsin Development Authority under s. 235.609 or 235.61, if the

bonds or notes are issued to fund multifamily affordable housing projects or elderly housing projects.

SECTION 117. 71.05 (1) (c) 10. a. of the statutes is amended to read:

71.05 (1) (c) 10. a. The bonds or notes are used to fund multifamily affordable housing projects or elderly housing projects in this state, and the Forward Wisconsin Housing and Economic Development Authority has the authority to issue its bonds or notes for the project being funded.

SECTION 118. 71.05 (1) (c) 12. of the statutes is amended to read:

71.05 (1) (c) 12. The Forward Wisconsin Housing and Economic Development Authority, if the bonds or notes are issued to provide loans to a public affairs network under s. 234.75 (4), 2013 stats., or s. 235.75 (4).

SECTION 119. 71.07 (2dm) (a) 1. of the statutes is amended to read:

71.07 (2dm) (a) 1. “Certified” means entitled under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 235.395 (5), 235.398 (5), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (5), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

SECTION 120. 71.07 (2dm) (a) 3. of the statutes is amended to read:

71.07 (2dm) (a) 3. “Development zone” means a development opportunity zone under s. 235.395 (1) (e) and (f) or 235.398 or s. 238.395 (1) (e) and (f), 2013 stats., or s. 238.398, 2013 stats., or s. 560.795 (1) (e) and (f), 2009 stats., or s. 560.798, 2009 stats., or an airport development zone under s. 235.3995 or s. 238.3995, 2013 stats., or s. 560.7995, 2009 stats.

SECTION 121. 71.07 (2dm) (a) 4. of the statutes is amended to read:

71.07 (2dm) (a) 4. “Previously owned property” means real property that the claimant or a related person owned during the 2 years prior to the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority designating the place where the property is located as a development zone and for which the claimant may not deduct a loss from the sale of the property to, or an exchange of the property with, the related person under section 267 of the Internal Revenue Code, except that section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns any part of the property, rather than 50% ownership, the claimant is subject to section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

SECTION 122. 71.07 (2dm) (f) 1. of the statutes is amended to read:

71.07 (2dm) (f) 1. A copy of the verification that the claimant may claim tax benefits under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., or is certified under s. 235.395 (5), 235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

SECTION 123. 71.07 (2dm) (f) 2. of the statutes is amended to read:

71.07 (2dm) (f) 2. A statement from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority verifying the purchase price of the investment and verifying that the investment fulfills the requirements under par. (b).

SECTION 124. 71.07 (2dm) (i) of the statutes is amended to read:

71.07 (2dm) (i) Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, that credit shall be determined on the basis of their economic

activity, not that of their shareholders, partners, or members. The corporation, partnership, or limited liability company shall compute the amount of credit that may be claimed by each of its shareholders, partners, or members and provide that information to its shareholders, partners, or members. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit based on the partnership's, company's, or corporation's activities in proportion to their ownership interest and may offset it against the tax attributable to their income from the partnership's, company's, or corporation's business operations in the development zone; except that partners, members, and shareholders in a development zone under s. 235.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., may offset the credit against the amount of the tax attributable to their income.

SECTION 125. 71.07 (2dm) (j) of the statutes is amended to read:

71.07 **(2dm)** (j) If a person who is entitled under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits, or if a person's certification under s. 235.395 (5), 235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is revoked, that person may claim no credits under this subsection for the taxable year that includes the day on which the person becomes ineligible for tax benefits, the taxable year that includes the day on which the certification is revoked, or succeeding taxable years, and that person may carry over no unused credits from previous years to offset tax under this chapter for the taxable year that includes the day on which the person becomes ineligible for tax benefits,

the taxable year that includes the day on which the certification is revoked, or succeeding taxable years.

SECTION 126. 71.07 (2dm) (k) of the statutes is amended to read:

71.07 **(2dm)** (k) If a person who is entitled under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 235.395 (5), 235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone during any of the taxable years that that zone exists, that person may not carry over to any taxable year following the year during which operations cease any unused credits from the taxable year during which operations cease or from previous taxable years.

SECTION 127. 71.07 (2dx) (a) 2. of the statutes is amended to read:

71.07 **(2dx)** (a) 2. “Development zone” means a development zone under s. 235.30 or s. 238.30, 2013 stats., or s. 560.70, 2009 stats., a development opportunity zone under s. 235.395 or s. 238.395, 2013 stats., or s. 560.795, 2009 stats., an enterprise development zone under s. 235.397 or s. 238.397, 2013 stats., or s. 560.797, 2009 stats., an agricultural development zone under s. 235.398 or s. 238.398, 2013 stats., or s. 560.798, 2009 stats., or an airport development zone under s. 235.3995 or s. 238.3995, 2013 stats., or s. 560.7995, 2009 stats.

SECTION 128. 71.07 (2dx) (a) 4. of the statutes is amended to read:

71.07 **(2dx)** (a) 4. “Full-time job” has the meaning given in s. ~~238.30~~ 235.30 (2m).

SECTION 129. 71.07 (2dx) (b) (intro.), 2., 3., 4. and 5. of the statutes are amended to read:

71.07 (2dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and in s. 73.03 (35), and subject to s. 235.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., for any taxable year for which the person is entitled under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 235.365 (3), 235.397 (4), 235.398 (3), or 235.3995 or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against the taxes otherwise due under this chapter the following amounts:

2. The amount determined by multiplying the amount determined under s. 235.385 (1) (b) or s. 238.385 (1) (b), 2013 stats., or s. 560.785 (1) (b), 2009 stats., by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

3. The amount determined by multiplying the amount determined under s. 235.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009 stats., by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

4. The amount determined by multiplying the amount determined under s. 235.385 (1) (bm) or s. 238.385 (1) (bm), 2013 stats., or s. 560.785 (1) (bm), 2009 stats., by the number of full-time jobs retained, as provided ~~in the rules under s. 235.385 or s. 238.385, 2013 stats.~~, or s. 560.785, 2009 stats., ~~excluding jobs for which a credit has been claimed under sub. (2dj),~~ in an enterprise development zone under s. 235.397 or s. 238.397, 2013 stats., or s. 560.797, 2009 stats., and for which significant

capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

****NOTE: This is reconciled s. 71.07 (2dx) (b) 4. This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

5. The amount determined by multiplying the amount determined under s. 235.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009 stats., by the number of full-time jobs retained, as provided ~~in the rules under s. 235.385 or s. 238.385, 2013 stats.~~, or s. 560.785, 2009 stats., ~~excluding jobs for which a credit has been claimed under sub. (2dj),~~ in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

****NOTE: This is reconciled s. 71.07 (2dx) (b) 5. This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 130. 71.07 (2dx) (be) of the statutes is amended to read:

71.07 **(2dx)** (be) *Offset.* A claimant in a development zone under s. 235.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this subsection, including any credits carried over, against the amount of the tax otherwise due under this subchapter attributable to all of the claimant's income and against the tax attributable to income from directly related business operations of the claimant.

SECTION 131. 71.07 (2dx) (bg) of the statutes is amended to read:

71.07 **(2dx)** (bg) *Other entities.* For claimants in a development zone under s. 235.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and amount of, that credit shall be determined on the basis of their economic activity, not that of their

shareholders, partners, or members. The corporation, partnership, or company shall compute the amount of the credit that may be claimed by each of its shareholders, partners, or members and shall provide that information to each of its shareholders, partners, or members. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit based on the partnership's, company's, or corporation's activities in proportion to their ownership interest and may offset it against the tax attributable to their income.

SECTION 132. 71.07 (2dx) (c) of the statutes is amended to read:

71.07 (2dx) (c) *Credit precluded.* If the certification of a person for tax benefits under s. 235.365 (3), 235.397 (4), 235.398 (3), or 235.3995 (4) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., that person may not claim credits under this subsection for the taxable year that includes the day on which the certification is revoked; the taxable year that includes the day on which the person becomes ineligible for tax benefits; or succeeding taxable years and that person may not carry over unused credits from previous years to offset tax under this chapter for the taxable year that includes the day on which certification is revoked; the taxable year that includes the day on which the person becomes ineligible for tax benefits; or succeeding taxable years.

SECTION 133. 71.07 (2dx) (d) of the statutes is amended to read:

71.07 (2dx) (d) *Carry-over precluded.* If a person who is entitled under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 235.365 (3), 235.397 (4), 235.398 (4), or 235.3995 (4) or

s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for tax benefits ceases business operations in the development zone during any of the taxable years that that zone exists, that person may not carry over to any taxable year following the year during which operations cease any unused credits from the taxable year during which operations cease or from previous taxable years.

SECTION 134. 71.07 (2dy) (a) of the statutes is amended to read:

71.07 (2dy) (a) *Definition.* In this subsection, “claimant” means a person who files a claim under this subsection and is certified under s. 235.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and authorized to claim tax benefits under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

SECTION 135. 71.07 (2dy) (b) of the statutes is amended to read:

71.07 (2dy) (b) *Filing claims.* Subject to the limitations under this subsection and ss. 235.301 to 235.306 or ss. 238.301 to 238.306, 2013 stats., or ss. 560.701 to 560.706, 2009 stats., for taxable years beginning after December 31, 2008, and before January 1, 2016, a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08, up to the amount of the tax, the amount authorized for the claimant under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

***NOTE: This is reconciled s. 71.07 (2dy) (b). This SECTION has been affected by drafts with the following LRB numbers: -0997/P3 and -1215/P2.

SECTION 136. 71.07 (2dy) (c) 1. of the statutes is amended to read:

71.07 (2dy) (c) 1. No credit may be allowed under this subsection unless the claimant includes with the claimant’s return a copy of the claimant’s certification under s. 235.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and

a copy of the claimant's notice of eligibility to receive tax benefits under s. 235.303 (3) or s. 238.303 (3), 2013 stats., or s. 560.703 (3), 2009 stats.

SECTION 137. 71.07 (2dy) (c) 2. of the statutes is amended to read:

71.07 (2dy) (c) 2. Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, the credit are based on their authorization to claim tax benefits under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats. A partnership, limited liability company, or tax-option corporation shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interests.

SECTION 138. 71.07 (2dy) (d) 2. of the statutes is amended to read:

71.07 (2dy) (d) 2. If a claimant's certification is revoked under s. 235.305 or s. 238.305, 2013 stats., or s. 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s. 235.302 or s. 238.302, 2013 stats., or s. 560.702, 2009 stats., the claimant may not claim credits under this subsection for the taxable year that includes the day on which the certification is revoked; the taxable year that includes the day on which the claimant becomes ineligible for tax benefits; or succeeding taxable years and the claimant may not carry over unused credits from previous years to offset the tax imposed under s. 71.02 or 71.08 for the taxable year that includes the day on which certification is revoked; the taxable year that includes the day on which the claimant becomes ineligible for tax benefits; or succeeding taxable years.

SECTION 139. 71.07 (3g) (a) (intro.) of the statutes is amended to read:

71.07 (3g) (a) (intro.) Subject to the limitations under this subsection and ss. 73.03 (35m) and 235.23 and s. 238.23, 2013 stats., and s. 560.96, 2009 stats., a business that is certified under s. 235.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes imposed under s. 71.02 an amount equal to the sum of the following, as established under s. 235.23 (3) (c) or s. 238.23 (3) (c), 2013 stats., or s. 560.96 (3) (c), 2009 stats.:

SECTION 140. 71.07 (3g) (b) of the statutes is amended to read:

71.07 (3g) (b) The department of revenue shall notify the ~~department of commerce or the Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority of all claims under this subsection.

SECTION 141. 71.07 (3g) (e) 2. of the statutes is amended to read:

71.07 (3g) (e) 2. The investments that relate to the amount described under par. (a) 2. for which a claimant makes a claim under this subsection must be retained for use in the technology zone for the period during which the claimant's business is certified under s. 235.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats.

SECTION 142. 71.07 (3g) (f) 1. of the statutes is amended to read:

71.07 (3g) (f) 1. A copy of the verification that the claimant's business is certified under s. 235.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats., and that the business has entered into an agreement under s. 235.23 (3) (d) or s. 238.23 (3) (d), 2013 stats., or s. 560.96 (3) (d), 2009 stats.

SECTION 143. 71.07 (3g) (f) 2. of the statutes is amended to read:

71.07 (3g) (f) 2. A statement from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority verifying the purchase price of the investment described under par. (a) 2. and verifying that the investment fulfills the requirement under par. (e) 2.

SECTION 144. 71.07 (3q) (a) 1. of the statutes is amended to read:

71.07 (3q) (a) 1. “Claimant” means a person certified to receive tax benefits under s. 235.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009 stats.

SECTION 145. 71.07 (3q) (a) 2. of the statutes is amended to read:

71.07 (3q) (a) 2. “Eligible employee” means, for taxable years beginning before January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for taxable years beginning after December 31, 2010, an eligible employee under s. ~~238.16~~ 235.16 (1) (b) who satisfies the wage requirements under s. ~~238.16~~ 235.16 (3) (a) or (b).

SECTION 146. 71.07 (3q) (b) (intro.) of the statutes is amended to read:

71.07 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this subsection and s. 235.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats., for taxable years beginning after December 31, 2009, and before January 1, 2016, a claimant may claim as a credit against the taxes imposed under ss. 71.02 and 71.08 any of the following:

***NOTE: This is reconciled s. 71.07 (3q) (b) (intro.). This SECTION has been affected by drafts with the following LRB numbers: -0997/P3 and -1215/P2.

SECTION 147. 71.07 (3q) (b) 1. of the statutes is amended to read:

71.07 (3q) (b) 1. The amount of wages that the claimant paid to an eligible employee in the taxable year, not to exceed 10 percent of such wages, as determined by the Forward Wisconsin Development Authority under s. 235.16 or the Wisconsin Economic Development Corporation under s. 238.16, 2013 stats., or the department of commerce under s. 560.2055, 2009 stats.

SECTION 148. 71.07 (3q) (b) 2. of the statutes is amended to read:

71.07 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable year, as determined under s. 235.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats., to undertake the training activities described under s. 235.16 (3) (c) or s. 238.16 (3) (c), 2013 stats., or s. 560.2055 (3) (c), 2009 stats.

SECTION 149. 71.07 (3q) (c) 2. of the statutes is amended to read:

71.07 (3q) (c) 2. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification for tax benefits under s. 235.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009 stats.

SECTION 150. 71.07 (3q) (c) 3. of the statutes is amended to read:

71.07 (3q) (c) 3. The maximum amount of credits that may be awarded under this subsection and ss. 71.28 (3q) and 71.47 (3q) for the period beginning on January 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of any credits reallocated under s. 238.15 (3) (d), 2013 stats., or s. 560.205 (3) (d), 2009 stats.

SECTION 151. 71.07 (3w) (a) 2. of the statutes is amended to read:

71.07 (3w) (a) 2. "Claimant" means a person who is certified to claim tax benefits under s. 235.399 (5) or s. 238.399 (5), 2013 stats., or s. 560.799 (5), 2009 stats., and who files a claim under this subsection.

SECTION 152. 71.07 (3w) (a) 3. of the statutes is amended to read:

71.07 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined in s. 235.399 (1) (am) or s. 238.399 (1) (am), 2013 stats., or s. 560.799 (1) (am), 2009 stats.

SECTION 153. 71.07 (3w) (a) 4. of the statutes is amended to read:

71.07 (3w) (a) 4. “Enterprise zone” means a zone designated under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

SECTION 154. 71.07 (3w) (a) 5d. of the statutes is amended to read:

71.07 (3w) (a) 5d. “Tier I county or municipality” means a tier I county or municipality, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

SECTION 155. 71.07 (3w) (a) 5e. of the statutes is amended to read:

71.07 (3w) (a) 5e. “Tier II county or municipality” means a tier II county or municipality, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

SECTION 156. 71.07 (3w) (b) (intro.) of the statutes is amended to read:

71.07 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount calculated as follows:

SECTION 157. 71.07 (3w) (b) 5. of the statutes is amended to read:

71.07 (3w) (b) 5. Multiply the amount determined under subd. 4. by the percentage determined by under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not to exceed 7 percent.

SECTION 158. 71.07 (3w) (bm) 1. of the statutes is amended to read:

71.07 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and 4., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount equal to a percentage, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not

to exceed 100 percent, of the amount the claimant paid in the taxable year to upgrade or improve the job-related skills of any of the claimant's full-time employees, to train any of the claimant's full-time employees on the use of job-related new technologies, or to provide job-related training to any full-time employee whose employment with the claimant represents the employee's first full-time job. This subdivision does not apply to employees who do not work in an enterprise zone.

SECTION 159. 71.07 (3w) (bm) 2. of the statutes is amended to read:

71.07 (3w) (bm) 2. In addition to the credits under par. (b) and subs. 1., 3., and 4., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount equal to the percentage, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not to exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all of the claimant's full-time employees whose annual wages are greater than the amount determined by multiplying 2,080 by 150 percent of the federal minimum wage in a tier I county or municipality, not including the wages paid to the employees determined under par. (b) 1., or greater than \$30,000 in a tier II county or municipality, not including the wages paid to the employees determined under par. (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if the total number of such employees is equal to or greater than the total number of such employees in the base year. A claimant may claim a credit under this subdivision for no more than 5 consecutive taxable years.

SECTION 160. 71.07 (3w) (bm) 3. of the statutes is amended to read:

71.07 (3w) (bm) 3. In addition to the credits under par. (b) and subs. 1., 2., and 4., and subject to the limitations provided in this subsection and s. 235.399 or s.

238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 up to 10 percent of the claimant's significant capital expenditures, as determined under s. 235.399 (5m) or s. 238.399 (5m), 2013 stats., or s. 560.799 (5m), 2009 stats.

SECTION 161. 71.07 (3w) (bm) 4. of the statutes is amended to read:

71.07 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and 3., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08, up to 1 percent of the amount that the claimant paid in the taxable year to purchase tangible personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from Wisconsin vendors, as determined under s. 235.399 (5) (e) or s. 238.399 (5) (e), 2013 stats., or s. 560.799 (5) (e), 2009 stats., except that the claimant may not claim the credit under this subdivision and subd. 3. for the same expenditures.

SECTION 162. 71.07 (3w) (c) 3. of the statutes is amended to read:

71.07 (3w) (c) 3. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification for tax benefits under s. 235.399 (5) or (5m) or s. 238.399 (5) or (5m), 2013 stats., or s. 560.799 (5) or (5m), 2009 stats.

SECTION 163. 71.07 (3w) (d) of the statutes is amended to read:

71.07 (3w) (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall include with their returns a copy of their certification for tax benefits, and a copy of

the verification of their expenses, from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority.

SECTION 164. 71.07 (5b) (a) 2. of the statutes is amended to read:

71.07 (5b) (a) 2. “Fund manager” means an investment fund manager certified under s. 235.15 (2) or s. 238.15 (2), 2013 stats., or s. 560.205 (2), 2009 stats.

SECTION 165. 71.07 (5b) (b) 1. of the statutes is amended to read:

71.07 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject to the limitations provided under this subsection and s. 235.15 or s. 238.15, 2013 stats., or s. 560.205, 2009 stats., and except as provided in subd. 2., a claimant may claim as a credit against the tax imposed under ss. 71.02 and 71.08, up to the amount of those taxes, 25 percent of the claimant’s investment paid to a fund manager that the fund manager invests in a business certified under s. 235.15 or s. 238.15 (1), 2013 stats., or s. 560.205 (1), 2009 stats.

SECTION 166. 71.07 (5b) (b) 2. of the statutes is amended to read:

71.07 (5b) (b) 2. In the case of a partnership, limited liability company, or tax-option corporation, the computation of the 25 percent limitation under subd. 1. shall be determined at the entity level rather than the claimant level and may be allocated among the claimants who make investments in the manner set forth in the entity’s organizational documents. The entity shall provide to the department of revenue and to the department of commerce ~~or the Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority the names and tax identification numbers of the claimants, the amounts of the credits allocated to the claimants, and the computation of the allocations.

SECTION 167. 71.07 (5b) (d) 3. of the statutes is amended to read:

71.07 (5b) (d) 3. Except as provided under s. ~~238.15~~ 235.15 (3) (d) (intro.), for investments made after December 31, 2007, if an investment for which a claimant claims a credit under par. (b) is held by the claimant for less than 3 years, the claimant shall pay to the department, in the manner prescribed by the department, the amount of the credit that the claimant received related to the investment.

SECTION 168. 71.07 (5d) (a) 1. (intro.) of the statutes, as affected by 2015 Wisconsin Act (this act), is amended to read:

71.07 (5d) (a) 1. (intro.) “Bona fide angel investment” means a purchase of an equity interest, or any other expenditure, as determined under s. 235.15 or s. ~~238.15~~, 2013 stats., or s. 560.205, 2009 stats., that is made by any of the following:

****NOTE: This is reconciled s. 71.07 (5d) (a) 1. (intro.). This SECTION has been affected by drafts with the following LRB numbers:-0365/P1, -0996/P2 and -1215/P2.

SECTION 169. 71.07 (5d) (a) 2m. of the statutes is amended to read:

71.07 (5d) (a) 2m. “Person” means a partnership or limited liability company that is a nonoperating entity, as determined by the ~~department of commerce or the Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, a natural person, or fiduciary.

SECTION 170. 71.07 (5d) (a) 3. of the statutes is amended to read:

71.07 (5d) (a) 3. “Qualified new business venture” means a business that is certified under s. 235.15 (1) or s. ~~238.15 (1)~~, 2013 stats., or s. 560.205 (1), 2009 stats.

SECTION 171. 71.07 (5d) (b) (intro.) of the statutes is amended to read:

71.07 (5d) (b) *Filing claims.* (intro.) Subject to the limitations provided in this subsection and in s. 235.15 or s. ~~238.15~~, 2013 stats., or s. 560.205, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08, up to the amount of those taxes, the following:

SECTION 172. 71.07 (5d) (b) 1. of the statutes is amended to read:

71.07 (5d) (b) 1. For taxable years beginning before January 1, 2008, in each taxable year for 2 consecutive years, beginning with the taxable year as certified by the department of commerce ~~or~~, the Wisconsin Economic Development Corporation, or the Forward Wisconsin Development Authority, an amount equal to 12.5 percent of the claimant's bona fide angel investment made directly in a qualified new business venture.

SECTION 173. 71.07 (5d) (b) 2. of the statutes is amended to read:

71.07 (5d) (b) 2. For taxable years beginning after December 31, 2007, for the taxable year certified by the department of commerce ~~or~~, the Wisconsin Economic Development Corporation, or the Forward Wisconsin Development Authority, an amount equal to 25 percent of the claimant's bona fide angel investment made directly in a qualified new business venture.

SECTION 174. 71.07 (5d) (c) 2. of the statutes is amended to read:

71.07 (5d) (c) 2. For taxable years beginning before January 1, 2008, the maximum amount of a claimant's investment that may be used as the basis for a credit under this subsection is \$2,000,000 for each investment made directly in a business certified under s. 235.15 (1) or s. 238.15 (1), 2013 stats., or s. 560.205 (1), 2009 stats.

SECTION 175. 71.07 (5d) (d) 1. of the statutes is amended to read:

71.07 (5d) (d) 1. Except as provided under s. ~~238.15~~ 235.15 (3) (d) (intro.), for investments made after December 31, 2007, if an investment for which a claimant claims a credit under par. (b) is held by the claimant for less than 3 years, the claimant shall pay to the department, in the manner prescribed by the department, the amount of the credit that the claimant received related to the investment.

SECTION 176. 71.07 (9m) (c) (intro.) of the statutes is amended to read:

71.07 **(9m)** (c) (intro.) No person may claim the credit under par. (a) 2m. unless the claimant includes with the claimant's return a copy of the claimant's certification under s. ~~238.17~~ 235.17. For certification purposes under s. ~~238.17~~ 235.17, the claimant shall provide to the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority all of the following:

SECTION 177. 71.26 (1) (be) of the statutes is amended to read:

71.26 **(1)** (be) *Certain authorities.* Income of the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, of the Fox River Navigational System Authority, of the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, and of the Wisconsin Aerospace Authority.

****NOTE: This is reconciled s. 71.26 (1) (be). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 178. 71.26 (1m) (e) of the statutes is amended to read:

71.26 **(1m)** (e) Those issued under s. 234.65, 2013 stats., to fund an economic development loan to finance construction, renovation or development of property that would be exempt under s. 70.11 (36).

SECTION 179. 71.26 (1m) (em) of the statutes is amended to read:

71.26 **(1m)** (em) Those issued under s. 234.08, 2013 stats., or s. 234.61, 2013 stats., on or after January 1, 2004, or the Forward Wisconsin Development Authority under s. 235.609 or 235.61, if the obligations are issued to fund multifamily affordable housing projects or elderly housing projects.

SECTION 180. 71.26 (1m) (k) 1. of the statutes is amended to read:

71.26 (1m) (k) 1. The bonds or notes are used to fund multifamily affordable housing projects or elderly housing projects in this state, and the Forward Wisconsin Housing and Economic Development Authority has the authority to issue its bonds or notes for the project being funded.

SECTION 181. 71.26 (1m) (m) of the statutes is amended to read:

71.26 (1m) (m) Those issued by the Forward Wisconsin Housing and Economic Development Authority to provide loans to a public affairs network under s. 235.75 (4) or s. 234.75 (4), 2013 stats.

SECTION 182. 71.28 (1) (a) of the statutes is amended to read:

71.28 (1) (a) Any corporation which contributes an amount to the community development finance authority under s. 233.03, 1985 stats., or to the housing and economic development authority under s. 234.03 (32), 2013 stats., or to the Forward Wisconsin Development Authority on behalf of the community development finance company under s. 235.95 and, in the same year, purchases common stock or partnership interests of the community development finance company issued under s. 233.05 (2), 1985 stats., or s. 234.95 (2), 2013 stats., or 235.95 in an amount no greater than the contribution to the authority may credit against taxes otherwise due an amount equal to 75% of the purchase price of the stock or partnership interests. The credit received under this paragraph may not exceed 75% of the contribution to the community development finance authority.

SECTION 183. 71.28 (1dm) (a) 1. of the statutes is amended to read:

71.28 (1dm) (a) 1. “Certified” means entitled under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 235.395 (5), 235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013

stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

SECTION 184. 71.28 (1dm) (a) 3. of the statutes is amended to read:

71.28 (1dm) (a) 3. “Development zone” means a development opportunity zone under s. 235.395 (1) (e) and (f) or 235.398 or s. 238.395 (1) (e) and (f), 2013 stats., or s. 238.398, 2013 stats., or s. 560.795 (1) (e) and (f), 2009 stats., or s. 560.798, 2009 stats., or an airport development zone under s. 235.3995 or s. 238.3995, 2013 stats., or s. 560.7995, 2009 stats.

SECTION 185. 71.28 (1dm) (a) 4. of the statutes is amended to read:

71.28 (1dm) (a) 4. “Previously owned property” means real property that the claimant or a related person owned during the 2 years prior to the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority designating the place where the property is located as a development zone and for which the claimant may not deduct a loss from the sale of the property to, or an exchange of the property with, the related person under section 267 of the Internal Revenue Code, except that section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns any part of the property, rather than 50% ownership, the claimant is subject to section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

SECTION 186. 71.28 (1dm) (f) 1. of the statutes is amended to read:

71.28 (1dm) (f) 1. A copy of the verification that the claimant may claim tax benefits under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., or is certified under s. 235.395 (5), 235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

SECTION 187. 71.28 (1dm) (f) 2. of the statutes is amended to read:

71.28 **(1dm)** (f) 2. A statement from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority verifying the purchase price of the investment and verifying that the investment fulfills the requirements under par. (b).

SECTION 188. 71.28 (1dm) (i) of the statutes is amended to read:

71.28 **(1dm)** (i) Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, that credit shall be determined on the basis of their economic activity, not that of their shareholders, partners, or members. The corporation, partnership, or limited liability company shall compute the amount of credit that may be claimed by each of its shareholders, partners, or members and provide that information to its shareholders, partners, or members. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit based on the partnership's, company's, or corporation's activities in proportion to their ownership interest and may offset it against the tax attributable to their income from the partnership's, company's, or corporation's business operations in the development zone; except that partners, members, and shareholders in a development zone under s. 235.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., may offset the credit against the amount of the tax attributable to their income.

SECTION 189. 71.28 (1dm) (j) of the statutes is amended to read:

71.28 **(1dm)** (j) If a person who is entitled under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits, or if a person's certification under s. 235.395 (5),

235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is revoked, that person may claim no credits under this subsection for the taxable year that includes the day on which the person becomes ineligible for tax benefits, the taxable year that includes the day on which the certification is revoked, or succeeding taxable years, and that person may carry over no unused credits from previous years to offset tax under this chapter for the taxable year that includes the day on which the person becomes ineligible for tax benefits, the taxable year that includes the day on which the certification is revoked, or succeeding taxable years.

SECTION 190. 71.28 (1dm) (k) of the statutes is amended to read:

71.28 **(1dm)** (k) If a person who is entitled under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 235.395 (5), 235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone during any of the taxable years that that zone exists, that person may not carry over to any taxable year following the year during which operations cease any unused credits from the taxable year during which operations cease or from previous taxable years.

SECTION 191. 71.28 (1dx) (a) 2. of the statutes is amended to read:

71.28 **(1dx)** (a) 2. “Development zone” means a development zone under s. 235.30 or s. 238.30, 2013 stats., or s. 560.70, 2009 stats., a development opportunity zone under s. 235.395 or s. 238.395, 2013 stats., or s. 560.795, 2009 stats., an enterprise development zone under s. 235.397 or s. 238.397, 2013 stats., or s.

560.797, 2009 stats., an agricultural development zone under s. 235.398 or s. 238.398, 2013 stats., or s. 560.798, 2009 stats., or an airport development zone under s. 235.3995 or s. 238.3995, 2013 stats., or s. 560.7995, 2009 stats.

SECTION 192. 71.28 (1dx) (a) 4. of the statutes is amended to read:

71.28 (1dx) (a) 4. “Full-time job” has the meaning given in s. ~~238.30~~ 235.30 (2m).

SECTION 193. 71.28 (1dx) (b) (intro.) of the statutes is amended to read:

71.28 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and in s. 73.03 (35), and subject to s. 235.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., for any taxable year for which the person is entitled under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 235.365 (3), 235.397 (4), 235.398 (3), or 235.3995 (4) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against the taxes otherwise due under this chapter the following amounts:

SECTION 194. 71.28 (1dx) (b) 2. of the statutes is amended to read:

71.28 (1dx) (b) 2. The amount determined by multiplying the amount determined under s. 235.385 (1) (b) or s. 238.385 (1) (b), 2013 stats., or s. 560.785 (1) (b), 2009 stats., by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

SECTION 195. 71.28 (1dx) (b) 3. of the statutes is amended to read:

71.28 (1dx) (b) 3. The amount determined by multiplying the amount determined under s. 235.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1)

(c), 2009 stats., by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

SECTION 196. 71.28 (1dx) (b) 4. of the statutes is amended to read:

71.28 (1dx) (b) 4. The amount determined by multiplying the amount determined under s. 235.385 (1) (bm) or s. 238.385 (1) (bm), 2013 stats., or s. 560.785 (1) (bm), 2009 stats., by the number of full-time jobs retained, as provided in the rules under s. 235.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., ~~excluding jobs for which a credit has been claimed under sub. (1dj),~~ in an enterprise development zone under s. 235.397 or s. 238.397, 2013 stats., or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

***NOTE: This is reconciled s. 71.28 (1dx) (b) 4. This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 197. 71.28 (1dx) (b) 5. of the statutes is amended to read:

71.28 (1dx) (b) 5. The amount determined by multiplying the amount determined under s. 235.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009 stats., by the number of full-time jobs retained, as provided in the rules under s. 235.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., ~~excluding jobs for which a credit has been claimed under sub. (1dj),~~ in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

***NOTE: This is reconciled s. 71.28 (1dx) (b) 5. This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 198. 71.28 (1dx) (be) of the statutes is amended to read:

71.28 (1dx) (be) *Offset*. A claimant in a development zone under s. 235.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this subsection, including any credits carried over, against the amount of the tax otherwise due under this subchapter attributable to all of the claimant's income and against the tax attributable to income from directly related business operations of the claimant.

SECTION 199. 71.28 (1dx) (bg) of the statutes is amended to read:

71.28 (1dx) (bg) *Other entities*. For claimants in a development zone under s. 235.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and amount of, that credit shall be determined on the basis of their economic activity, not that of their shareholders, partners, or members. The corporation, partnership, or company shall compute the amount of the credit that may be claimed by each of its shareholders, partners, or members and shall provide that information to each of its shareholders, partners, or members. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit based on the partnership's, company's, or corporation's activities in proportion to their ownership interest and may offset it against the tax attributable to their income.

SECTION 200. 71.28 (1dx) (c) of the statutes is amended to read:

71.28 (1dx) (c) *Credit precluded*. If the certification of a person for tax benefits under s. 235.365 (3), 235.397 (4), 235.398 (3), or 235.3995 (4) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is revoked, or if the person becomes ineligible

for tax benefits under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., that person may not claim credits under this subsection for the taxable year that includes the day on which the certification is revoked; the taxable year that includes the day on which the person becomes ineligible for tax benefits; or succeeding taxable years and that person may not carry over unused credits from previous years to offset tax under this chapter for the taxable year that includes the day on which certification is revoked; the taxable year that includes the day on which the person becomes ineligible for tax benefits; or succeeding taxable years.

SECTION 201. 71.28 (1dx) (d) of the statutes is amended to read:

71.28 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 235.365 (3), 235.397 (4), 235.398 (3), or 235.3995 (4) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for tax benefits ceases business operations in the development zone during any of the taxable years that that zone exists, that person may not carry over to any taxable year following the year during which operations cease any unused credits from the taxable year during which operations cease or from previous taxable years.

SECTION 202. 71.28 (1dy) (a) of the statutes is amended to read:

71.28 (1dy) (a) *Definition.* In this subsection, “claimant” means a person who files a claim under this subsection and is certified under s. 235.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and authorized to claim tax benefits under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

SECTION 203. 71.28 (1dy) (b) of the statutes is amended to read:

71.28 (1dy) (b) *Filing claims.* Subject to the limitations under this subsection and ss. 235.301 to 235.306 or ss. 238.301 to 238.306, 2013 stats., or s. ss. 560.701 to 560.706, 2009 stats., for taxable years beginning after December 31, 2008, and before January 1, 2016, a claimant may claim as a credit against the tax imposed under s. 71.23, up to the amount of the tax, the amount authorized for the claimant under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

****NOTE: This is reconciled s. 71.28 (1dy) (b). This SECTION has been affected by drafts with the following LRB numbers: -0997/P3 and -1215/P2.

SECTION 204. 71.28 (1dy) (c) 1. of the statutes is amended to read:

71.28 (1dy) (c) 1. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification under s. 235.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice of eligibility to receive tax benefits under s. 235.303 (3) or s. 238.303 (3), 2013 stats., or s. 560.703 (3), 2009 stats.

SECTION 205. 71.28 (1dy) (c) 2. of the statutes is amended to read:

71.28 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, the credit are based on their authorization to claim tax benefits under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats. A partnership, limited liability company, or tax-option corporation shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interests.

SECTION 206. 71.28 (1dy) (d) 2. of the statutes is amended to read:

71.28 (1dy) (d) 2. If a claimant's certification is revoked under s. 235.305 or s. 238.305, 2013 stats., or s. 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s. 235.302 or s. 238.302, 2013 stats., or s. 560.702, 2009 stats., the claimant may not claim credits under this subsection for the taxable year that includes the day on which the certification is revoked; the taxable year that includes the day on which the claimant becomes ineligible for tax benefits; or succeeding taxable years and the claimant may not carry over unused credits from previous years to offset the tax imposed under s. 71.23 for the taxable year that includes the day on which certification is revoked; the taxable year that includes the day on which the claimant becomes ineligible for tax benefits; or succeeding taxable years.

SECTION 207. 71.28 (3g) (a) (intro.) of the statutes is amended to read:

71.28 (3g) (a) (intro.) Subject to the limitations under this subsection and ss. 73.03 (35m) and 235.23 and s. 238.23, 2013 stats., and s. 560.96, 2009 stats., a business that is certified under s. 235.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes imposed under s. 71.23 an amount equal to the sum of the following, as established under s. 235.23 (3) (c) or s. 238.23 (3) (c), 2013 stats., or s. 560.96 (3) (c), 2009 stats.:

SECTION 208. 71.28 (3g) (b) of the statutes is amended to read:

71.28 (3g) (b) The department of revenue shall notify the ~~department of commerce or the Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority of all claims under this subsection.

SECTION 209. 71.28 (3g) (e) 2. of the statutes is amended to read:

71.28 (3g) (e) 2. The investments that relate to the amount described under par. (a) 2. for which a claimant makes a claim under this subsection must be retained for

use in the technology zone for the period during which the claimant's business is certified under s. 235.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats.

SECTION 210. 71.28 (3g) (f) 1. of the statutes is amended to read:

71.28 (3g) (f) 1. A copy of the verification that the claimant's business is certified under s. 235.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats., and that the business has entered into an agreement under s. 235.23 (3) (d) or s. 238.23 (3) (d), 2013 stats., or s. 560.96 (3) (d), 2009 stats.

SECTION 211. 71.28 (3g) (f) 2. of the statutes is amended to read:

71.28 (3g) (f) 2. A statement from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority verifying the purchase price of the investment described under par. (a) 2. and verifying that the investment fulfills the requirement under par. (e) 2.

SECTION 212. 71.28 (3q) (a) 1. of the statutes is amended to read:

71.28 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits under s. 235.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009 stats.

SECTION 213. 71.28 (3q) (a) 2. of the statutes is amended to read:

71.28 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for taxable years beginning after December 31, 2010, an eligible employee under s. 235.16 (1) (b) or s. 238.16 (1) (b), 2013 stats., who satisfies the wage requirements under s. 235.16 (3) (a) or (b) or s. 238.16 (3) (a) or (b), 2013 stats.

SECTION 214. 71.28 (3q) (b) of the statutes is amended to read:

71.28 (3q) (b) *Filing claims.* Subject to the limitations provided in this subsection and s. 235.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats., for

taxable years beginning after December 31, 2009, and before January 1, 2016, a claimant may claim as a credit against the taxes imposed under s. 71.23 any of the following:

****NOTE: This is reconciled s. 71.28 (3q) (b) (intro.). This SECTION has been affected by drafts with the following LRB numbers: -0997/P3 and -1215/P2.

1. The amount of wages that the claimant paid to an eligible employee in the taxable year, not to exceed 10 percent of such wages, as determined under s. 235.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats.

2. The amount of the costs incurred by the claimant in the taxable year, as determined under s. 235.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats., to undertake the training activities described under s. 235.16 (3) (c) or s. 238.16 (3) (c), 2013 stats., or s. 560.2055 (3) (c), 2009 stats.

SECTION 215. 71.28 (3q) (c) 2. of the statutes is amended to read:

71.28 (3q) (c) 2. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification for tax benefits under s. 235.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009 stats.

SECTION 216. 71.28 (3q) (c) 3. of the statutes is amended to read:

71.28 (3q) (c) 3. The maximum amount of credits that may be awarded under this subsection and ss. 71.07 (3q) and 71.47 (3q) for the period beginning on January 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of any credits reallocated under 235.15 (3) (d) or s. 238.15 (3) (d), 2013 stats., or s. 560.205 (3) (d), 2009 stats.

SECTION 217. 71.28 (3w) (a) 2. of the statutes is amended to read:

71.28 (3w) (a) 2. "Claimant" means a person who is certified to claim tax benefits under s. 235.399 (5) or s. 238.399 (5), 2013 stats., or s. 560.799 (5), 2009 stats., and who files a claim under this subsection.

SECTION 218. 71.28 (3w) (a) 3. of the statutes is amended to read:

71.28 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined in s. 235.399 (1) (am) or s. 238.399 (1) (am), 2013 stats., or s. 560.799 (1) (am), 2009 stats.

SECTION 219. 71.28 (3w) (a) 4. of the statutes is amended to read:

71.28 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

SECTION 220. 71.28 (3w) (a) 5d. of the statutes is amended to read:

71.28 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or municipality, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

SECTION 221. 71.28 (3w) (a) 5e. of the statutes is amended to read:

71.28 (3w) (a) 5e. "Tier II county or municipality" means a tier II county or municipality, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

SECTION 222. 71.28 (3w) (b) (intro.) of the statutes is amended to read:

71.28 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.23 an amount calculated as follows:

SECTION 223. 71.28 (3w) (b) 5. of the statutes is amended to read:

71.28 (3w) (b) 5. Multiply the amount determined under subd. 4. by the percentage determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not to exceed 7 percent.

SECTION 224. 71.28 (3w) (bm) 1. of the statutes is amended to read:

71.28 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and 4., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.23 an amount equal to a percentage, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not to exceed 100 percent, of the amount the claimant paid in the taxable year to upgrade or improve the job-related skills of any of the claimant's full-time employees, to train any of the claimant's full-time employees on the use of job-related new technologies, or to provide job-related training to any full-time employee whose employment with the claimant represents the employee's first full-time job. This subdivision does not apply to employees who do not work in an enterprise zone.

SECTION 225. 71.28 (3w) (bm) 2. of the statutes is amended to read:

71.28 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and 4., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.23 an amount equal to the percentage, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not to exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all of the claimant's full-time employees whose annual wages are greater than the amount determined by multiplying 2,080 by 150 percent of the federal minimum wage in a tier I county or municipality, not including the wages paid to the employees

determined under par. (b) 1., or greater than \$30,000 in a tier II county or municipality, not including the wages paid to the employees determined under par. (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if the total number of such employees is equal to or greater than the total number of such employees in the base year. A claimant may claim a credit under this subdivision for no more than 5 consecutive taxable years.

SECTION 226. 71.28 (3w) (bm) 3. of the statutes is amended to read:

71.28 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and 4., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant may claim as a credit against the tax imposed under s. 71.23 up to 10 percent of the claimant's significant capital expenditures, as determined under s. 235.399 (5m) or s. 238.399 (5m), 2013 stats., or s. 560.799 (5m), 2009 stats.

SECTION 227. 71.28 (3w) (bm) 4. of the statutes is amended to read:

71.28 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and 3., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant may claim as a credit against the tax imposed under s. 71.23, up to 1 percent of the amount that the claimant paid in the taxable year to purchase tangible personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from Wisconsin vendors, as determined under s. 235.399 (5) (e) or s. 238.399 (5) (e), 2013 stats., or s. 560.799 (5) (e), 2009 stats., except that the claimant may not claim the credit under this subdivision and subd. 3. for the same expenditures.

SECTION 228. 71.28 (3w) (c) 3. of the statutes is amended to read:

71.28 (3w) (c) 3. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification for tax benefits under s. 235.399 (5) or (5m) or s. 238.399 (5) or (5m), 2013 stats., or s. 560.799 (5) or (5m), 2009 stats.

SECTION 229. 71.28 (3w) (d) of the statutes is amended to read:

71.28 (3w) (d) *Administration.* Subsection (4) (g) and (h), as it applies to the credit under sub. (4), applies to the credit under this subsection. Claimants shall include with their returns a copy of their certification for tax benefits, and a copy of the verification of their expenses, from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority.

SECTION 230. 71.28 (4) (am) 1. of the statutes is amended to read:

71.28 (4) (am) 1. In addition to the credit under par. (ad), any corporation may credit against taxes otherwise due under this chapter an amount equal to 5 percent of the amount obtained by subtracting from the corporation's qualified research expenses, as defined in section 41 of the Internal Revenue Code, except that "qualified research expenses" include only expenses incurred by the claimant in a development zone under subch. III of ch. 235 or subch. II of ch. 238, 2013 stats., or subch. VI of ch. 560, 2009 stats., except that a taxpayer may elect the alternative computation under section 41 (c) (4) of the Internal Revenue Code and that election applies until the department permits its revocation and except that "qualified research expenses" ~~do~~ does not include ~~compensation used in computing the credit under sub. (1dj) nor~~ research expenses incurred before the claimant is certified for tax benefits under s. 235.365 (3) or s. 238.365 (3), 2013 stats., or s. 560.765 (3), 2009

stats., or the corporation's base amount, as defined in section 41 (c) of the Internal Revenue Code, in a development zone, except that gross receipts used in calculating the base amount means gross receipts from sales attributable to Wisconsin under s. 71.25 (9) (b) 1. and 2., (df) 1. and 2., (dh) 1., 2., and 3., (dj), and (dk) and research expenses used in calculating the base amount include research expenses incurred before the claimant is certified for tax benefits under s. 235.365 (3) or s. 238.365 (3), 2013 stats., or s. 560.765 (3), 2009 stats., in a development zone, if the claimant submits with the claimant's return a copy of the claimant's certification for tax benefits under s. 235.365 (3) or s. 238.365 (3), 2013 stats., or s. 560.765 (3), 2009 stats., and a statement from the department of commerce or the Wisconsin Economic Development Corporation or Forward Wisconsin Development Authority verifying the claimant's qualified research expenses for research conducted exclusively in a development zone. The rules under s. 73.03 (35) apply to the credit under this subdivision. ~~The rules under sub. (1di) (f) and (g) as they apply to the credit under that subsection apply to claims under this subdivision.~~ Section 41 (h) of the Internal Revenue Code does not apply to the credit under this subdivision.

***NOTE: This is reconciled s. 71.28 (4) (am) 1. This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 231. 71.28 (4) (am) 2. of the statutes is amended to read:

71.28 (4) (am) 2. The development zones credit under subd. 1., as it applies to a person certified under s. 235.365 or s. 238.365 (3), 2013 stats., or s. 560.765 (3), 2009 stats., applies to a corporation that conducts economic activity in a development opportunity zone under s. 235.395 (1) or s. 238.395 (1), 2013 stats., or s. 560.795 (1), 2009 stats., and that is entitled to tax benefits under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., subject to the limits under s. 235.395 (2) or

s. 238.395 (2), 2013 stats., or s. 560.795 (2), 2009 stats. A development opportunity zone credit under this subdivision may be calculated using expenses incurred by a claimant beginning on the effective date under s. 235.395 (2) (a) or s. 238.395 (2) (a), 2013 stats., or s. 560.795 (2) (a), 2009 stats., of the development opportunity zone designation of the area in which the claimant conducts economic activity.

SECTION 232. 71.28 (5b) (a) 2. of the statutes is amended to read:

71.28 (5b) (a) 2. “Fund manager” means an investment fund manager certified under s. 235.15 (2) or s. 238.15 (2), 2013 stats., or s. 560.205 (2), 2009 stats.

SECTION 233. 71.28 (5b) (b) 1. of the statutes is amended to read:

71.28 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject to the limitations provided under this subsection and s. 235.15 or s. 238.15, 2013 stats., or s. 560.205, 2009 stats., and except as provided in subd. 2., a claimant may claim as a credit against the tax imposed under s. 71.23, up to the amount of those taxes, 25 percent of the claimant’s investment paid to a fund manager that the fund manager invests in a business certified under s. 235.15 (1) or s. 238.15 (1), 2013 stats., or s. 560.205 (1), 2009 stats.

SECTION 234. 71.28 (5b) (b) 2. of the statutes is amended to read:

71.28 (5b) (b) 2. In the case of a partnership, limited liability company, or tax-option corporation, the computation of the 25 percent limitation under subd. 1. shall be determined at the entity level rather than the claimant level and may be allocated among the claimants who make investments in the manner set forth in the entity’s organizational documents. The entity shall provide to the department of revenue and to the ~~department of commerce or the Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority the names

and tax identification numbers of the claimants, the amounts of the credits allocated to the claimants, and the computation of the allocations.

SECTION 235. 71.28 (5b) (d) 3. of the statutes is amended to read:

71.28 **(5b)** (d) 3. Except as provided under s. ~~238.15~~ 235.15 (3) (d) (intro.), for investments made after December 31, 2007, if an investment for which a claimant claims a credit under par. (b) is held by the claimant for less than 3 years, the claimant shall pay to the department, in the manner prescribed by the department, the amount of the credit that the claimant received related to the investment.

SECTION 236. 71.28 (6) (c) (intro.) of the statutes is amended to read:

71.28 **(6)** (c) (intro.) No person may claim the credit under par. (a) 2m. unless the claimant includes with the claimant's return a copy of the claimant's certification under s. ~~238.17~~ 235.17. For certification purposes under s. ~~238.17~~ 235.17, the claimant shall provide to the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority all of the following:

SECTION 237. 71.36 (1m) (b) 2. of the statutes is amended to read:

71.36 **(1m)** (b) 2. Interest on obligations issued under s. 66.0304 by a commission if the bonds or notes are used to fund multifamily affordable housing projects or elderly housing projects in this state, and the Forward Wisconsin Housing and Economic Development Authority has the authority to issue its bonds or notes for the project being funded, or if the bonds or notes are used by a health facility, as defined in s. 231.01 (5), to fund the acquisition of information technology hardware or software, in this state, and the Wisconsin Health and Educational Facilities Authority has the authority to issue its bonds or notes for the project being funded, or if the bonds or notes are issued to fund a redevelopment project in this state or a

housing project in this state, and the authority exists for bonds or notes to be issued by an entity described under s. 66.1201, 66.1333, or 66.1335.

SECTION 238. 71.36 (1m) (b) 5. of the statutes is amended to read:

71.36 **(1m)** (b) 5. Interest on obligations issued under s. 234.65, 2013 stats., to fund an economic development loan to finance construction, renovation or development of property that would be exempt under s. 70.11 (36).

SECTION 239. 71.45 (1t) (e) of the statutes is amended to read:

71.45 **(1t)** (e) Those issued under s. 234.65, 2013 stats., to fund an economic development loan to finance construction, renovation or development of property that would be exempt under s. 70.11 (36).

SECTION 240. 71.45 (1t) (em) of the statutes is amended to read:

71.45 **(1t)** (em) Those issued under s. 234.08, 2013 stats., or s. 234.61, 2013 stats., on or after January 1, 2004, or the Forward Wisconsin Development Authority under s. 235.609 or 235.61, if the obligations are issued to fund multifamily affordable housing projects or elderly housing projects.

SECTION 241. 71.45 (1t) (k) 1. of the statutes is amended to read:

71.45 **(1t)** (k) 1. The bonds or notes are used to fund multifamily affordable housing projects or elderly housing projects in this state, and the Forward Wisconsin Housing and Economic Development Authority has the authority to issue its bonds or notes for the project being funded.

SECTION 242. 71.45 (1t) (m) of the statutes is amended to read:

71.45 **(1t)** (m) Those issued by the Forward Wisconsin Housing and Economic Development Authority to provide loans to a public affairs network under s. 234.75 (4), 2013 stats., or s. 235.75 (4).

SECTION 243. 71.47 (1) (a) of the statutes is amended to read:

71.47 (1) (a) Any corporation which contributes an amount to the community development finance authority under s. 233.03, 1985 stats., or to the housing and economic development authority under s. 234.03 (32), 2013 stats., or to the Forward Wisconsin Development Authority on behalf of the community development finance company under s. 235.95 and in the same year purchases common stock or partnership interests of the community development finance company issued under s. 233.05 (2), 1985 stats., or s. 234.95 (2), 2013 stats., or s. 235.95 (2) in an amount no greater than the contribution to the authority, may credit against taxes otherwise due an amount equal to 75% of the purchase price of the stock or partnership interests. The credit received under this paragraph may not exceed 75% of the contribution ~~to the community development finance authority.~~

SECTION 244. 71.47 (1dm) (a) 1. of the statutes is amended to read:

71.47 (1dm) (a) 1. “Certified” means entitled under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 235.395 (5), 235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

SECTION 245. 71.47 (1dm) (a) 3. of the statutes is amended to read:

71.47 (1dm) (a) 3. “Development zone” means a development opportunity zone under s. 235.395 (1) (e) and (f) or 235.398 or s. 238.395 (1) (e) and (f), 2013 stats., or s. 238.398, 2013 stats. or s. 560.795 (1) (e) and (f), 2009 stats., or s. 560.798, 2009 stats., or an airport development zone under s. 235.3995 or s. 238.3995, 2013 stats., or s. 560.7995, 2009 stats.

SECTION 246. 71.47 (1dm) (a) 4. of the statutes is amended to read:

71.47 (1dm) (a) 4. “Previously owned property” means real property that the claimant or a related person owned during the 2 years prior to the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority designating the place where the property is located as a development zone and for which the claimant may not deduct a loss from the sale of the property to, or an exchange of the property with, the related person under section 267 of the Internal Revenue Code, except that section 267 (b) of the Internal Revenue Code is modified so that if the claimant owns any part of the property, rather than 50% ownership, the claimant is subject to section 267 (a) (1) of the Internal Revenue Code for purposes of this subsection.

SECTION 247. 71.47 (1dm) (f) 1. of the statutes is amended to read:

71.47 (1dm) (f) 1. A copy of the verification that the claimant may claim tax benefits under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., or is certified under s. 235.395 (5), 235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

SECTION 248. 71.47 (1dm) (f) 2. of the statutes is amended to read:

71.47 (1dm) (f) 2. A statement from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority verifying the purchase price of the investment and verifying that the investment fulfills the requirements under par. (b).

SECTION 249. 71.47 (1dm) (i) of the statutes is amended to read:

71.47 (1dm) (i) Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, that credit shall be determined on the basis of their economic

activity, not that of their shareholders, partners, or members. The corporation, partnership, or limited liability company shall compute the amount of credit that may be claimed by each of its shareholders, partners, or members and provide that information to its shareholders, partners, or members. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit based on the partnership's, company's, or corporation's activities in proportion to their ownership interest and may offset it against the tax attributable to their income from the partnership's, company's, or corporation's business operations in the development zone; except that partners, members, and shareholders in a development zone under s. 235.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., may offset the credit against the amount of the tax attributable to their income.

SECTION 250. 71.47 (1dm) (j) of the statutes is amended to read:

71.47 **(1dm)** (j) If a person who is entitled under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits becomes ineligible for such tax benefits, or if a person's certification under s. 235.395 (5), 235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is revoked, that person may claim no credits under this subsection for the taxable year that includes the day on which the person becomes ineligible for tax benefits, the taxable year that includes the day on which the certification is revoked, or succeeding taxable years, and that person may carry over no unused credits from previous years to offset tax under this chapter for the taxable year that includes the day on which the person becomes ineligible for tax benefits,

the taxable year that includes the day on which the certification is revoked, or succeeding taxable years.

SECTION 251. 71.47 (1dm) (k) of the statutes is amended to read:

71.47 **(1dm)** (k) If a person who is entitled under s. 235.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits or certified under s. 235.395 (5), 235.398 (3), or 235.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., ceases business operations in the development zone during any of the taxable years that that zone exists, that person may not carry over to any taxable year following the year during which operations cease any unused credits from the taxable year during which operations cease or from previous taxable years.

SECTION 252. 71.47 (1dx) (a) 2. of the statutes is amended to read:

71.47 **(1dx)** (a) 2. “Development zone” means a development zone under s. 235.30 or s. 238.30, 2013 stats., or s. 560.70, 2009 stats., a development opportunity zone under s. 235.395 or s. 238.395, 2013 stats., or s. 560.795, 2009 stats., or an enterprise development zone under s. 235.397 or s. 238.397, 2013 stats., or s. 560.797, 2009 stats., an agricultural development zone under s. 235.398 or s. 238.398, 2013 stats., or s. 560.798, 2009 stats., or an airport development zone under s. 235.3995 or s. 238.3995, 2013 stats., or s. 560.7995, 2009 stats.

SECTION 253. 71.47 (1dx) (a) 4. of the statutes is amended to read:

71.47 **(1dx)** (a) 4. “Full-time job” has the meaning given in s. ~~238.30~~ 235.30 (2m).

SECTION 254. 71.47 (1dx) (b) (intro.) of the statutes is amended to read:

71.47 (1dx) (b) *Credit*. (intro.) Except as provided in pars. (be) and (bg) and in s. 73.03 (35), and subject to s. 235.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., for any taxable year for which the person is entitled under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 235.365 (3), 235.397 (4), 235.398 (3), or 235.3995 (4) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against the taxes otherwise due under this chapter the following amounts:

SECTION 255. 71.47 (1dx) (b) 2. of the statutes is amended to read:

71.47 (1dx) (b) 2. The amount determined by multiplying the amount determined under s. 235.385 (1) (b) or s. 238.385 (1) (b), 2013 stats., or s. 560.785 (1) (b), 2009 stats., by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

SECTION 256. 71.47 (1dx) (b) 3. of the statutes is amended to read:

71.47 (1dx) (b) 3. The amount determined by multiplying the amount determined under s. 235.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009 stats., by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

SECTION 257. 71.47 (1dx) (b) 4. of the statutes is amended to read:

71.47 (1dx) (b) 4. The amount determined by multiplying the amount determined under s. 235.385 (1) (bm) or s. 238.385 (1) (bm), 2013 stats., or s. 560.785 (1) (bm), 2009 stats., by the number of full-time jobs retained, as provided ~~in the~~

rules under s. 235.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., ~~excluding jobs for which a credit has been claimed under sub. (1dj)~~, in an enterprise development zone under s. 235.397 or s. 238.397, 2013 stats., or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

****NOTE: This is reconciled s. 71.47 (1dx) (b) 4. This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 258. 71.47 (1dx) (b) 5. of the statutes is amended to read:

71.47 (1dx) (b) 5. The amount determined by multiplying the amount determined under s. 235.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009 stats., by the number of full-time jobs retained, as provided ~~in the rules under s. 235.385 or s. 238.385, 2013 stats.~~, or s. 560.785, 2009 stats., ~~excluding jobs for which a credit has been claimed under sub. (1dj)~~, in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

****NOTE: This is reconciled s. 71.47 (1dx) (b) 5. This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 259. 71.47 (1dx) (be) of the statutes is amended to read:

71.47 (1dx) (be) *Offset.* A claimant in a development zone under s. 235.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., may offset any credits claimed under this subsection, including any credits carried over, against the amount of the tax otherwise due under this subchapter attributable to all of the claimant's income and against the tax attributable to income from directly related business operations of the claimant.

SECTION 260. 71.47 (1dx) (bg) of the statutes is amended to read:

71.47 (1dx) (bg) *Other entities.* For claimants in a development zone under s. 235.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and amount of, that credit shall be determined on the basis of their economic activity, not that of their shareholders, partners, or members. The corporation, partnership, or company shall compute the amount of the credit that may be claimed by each of its shareholders, partners, or members and shall provide that information to each of its shareholders, partners, or members. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit based on the partnership's, company's, or corporation's activities in proportion to their ownership interest and may offset it against the tax attributable to their income.

SECTION 261. 71.47 (1dx) (c) of the statutes is amended to read:

71.47 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits under s. 235.365 (3), 235.397 (4), 235.398 (3), or 235.3995 (4) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., that person may not claim credits under this subsection for the taxable year that includes the day on which the certification is revoked; the taxable year that includes the day on which the person becomes ineligible for tax benefits; or succeeding taxable years and that person may not carry over unused credits from previous years to offset tax under this chapter for the taxable year that includes the

day on which certification is revoked; the taxable year that includes the day on which the person becomes ineligible for tax benefits; or succeeding taxable years.

SECTION 262. 71.47 (1dx) (d) of the statutes is amended to read:

71.47 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 235.365 (3), 235.397 (4), 235.398 (3), or 235.3995 (4) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for tax benefits ceases business operations in the development zone during any of the taxable years that that zone exists, that person may not carry over to any taxable year following the year during which operations cease any unused credits from the taxable year during which operations cease or from previous taxable years.

SECTION 263. 71.47 (1dy) (a) of the statutes is amended to read:

71.47 (1dy) (a) *Definition.* In this subsection, “claimant” means a person who files a claim under this subsection and is certified under s. 235.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and authorized to claim tax benefits under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

SECTION 264. 71.47 (1dy) (b) of the statutes is amended to read:

71.47 (1dy) (b) *Filing claims.* Subject to the limitations under this subsection and ss. 235.301 to 235.306 or ss. 238.301 to 238.306, 2013 stats., or s. 560.701 to 560.706, 2009 stats., for taxable years beginning after December 31, 2008, and before January 1, 2016, a claimant may claim as a credit against the tax imposed under s. 71.43, up to the amount of the tax, the amount authorized for the claimant under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

***NOTE: This is reconciled s. 71.47 (1dy) (b). This SECTION has been affected by drafts with the following LRB numbers: -0997/P3 and -1215/P2.

SECTION 265. 71.47 (1dy) (c) 1. of the statutes is amended to read:

71.47 (1dy) (c) 1. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification under s. 235.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice of eligibility to receive tax benefits under s. 235.303 (3) or s. 238.303 (3), 2013 stats., or s. 560.703 (3), 2009 stats.

SECTION 266. 71.47 (1dy) (c) 2. of the statutes is amended to read:

71.47 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option corporations may not claim the credit under this subsection, but the eligibility for, and the amount of, the credit are based on their authorization to claim tax benefits under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats. A partnership, limited liability company, or tax-option corporation shall compute the amount of credit that each of its partners, members, or shareholders may claim and shall provide that information to each of them. Partners, members of limited liability companies, and shareholders of tax-option corporations may claim the credit in proportion to their ownership interests.

SECTION 267. 71.47 (1dy) (d) 2. of the statutes is amended to read:

71.47 (1dy) (d) 2. If a claimant's certification is revoked under s. 235.305 or s. 238.305, 2013 stats., or s. 560.705, 2009 stats., or if a claimant becomes ineligible for tax benefits under s. 235.302 or s. 238.302, 2013 stats., or s. 560.702, 2009 stats., the claimant may not claim credits under this subsection for the taxable year that includes the day on which the certification is revoked; the taxable year that includes the day on which the claimant becomes ineligible for tax benefits; or succeeding

taxable years and the claimant may not carry over unused credits from previous years to offset the tax imposed under s. 71.43 for the taxable year that includes the day on which certification is revoked; the taxable year that includes the day on which the claimant becomes ineligible for tax benefits; or succeeding taxable years.

SECTION 268. 71.47 (3g) (a) (intro.) of the statutes is amended to read:

71.47 **(3g)** (a) (intro.) Subject to the limitations under this subsection and ss. 73.03 (35m) and 235.23 and s. 238.23, 2013 stats., and s. 560.96, 2009 stats., a business that is certified under s. 235.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats., may claim as a credit against the taxes imposed under s. 71.43 an amount equal to the sum of the following, as established under s. 235.23 (3) (c) or s. 238.23 (3) (c), 2013 stats., or s. 560.96 (3) (c), 2009 stats.:

SECTION 269. 71.47 (3g) (b) of the statutes is amended to read:

71.47 **(3g)** (b) The department of revenue shall notify the ~~department of commerce or the Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority of all claims under this subsection.

SECTION 270. 71.47 (3g) (e) 2. of the statutes is amended to read:

71.47 **(3g)** (e) 2. The investments that relate to the amount described under par. (a) 2. for which a claimant makes a claim under this subsection must be retained for use in the technology zone for the period during which the claimant's business is certified under s. 235.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats.

SECTION 271. 71.47 (3g) (f) 1. of the statutes is amended to read:

71.47 **(3g)** (f) 1. A copy of the verification that the claimant's business is certified under 235.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats., and that the business has entered into an agreement under s. 235.23 (3) (d) or s. 238.23 (3) (d), 2013 stats., or s. 560.96 (3) (d), 2009 stats.

SECTION 272. 71.47 (3g) (f) 2. of the statutes is amended to read:

71.47 (3g) (f) 2. A statement from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority verifying the purchase price of the investment described under par. (a) 2. and verifying that the investment fulfills the requirement under par. (e) 2.

SECTION 273. 71.47 (3q) (a) 1. of the statutes is amended to read:

71.47 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits under s. 235.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009 stats.

SECTION 274. 71.47 (3q) (a) 2. of the statutes is amended to read:

71.47 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for taxable years beginning after December 31, 2010, an eligible employee under s. 235.16 (1) (b) or s. 238.16 (1) (b), 2013 stats., who satisfies the wage requirements under s. 235.16 (3) (a) or (b) or s. 238.16 (3) (a) or (b), 2013 stats.

SECTION 275. 71.47 (3q) (b) (intro.) of the statutes is amended to read:

71.47 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this subsection and s. 235.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats., for taxable years beginning after December 31, 2009, and before January 1, 2016, a claimant may claim as a credit against the taxes imposed under s. 71.43 any of the following:

****NOTE: This is reconciled s. 71.47 (3q) (b) (intro.). This SECTION has been affected by drafts with the following LRB numbers: -0997/P3 and -1215/P2.

SECTION 276. 71.47 (3q) (b) 1. of the statutes is amended to read:

71.47 (3q) (b) 1. The amount of wages that the claimant paid to an eligible employee in the taxable year, not to exceed 10 percent of such wages, as determined under s. 235.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats.

SECTION 277. 71.47 (3q) (b) 2. of the statutes is amended to read:

71.47 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable year, as determined under s. 235.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats., to undertake the training activities described under s. 235.16 (3) (c) or s. 238.16 (3) (c), 2013 stats., or s. 560.2055 (3) (c), 2009 stats.

SECTION 278. 71.47 (3q) (c) 2. of the statutes is amended to read:

71.47 (3q) (c) 2. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification for tax benefits under s. 235.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009 stats.

SECTION 279. 71.47 (3q) (c) 3. of the statutes is amended to read:

71.47 (3q) (c) 3. The maximum amount of credits that may be awarded under this subsection and ss. 71.07 (3q) and 71.28 (3q) for the period beginning on January 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of any credits reallocated under s. 235.15 (3) (d) or s. 238.15 (3) (d), 2013 stats., or s. 560.205 (3) (d), 2009 stats.

SECTION 280. 71.47 (3w) (a) 2. of the statutes is amended to read:

71.47 (3w) (a) 2. "Claimant" means a person who is certified to claim tax benefits under s. 235.399 (5) or s. 238.399 (5), 2013 stats., or s. 560.799 (5), 2009 stats., and who files a claim under this subsection.

SECTION 281. 71.47 (3w) (a) 3. of the statutes is amended to read:

71.47 (3w) (a) 3. “Full-time employee” means a full-time employee, as defined in s. 235.399 (1) (am) or s. 238.399 (1) (am), 2013 stats., or s. 560.799 (1) (am), 2009 stats.

SECTION 282. 71.47 (3w) (a) 4. of the statutes is amended to read:

71.47 (3w) (a) 4. “Enterprise zone” means a zone designated under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

SECTION 283. 71.47 (3w) (a) 5d. of the statutes is amended to read:

71.47 (3w) (a) 5d. “Tier I county or municipality” means a tier I county or municipality, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

SECTION 284. 71.47 (3w) (a) 5e. of the statutes is amended to read:

71.47 (3w) (a) 5e. “Tier II county or municipality” means a tier II county or municipality, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

SECTION 285. 71.47 (3w) (b) (intro.) of the statutes is amended to read:

71.47 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.43 an amount calculated as follows:

SECTION 286. 71.47 (3w) (b) 5. of the statutes is amended to read:

71.47 (3w) (b) 5. Multiply the amount determined under subd. 4. by the percentage determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not to exceed 7 percent.

SECTION 287. 71.47 (3w) (bm) 1. of the statutes is amended to read:

71.47 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and 4., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.43 an amount equal to a percentage, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not to exceed 100 percent, of the amount the claimant paid in the taxable year to upgrade or improve the job-related skills of any of the claimant's full-time employees, to train any of the claimant's full-time employees on the use of job-related new technologies, or to provide job-related training to any full-time employee whose employment with the claimant represents the employee's first full-time job. This subdivision does not apply to employees who do not work in an enterprise zone.

SECTION 288. 71.47 (3w) (bm) 2. of the statutes is amended to read:

71.47 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and 4., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.43 an amount equal to the percentage, as determined under s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not to exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all of the claimant's full-time employees whose annual wages are greater than the amount determined by multiplying 2,080 by 150 percent of the federal minimum wage in a tier I county or municipality, not including the wages paid to the employees determined under par. (b) 1., or greater than \$30,000 in a tier II county or municipality, not including the wages paid to the employees determined under par. (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if the total number of such employees is equal to or greater than the total number of

such employees in the base year. A claimant may claim a credit under this subdivision for no more than 5 consecutive taxable years.

SECTION 289. 71.47 (3w) (bm) 3. of the statutes is amended to read:

71.47 **(3w)** (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and 4., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after December 31, 2008, a claimant may claim as a credit against the tax imposed under s. 71.43 up to 10 percent of the claimant's significant capital expenditures, as determined under s. 235.399 (5m) or s. 238.399 (5m), 2013 stats., or s. 560.799 (5m), 2009 stats.

SECTION 290. 71.47 (3w) (bm) 4. of the statutes is amended to read:

71.47 **(3w)** (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and 3., and subject to the limitations provided in this subsection and s. 235.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after December 31, 2009, a claimant may claim as a credit against the tax imposed under s. 71.43, up to 1 percent of the amount that the claimant paid in the taxable year to purchase tangible personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from Wisconsin vendors, as determined under s. 235.399 (5) (e) or s. 238.399 (5) (e), 2013 stats., or s. 560.799 (5) (e), 2009 stats., except that the claimant may not claim the credit under this subdivision and subd. 3. for the same expenditures.

SECTION 291. 71.47 (3w) (c) 3. of the statutes is amended to read:

71.47 **(3w)** (c) 3. No credit may be allowed under this subsection unless the claimant includes with the claimant's return a copy of the claimant's certification for

tax benefits under s. 235.399 (5) or (5m) or s. 238.399 (5) or (5m), 2013 stats., or s. 560.799 (5) or (5m), 2009 stats.

SECTION 292. 71.47 (3w) (d) of the statutes is amended to read:

71.47 (3w) (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall include with their returns a copy of their certification for tax benefits, and a copy of the verification of their expenses, from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority.

SECTION 293. 71.47 (4) (am) of the statutes is amended to read:

71.47 (4) (am) *Development zone additional research credit.* In addition to the credit under par. (ad), any corporation may credit against taxes otherwise due under this chapter an amount equal to 5 percent of the amount obtained by subtracting from the corporation's qualified research expenses, as defined in section 41 of the Internal Revenue Code, except that "qualified research expenses" include only expenses incurred by the claimant in a development zone under subch. III of ch. 235 or subch. II of ch. 238, 2013 stats., or subch. VI of ch. 560, 2009 stats., except that a taxpayer may elect the alternative computation under section 41 (c) (4) of the Internal Revenue Code and that election applies until the department permits its revocation and except that "qualified research expenses" ~~do~~ does not include compensation used in computing the credit under sub. (1dj) nor research expenses incurred before the claimant is certified for tax benefits under s. 235.365 (3) or s. 238.365 (3), 2013 stats., or s. 560.765 (3), 2009 stats., or the corporation's base amount, as defined in section 41 (c) of the Internal Revenue Code, in a development zone, except that gross receipts used in calculating the base amount means gross

receipts from sales attributable to Wisconsin under s. 71.25 (9) (b) 1. and 2., (df) 1. and 2., (dh) 1., 2., and 3., (dj), and (dk) and research expenses used in calculating the base amount include research expenses incurred before the claimant is certified for tax benefits under s. 235.365 (3) or s. 238.365 (3), 2013 stats., or s. 560.765 (3), 2009 stats., in a development zone, if the claimant submits with the claimant's return a copy of the claimant's certification for tax benefits under s. 235.365 (3) or s. 238.365 (3), 2013 stats., or s. 560.765 (3), 2009 stats., and a statement from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority verifying the claimant's qualified research expenses for research conducted exclusively in a development zone. The rules under s. 73.03 (35) apply to the credit under this paragraph. ~~The rules under sub. (1d) (f) and (g) as they apply to the credit under that subsection apply to claims under this paragraph.~~ Section 41 (h) of the Internal Revenue Code does not apply to the credit under this paragraph. No credit may be claimed under this paragraph for taxable years that begin on January 1, 1998, or thereafter. Credits under this paragraph for taxable years that begin before January 1, 1998, may be carried forward to taxable years that begin on January 1, 1998, or thereafter.

****NOTE: This is reconciled s. 71.47 (4) (am). This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 294. 71.47 (5b) (a) 2. of the statutes is amended to read:

71.47 (5b) (a) 2. "Fund manager" means an investment fund manager certified under s. 235.15 (2) or s. 238.15 (2), 2013 stats., or s. 560.205 (2), 2009 stats.

SECTION 295. 71.47 (5b) (b) 1. of the statutes is amended to read:

71.47 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject to the limitations provided under this subsection and s. 235.15 or s. 238.15, 2013

stats., or s. 560.205, 2009 stats., and except as provided in subd. 2., a claimant may claim as a credit against the tax imposed under s. 71.43, up to the amount of those taxes, 25 percent of the claimant's investment paid to a fund manager that the fund manager invests in a business certified under s. 235.15 (1) or s. 238.15 (1), 2013 stats., or s. 560.205 (1), 2009 stats.

SECTION 296. 71.47 (5b) (b) 2. of the statutes is amended to read:

71.47 (5b) (b) 2. In the case of a partnership, limited liability company, or tax-option corporation, the computation of the 25 percent limitation under subd. 1. shall be determined at the entity level rather than the claimant level and may be allocated among the claimants who make investments in the manner set forth in the entity's organizational documents. The entity shall provide to the department of revenue and to the ~~department of commerce or the Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority the names and tax identification numbers of the claimants, the amounts of the credits allocated to the claimants, and the computation of the allocations.

SECTION 297. 71.47 (5b) (d) 3. of the statutes is amended to read:

71.47 (5b) (d) 3. Except as provided under s. ~~238.15~~ 235.15 (3) (d) (intro.), for investments made after December 31, 2007, if an investment for which a claimant claims a credit under par. (b) is held by the claimant for less than 3 years, the claimant shall pay to the department, in the manner prescribed by the department, the amount of the credit that the claimant received related to the investment.

SECTION 298. 71.47 (6) (c) (intro.) of the statutes is amended to read:

71.47 (6) (c) (intro.) No person may claim the credit under par. (a) 2m. unless the claimant includes with the claimant's return a copy of the claimant's certification under s. ~~238.17~~ 235.17. For certification purposes under s. ~~238.17~~ 235.17, the

claimant shall provide to the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority all of the following:

SECTION 299. 71.78 (4) (m) of the statutes is amended to read:

71.78 (4) (m) The chief executive officer of the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority and employees of the ~~corporation~~ authority to the extent necessary to administer the development zone program under subch. ~~II~~ III of ch. ~~238~~ 235.

SECTION 300. 73.03 (35) of the statutes is amended to read:

73.03 (35) To deny a portion of a credit claimed under s. 71.07 ~~(2dd), (2de), (2di), (2dj), (2dL), (2dm), (2dr), (2ds), or (2dx), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), or (4) (am), 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), or (4) (am), or 76.636 if granting the full amount claimed would violate a requirement under s. 235.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., or would bring the total of the credits granted to that claimant under all of those subsections over the limit for that claimant under s. 235.368, 235.395 (2) (b), or 235.397 (5) (b) or s. 238.368, 2013 stats., 238.395 (2) (b), 2013 stats., or 238.397 (5) (b), 2013 stats., or s. 560.768, 2009 stats., s. 560.795 (2) (b), 2009 stats., or s. 560.797 (5) (b), 2009 stats.~~

****NOTE: This is reconciled s. 73.03 (35). This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 301. 73.03 (35m) of the statutes is amended to read:

73.03 (35m) To deny a portion of a credit claimed under s. 71.07 (3g), 71.28 (3g), or 71.47 (3g), if granting the full amount claimed would violate a requirement under s. 235.23 or s. 238.23, 2013 stats., or s. 560.96, 2009 stats., or would bring the total of the credits claimed under ss. 71.07 (3g), 71.28 (3g), and 71.47 (3g) over the limit

for all claimants under s. 235.23 (2) or s. 238.23 (2), 2013 stats., or s. 560.96 (2), 2009 stats.

SECTION 302. 73.03 (63) of the statutes is amended to read:

73.03 (63) Notwithstanding the amount limitations specified under s. 560.205 (3) (d), 2009 stats., or s. 238.15 (3) (d), 2013 stats., or s. 235.15 (3) (d), in consultation with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, to carry forward to subsequent taxable years unclaimed credit amounts of the early stage seed investment credits under ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638 and the angel investment credit under s. 71.07 (5d). Annually, no later than July 1, the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority shall submit to the department of revenue its recommendations for the carry forward of credit amounts as provided under this subsection.

SECTION 303. 75.106 (1) (a) of the statutes is amended to read:

75.106 (1) (a) “Brownfield” has the meaning given in s. ~~238.13~~ 235.13 (1) (a), except that, for purposes of this section, “brownfield” also means abandoned, idle, or underused residential facilities or sites, the expansion or redevelopment of which is adversely affected by actual or perceived environmental contamination.

SECTION 304. 76.636 (1) (b) 1. of the statutes is amended to read:

76.636 (1) (b) 1. A development zone under s. 235.30 or s. 238.30, 2013 stats., or s. 560.70, 2009 stats.

SECTION 305. 76.636 (1) (b) 2. of the statutes is amended to read:

76.636 (1) (b) 2. A development opportunity zone under s. 235.395 or s. 238.395, 2013 stats., or s. 560.795, 2009 stats.

SECTION 306. 76.636 (1) (b) 3. of the statutes is amended to read:

76.636 (1) (b) 3. An enterprise development zone under s. 235.397 or s. 238.397, 2013 stats., or s. 560.797, 2009 stats.

SECTION 307. 76.636 (1) (b) 4. of the statutes is amended to read:

76.636 (1) (b) 4. An agricultural development zone under s. 235.398 or s. 238.398, 2013 stats., or s. 560.798, 2009 stats.

SECTION 308. 76.636 (1) (d) of the statutes is amended to read:

76.636 (1) (d) "Full-time job" has the meaning given in s. ~~238.30~~ 235.30 (2m).

SECTION 309. 76.636 (2) (intro.) of the statutes is amended to read:

76.636 (2) CREDITS. (intro.) Except as provided in s. 73.03 (35), and subject to s. 235.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., for any taxable year for which an insurer is entitled under s. 235.395 or s. 238.395, 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 235.365 (3), 235.397 (4), or 235.398 (3) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., or s. 238.398 (3), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., or s. 560.798 (3), 2009 stats., the insurer may claim as a credit against the fees due under s. 76.60, 76.63, 76.65, 76.66, or 76.67 the following amounts:

SECTION 310. 76.636 (2) (b) of the statutes is amended to read:

76.636 (2) (b) The amount determined by multiplying the amount determined under s. 235.385 (1) (b) or s. 238.385 (1) (b), 2013 stats., or s. 560.785 (1) (b), 2009 stats., by the number of full-time jobs created in a development zone and filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

SECTION 311. 76.636 (2) (c) of the statutes is amended to read:

76.636 (2) (c) The amount determined by multiplying the amount determined under s. 235.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009

stats., by the number of full-time jobs created in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

SECTION 312. 76.636 (2) (d) of the statutes is amended to read:

76.636 (2) (d) The amount determined by multiplying the amount determined under s. 235.385 (1) (bm) or s. 238.385 (1) (bm), 2013 stats., or s. 560.785 (1) (bm), 2009 stats., by the number of full-time jobs retained, as provided ~~in the rules under s. 235.385 or s. 238.385, 2013 stats.,~~ or s. 560.785, 2009 stats., ~~excluding jobs for which a credit has been claimed under s. 71.47 (1dj),~~ in an enterprise development zone under s. 235.397 or s. 238.397, 2013 stats., or s. 560.797, 2009 stats., and for which significant capital investment was made and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

***NOTE: This is reconciled s. 76.636 (2) (d). This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 313. 76.636 (2) (e) of the statutes is amended to read:

76.636 (2) (e) The amount determined by multiplying the amount determined under s. 235.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009 stats., by the number of full-time jobs retained, as provided ~~in the rules under s. 235.385 or s. 238.385, 2013 stats.,~~ or s. 560.785, 2009 stats., ~~excluding jobs for which a credit has been claimed under s. 71.47 (1dj),~~ in a development zone and not filled by a member of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

***NOTE: This is reconciled s. 76.636 (2) (e). This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 314. 76.636 (4) (intro.) of the statutes is amended to read:

76.636 (4) CREDIT PRECLUDED. (intro.) If the certification of a person for tax benefits under s. 235.365 (3), 235.397 (4), or 235.398 (3) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., or s. 238.398 (3), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., or s. 560.798 (3), 2009 stats., is revoked, or if the person becomes ineligible for tax benefits under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., that person may not do any of the following:

SECTION 315. 76.636 (5) of the statutes is amended to read:

76.636 (5) CARRY-OVER PRECLUDED. If a person who is entitled under s. 235.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 235.365 (3), 235.397 (4), or 235.398 (3) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., or s. 238.398 (3), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., or s. 560.798 (3), 2009 stats., for tax benefits ceases business operations in the development zone during any of the taxable years that that zone exists, that person may not carry over to any taxable year following the year during which operations cease any unused credits from the taxable year during which operations cease or from previous taxable years.

SECTION 316. 76.636 (6) of the statutes is amended to read:

76.636 (6) ADMINISTRATION. Any insurer who claims a credit under sub. (2) shall include with the insurer's annual return under s. 76.64 a copy of its certification for tax benefits and a copy of its verification of expenses from the department of commerce or the Wisconsin Economic Development Corporation or the Forward Wisconsin Development Authority.

SECTION 317. 76.637 (1) of the statutes is amended to read:

76.637 (1) DEFINITION. In this section, "claimant" means an insurer who files a claim under this section and is certified under s. 235.301 (2) or s. 238.301 (2), 2013

stats., or s. 560.701 (2), 2009 stats., and authorized to claim tax benefits under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

SECTION 318. 76.637 (2) of the statutes is amended to read:

76.637 (2) FILING CLAIMS. Subject to the limitations under this section, ss. 235.301 to 235.306, ss. 238.301 to 238.306, 2013 stats., and ss. 560.701 to 560.706, 2009 stats., for taxable years beginning after December 31, 2008, and before January 1, 2016, a claimant may claim as a credit against the fees due under s. 76.60, 76.63, 76.65, 76.66, or 76.67 the amount authorized for the claimant under s. 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

****NOTE: This is reconciled s. 76.637 (2). This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

SECTION 319. 76.637 (3) of the statutes is amended to read:

76.637 (3) LIMITATIONS. No credit may be allowed under this section unless the insurer includes with the insurer's annual return under s. 76.64 a copy of the claimant's certification under s. 235.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and a copy of the claimant's notice of eligibility to receive tax benefits under s. 235.303 (3) or s. 238.303 (3), 2013 stats., or s. 560.703 (3), 2009 stats.

SECTION 320. 76.637 (4) of the statutes is amended to read:

76.637 (4) ADMINISTRATION. If an insurer's certification is revoked under s. 235.305 or s. 238.305, 2013 stats., or s. 560.705, 2009 stats., or if an insurer becomes ineligible for tax benefits under s. 235.302 or s. 238.302, 2013 stats., or s. 560.702, 2009 stats., the insurer may not claim credits under this section for the taxable year that includes the day on which the certification is revoked; the taxable year that includes the day on which the insurer becomes ineligible for tax benefits; or succeeding taxable years and the insurer may not carry over unused credits from

previous years to offset the fees imposed under ss. 76.60, 76.63, 76.65, 76.66, or 76.67 for the taxable year that includes the day on which certification is revoked; the taxable year that includes the day on which the insurer becomes ineligible for tax benefits; or succeeding taxable years.

SECTION 321. 76.638 (1) of the statutes is amended to read:

76.638 (1) DEFINITIONS. In this section, “fund manager” means an investment fund manager certified under s. 235.15 (2) or s. 238.15 (2), 2013 stats., or s. 560.205 (2), 2009 stats.

SECTION 322. 76.638 (2) of the statutes is amended to read:

76.638 (2) FILING CLAIMS. For taxable years beginning after December 31, 2008, subject to the limitations provided under this subsection and s. 235.15 or s. 238.15, 2013 stats., or s. 560.205, 2009 stats., an insurer may claim as a credit against the fees imposed under s. 76.60, 76.63, 76.65, 76.66, or 76.67, 25 percent of the insurer’s investment paid to a fund manager that the fund manager invests in a business certified under s. 235.15 or s. 238.15, 2013 stats., or s. 560.205 (1), 2009 stats.

SECTION 323. 77.54 (9a) (a) of the statutes is amended to read:

77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Wisconsin Aerospace Authority, ~~the Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, and the Fox River Navigational System Authority.

****NOTE: This is reconciled s. 77.54 (9a) (a). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 324. 79.04 (7) (a) of the statutes is amended to read:

79.04 (7) (a) Beginning with payments in 2005, if a production plant, as described in sub. (6) (a), other than a nuclear-powered production plant, is built on the site of, or on a site adjacent to, an existing or decommissioned production plant; or is built on a site purchased by a public utility before January 1, 1980, that was identified in an advance plan as a proposed site for a production plant; or is built on, or on a site adjacent to, brownfields, as defined in s. ~~238.13~~ 235.13 (1) (a) or s. 560.13 (1) (a), 2009 stats., after December 31, 2003, and has a name-plate capacity of at least one megawatt, each municipality and county in which such a production plant is located shall receive annually from the public utility account a payment in an amount that is equal to the number of megawatts that represents the production plant's name-plate capacity, multiplied by \$600.

SECTION 325. 84.01 (6m) (b) (intro.) of the statutes is amended to read:

84.01 (6m) (b) (intro.) The department, in consultation with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, shall do all of the following for each economic development program administered by the department:

SECTION 326. 84.01 (11m) (a) of the statutes is amended to read:

84.01 (11m) (a) The department shall coordinate any economic development assistance with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 327. 84.01 (11m) (b) of the statutes is amended to read:

84.01 (11m) (b) Annually, no later than October 1, the department shall submit to the joint legislative audit committee and to the appropriate standing committees of the legislature under s. 13.172 (3) a comprehensive report assessing economic development programs, as defined in sub. (6m) (a), administered by the department.

The report shall include all of the information required under s. ~~238.07~~ 235.016 (2). The department shall collaborate with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority to make readily accessible to the public on an Internet-based system the information required under this subsection.

SECTION 328. 85.25 (2) (a) of the statutes is amended to read:

85.25 (2) (a) “Business development organization” means the Forward Wisconsin Housing and Economic Development Authority created under s. ~~234.02~~ 235.011 or any private organization that prepares business and loan plans for and provides other financial, management, and technical assistance to disadvantaged businesses.

SECTION 329. 93.07 (3) of the statutes is amended to read:

93.07 (3) PROMOTION OF AGRICULTURE. To promote the interests of agriculture, dairying, horticulture, manufacturing, commercial fishing and the domestic arts and to advertise Wisconsin and its dairy, food, and agricultural products by conducting campaigns of education throughout the United States and in foreign markets. Such campaigns shall include the distribution of educational and advertising material concerning Wisconsin and its plant, animal, food, and dairy products. The department shall coordinate efforts by the state to advertise and promote agricultural products of this state, with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority where appropriate. The department shall submit its request and plan for market development program expenditures for each biennium with its biennial budget request. The plan shall include the identification and priority of expenditures for each market development program activity.

SECTION 330. 93.07 (18) (b) (intro.) of the statutes is amended to read:

93.07 (18) (b) (intro.) In consultation with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, to do all of the following for each economic development program administered by the department of agriculture, trade and consumer protection:

SECTION 331. 93.07 (20) (a) of the statutes is amended to read:

93.07 (20) (a) The department shall coordinate any economic development assistance with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority.

SECTION 332. 93.07 (20) (b) of the statutes is amended to read:

93.07 (20) (b) Annually, no later than October 1, to submit to the joint legislative audit committee and to the appropriate standing committees of the legislature under s. 13.172 (3) a comprehensive report assessing economic development programs, as defined in sub. (18) (a), administered by the department. The report shall include all of the information required under s. ~~238.07~~ 235.016 (2). The department shall collaborate with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority to make readily accessible to the public on an Internet-based system the information required under this subsection.

SECTION 333. 93.33 (5) (intro.) of the statutes is amended to read:

93.33 (5) ANNUAL REPORT. (intro.) In September of each year, the council shall submit a report to the appropriate standing committees of the legislature as determined by the speaker of the assembly and the president of the senate, under s. 13.172 (3), the governor, the secretary of agriculture, trade and consumer protection, the state superintendent of public instruction, the secretary of workforce

development, the secretary of natural resources, the chief executive officer of the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, the president of the University of Wisconsin System, the director of the technical college system, the chancellor of the University of Wisconsin-Extension, the chancellor of the University of Wisconsin-Madison, the chancellor of the University of Wisconsin-Platteville, the chancellor of the University of Wisconsin-River Falls, and the chancellor of the University of Wisconsin-Stevens Point. The council shall include all of the following in the report:

SECTION 334. 93.42 (5) of the statutes is amended to read:

93.42 (5) Cooperating with the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority in promoting the state's products through the state's foreign trade offices.

SECTION 335. 100.45 (1) (dm) of the statutes is amended to read:

100.45 (1) (dm) "State agency" means any office, department, agency, institution of higher education, association, society, or other body in state government created or authorized to be created by the constitution or any law which is entitled to expend moneys appropriated by law, including the legislature and the courts, the ~~Wisconsin Housing and Economic Development Authority~~, the Bradley Center Sports and Entertainment Corporation, the University of Wisconsin Hospitals and Clinics Authority, the University of Wisconsin System Authority, the Wisconsin Health and Educational Facilities Authority, the Wisconsin Aerospace Authority, the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority, and the Fox River Navigational System Authority.

***NOTE: This is reconciled s. 100.45 (1) (dm). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 336. 106.16 (2) of the statutes is amended to read:

106.16 (2) Any company that receives a loan or grant from a state agency or an authority under ch. 231 or 234 shall notify the department and the local workforce development board established under [29 USC 2832](#), of any position in the company that is related to the project for which the grant or loan is received to be filled in this state within one year after receipt of the loan or grant. The company shall provide this notice at least 2 weeks prior to advertising the position.

SECTION 337. 106.16 (3) of the statutes is repealed.

SECTION 338. 106.27 (2m) of the statutes is amended to read:

106.27 (2m) CONSULTATION. The department shall consult with the technical college system board and the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority in implementing this section.

SECTION 339. 109.09 (2) (c) 1. a. of the statutes is amended to read:

109.09 (2) (c) 1. a. “Commercial lending institution” has the meaning given for “financial institution” in s. ~~234.01~~ 235.40 (5k).

SECTION 340. 114.31 (6) of the statutes is amended to read:

114.31 (6) TECHNICAL SERVICES TO MUNICIPALITIES. The secretary may, insofar as is reasonably possible, offer the engineering or other technical service of the department, to any municipality desiring them in connection with the construction, maintenance or operation or proposed construction, maintenance or operation of an airport. The secretary may assess reasonable costs for services including services performed while acting as agent for a municipality. Such assessment shall include properly allocated administrative costs. Municipalities are authorized to cooperate with the secretary in the development of aeronautics and aeronautical facilities in this state. The ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin

Development Authority and all agencies are authorized and directed to make available such facilities and services, and to cooperate as far as possible to promote the best interests of aeronautics of the state.

SECTION 341. 196.49 (4) of the statutes is amended to read:

196.49 (4) The commission may not issue a certificate under sub. (1), (2), or (3) for the construction of electric generating equipment and associated facilities unless the commission determines that brownfields, as defined in s. ~~238.13~~ 235.13 (1) (a) or s. 560.13 (1) (a), 2009 stats., are used to the extent practicable.

SECTION 342. 196.491 (3) (a) 2m. b. of the statutes is amended to read:

196.491 (3) (a) 2m. b. The applicant proposes alternative construction sites for the facility that are contiguous or proximate, provided that at least one of the proposed sites is a brownfield, as defined in s. ~~238.13~~ 235.13 (1) (a), or the site of a former or existing large electric generating facility.

SECTION 343. 196.491 (3) (d) 8. of the statutes is amended to read:

196.491 (3) (d) 8. For a large electric generating facility, brownfields, as defined in s. ~~238.13~~ 235.13 (1) (a), are used to the extent practicable.

SECTION 344. 224.71 (1br) (intro.) of the statutes is amended to read:

224.71 (1br) (intro.) “Bona fide nonprofit organization” means an organization that is described in section 501 (c) (3) of the Internal Revenue Code and exempt from federal income tax under section 501 (a) of the Internal Revenue Code, that is certified by the federal department of housing and urban development or the Forward Wisconsin Housing and Economic Development Authority, and that does all of the following:

SECTION 345. 230.03 (3) of the statutes, as affected by 2013 Wisconsin Act 20, is amended to read:

230.03 (3) “Agency” means any board, commission, committee, council, or department in state government or a unit thereof created by the constitution or statutes if such board, commission, committee, council, department, unit, or the head thereof, is authorized to appoint subordinate staff by the constitution or statute, except the Board of Regents of the University of Wisconsin System, a legislative or judicial board, commission, committee, council, department, or unit thereof or an authority created under subch. II of ch. 114 or under ch. 231, 232, 233, 234 235, 237, ~~238~~, or 279. “Agency” does not mean any local unit of government or body within one or more local units of government that is created by law or by action of one or more local units of government.

SECTION 346. Chapter 234 (title) of the statutes is repealed.

SECTION 347. Subchapter I (title) of chapter 234 [precedes 234.01] of the statutes is renumbered subchapter IV (title) of chapter 235 [precedes 235.40] and amended to read:

CHAPTER 235

SUBCHAPTER IV

~~GENERAL PROVISIONS; HOUSING AND ECONOMIC DEVELOPMENT PROGRAMS~~

SECTION 348. 234.01 (intro.) of the statutes is renumbered 235.40 (intro.) and amended to read:

235.40 Definitions. (intro.) In this ~~chapter~~ subchapter:

SECTION 349. 234.01 (1) of the statutes is repealed.

SECTION 350. 234.01 (2) of the statutes is repealed.

SECTION 351. 234.01 (3) of the statutes is repealed.

SECTION 352. 234.01 (3m) of the statutes is renumbered 235.40 (3m) and amended to read:

235.40 (3m) “Collateral” means a 3rd-party note, mortgage, guaranty, insurance policy, bond, letter of credit, security agreement, or other instrument securing the repayment of ~~an economic development loan or a mortgage loan.~~

SECTION 353. 234.01 (4) of the statutes is renumbered 235.40 (4).

SECTION 354. 234.01 (4m) of the statutes is repealed.

SECTION 355. 234.01 (4n) of the statutes is repealed.

SECTION 356. 234.01 (5) of the statutes is renumbered 235.40 (5).

SECTION 357. 234.01 (5k) of the statutes is renumbered 235.40 (5k).

SECTION 358. 234.01 (5m) of the statutes is renumbered 235.40 (5m) and amended to read:

235.40 (5m) “Homeownership mortgage loan” has the meaning given under s. ~~234.59~~ 235.59 (1) (f).

SECTION 359. 234.01 (6) of the statutes is renumbered 235.40 (6), and 235.40 (6) (a) and (b), as renumbered, are amended to read:

235.40 (6) (a) If the corporation receives any loan or advance from the authority under this chapter subchapter, it may enter into an agreement with the authority providing for regulation with respect to rents, profits, dividends, and disposition of property or franchises; ~~and.~~

(b) If the corporation receives a loan or advance under this chapter subchapter, the chairperson of the board of the authority, or his or her designee, acting with the prior approval of the ~~majority of the members of the authority~~ board, may, if he or she determines that any such loan or advance is in jeopardy of not being repaid, that the proposed development for which such loan or advance was made is in jeopardy

of not being constructed, or that the corporation is not carrying out the intent and purposes of this ~~chapter~~ subchapter, appoint to the board of directors of such corporation a number of new directors, which number shall be sufficient to constitute a majority of ~~such~~ that board of directors, notwithstanding any other provision of such articles of incorporation or of any other provision of law.

SECTION 360. 234.01 (7) of the statutes is renumbered 235.40 (7).

SECTION 361. 234.01 (7m) of the statutes is renumbered 235.40 (7m) and amended to read:

235.40 **(7m)** "Housing rehabilitation loan" means a low interest housing rehabilitation loan as defined in s. ~~234.49~~ 235.49 (1) (f) and (fm).

SECTION 362. 234.01 (8) of the statutes is renumbered 235.40 (8), and 235.40 (8) (a) and (b), as renumbered, are amended to read:

235.40 **(8)** (a) As a condition of acceptance of a loan or advance under this ~~chapter~~ subchapter, the limited-profit entity shall enter into an agreement with the authority providing for limitations of rents, profits, dividends, and disposition of property or franchises; ~~and~~.

(b) If the limited-profit entity receives a loan or advance under this ~~chapter~~ subchapter, the chairperson of the board of directors of the authority, or his or her designee, acting with the prior approval of the ~~majority of members of the authority board~~, may, if he or she determines that any such loan or advance is in jeopardy of not being repaid, that the proposed development for which such loan or advance was made is in jeopardy of not being constructed, or that the limited-profit entity is otherwise not carrying out the intent and purposes of this ~~chapter~~ subchapter, appoint to the board of directors or other comparable controlling body of such limited-profit entity a number of new directors or persons, which number shall be

sufficient to constitute a voting majority of such board or controlling body, notwithstanding any other provisions of the limited-profit entity's articles of incorporation or other documents of organization, or of any other provisions of law.

SECTION 363. 234.01 (9) of the statutes is renumbered 235.40 (9), and 235.40 (9) (a) 5., as renumbered, is amended to read:

235.40 (9) (a) 5. That if the corporation receives a loan or advance under this ~~chapter~~ subchapter, the chairperson of the board of directors of the authority, or his or her designee, acting with the prior approval of the ~~majority of the members of the authority board~~, may, on determination that any such loan or advance is in jeopardy of not being repaid, that the proposed development for which such loan or advance was made is in jeopardy of not being constructed, that some part of the net income or net earnings of the corporation is inuring to the benefit of any private person, that the corporation is in some manner controlled or under the direction of or acting in the substantial interest of any private person seeking to derive benefit or gain therefrom or seeking to eliminate or minimize losses in any dealings or transactions therewith, or that the corporation is not carrying out the intent and purposes of this ~~chapter~~ subchapter, appoint to the board of directors of such corporation a number of new directors, which number shall be sufficient to constitute a majority of such board, notwithstanding any other provisions of such articles of incorporation or of any other provisions of law.

SECTION 364. 234.01 (10) of the statutes is renumbered 235.40 (10) and amended to read:

235.40 (10) "Persons and families of low and moderate income" means persons and families who cannot afford to pay the amounts at which private enterprise, without ~~federally-aided~~ federally aided mortgages or loans from the authority, can

provide a substantial supply of decent, safe and sanitary housing and who fall within income limitations set by the authority in its ~~rules~~ policies and procedures. In determining such income limitations the authority shall consider the amounts of the total income of such persons available for housing needs, the size of the family, the cost and condition of available housing facilities, standards established for various federal programs, and any other factors determined by the authority to be appropriate in arriving at such limitations. Among low- or moderate-income persons and families, preference shall be given to those displaced by governmental action.

SECTION 365. 234.02 of the statutes is repealed.

SECTION 366. 234.03 of the statutes is repealed.

SECTION 367. 234.032 of the statutes is repealed.

SECTION 368. 234.034 of the statutes is renumbered 235.401.

SECTION 369. 234.04 of the statutes is renumbered 235.402, and 235.402 (2), as renumbered, is amended to read:

235.402 (2) The authority may make or participate in the making and enter into commitments for the making of long-term mortgage loans to eligible sponsors of housing projects for occupancy by persons and families of low and moderate income, or for the making of homeownership mortgage loans or housing rehabilitation loans or loans for the refinancing of qualified subprime loans under s. ~~234.592~~ 235.592 to persons and families of low and moderate income, an applicant under s. ~~234.59~~ or ~~234.592~~ 235.59 to 235.592, or other eligible beneficiaries as defined in s. ~~234.49~~ 235.49. The loans may be made only upon the determination by the authority that they are not otherwise available from private lenders upon reasonably equivalent terms and conditions. The authority may not make a loan to a person

whose name appears on the statewide support lien docket under s. 49.854 (2) (b), unless the person provides to the authority a payment agreement that has been approved by the county child support agency under s. 59.53 (5) and that is consistent with rules promulgated under s. 49.858 (2) (a). The authority may employ, for such compensation as it determines, the services of any financial institution in connection with any loan.

SECTION 370. 234.05 of the statutes is renumbered 235.403.

SECTION 371. 234.06 of the statutes is renumbered 235.404.

SECTION 372. 234.07 of the statutes is renumbered 235.405, and 235.405 (1), as renumbered, is amended to read:

235.405 (1) Except as provided in sub. (2), a limited-profit entity ~~which~~ that receives loans from the authority may not make distributions, other than from funds contributed to the limited-profit entity by stockholders, partners, members, or holders of beneficial interest in the limited-profit entity, in any one year with respect to a project financed by the authority in excess of 6% of its equity in such project on a cumulative basis. The equity in a project shall consist of the difference between the amount of the mortgage loan and the total project cost. Total project cost shall include construction or rehabilitation costs including job overhead and a builder's and sponsor's profit and risk fee, architectural, engineering, legal, and accounting costs, organizational expenses, land value, interest, and financing charges paid during construction, the cost of landscaping and off-site improvements, whether or not such costs have been paid in cash or in a form other than cash. With respect to every project the authority shall, pursuant to ~~rules~~ policies and procedures adopted by it, establish the entity's equity at the time of making of the final mortgage advance and, for purposes of this section, that figure shall remain constant during the life of

the authority's loan with respect to such project. Upon the dissolution of the limited-profit entity any surplus in excess of the distributions allowed by this section shall be paid to the authority. For this purpose surplus shall not be deemed to include any increase in net worth of any limited-profit entity by reason of a reduction of mortgage indebtedness, by amortization or similar payments or by reason of the sale or disposition of any assets of a limited-profit entity to the extent such surplus can be attributed to any increase in market value of any real or tangible personal property accruing during the period the assets were owned and held by the limited-profit entity.

SECTION 373. 234.08 (title) of the statutes is renumbered 235.02 (title).

SECTION 374. 234.08 (1) of the statutes is renumbered 235.02 (1) and amended to read:

235.02 (1) The authority may issue its negotiable notes and bonds in such principal amount, as, in the opinion of the authority, is necessary to provide sufficient funds for achieving its corporate purposes, ~~including the purchase of certain mortgages and securities and the making of secured loans for low and moderate-income housing, for the rehabilitation of existing structures and for the construction of facilities appurtenant thereto as provided in this chapter; for the making of secured loans to assist eligible elderly homeowners in paying property taxes and special assessments; for the payment of interest on notes and bonds of the authority during construction; for the establishment of reserves to secure such notes and bonds; for the provision of moneys for the housing development fund in order to make temporary loans to sponsors of housing projects as provided in this chapter; and for all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers.~~

SECTION 375. 234.08 (2) of the statutes is renumbered 235.02 (2).

SECTION 376. 234.08 (3) of the statutes is renumbered 235.02 (3).

SECTION 377. 234.08 (4) of the statutes is renumbered 235.02 (4).

SECTION 378. 234.08 (5) of the statutes is repealed.

SECTION 379. 234.08 (6) of the statutes is repealed.

SECTION 380. 234.08 (7) of the statutes is renumbered 235.02 (7).

SECTION 381. 234.09 of the statutes is renumbered 235.021 and amended to read:

235.021 Same Notes and bonds; authorization; terms. The authority's notes and bonds shall be authorized by resolution of the members of the authority board; shall bear such date or dates, and shall mature at such time or times, in the case of any note, or any renewal thereof, not exceeding 5 years, from the date of issue of such original note, and in the case of any bond not exceeding 50 years from the date of issue, as the resolution provides. The notes and bonds shall bear interest at such rate or rates, be in such denominations of \$1,000 or more, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment, at such place and be subject to such terms of redemption as the resolution provides. The bonds may be issued as serial bonds payable in annual installments or as term bonds or as a combination thereof. The notes and bonds of the authority may be sold by the authority, at public or private sale, at the price determined by the authority.

SECTION 382. 234.10 of the statutes is renumbered 235.0215, and 235.0215 (title) and (9), as renumbered, are amended to read:

235.0215 (title) Same Notes and bonds; resolution authorizing issuance, contents.

(9) Vesting in a trustee such property, rights, powers, and duties in trust as the authority determines, which may include any or all of the rights, powers, and duties of the trustee appointed by the noteholders or bondholders pursuant to s. ~~234.20~~ 235.0265 and limiting or abrogating the right of the noteholders or bondholders to appoint a trustee under s. ~~234.20~~ 235.0265 or limiting the rights, powers, and duties of such trustee, in which event s. ~~234.20~~ 235.0265 shall not apply.

SECTION 383. 234.11 of the statutes is renumbered 235.022 and amended to read:

235.022 Same Notes and bonds; validity and effect of pledge. Any pledge made by the authority shall be valid and binding from the time when the pledge is made; the moneys or property so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act; and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded.

SECTION 384. 234.12 of the statutes is renumbered 235.0225 and amended to read:

235.0225 Same Notes and bonds; personal liability of members of authority. Neither the members of the authority board, nor the members of a committee established by the board, nor any person executing the notes or bonds shall be liable personally on the notes or bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 385. 234.13 of the statutes is renumbered 235.023, and 235.023 (title), as renumbered, is amended to read:

235.023 (title) **Same Notes and bonds; purchase for cancellation.**

SECTION 386. 234.14 of the statutes is renumbered 235.0235, and 235.0235 (title), as renumbered, is amended to read:

235.0235 (title) **Same Notes and bonds; liability of state.**

SECTION 387. 234.15 of the statutes is renumbered 235.024.

SECTION 388. 234.16 of the statutes is renumbered 235.0245.

SECTION 389. 234.165 of the statutes is renumbered 235.025, and 235.025 (2) (dm), as renumbered, is amended to read:

235.025 (2) (dm) The authority shall allocate a portion of its surplus in a plan prepared under par. (b) to the property tax deferral loan program under ss. ~~234.621 to 234.626~~ 235.621 to 235.626.

SECTION 390. 234.17 of the statutes is repealed.

SECTION 391. 234.18 of the statutes is renumbered 235.0255 and amended to read:

235.0255 Limit on amount of outstanding bonds and notes. The authority may not issue notes and bonds that are secured by a capital reserve fund to which s. ~~234.15~~ 235.024 (4) applies if, upon issuance, the total aggregate outstanding principal amount of notes and bonds that are secured by a capital reserve fund to which s. ~~234.15~~ 235.024 (4) applies would exceed \$600,000,000. This section does not apply to bonds and notes issued to refund outstanding notes and bonds.

SECTION 392. 234.19 of the statutes is renumbered 235.026.

SECTION 393. 234.20 of the statutes is renumbered 235.0265.

SECTION 394. 234.21 of the statutes is renumbered 235.027 and amended to read:

235.027 Trustee; additional powers. The trustee, in addition to the powers granted in s. ~~234.20~~ 235.0265 shall have all of the powers necessary or appropriate for the exercise of any functions specifically set forth in this chapter or incident to the general representation of noteholders or bondholders in the enforcement and protection of their rights.

SECTION 395. 234.22 of the statutes is renumbered 235.0271 and amended to read:

235.0271 Venue. The venue of any action or proceeding by the trustee under ss. ~~234.19, 234.20 and 234.21~~ 235.026, 235.0265, and 235.027 shall be in Dane County.

SECTION 396. 234.23 of the statutes is renumbered 235.0273.

SECTION 397. 234.24 of the statutes is renumbered 235.0275.

SECTION 398. 234.25 of the statutes is repealed.

SECTION 399. 234.255 of the statutes is repealed.

SECTION 400. 234.26 of the statutes is renumbered 235.0277.

SECTION 401. 234.265 of the statutes is renumbered 235.0279 and amended to read:

235.0279 Records of the authority. All records of the authority or any corporation established by the authority shall be open to the public as provided in s. 19.35 (1), except:

(1) Those records relating to pending grants, ~~economic development loans, economic development projects,~~ or housing projects ~~which~~ that, in the opinion of the authority, must remain confidential to protect the competitive nature of the grant, loan, or project.

(2) Records or portions of records consisting of personal or financial information provided by a person seeking a grant or loan under s. ~~234.63, 2007 stats., or s. 234.04, 234.08, 234.49, 234.59, 234.592, 234.605, 234.61, 234.65, 234.67, 234.83, 234.84, 234.90, 234.905, 234.907, or 234.91, seeking a loan under ss. 234.621 to 234.626, seeking financial assistance under s. 234.66, 2005 stats., seeking mortgage loan refinancing from a lender under s. 234.605, seeking investment of funds under s. 234.03 (18m), or in which the authority has invested funds under s. 234.03 (18m), unless the person consents to disclosure of the information, tax credit, or other assistance from the authority.~~

SECTION 402. 234.28 of the statutes is renumbered 235.028.

SECTION 403. 234.29 of the statutes is renumbered 235.0283.

SECTION 404. 234.30 of the statutes is renumbered 235.0285.

SECTION 405. 234.31 of the statutes is renumbered 235.0287.

SECTION 406. 234.32 of the statutes is renumbered 235.0289.

SECTION 407. 234.40 of the statutes is renumbered 235.409, and 235.409 (2), (3) and (4), as renumbered, are amended to read:

235.409 (2) Bonds issued under the authority of this section are payable out of revenues or moneys received from the repayment of veterans housing loans and related funds made available in ss. ~~234.42~~ 235.42 and ~~234.43~~ 235.43. All assets and liabilities created through the issuance of bonds to purchase mortgage loans representing veterans housing loans are to be separate from all other assets and liabilities of the authority. No funds of the veterans housing loan program may be commingled with any other funds of the authority.

(3) It is the intent of the legislature that the authority be used to finance the veterans housing program. Nothing in this chapter ~~chapter~~ subchapter shall be construed

to supersede the powers vested by subch. III of ch. 45 in the department of veterans affairs for carrying out program responsibilities for which debt has been incurred by the authority.

(4) The limitations established in ss. ~~234.18, 234.50, 234.60, 234.61, and 234.65~~ 235.0255, 235.50, 235.60, and 235.61 are not applicable to bonds issued under the authority of this section. The authority may not have outstanding at any one time bonds for veterans housing loans in an aggregate principal amount exceeding \$61,945,000, excluding bonds being issued to refund outstanding bonds.

SECTION 408. 234.41 of the statutes is renumbered 235.41, and 235.41 (3), as renumbered, is amended to read:

235.41 (3) Moneys of the veterans housing loan fund may be invested as provided in s. ~~234.03 (18)~~ policies and procedures established by the authority. All such investments shall be the exclusive property of the fund. All earnings on or income from such investments shall be credited to the fund, paid over to the department of veterans affairs and deposited in the veterans trust fund after payment or repayment of any deficits arising in the veterans capital reserve fund and after payment of expenses contained in sub. (4).

SECTION 409. 234.42 of the statutes is renumbered 235.42, and 235.42 (1s) and (4), as renumbered, are amended to read:

235.42 (1s) The authority shall establish the veterans capital reserve fund to secure the veterans housing bonds sold pursuant to s. ~~234.40~~ 235.409, and shall pay into the veterans capital reserve fund any moneys appropriated and made available by the state for the purposes of such fund, any proceeds of sale of bonds, to the extent provided in the resolution of the authority authorizing the issuance thereof and any

other moneys which are made available to the authority for the purpose of such fund from any other source.

(4) To assure the continued operation and solvency of the authority for the carrying out of the veterans housing loan program of this ~~chapter~~ subchapter, the authority shall accumulate in the veterans capital reserve fund an amount equal to the veterans capital reserve fund requirement. If at any time the veterans capital reserve fund requirement exceeds the amount of the veterans capital reserve fund, the chairperson of the authority shall certify to the secretary of administration, the governor and the joint committee on finance, the amount necessary to restore the veterans capital reserve fund to an amount equal to the veterans capital reserve fund requirement. If such certification is received by the secretary of administration in an even-numbered year prior to the completion of the budget compilation under s. 16.43, the secretary shall include the certified amount in the budget compilation. In any case, the joint committee on finance shall introduce in either house, in bill form, an appropriation of the amount so certified to the veterans capital reserve fund of the authority. Recognizing its moral obligation to do so, the legislature hereby expresses its expectation and aspiration that, if ever called upon to do so, it shall make such appropriation.

SECTION 410. 234.43 of the statutes is renumbered 235.43, and 235.43 (1), as renumbered, is amended to read:

235.43 (1) The authority shall establish the veterans housing bond redemption fund. All mortgages purchased with moneys from the veterans housing loan fund shall be the exclusive property of the bond redemption fund. All moneys received by the authority from the repayment of veterans housing loans shall be deposited into

such fund to be used for the repayment of veterans housing bonds issued pursuant to s. ~~234.40~~ 235.409.

SECTION 411. 234.44 of the statutes is renumbered 235.44 and amended to read:

235.44 Validation of certain obligations and proceedings.

Notwithstanding any provision of this chapter or any other law, in the absence of fraud, all obligations issued prior to May 4, 1976 purportedly pursuant to this chapter ~~ch. 234, 2013 stats.~~, and all proceedings prior to such time taken purportedly pursuant to this chapter ~~ch. 234, 2013 stats.~~, for the authorization and issuance of such obligations or of obligations not yet issued, and the sale, execution, and delivery of such obligations issued prior to May 4, 1976, are hereby validated, ratified, approved, and confirmed, notwithstanding any lack of power, however patent, other than constitutional, of the issuing authority or the governing body or officer thereof, to authorize such obligations, or to sell, execute, or deliver the same, and notwithstanding any defects or irregularities, however patent, other than constitutional, in such proceeding or in such sale, execution, or delivery of such obligations. All such obligations issued prior to May 4, 1976 are binding, legal obligations in accordance with their terms.

SECTION 412. 234.49 of the statutes is renumbered 235.49, and 235.49 (1) (intro.) and (2) (a) (intro.), 6. and 8., as renumbered, are amended to read:

235.49 (1) DEFINITIONS. (intro.) In ss. ~~234.49~~ 235.49 to ~~234.55~~ 235.55:

(2) (a) (intro.) The authority has the following powers for the purpose of implementing this section, in addition to all other powers granted by this chapter subchapter:

6. To enter into contracts or agreements with authorized lenders and sponsors providing for the maximum and minimum acceptable rates of interest to be charged for various classifications of housing rehabilitation loans. In no event may the stated rate of interest on any housing rehabilitation loan under this section exceed the greater of 8% per year or 3% plus the rate necessary to fully repay interest and principal on housing rehabilitation loan program bonds issued pursuant to s. ~~234.50~~ 235.50.

8. To adopt procedures and forms necessary to effectuate the rehabilitation program or to facilitate the marketing of bonds issued under s. ~~234.50~~ 235.50.

SECTION 413. ~~234.50~~ of the statutes is renumbered 235.50, and ~~235.50~~ (1), (2) and (4), as renumbered, are amended to read:

235.50 (1) The authority may issue its negotiable bonds in such principal amount and of such length of maturity as, in the opinion of the authority, is necessary to provide sufficient funds for purchasing housing rehabilitation loans or for funding commitments for loans to lenders for housing rehabilitation loans; for purchasing property tax deferral loans under s. ~~234.49~~ 235.49 (2) (a) 10.; for the establishment of reserves to secure such bonds; and for all other expenditures of the authority incident to or necessary and convenient in connection therewith. The authority may, whenever it deems refunding expedient, refund any bonds by the issuance of new bonds whether the bonds to be refunded have or have not matured, and issue bonds partly to refund bonds then outstanding and partly for the purpose authorized by this section.

(2) Bonds issued under the authority of this section shall be special obligations of the authority payable solely out of revenues, moneys or other property received in connection with the housing rehabilitation loan program, including, without

limitation, repayments of housing rehabilitation loans, federal insurance or guarantee payments, the proceeds of bonds issued under the authority of this section, and the amounts made available under ss. ~~234.54~~ 235.54 and ~~234.55~~ 235.55. All assets and liabilities created through the issuance of bonds to purchase housing rehabilitation loans shall be separate from all other assets and liabilities of the authority. No funds of the housing rehabilitation loan program may be commingled with any other funds of the authority.

(4) The limitations established in ss. ~~234.18, 234.40, 234.60, 234.61, and 234.65~~ 235.0255, 235.409, 235.60, and 235.61 are not applicable to bonds issued under the authority of this section. The authority may not have outstanding at any one time bonds for housing rehabilitation loans in an aggregate principal amount exceeding \$100,000,000, excluding bonds being issued to refund outstanding bonds. The authority shall consult with and coordinate the issuance of bonds with the building commission prior to the issuance of bonds.

SECTION 414. 234.51 of the statutes is renumbered 235.51, and 235.51 (1), (2) (a) and (3), as renumbered, are amended to read:

235.51 (1) There is established under the jurisdiction of the authority a housing rehabilitation loan program administration fund. There shall be paid into such fund the amounts appropriated under s. ~~20.490~~ 20.885 (2) (a) (ad), the amounts provided in s. ~~234.55~~ 235.55, any amounts transferred by the authority to such fund from other funds or sources and any other moneys which may be available to the authority for the purpose of such fund from any other source.

(2) (a) To pay all administrative costs, expenses, and charges, including origination fees and servicing fees, incurred in conducting the housing rehabilitation

loan program other than those described in ss. ~~234.53~~ 235.53 (4) and ~~234.55~~ 235.55 (2) (b).

(3) Moneys of the fund may be invested as provided in s. ~~234.03 (18)~~ policies and procedures established by the authority. All such investments shall be the exclusive property of the fund. All earnings on or income from such investments shall be credited to the fund.

SECTION 415. 234.52 of the statutes is renumbered 235.52, and 235.52 (1), (2) and (3), as renumbered, are amended to read:

235.52 (1) There is established under the jurisdiction of the authority a housing rehabilitation loan program loan-loss reserve fund. There shall be paid into such fund the amounts appropriated under s. ~~20.490~~ 20.885 (2) (q), the amounts provided under s. ~~234.55~~ 235.55, any amounts transferred by the authority to such fund from other funds or sources and any other moneys which may be available to the authority for the purposes of such fund from any other source.

(2) Subject to agreements with bondholders, the authority shall use moneys in the fund solely for transfer to the housing rehabilitation loan program bond redemption fund in amounts equal to losses on housing rehabilitation loans owned by that fund which are not made good by federal insurance or guarantee payments, and solely for the purposes described in s. ~~234.55~~ 235.55 (2) (a). Any balance remaining after payment or due provision for payment of all outstanding bonds issued under the authority of s. ~~234.50~~ 235.50 shall be transferred to the housing rehabilitation loan program administration fund.

(3) Moneys of the fund may be invested as provided in s. ~~234.03 (18)~~ policies and procedures established by the authority. All such investments shall be the

exclusive property of the fund. All earnings on or income from such investments shall be credited to the fund.

SECTION 416. 234.53 of the statutes is renumbered 235.53, and 235.53 (1), (2) and (3), as renumbered, are amended to read:

235.53 (1) The authority shall establish the housing rehabilitation loan fund. All moneys resulting from the sale of bonds issued under the authority of s. ~~234.50~~ 235.50, not including bonds issued to refund outstanding bonds, and unless credited to the housing rehabilitation loan program capital reserve or bond redemption funds, shall be credited to such fund.

(2) The authority shall use moneys in the fund for the purpose of purchasing housing rehabilitation loans or for funding commitments for loans to lenders for housing rehabilitation loans. All disbursements of funds under this section for purchasing such loans shall be made payable to an authorized lender as defined in s. ~~234.49~~ 235.49 (1) (b) or a duly authorized agent thereof.

(3) Moneys of the fund may be invested as provided in s. ~~234.03 (18)~~ policies and procedures established by the authority. All such investments shall be the exclusive property of the fund. All earnings on or income from such investments shall be credited to the fund.

SECTION 417. 234.54 of the statutes is renumbered 235.54, and 235.54 (1r) and (4) (a), as renumbered, are amended to read:

235.54 (1r) The authority shall establish the housing rehabilitation loan program capital reserve fund to secure the bonds issued under the authority of s. ~~234.50~~ 235.50, and shall pay into such fund any moneys appropriated and made available by the state for the purposes of such fund, any proceeds of sale of housing rehabilitation bonds to the extent provided in the resolution of the authority

authorizing the issuance thereof and any other moneys which are made available to the authority for the purpose of such fund from any other source.

(4) (a) To assure the continued operation and solvency of the authority for the carrying out of the public purposes of this ~~chapter~~ subchapter, the authority shall accumulate in the capital reserve fund an amount equal to the capital reserve fund requirement for such fund.

SECTION 418. 234.55 of the statutes is renumbered 235.55, and 235.55 (1) and (4), as renumbered, are amended to read:

235.55 (1) The authority shall establish the housing rehabilitation loan program bond redemption fund. All housing rehabilitation loans purchased with moneys from the housing rehabilitation loan fund or notes evidencing loans to lenders from such fund for housing rehabilitation loans shall be the exclusive property of such redemption fund. All moneys received from the repayment of such loans, any amounts transferred by the authority to such fund pursuant to s. ~~234.52~~ 235.52 or from other funds or sources, any federal insurance or guarantee payments with respect to such loans, all moneys resulting from the sale of bonds for the purpose of refunding outstanding housing rehabilitation bonds unless credited to the housing rehabilitation loan program capital reserve fund, and any other moneys which may be available to the authority for the purpose of such fund, shall be deposited into such fund to be used for the repayment of housing rehabilitation bonds issued under the authority of s. ~~234.50~~ 235.50.

(4) Moneys of the fund may be invested as provided in s. ~~234.03 (18)~~ policies and procedures established by the authority. All such investments shall be the exclusive property of the fund. All earnings on or income from such investments shall be credited to the fund.

SECTION 419. 234.59 of the statutes is renumbered 235.59, and 235.59 (2) (e) and (3) (bc) 3., as renumbered, are amended to read:

235.59 (2) (e) May enter into agreements to insure or provide additional security for homeownership mortgage loans or bonds or notes issued under s. ~~234.60~~ 235.60.

(3) (bc) 3. If the authority sets aside at least 20% of the proceeds of a bond or note issuance under s. ~~234.60~~ 235.60 to fund home ownership mortgage loans for eligible properties that are targeted area residences, the authority may apply up to 33% of the proceeds that are set aside for that purpose without regard to the income of the applicant.

SECTION 420. 234.592 of the statutes is renumbered 235.592, and 235.592 (1) (a), (b) and (c) and (2) (c), as renumbered, are amended to read:

235.592 (1) (a) “Authorized lender” has the meaning given in s. ~~234.59~~ 235.59
(1) (a).

(b) “Eligible property” has the meaning given in s. ~~234.59~~ 235.59 (1) (d) 1.

(c) “Principal residence” has the meaning given in. s. ~~234.59~~ 235.59 (1) (j).

(2) (c) May enter into agreements to insure or provide additional security for loans or bonds or notes issued under s. ~~234.60~~ 235.60.

SECTION 421. 234.60 of the statutes is renumbered 235.60, and 235.60 (1), (2), (5) (c) and (9), as renumbered, are amended to read:

235.60 (1) The authority may issue its bonds or notes to fund homeownership mortgage loans or the refinancing of qualified subprime loans under s. ~~234.592~~ 235.592.

(2) The limitations in ss. ~~234.18, 234.40, 234.50, 234.61, and 234.65~~ 235.0255, 235.409, 235.50, and 235.61 do not apply to bonds or notes issued under this section.

(5) (c) The secretary of administration shall determine the date after which no bond or note may be issued under this section for the purpose of financing the acquisition or replacement of an existing mortgage under s. ~~234.592~~ 235.592.

(9) The ~~executive director of the authority~~ shall make every effort to encourage participation in the homeownership mortgage loan program and the qualified subprime loan refinancing program by women and minorities.

SECTION 422. 234.605 of the statutes is renumbered 235.605, and 235.605 (1) (a) and (2), as renumbered, are amended to read:

235.605 (1) (a) “Eligible property” has the meaning given in s. ~~234.59~~ 235.59
(1) (d) 1.

(2) Subject to the approval of all members of the board of directors of the authority, the authority may establish and administer a homeowner eviction and lien protection program to encourage the refinancing of mortgage loans by lenders in order to facilitate the retention of eligible property by persons and families.

SECTION 423. 234.61 of the statutes is renumbered 235.61, and 235.61 (1), as renumbered, is amended to read:

235.61 (1) Upon the authorization of the department of health services, the authority may issue bonds or notes and make loans for the financing of housing projects which are residential facilities as defined in s. 46.28 (1) (d) and the development costs of those housing projects, if the department of health services has approved the residential facilities for financing under s. 46.28 (2). The limitations in ss. ~~234.18, 234.40, 234.50, 234.60, and 234.65~~ 235.0255, 235.409, 235.50, and 235.60 do not apply to bonds or notes issued under this section. The definition of “nonprofit corporation” in s. ~~234.01~~ 235.40 (9) does not apply to this section.

SECTION 424. 234.621 of the statutes is renumbered 235.621.

SECTION 425. 234.622 (intro.) of the statutes is renumbered 235.622 (intro.) and amended to read:

235.622 Definitions. (intro.) In ss. ~~234.621 to 234.626~~ 235.621 to 235.626:

SECTION 426. 234.622 (1) of the statutes is renumbered 235.622 (1).

SECTION 427. 234.622 (2m) of the statutes is repealed.

SECTION 428. 234.622 (3) of the statutes is renumbered 235.622 (3).

SECTION 429. 234.622 (3m) of the statutes is renumbered 235.622 (3m).

SECTION 430. 234.622 (4) of the statutes is renumbered 235.622 (4).

SECTION 431. 234.622 (5) of the statutes is renumbered 235.622 (5) and amended to read:

235.622 (5) "Permitted obligations" means the total amount of outstanding liens and judgments on the qualifying dwelling unit if that amount does not exceed 33% of the value of the unit as determined by the most recent assessment for property tax purposes. For purposes of ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, housing and rehabilitation loans under s. ~~234.49~~ 235.49 and liens arising under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 shall not be considered outstanding liens or judgments in computing the amount of permitted obligations.

SECTION 432. 234.622 (6) of the statutes is renumbered 235.622 (6) and amended to read:

235.622 (6) "Program" means the program under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626.

SECTION 433. 234.622 (7) of the statutes is renumbered 235.622 (7) and amended to read:

235.622 (7) "Qualifying dwelling unit" means a dwelling unit, not including a mobile home as defined in s. 101.91 (10), located in this state, habitable as a

permanent residence and to which property taxes or special assessments are, or may conveniently be, allocated and up to one acre of land appertaining to it held in the same ownership as the dwelling unit. For purposes of ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, “qualifying dwelling unit” includes a unit in a condominium or in a cooperative or an unincorporated cooperative association or in a multiunit dwelling with 4 or fewer units, but in all of these 3 cases only the portion of taxes or special assessments allocable to the unit lived in by the participant may qualify for loans under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626.

SECTION 434. 234.623 of the statutes is renumbered 235.623, and 235.623 (1) and (3), as renumbered, are amended to read:

235.623 (1) The participant applies on forms prescribed by the authority for a loan to pay property taxes or special assessments by June 30 of the year in which the taxes or special assessments are payable on a qualifying dwelling unit and, except as provided in s. ~~234.625~~ 235.625 (5), specifies the names of all co-owners.

(3) The participant keeps continuously in effect during the period that a loan is outstanding under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 a fire and extended casualty insurance policy on the qualifying dwelling unit satisfactory to the authority and permits the authority to be named on the policy as a lienholder.

SECTION 435. 234.624 of the statutes is renumbered 235.624.

SECTION 436. 234.625 of the statutes is renumbered 235.625, and 235.625 (1), (2), (3), (4) (b) 1. and 6., (5), (9) and (10), as renumbered, are amended to read:

235.625 (1) The authority shall enter into agreements with participants and their co-owners to loan funds to pay property taxes and special assessments on their qualifying dwelling units. The maximum loan under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 in any one year is limited to the lesser of \$3,525 or the amount obtained by

adding the property taxes levied on the qualifying dwelling unit for the year for which the loan is sought, the special assessments levied on the dwelling unit, and the interest and penalties for delinquency attributable to the property taxes or special assessments. Loans shall bear interest at a rate equal to the prime lending rate at the time the rate is set, as reported by the federal reserve board in federal reserve statistical release H. 15, plus 1%. ~~The executive director~~ authority shall set the rate no later than October 15 of each year, and that rate shall apply to loans made in the following year.

(2) The authority shall have all powers ~~under s. 234.03~~ that are necessary or convenient to the operation of a loan program, including, without limitation because of enumeration, the power to enter into contracts, to pay or be paid for the performance of services, to exercise all rights of a lienholder under subch. I of ch. 779, and to perform other administrative actions that are necessary in the conduct of its duties under ~~ss. 234.621 235.621~~ to ~~234.626 235.626~~.

(3) The authority shall adopt ~~rules~~ policies and establish procedures under which applications for loans under this section may be submitted, reviewed, and approved; under which repayment of the loans are to be obtained; under which disputes and claims concerning the loans are to be settled; and under which records concerning are to be maintained.

(4) (b) 1. Transfer of the qualifying dwelling unit by any means except upon transfer to a co-owner who resides in the unit and who is permitted to assume the participant's account as provided in s. ~~234.624 235.624~~.

6. The participant ceases to meet the eligibility requirements of s. ~~234.623 235.623~~, except as provided in sub. (5).

(5) If a participant in the program ceases to meet the eligibility requirements of this section, the authority, rather than demanding repayment under sub. (4) (b), may allow the participant to continue in the program, may allow the participant to continue in the program but be ineligible for additional loans, or may require partial settlement. The authority may also allow co-owners to be added to the loan agreement if, ~~in the judgment of the executive director,~~ the authority determines that the addition of co-owners does not significantly increase the authority's exposure to risk under the loan agreement.

(9) Upon the making of the initial loan, a nonconsensual statutory lien in favor of the authority to secure payment of the principal, interest, fees and charges due on all loans, including loans made after the lien is filed, to the participant made under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 shall attach to the qualifying dwelling unit in respect to which the loan is made. The qualifying dwelling unit shall remain subject to the statutory lien until the payment in full of all loans and charges. If the authority funds such loans from the proceeds of notes or bonds under s. ~~234.626~~ 235.626, its right under the lien shall automatically accrue to the benefit of the holders of those notes or bonds, without any action or assignment by the authority. When a loan becomes due and payable, the statutory lien hereby conferred may be enforced by the authority or the holders of the notes or bonds or their representative, as the case may be, in the same manner as a construction lien under ss. 779.09 to 779.12, except that neither the participant nor any co-owners or their personal representatives, successors or assigns shall be personally liable for any deficiency which may arise from the sale. At the time of disbursing the initial loan to a participant, the authority shall record with the register of deeds of the county in which the qualifying dwelling unit is located, on a form prescribed by the authority

which shall contain a legal description of the qualifying dwelling unit, a notice of the loan made under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 and the existence of the statutory lien arising therefrom. The register of deeds shall record the notice in the land records and index it in the indexes maintained by the register of deeds. The statutory lien created by this section shall have priority over any lien that originates subsequent to the recording of the notice.

(10) If the property taxes or special assessments are paid, using a loan made under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, after the taxes or assessments are due, the participant shall be liable for interest and penalty charges for delinquency under ch. 74. Subject to sub. (1), the principal amount of loans made under this program may include delinquency charges.

SECTION 437. ~~234.626~~ of the statutes is renumbered 235.626, and ~~235.626~~ (1), (2), (2m), (4), (6) and (7), as renumbered, are amended to read:

235.626 (1) Loans made or authorized to be made under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 may be funded from the proceeds of notes and bonds issued subject to and in accordance with ss. ~~234.08 to 234.14~~ 235.02 to 235.0235 and from the fund under s. ~~234.165~~ 235.025.

(2) The authority may create a system of funds and accounts, separate and distinct from all other funds and accounts of the authority, consisting of moneys received from notes and bonds, all revenues received in the repayment of loans made under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, except as provided in sub. (2m), and any other revenues dedicated to it by the authority. The authority may pledge moneys and revenues received or to be received by this system of funds and accounts to secure bonds or notes issued for the program. The authority shall have all other

powers necessary and convenient to distribute the proceeds of the bonds, notes, and loan repayments in accordance with its powers under this ~~chapter~~ subchapter.

(2m) Revenues received in the repayment of loans made under s. ~~234.165~~ 235.025 shall be paid into the fund under s. ~~234.165~~ 235.025.

(4) The authority may adopt rules policies and procedures that restrict eligibility in addition to the requirements of s. ~~234.623~~ 235.623 or require the provision of additional security if, ~~in the executive director's judgment,~~ the authority determines that the rules or security are required for the satisfactory issuance of bonds or notes.

(6) Unless otherwise expressly provided in resolutions authorizing the issuance of bonds or notes or in other agreements with the holders of bonds or notes, each bond or note issued shall be on a parity with every other bond or note issued for the funding of loans under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626.

(7) Recognizing its moral obligation to do so, the legislature expresses its expectation and aspiration that, if ever called to do so, it shall make an appropriation to make the authority whole for defaults on loans issued under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626.

SECTION 438. 234.65 of the statutes is repealed.

SECTION 439. Subchapter II (title) of chapter 234 [precedes 234.67] of the statutes is renumbered subchapter V of chapter 235 [precedes 235.67].

SECTION 440. 234.67 of the statutes is renumbered 235.67, and 235.67 (1) (e), (2) (intro.) and (3), as renumbered, are amended to read:

235.67 **(1)** (e) "Participating lender" means a bank, credit union, savings bank, savings and loan association or other person, who makes loans for working capital

or to finance physical plant needs, equipment or machinery and who has entered into an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

(2) (intro.) A loan made by a participating lender before December 3, 1993, is eligible for guarantee of collection from the Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following apply:

(3) **GUARANTEE OF COLLECTION.** The authority shall guarantee collection of a percentage, not exceeding 90%, of the principal of any loan eligible for a guarantee under sub. (2). The authority shall establish the percentage of the unpaid principal of an eligible loan that will be guaranteed, using the procedures described in the guarantee agreement under s. ~~234.93~~ 235.93 (2) (a). The authority may establish a single percentage for all guaranteed loans or establish different percentages for eligible loans on an individual basis.

SECTION 441. 234.75 of the statutes is renumbered 235.75, and 235.75 (2) (c) and (5) (a) and (c) (intro.), as renumbered, are amended to read:

235.75 (2) (c) The lender is the authority or a financial institution that enters into an agreement under s. ~~234.93~~ 235.93 (2) (a).

(5) (a) Subject to par. (b), the authority may guarantee collection of all or part of the unpaid principal of a loan eligible for guarantee under sub. (3). If the authority guarantees all or part of a loan under this subsection, the authority shall establish the amount of the unpaid principal of an eligible loan that will be guaranteed using the procedures described in the guarantee agreement under s. ~~234.93~~ 235.93 (2) (a).

(c) (intro.) Notwithstanding s. ~~234.51~~ 235.51 (2), the authority may transfer moneys from the housing rehabilitation loan program administration fund to the Wisconsin development reserve fund for a loan guarantee under this subsection if all of the following conditions are met:

SECTION 442. 234.83 of the statutes is renumbered 235.83, and 235.83 (1m) (c), (3) (intro.) and (4), as renumbered, are amended to read:

235.83 **(1m)** (c) The lender enters into an agreement under s. ~~234.93~~ 235.93 (2) (a).

(3) ELIGIBLE LOANS. (intro.) A loan is eligible for guarantee of collection from the Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following apply:

(4) GUARANTEE OF REPAYMENT. The authority may guarantee repayment of a portion of the principal of any loan eligible for a guarantee under sub. (1m). That portion may not exceed 80% of the principal of the loan or \$750,000, whichever is less. The authority shall establish the portion of the principal of an eligible loan that will be guaranteed, using the procedures described in the agreement under s. ~~234.93~~ 235.93 (2) (a). The authority may establish a single portion for all guaranteed loans that do not exceed \$937,500 and a single portion for all guaranteed loans that exceed \$937,500 or establish on an individual basis different portions for eligible loans that do not exceed \$937,500 and different portions for eligible loans that exceed \$937,500.

SECTION 443. 234.84 (title) of the statutes is renumbered 235.84 (title).

SECTION 444. 234.84 (1) of the statutes is repealed.

SECTION 445. 234.84 (2) of the statutes is renumbered 235.84 (2), and 235.84 (2) (c), as renumbered, is amended to read:

235.84 **(2)** (c) The lender is a financial institution that enters into an agreement under s. ~~234.932~~ 235.932 (3) (a).

SECTION 446. 234.84 (3) of the statutes is renumbered 235.84 (3), and 235.84 (3) (intro.) and (c), as renumbered, are amended to read:

235.84 (3) ELIGIBLE LOANS. (intro.) A loan is eligible for guarantee of collection from the Wisconsin job training reserve fund under s. ~~234.932~~ 235.932 if all of the following apply:

(c) The interest rate on the loan, including any origination fees or other charges, is approved by the ~~corporation~~ authority.

SECTION 447. 234.84 (4) of the statutes is renumbered 235.84 (4) and amended to read:

235.84 (4) GUARANTEE OF COLLECTION. (a) Subject to par. (b), the authority shall guarantee collection of a percentage of the principal of, and all interest and any other amounts outstanding on, any loan eligible for a guarantee under sub. (2). The ~~corporation~~ authority shall establish the percentage of the principal of an eligible loan that will be guaranteed, using the procedures described in the agreement under s. ~~234.932~~ 235.932 (3) (a). The ~~corporation~~ authority may establish a single percentage for all guaranteed loans or establish different percentages for eligible loans on an individual basis.

(b) Except as provided in s. ~~234.932~~ 235.932 (4), the total outstanding guaranteed principal amount of all loans that the authority may guarantee under par. (a) may not exceed \$8,000,000.

SECTION 448. 234.84 (5) (a) of the statutes is repealed.

SECTION 449. 234.84 (5) (b) of the statutes is renumbered 235.84 (5) and amended to read:

235.84 (5) The ~~corporation~~ authority may charge a premium, fee, or other charge to a borrower of a guaranteed loan under this section for the administration of the loan guarantee.

SECTION 450. 234.86 of the statutes is renumbered 235.86, and 235.86 (2) (intro.) and (c) and (4) (a) and (b), as renumbered, are amended to read:

235.86 (2) GUARANTEE REQUIREMENTS. (intro.) The authority may use money from the Wisconsin drinking water reserve fund under s. ~~234.932~~ 235.932 to guarantee a loan under this section if all of the following apply:

(c) The lender is a financial institution that enters into an agreement under s. ~~234.933~~ 235.933 (3) (a).

(4) (a) Subject to par. (b), the authority may guarantee collection of a percentage, not exceeding 80%, of the principal of any loan eligible for a guarantee under this section. The authority shall establish the percentage of the unpaid principal of an eligible loan that will be guaranteed using the procedures described in the guarantee agreement under s. ~~234.933~~ 235.933 (3) (a). The authority may establish a single percentage for all guaranteed loans or establish different percentages for eligible loans on an individual basis.

(b) Except as provided in s. ~~234.933~~ 235.933 (4), the total outstanding principal amount of all guaranteed loans under par. (a) may not exceed \$3,000,000.

SECTION 451. 234.88 of the statutes is renumbered 235.88, and 235.88 (1) (c), (2) (intro.) and (6), as renumbered, are amended to read:

235.88 (1) (c) “Participating lender” means a bank, production credit association, credit union, savings bank, savings and loan association, or other person who makes emergency heating assistance loans and who has entered into an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

(2) ELIGIBLE LOANS. (intro.) An emergency heating assistance loan made by a participating lender is eligible for guarantee of collection under sub. (5) from the

Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following apply:

(6) INTEREST REDUCTION. The authority shall pay, from the moneys in the Wisconsin development reserve fund under s. ~~234.93~~ 235.93, to each participating lender an amount equal to 3.5 percent of the principal amount of any guaranteed loan to reduce interest payments on the guaranteed loan paid by an individual.

SECTION 452. 234.90 of the statutes is renumbered 235.90, and 235.90 (1) (d) and (2) (intro.), as renumbered, are amended to read:

235.90 **(1) (d)** “Participating lender” means a bank, production credit association, credit union, savings bank, savings and loan association or other person who makes agricultural production loans and who has entered into an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

(2) ELIGIBLE LOANS. (intro.) Except as provided in sub. (3j), an agricultural production loan made by a participating lender is eligible for guarantee of collection from the Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following apply:

SECTION 453. 234.905 of the statutes is renumbered 235.905, and 235.905 (1) (f), (2) (intro.) and (4) (b), as renumbered, are amended to read:

235.905 **(1) (f)** “Participating lender” means a bank, production credit association, credit union, savings bank, savings and loan association or other person who makes agricultural production drought assistance loans and who has entered into an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

(2) ELIGIBLE LOANS. (intro.) An agricultural production drought assistance loan made by a participating lender is eligible for guarantee of collection from the

Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following apply:

(4) (b) Except as provided in s. ~~234.93~~ 235.93 (3), the total principal amounts of all agricultural production drought assistance loans which the authority may guarantee under par. (a) may not exceed \$30,000,000.

SECTION 454. 234.907 of the statutes is renumbered 235.907, and 235.907 (1) (e), (2) (intro.) and (3), as renumbered, are amended to read:

235.907 (1) (e) “Participating lender” means a bank, credit union, savings bank, savings and loan association or other person, who makes loans for working capital or to finance physical plant needs, equipment or machinery and who has entered into an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

(2) ELIGIBLE LOANS. (intro.) A loan made by a participating lender is eligible for guarantee of collection from the Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following apply:

(3) GUARANTEE OF COLLECTION. The authority shall guarantee collection of a percentage, not exceeding 90%, of the principal of any loan eligible for a guarantee under sub. (2). The authority shall establish the percentage of the unpaid principal of an eligible loan that will be guaranteed, using the procedures described in the guarantee agreement under s. ~~234.93~~ 235.93 (2) (a). The authority may establish a single percentage for all guaranteed loans or establish different percentages for eligible loans on an individual basis.

SECTION 455. 234.91 of the statutes is renumbered 235.91, and 235.91 (1) (e) and (2) (intro.), as renumbered, are amended to read:

235.91 (1) (e) “Participating lender” means a bank, farm credit service, credit union, savings bank, savings and loan association or other person who makes loans

for the acquisition or improvement of agricultural assets and who has entered into an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a). The term does not include a seller under a land contract.

(2) ELIGIBLE LOANS. (intro.) A loan made by a participating lender is eligible for guarantee of collection from the Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following apply:

SECTION 456. 234.92 of the statutes is renumbered 235.92.

SECTION 457. 234.93 of the statutes is renumbered 235.93, and 235.93 (1) (a), (b), (cm) and (d) and (4) (a) 2. and 3. and (b) (intro.), as renumbered, are amended to read:

235.93 **(1)** (a) Moneys appropriated to the authority under s. ~~20.490 (5) (a), (q)~~ 20.885 (2) (qm), (r), and (s) or (3) (ap) or received by the authority for the Wisconsin development reserve fund from any other source.

(b) Any income from investment of money in the Wisconsin development reserve fund by the authority under s. ~~234.03 (18)~~.

(cm) Any moneys transferred under [1999 Wisconsin Act 9](#), section [9125 \(1\)](#), or under s. ~~234.75~~ 235.75 (5) (c), from the housing rehabilitation loan program administration fund.

(d) To be used for guaranteeing loans under s. ~~234.91~~ 235.91, fees collected under s. ~~234.91~~ 235.91 (4).

(4) (a) 2. To fund guarantees under all of the programs guaranteed by funds from the Wisconsin development reserve fund, except for the program under s. 234.935, 1997 stats., and the program under s. ~~234.75~~ 235.75, at a ratio of \$1 of reserve funding to \$4.50 of total outstanding principal and outstanding guaranteed principal that the authority may guarantee under all of those programs.

3. To fund guarantees under the program under s. 234.935, 1997 stats., and the program under s. ~~234.75~~ 235.75 at a ratio of \$1 of reserve funding to \$4 of total principal and outstanding guaranteed principal that the authority may guarantee under that program.

(b) (intro.) Annually on August 31, the ~~executive director of the~~ authority shall provide to the secretary of administration and to the joint committee on finance a signed statement that includes all of the following:

SECTION 458. 234.932 of the statutes is renumbered 235.932, and 235.932 (2) (intro.) and (b), as renumbered, are amended to read:

235.932 (2) ESTABLISHMENT OF FUND. (intro.) There is established under the jurisdiction and control of the authority, for the purpose of providing funds for guaranteeing loans under s. ~~234.84~~ 235.84, a Wisconsin job training reserve fund, consisting of all of the following:

(b) Any income from investment of money in the Wisconsin job training reserve fund by the authority ~~under s. 234.03 (18)~~.

SECTION 459. 234.933 of the statutes is renumbered 235.933, and 235.933 (1), (2) (intro.) and (b), as renumbered, are amended to read:

235.933 (1) DEFINITION. In this section, “drinking water loan guarantee program” means the program under s. ~~234.86~~ 235.86.

(2) ESTABLISHMENT OF FUND. (intro.) There is established under the jurisdiction and control of the authority, for the purpose of providing funds for guaranteeing loans under s. ~~234.86~~ 235.86, a Wisconsin drinking water reserve fund, consisting of all of the following:

(b) Any income from investment of money in the Wisconsin drinking water reserve fund by the authority ~~under s. 234.03 (18)~~.

SECTION 460. Subchapter III (title) of chapter 234 [precedes 234.94] of the statutes is renumbered subchapter VI (title) of chapter 235 [precedes 235.94].

SECTION 461. 234.94 of the statutes is renumbered 235.94, and 235.94 (2) (b) 5. and (3), as renumbered, are amended to read:

235.94 (2) (b) 5. The corporation's purpose is to promote the employment of members of a target group through projects that meet the conditions specified in s. ~~234.96~~ 235.96 (1) (a) to (d).

(3) "Community development finance company" means a corporation or a limited partnership organized for profit under s. ~~234.95~~ 235.95.

SECTION 462. 234.95 of the statutes is renumbered 235.95, and 235.95 (2), as renumbered, is amended to read:

235.95 (2) The community development finance company shall issue stock or partnership interests. The community development finance company shall invest funds it receives from the sale of stock or partnership interests by purchasing capital participation instruments under s. ~~234.96~~ 235.96.

SECTION 463. 234.96 of the statutes is renumbered 235.96.

SECTION 464. 234.97 of the statutes is renumbered 235.97, and 235.97 (intro.) and (2), as renumbered, are amended to read:

235.97 Sale or purchase of stock or interest. (intro.) Subject to s. ~~234.96~~ 235.96 (1) (h), the authority shall do all of the following:

(2) Use funds received from contributions, gifts, or grants under s. ~~234.03~~ (32) to purchase community development finance company stock or partnership interests or make grants or loans to community development corporations.

SECTION 465. 234.98 of the statutes is renumbered 235.98.

SECTION 466. Chapter 235 of the statutes is created to read:

CHAPTER 235
FORWARD WISCONSIN
DEVELOPMENT AUTHORITY
SUBCHAPTER I
GENERAL PROVISIONS

235.01 Definitions. In this chapter:

- (1) “Authority” means the Forward Wisconsin Development Authority.
- (2) “Board” means the board of directors of the authority.

235.011 Creation and organization. (1) There is created a public body corporate and politic, to be known as the “Forward Wisconsin Development Authority.” The members of the board shall consist of 12 public members nominated by the governor, and with the advice and consent of the senate appointed, to serve 4-year terms. All members shall be employed in the private sector.

(2) Seven members of the board constitutes a quorum for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the board upon a vote of a majority of a quorum. The board shall elect a chairperson.

(3) A vacancy on the board shall be filled in the same manner as the original appointment to the board for the remainder of the unexpired term.

(4) (a) A chief executive officer shall be nominated by the governor, approved by the board, and with the advice and consent of the senate appointed, to serve at the pleasure of the governor.

(b) A chief operating officer shall be nominated by the governor, and with the approval of the board appointed, to serve at the pleasure of the governor.

(c) The board may delegate to the chief executive officer and chief operating officer any powers and duties the board considers proper. The chief executive officer and chief operating officer shall receive such compensation as may be determined by the board.

(d) The governor shall coordinate with the chief executive officer as if the chief executive officer were the secretary of a department in the executive branch of state government who is appointed by the governor.

(5) All powers and duties assigned to the authority under this chapter shall be exercised or carried out by the board, unless the board delegates the power or duty to an employee of the authority or a committee established by the board.

235.012 Powers of the board. The board shall have all the powers necessary or convenient to carry out the purposes and provisions of this chapter. In addition to all other powers granted the board by law, the board may:

(1) Adopt, amend, and repeal any bylaws, policies, and procedures for the regulation of its affairs and the conduct of its business.

(2) Have a seal and alter the seal at pleasure.

(3) Maintain offices.

(4) Sue and be sued.

(5) Accept gifts, grants, loans, or other contributions from private or public sources.

(6) Establish the authority's annual budget and monitor the fiscal management of the authority.

(7) Make equity investments and execute contracts, securities, mortgages, and other instruments required for the operation of the authority.

(8) Employ any officers, agents, and employees that it may require and determine their qualifications, duties, and compensation.

(9) Issue notes, bonds, and any other obligations.

(10) Make loans and provide grants.

(11) Incur debt.

(12) Procure liability insurance.

(13) Enter into agreements regarding compensation, space, and other administrative matters as are necessary to operate offices in other states and foreign countries. Such agreements shall be subject to the approval of the secretary of administration.

(14) Agree and comply with any conditions attached to federal financial assistance.

(15) Lease real or personal property and to accept federal funds for and participate in such federal housing programs as are enacted on May 4, 1976, or at any future time, except that the authority may not accept without the consent of the governor federal funds under federal housing programs enacted after May 8, 1982, if issuance of the authority's bonds or notes is not required to participate in the programs.

(16) Establish and maintain a corporation organized under ch. 180 or 181.

235.013 Duties of the board; mission. The board shall develop and implement economic development programs, and housing programs and projects, to provide business, housing, and other support and expertise and assistance to persons that are investing or creating jobs in Wisconsin, to support new business start-ups, business expansion and growth, and home ownership in Wisconsin, and to provide single and multifamily housing to persons and families of low and moderate income

in Wisconsin. The board may also develop and implement any other programs and projects related to economic development or housing in Wisconsin.

SECTION 467. 235.0279 (3) of the statutes is created to read:

235.0279 (3) Records consisting of information on the In Force Network or other similar customer relationship management system maintained by the authority, unless the information was published to the In Force Network or other system by the authority or another economic development organization.

SECTION 468. Subchapter II (title) of chapter 235 [precedes 235.03] of the statutes is created to read:

CHAPTER 235

SUBCHAPTER II

ECONOMIC DEVELOPMENT

SECTION 469. 235.03 (3) (ad), (ah), (ap) and (at) of the statutes are created to read:

235.03 (3) (ad) That each recipient of a grant or loan under the program of at least \$500,000 shall engage an independent certified public accountant to perform procedures, approved by the authority and consistent with applicable professional standards of the American Institute of Certified Public Accountants, to determine whether the grant or loan funds and any matching cash or in-kind match were expended in accordance with the grant or loan contract.

(ah) That each recipient make available for inspection the documents supporting the attestation submitted under par. (a).

(ap) That the contract with each grant or loan recipient shall include the requirements under pars. (a) to (ah).

(at) The requirements of pars. (a) to (ap) do not apply to a department, as defined in s. 15.01 (5), an independent agency, as defined in s. 15.01 (9), an authority created under subch. II of ch. 114 or under ch. 231, 233, 235, 237, or 279, or the University of Wisconsin System.

SECTION 470. 235.609 of the statutes is created to read:

235.609 Bonds for certain mortgages and securities and for the housing development fund. The authority may issue its negotiable notes and bonds to do any of the following:

(1) Purchase certain mortgages and securities and make secured loans for housing for persons and families of low and moderate income, for the rehabilitation of existing structures, and for the construction of facilities appurtenant to existing structures consistent with the provisions and purposes of this chapter.

(2) Make secured loans to assist eligible elderly homeowners in paying property taxes and special assessments.

(3) Provide moneys for the housing development fund in order to make temporary loans to sponsors of housing projects as provided in this subchapter.

SECTION 471. Chapter 238 (title) of the statutes is repealed.

SECTION 472. Subchapter I (title) of chapter 238 [precedes 238.01] of the statutes is repealed.

SECTION 473. 238.01 (intro.) and (1) of the statutes are repealed.

SECTION 474. 238.01 (2) of the statutes is repealed.

SECTION 475. 238.01 (3) of the statutes is renumbered 235.01 (3).

SECTION 476. 238.02 of the statutes is repealed.

SECTION 477. 238.03 (title) of the statutes is renumbered 235.03 (title) and amended to read:

235.03 (title) Duties of ~~board~~ the authority concerning economic development.

SECTION 478. 238.03 (1) of the statutes is repealed.

SECTION 479. 238.03 (2) of the statutes is renumbered 235.03 (2), and 235.03 (2) (intro.) and (c), as renumbered, are amended to read:

235.03 (2) (intro.) For each program developed and implemented by the ~~board~~ authority under this subchapter, the ~~board~~ authority shall do all of the following:

(c) Require that each recipient of a grant or loan under the program submit a report to the ~~corporation~~ authority. Each contract with a recipient of a grant or loan under the program must specify the frequency and format of the report to be submitted to the ~~corporation~~ authority and the performance measures to be included in the report.

SECTION 480. 238.03 (3) of the statutes is renumbered 235.03 (3), and 235.03 (3) (intro.), (a) and (b) (intro.), as renumbered, are amended to read:

235.03 (3) (intro.) The ~~board~~ authority shall require for each economic development program developed and implemented by the ~~board~~ authority all of the following:

(a) That each recipient of a grant or loan under the program of at least \$100,000 submit to the ~~corporation~~ authority, within 120 days after the end of the recipient's fiscal year in which any grant or loan funds were expended, ~~a schedule of expenditures of the grant or loan funds, including expenditures of any matching cash or in-kind match~~ or at a different time as provided in policies and procedures approved by the board an attestation, signed by the director or principal officer of the recipient to attest to the accuracy of the schedule of expenditures. ~~The recipient shall engage an independent certified public accountant to perform procedures, approved~~

~~by the corporation and consistent with applicable professional standards of the American Institute of Certified Public Accountants, to determine whether the grant or loan funds and any matching cash or in-kind match were expended in accordance with the grant or loan contract. The board shall also require the recipient of such a grant or loan to make available for inspection the documents supporting the schedule of expenditures. The board shall include the requirements under this paragraph in the contract with grant or loan recipients. The attestation shall verify that the grant or loan funds and any matching cash or in-kind match were expended in accordance with the grant or loan contract.~~

(b) (intro.) That the ~~board~~ authority, if a recipient of a grant or loan under the program submits false or misleading information to the ~~corporation~~ authority or fails to comply with the terms of a contract entered into with the ~~corporation~~ authority, without providing satisfactory explanation for the noncompliance, do all of the following:

SECTION 481. 238.04 of the statutes is repealed.

SECTION 482. 238.045 of the statutes is repealed.

SECTION 483. 238.046 of the statutes is renumbered 235.014, and 235.014 (1) and (2), as renumbered, are amended to read:

235.014 (1) A member of the board or an employee of the ~~corporation~~ authority to whom the board delegates its authority to contract shall notify the ~~corporation's~~ authority's legal counsel or, if the ~~corporation's~~ legal counsel is unavailable, the chief executive officer of the ~~corporation~~ authority if the member or employee has a direct or indirect, private, pecuniary interest in a contract that is being negotiated, bid for, or entered into with the ~~corporation~~ authority. If the ~~corporation's~~ authority's legal counsel or chief executive officer is notified under this section, he or she shall report

the name of the individual from whom he or she received the notification and the contract in which the individual has a private, pecuniary interest to the board. A member or employee who notifies the ~~corporation's~~ authority's legal counsel or chief executive officer under this section is not authorized to participate in the member's or employee's capacity as a member of the board or an employee of the ~~corporation~~ authority in the making of the contract or to perform in regard to the contract some official function requiring the exercise of discretion on the member's or employee's part.

(2) An employee of the ~~corporation~~ authority shall notify the ~~corporation's~~ authority's legal counsel or, if the ~~corporation's~~ legal counsel is unavailable, the chief executive officer of the ~~corporation~~ authority if the employee has a controlling interest in an entity that is negotiating, bidding for, or entering into a contract with the ~~corporation~~ authority. If the ~~corporation's~~ authority's legal counsel or chief executive officer is notified under this section, he or she shall report the name of the individual from whom he or she received the notification and the contract at issue to the board. The board shall prohibit the ~~corporation~~ authority from entering into any contract with an entity in which an employee of the ~~corporation~~ authority has a controlling interest.

SECTION 484. 238.05 of the statutes is repealed.

SECTION 485. 238.06 of the statutes is renumbered 235.015 and amended to read:

235.015 Liability limited. Neither the state nor any political subdivision of the state, nor any officer, employee, or agent of the state or a political subdivision of the state who is acting within the scope of employment or agency, is liable for any debt, obligation, act, or omission of the ~~corporation~~ authority.

SECTION 486. 238.07 of the statutes is renumbered 235.016, and 235.016 (1), (2) (intro.), (3) and (4), as renumbered, are amended to read:

235.016 (1) Annually, by ~~January~~ October 1, the ~~board~~ authority shall submit to the chief clerk of each house of the legislature, for distribution to the legislature under s. 13.172 (2), a report identifying the economic development and housing programs and projects that the ~~board~~ authority intends to develop and implement during the current ~~calendar~~ fiscal year.

(2) (intro.) Annually, no later than October 1, the ~~board~~ authority shall submit to the joint legislative audit committee and the chief clerk of each house of the legislature, for distribution to the legislature under s. 13.172 (2), a report for the previous fiscal year on each of the economic development programs of the ~~corporation~~ authority that contains all of the following:

(3) The ~~board~~ authority shall make readily accessible to the public on an Internet-based system the information required under sub. (2).

(4) Annually, beginning in ~~2014~~ 2016, the board shall have an independent audit conducted of the ~~corporation's~~ authority's financial statements for the previous fiscal year and submit the audit report to the joint legislative audit committee and the chief clerk of each house of the legislature, for distribution to the legislature under s. 13.172 (2).

SECTION 487. 238.08 of the statutes is repealed.

SECTION 488. 238.09 of the statutes is renumbered 235.017, and 235.017 (1), (2) and (3), as renumbered, are amended to read:

235.017 (1) When the ~~corporation~~ authority is required to publicly solicit proposals from multiple vendors of goods or services.

(2) How the ~~corporation~~ authority is to evaluate proposals from multiple vendors.

(3) How the ~~corporation~~ authority is to assess any conflict of interest a vendor may have if the vendor sells goods or services to the ~~corporation~~ authority.

SECTION 489. 238.10 of the statutes is renumbered 235.018, and 235.018 (1) to (4), as renumbered, are amended to read:

235.018 (1) ALLOCATION. The ~~corporation~~ authority shall establish under [26 USC 146](#) and administer a system for the allocation of the volume cap on the issuance of private activity bonds, as defined under [26 USC 141](#) (a), among all municipalities, as defined in s. 67.01 (5), and any corporation formed on behalf of those municipalities, and among this state, the Wisconsin Health and Educational Facilities Authority, the Wisconsin Aerospace Authority, and the ~~Wisconsin Housing and Economic Development Authority~~ authority.

(2) AMENDMENT TO ALLOCATION. At any time prior to December 31 in any year, the ~~corporation~~ authority may adopt ~~rules policies and procedures~~ to revise the allocation system established for that year under sub. (1), except that any revision under this subsection does not apply to any allocation under which the recipient of that allocation has adopted a resolution authorizing the issuance of a private activity bond, as defined in [26 USC 141](#) (a).

(3) CONDITIONS. The ~~corporation~~ authority may establish any procedure for, and place any condition upon, the granting of an allocation under this section which the ~~corporation~~ authority deems to be in the best interest of the state including a requirement that a cash deposit, at a rate established by the ~~corporation~~ authority, be a condition for an allocation.

(4) CERTIFICATION. If the ~~corporation~~ authority receives notice of the issuance of a bond under an allocation under subs. (1) to (3), the ~~corporation~~ authority shall certify that that bond meets the requirements of [26 USC 146](#).

SECTION 490. 238.11 of the statutes is renumbered 235.11, and 235.11 (1), (2) and (5), as renumbered, are amended to read:

235.11 (1) The ~~corporation~~ authority shall prescribe the notice forms to be used under s. 66.1103 (4m) (a) 1. The ~~corporation~~ authority shall include on the forms a requirement for information on the number of jobs the person submitting the notice expects to be eliminated, created, or maintained on the project site and elsewhere in this state by the project which is the subject of the notice. The ~~corporation~~ authority shall prescribe the forms to be used under s. 66.1103 (4m) (b).

(2) If the ~~corporation~~ authority receives a notice under s. 66.1103 (4m) (a), the ~~corporation~~ authority shall estimate, no later than 20 days after receipt of the notice, whether the project that is the subject of the notice is expected to eliminate, create, or maintain jobs on the project site and elsewhere in this state and the net number of jobs expected to be eliminated, created, or maintained as a result of the project.

(5) The ~~corporation~~ authority shall issue an estimate made under sub. (2) to the city, village, town, or county which will issue the bonds to finance the project which is the subject of the estimate.

SECTION 491. 238.12 of the statutes is renumbered 235.12 and amended to read:

235.12 Repayment of grants, loans, and tax benefits. (1) In this section, “tax benefits” means the credits under ss. 71.07 (~~2dd~~), (~~2de~~), (~~2di~~), (~~2dj~~), (~~2dL~~), (~~2dm~~), (~~2dr~~), (~~2ds~~), (~~2dx~~), (3g), and (3t), 71.28 (~~1dd~~), (~~1de~~), (~~1di~~), (~~1dj~~), (~~1dL~~), (~~1dm~~), (~~1ds~~),

(1dx), (3g), and (3t), 71.47 ~~(1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (3g), and (3t)~~, and 76.636.

***NOTE: This is reconciled s. 235.12 (1). This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

(2) ~~The corporation~~ authority may not award a grant or loan under this chapter to a person or certify a person to receive tax benefits unless ~~the corporation~~ authority enters into an agreement with the person that requires the person to repay the grant, loan, or tax benefits if, within 5 years after receiving the grant or loan or being certified to receive tax benefits, the person ceases to conduct in this state the economic activity for which the person received the grant or loan or for which the person was certified to receive tax benefits and commences substantially the same economic activity outside this state.

SECTION 492. 238.125 of the statutes is repealed.

SECTION 493. 238.127 of the statutes is renumbered 235.127, and 235.127 (2) (intro.), (c) (intro.), (e), (h) and (j), as renumbered, are amended to read:

235.127 **(2)** (intro.) ~~The corporation~~ authority shall establish and administer a state main street program to coordinate state and local participation in programs offered by the national main street center, created by the national trust for historic preservation, to assist municipalities in planning, managing and implementing programs for the revitalization of business areas. ~~The corporation~~ authority shall do all of the following:

(c) (intro.) With help from interested individuals and organizations, develop a plan describing the objectives of the state main street program and the methods by which ~~the corporation~~ authority shall:

(e) Annually select, upon application, up to 5 municipalities to participate in the state main street program. The program for each municipality shall conclude after 3 years, except that the program for each municipality selected after July 29, 1995, shall conclude after 5 years. The ~~corporation~~ authority shall select program participants representing various geographical regions and populations. A municipality may apply to participate, and the ~~corporation~~ authority may select a municipality for participation, more than one time. In selecting a municipality, however, the ~~corporation~~ authority may give priority to those municipalities that have not previously participated.

(h) Provide training, technical assistance and information on the revitalization of business areas to municipalities which do not participate in the state main street program. The ~~corporation~~ authority may charge reasonable fees for the services and information provided under this paragraph.

(j) The ~~corporation~~ authority shall expend at least \$250,000 annually on the state main street program.

SECTION 494. 238.13 of the statutes, as affected by 2015 Wisconsin Act (this act), is renumbered 235.13, and 235.13 (2) (a) (intro.), (3) (intro.) and (f) and (5), as renumbered, are amended to read:

235.13 (2) (a) (intro.) The ~~corporation~~ authority may make a grant to a person if all of the following apply:

(3) (intro.) The ~~corporation~~ authority may consider the following criteria in making awards under this section:

(f) Any other factors ~~considered by the corporation to be~~ authority considers relevant to assessing the viability and feasibility of the project.

(5) Before the ~~corporation~~ authority awards a grant under this section, the ~~corporation~~ authority shall consider the recommendations of the department of natural resources.

****NOTE: This is reconciled s. 238.13 (5). This SECTION has been affected by drafts with the following LRB numbers:-0363/P1 and -1215/P2.

SECTION 495. 238.133 of the statutes is renumbered 235.133, and 235.133 (2) (title), (a), (b), (c) and (d), (3) (intro.), (4), (5) (intro.) and (c), (6) and (7), as renumbered, are amended to read:

235.133 (2) (title) DUTIES OF THE ~~CORPORATION~~ AUTHORITY.

(a) The ~~corporation~~ authority shall administer a program to award brownfield site assessment grants from the appropriation under s. ~~20.192 (1)~~ 20.885 (3) (s) to local governmental units for the purposes of conducting any of the eligible activities under sub. (3).

(b) The ~~corporation~~ authority may not award a grant to a local governmental unit under this section if that local governmental unit caused the environmental contamination that is the basis for the grant request.

(c) The ~~corporation~~ authority may only award grants under this section if the person that caused the environmental contamination that is the basis for the grant request is unknown, cannot be located or is financially unable to pay the cost of the eligible activities.

(d) The ~~corporation~~ authority shall establish criteria as necessary to administer the program. The ~~corporation~~ authority may limit the total amount of funds that may be used to cover the costs of each category of eligible activity described in sub. (3).

(3) ELIGIBLE ACTIVITIES. (intro.) The ~~corporation~~ authority may award grants to local governmental units to cover the costs of the following activities:

(4) APPLICATION FOR GRANT. The applicant shall submit an application on a form prescribed by the ~~corporation~~ authority and shall include any information that the ~~corporation~~ authority finds necessary to calculate the amount of a grant.

(5) GRANT CRITERIA. (intro.) The ~~corporation~~ authority shall consider the following criteria when determining whether to award a grant:

(c) Other criteria that the ~~corporation~~ authority finds necessary to calculate the amount of a grant.

(6) LIMITATION OF GRANT. The total amount of all grants awarded to a local governmental unit in a fiscal year under this section shall be limited to an amount equal to 15% of the available funds appropriated under s. ~~20.192 (1)~~ 20.885 (3) (s) for the fiscal year.

(7) MATCHING FUNDS. The ~~corporation~~ authority may not distribute a grant unless the applicant contributes matching funds equal to 20% of the grant. Matching funds may be in the form of cash or in-kind contribution or both.

SECTION 496. 238.135 of the statutes is renumbered 235.135 and amended to read:

235.135 Grants to regional economic development organizations. The ~~corporation~~ authority shall award annual grants to regional economic development organizations to fund marketing activities. The amount of each grant may not exceed \$100,000 or the amount of matching funds the organization obtains from sources other than the ~~corporation~~ authority or the state, whichever is less.

SECTION 497. 238.15 of the statutes, as affected by 2015 Wisconsin Act (this act), is renumbered 235.15, and 235.15 (1) (intro.) and (m) 1. (intro.) and c., (2) and

(3) (a), (b), (d) (intro.), 1. and 2. a. and b., (dm) and (e), as renumbered, are amended to read:

235.15 (1) ANGEL INVESTMENT TAX CREDITS. (intro.) The ~~corporation~~ authority shall implement a program to certify businesses for purposes of s. 71.07 (5d). A business desiring certification shall submit an application to the ~~corporation~~ authority in each taxable year for which the business desires certification. The business shall specify in its application the investment amount it wishes to raise and the ~~corporation~~ authority may certify the business and determine the amount that qualifies for purposes of s. 71.07 (5d). Except as provided in policies and procedures under sub. (3) (dm), the ~~corporation~~ authority may certify or recertify a business for purposes of s. 71.07 (5d) only if the business satisfies all of the following conditions:

****NOTE: This is reconciled s. 238.15 (1) (intro.). This SECTION has been affected by drafts with the following LRB numbers:-0365/P1, -0996/P2 and -1215/P2.

(m) 1. (intro.) It agrees that it will not relocate outside of this state during the 3 years after it receives an investment for which a person may claim a tax credit under s. 71.07 (5d) and agrees to pay the ~~corporation~~ authority a penalty, in an amount determined under subd. 2., if the business relocates outside of this state during that 3-year period. For the purposes of this paragraph, except as provided in policies and procedures under sub. (3) (dm), a business relocates outside of this state when the business locates more than 51 percent of any of the following outside of this state:

****NOTE: This is reconciled s. 238.15 (1) (m) 1. (intro.). This SECTION has been affected by drafts with the following LRB numbers:-0365/P1 and -1215/P2.

c. The activities of the business's headquarters, as determined by the ~~corporation~~ authority.

(2) **EARLY STAGE SEED INVESTMENT TAX CREDITS.** The ~~corporation~~ authority shall implement a program to certify investment fund managers for purposes of ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638. An investment fund manager desiring certification shall submit an application to the ~~corporation~~ authority. The investment fund manager shall specify in the application the investment amount that the manager wishes to raise and the ~~corporation~~ authority may certify the manager and determine the amount that qualifies for purposes of ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638. In determining whether to certify an investment fund manager, the ~~corporation~~ authority shall consider the investment fund manager's experience in managing venture capital funds, the past performance of investment funds managed by the applicant, the expected level of investment in the investment fund to be managed by the applicant, and any other relevant factors. The ~~corporation~~ authority may certify only investment fund managers that commit to consider placing investments in businesses certified under sub. (1).

(3) (a) *List of certified businesses and investment fund managers.* The ~~corporation~~ authority shall maintain a list of businesses certified under sub. (1) and investment fund managers certified under sub. (2) and shall permit public access to the lists through the ~~corporation's~~ authority's Internet Web site.

(b) *Notification of department of revenue.* The ~~corporation~~ authority shall notify the department of revenue of every certification issued under subs. (1) and (2) and the date on which any such certification is revoked or expires.

(d) *Rules Administration.* (intro.) The ~~corporation~~ authority, in consultation with the department of revenue, shall ~~adopt rules~~ establish policies and procedures to administer this section.—The ~~rules~~ and shall further define “bona fide angel investment” for purposes of s. 71.07 (5d) (a) 1. The ~~rules shall limit the aggregate~~

amount of tax credits under s. 71.07 (5d) that may be claimed for investments in businesses certified under sub. (1) at ~~\$3,000,000 per calendar year for calendar years beginning after December 31, 2004, and before January 1, 2008, \$5,500,000 per calendar year for calendar years beginning after December 31, 2007, and before January 1, 2010, \$6,500,000 for calendar year 2010, and \$20,000,000 per calendar year for calendar years beginning after December 31, 2010, plus, for taxable years beginning after December 31, 2010, an additional \$250,000 for tax credits that may be claimed for investments in nanotechnology businesses certified under sub. (1).~~ The rules shall also limit the aggregate amount and of the tax credits under ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638 that may be claimed for investments paid to fund managers certified under sub. (2) at ~~\$3,500,000 per calendar year for calendar years beginning after December 31, 2004, and before January 1, 2008, \$6,000,000 per calendar year for calendar years beginning after December 31, 2007, and before January 1, 2010, \$8,000,000 for calendar year 2010, and \$20,500,000~~ \$30,000,000 per calendar year for calendar years beginning after December 31, 2010, plus, for taxable years beginning after December 31, 2010, an additional \$250,000 for tax credits that may be claimed for investments in nanotechnology businesses certified under sub. (1). The rules policies and procedures shall also provide that, for calendar years beginning after December 31, 2007, a person who receives a credit under ss. s. 71.07 (5b) and or (5d), 71.28 (5b), 71.47 (5b), or 76.638 must keep the investment in a certified business, or with a certified fund manager, for no less than 3 years, unless the person's investment becomes worthless, as determined by the ~~corporation~~ authority, during the 3-year period or the person has kept the investment for no less than 12 months and a bona fide liquidity event, as determined by the ~~corporation~~ authority, occurs during the 3-year period. The rules policies and procedures shall

permit the ~~corporation~~ authority to reallocate credits under this section that are unused in any calendar year to a person eligible for tax benefits, as defined under s. ~~238.16~~ 235.16 (1) (d), if all of the following apply:

****NOTE: This is reconciled s. 238.15 (3) (d) (intro.). This SECTION has been affected by drafts with the following LRB numbers:-0365/P1, -0996/P2 and -1215/P2.

1. The ~~corporation~~ authority notifies the joint committee on finance in writing of its proposed reallocation.

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

b. The cochairpersons of the joint committee on finance notify the ~~corporation~~ authority that the committee has approved the proposed reallocation.

(dm) The ~~corporation's~~ authority's policies and procedures under this subsection shall permit the ~~corporation~~ authority to waive one or more of the requirements under sub. (1) (a), (b), (h), and (m) 1. based on standards the ~~corporation~~ authority establishes in the policies and procedures. The ~~corporation~~ authority may not waive a requirement under sub. (1) (a), (b), (h), or (m) 1. unless the board approves the standards in the policies and procedures and the waiver complies with those standards.

(e) *Transfer.* A person who is eligible to claim a credit under s. 71.07 (5b), 71.28 (5b), 71.47 (5b) or (5d), or 76.638 may sell or otherwise transfer the credit to another person who is subject to the taxes or fees imposed under s. 71.02, 71.23, 71.47, or subch. III of ch. 76, if the person was certified to claim the credit after December 31, 2014 and if the person receives prior authorization from the investment fund

manager, for a credit under s. 71.07 (5b), 71.28 (5b), 71.47 (5b), or 76.638, and the investment fund manager, or the claimant under s. 71.07 (5d) for the sale or other transfer of a credit under s. 71.07 (5d), notifies the ~~corporation~~ authority and the department of revenue of the transfer and submits with the notification a copy of the transfer documents. No person may sell or otherwise transfer a credit as provided in this paragraph more than once in a 12-month period. The ~~corporation~~ authority may charge any person selling or otherwise transferring a credit under this paragraph a fee equal to 5 percent of the credit amount sold or transferred.

***NOTE: This is reconciled s. 238.15 (3) (e). This SECTION has been affected by drafts with the following LRB numbers: -0996/P3 and -1215/P4.

SECTION 498. 238.16 of the statutes, as affected by 2015 Wisconsin Act (this act), is renumbered 235.16, and 235.16 (1) (c) 2. (intro.), (2) (intro.) and (b), (3) (intro.), (4) (b) 1. (intro.) and 2. and (c) and (5) (title), (a), (b), (c), (d), (e) and (f) (intro.) and 1. (intro.), as renumbered, are amended to read:

235.16 (1) (c) 2. (intro.) The ~~corporation~~ authority may grant exceptions to the requirement under subd. 1. that a full-time job means a position in which an individual, as a condition of employment, is required to work at least 2,080 hours per year if all of the following apply:

(2) (intro.) The ~~corporation~~ authority may certify a person to receive tax benefits under this section if all of the following apply:

(b) The person applies under this section and enters into a contract with the ~~corporation~~ authority.

(3) ELIGIBILITY FOR TAX BENEFITS. (intro.) A person certified under sub. (2) may receive tax benefits under this section if, in each year for which the person claims tax benefits under this section, the person increases net employment in this state in the

person's business above the net employment in this state in the person's business during the year before the person was certified under sub. (2), as determined by the ~~corporation~~ authority under its policies and procedures, and one of the following applies:

(4) (b) 1. (intro.) The ~~corporation~~ authority may award to a person certified under sub. (2) tax benefits for each eligible employee in an amount equal to up to 10 percent of the wages paid by the person to that employee or \$10,000, whichever is less, if that employee earned wages in the year for which the tax benefit is claimed equal to one of the following:

2. The ~~corporation~~ authority may award to a person certified under sub. (2) tax benefits in an amount to be determined by the ~~corporation~~ authority for costs incurred by the person to undertake the training activities described in sub. (3) (c).

(c) Subject to a reallocation by the ~~corporation~~ authority pursuant to policies and procedures adopted under s. ~~238.15~~ 235.15 (3) (d), the ~~corporation~~ authority may allocate up to \$10,000,000 in tax benefits under this section in any calendar year.

****NOTE: This is reconciled s. 238.16 (4) (c). This SECTION has been affected by drafts with the following LRB numbers: -0996/P3 and -1215/P4.

(5) (title) DUTIES OF THE ~~CORPORATION~~ AUTHORITY.

(a) The ~~corporation~~ authority shall notify the department of revenue when the ~~corporation~~ authority certifies a person to receive tax benefits.

(b) The ~~corporation~~ authority shall notify the department of revenue within 30 days of revoking a certification made under sub. (2).

(c) The ~~corporation~~ authority may require a person to repay any tax benefits the person claims for a year in which the person failed to maintain employment required by an agreement under sub. (2) (b).

(d) The ~~corporation~~ authority shall determine the maximum amount of the tax credits under ss. 71.07 (3q), 71.28 (3q), and 71.47 (3q) that a certified business may claim and shall notify the department of revenue of this amount.

(e) The ~~corporation~~ authority shall annually verify the information submitted to the ~~corporation~~ authority by the person claiming tax benefits under ss. 71.07 (3q), 71.28 (3q), and 71.47 (3q).

(f) (intro.) The ~~corporation~~ authority shall adopt policies and procedures for the implementation and operation of this section, including policies and procedures relating to the following:

1. (intro.) The definitions of a tier I county or municipality and a tier II county or municipality. The ~~corporation~~ authority may consider all of the following information when establishing the definitions required under this subdivision:

SECTION 499. 238.17 of the statutes is renumbered 235.17 (1) (a) and amended to read:

235.17 (1) (a) For taxable years beginning after December 31, 2013, the ~~corporation~~ authority may certify a person to claim a tax credit under s. 71.07 (9m), 71.28 (6), or 71.47 (6), if the ~~corporation~~ authority determines that the person is conducting an eligible activity under s. 71.07 (9m), 71.28 (6), or 71.47 (6) preservation or rehabilitation project. No person may claim a tax credit under s. 71.07 (9m), 71.28 (6), or 71.47 (6) without first being certified under this ~~section~~ subsection. The ~~corporation~~ authority shall notify the department of revenue no later than January 15 of each year of the amount of the credits certified under this ~~section~~ subsection and the name, address, and tax identification number of each person certified to claim the credit. The ~~corporation~~ authority shall notify the department of revenue of any revoked certification no later than 2 months after the revocation date.

***NOTE: This is reconciled s. 235.17 (1) (a). This SECTION has been affected by drafts with the following LRB numbers:-1215/P2 and -0935/P4.

SECTION 500. 238.23 of the statutes is renumbered 235.23, and 235.23 (1), (2) (a) and (b), (3) (a) (intro.), (b) (intro.), (c) and (d), (4) (a) (intro.) and (b) and (5) (intro.), (e) and (g), as renumbered, are amended to read:

235.23 (1) In this section, “tax credit” means a credit under s. 71.07 (~~2di~~), (2dm), (2dx), or (3g), 71.28 (~~1di~~), (1dm), (1dx), or (3g), or 71.47 (~~1di~~), (1dm), (1dx), or (3g).

***NOTE: This is reconciled s. 235.23 (1). This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

(2) (a) Except as provided in par. (c), the ~~corporation~~ authority may designate up to 8 areas in the state as technology zones. A business that is located in a technology zone and that is certified by the ~~corporation~~ authority under sub. (3) is eligible for a tax credit as provided in sub. (3).

(b) The designation of an area as a technology zone shall be in effect for 10 years from the time that the ~~corporation~~ authority first designates the area. Not more than \$5,000,000 in tax credits may be claimed in a technology zone, except that the ~~corporation~~ authority may allocate the amount of unallocated airport development zone tax credits, as provided under s. ~~238.3995~~ 235.3995 (3) (b), to technology zones for which the \$5,000,000 maximum allocation is insufficient. The ~~corporation~~ authority may change the boundaries of a technology zone during the time that its designation is in effect. A change in the boundaries of a technology zone does not affect the duration of the designation of the area or the maximum tax credit amount that may be claimed in the technology zone.

(3) (a) (intro.) Except as provided in par. (e), the ~~corporation~~ authority may certify for tax credits in a technology zone a business that satisfies all of the following requirements:

(b) (intro.) In determining whether to certify a business under this subsection, the ~~corporation~~ authority shall consider all of the following:

(c) When the ~~corporation~~ authority certifies a business under this subsection, the ~~corporation~~ authority shall establish a limit on the amount of tax credits that the business may claim. Unless its certification is revoked, and subject to the limit on the tax credit amount established by the ~~corporation~~ authority under this paragraph, a business that is certified may claim a tax credit for 3 years, except that a business that experiences growth, as determined for that business by the ~~corporation~~ authority under par. (d) and sub. (5) (e), may claim a tax credit for up to 5 years.

(d) The ~~corporation~~ authority shall enter into an agreement with a business that is certified under this subsection. The agreement shall specify the limit on the amount of tax credits that the business may claim, the extent and type of growth, which shall be specific to the business, that the business must experience to extend its eligibility for a tax credit, the business' baseline against which that growth will be measured, any other conditions that the business must satisfy to extend its eligibility for a tax credit, and reporting requirements with which the business must comply.

(4) (a) (intro.) The ~~corporation~~ authority shall notify the department of revenue of all the following:

(b) The ~~corporation~~ authority shall annually verify information submitted to the ~~corporation~~ it under ss. 71.07 (~~2di~~), (2dm), (2dx), and (3g), 71.28 (~~1di~~), (1dm), (1dx), and (3g), and 71.47 (~~1di~~), (1dm), (1dx), and (3g).

***NOTE: This is reconciled s. 235.23 (4) (b). This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

(5) (intro.) The ~~corporation~~ authority shall adopt ~~rules policies and procedures~~ for the operation of this section, including ~~rules policies and procedures~~ related to all of the following:

(e) Standards for extending a business's certification, including what measures, in addition to job creation, the ~~corporation~~ authority will use to determine the growth of a specific business and how the ~~corporation~~ authority will establish baselines against which to measure growth.

(g) The exchange of information between the ~~corporation~~ authority and the department of revenue.

SECTION 501. 238.26 of the statutes is repealed.

SECTION 502. Subchapter II (title) of chapter 238 [precedes 238.30] of the statutes is renumbered subchapter III (title) of chapter 235 [precedes 235.30].

SECTION 503. 238.30 of the statutes is renumbered 235.30, and 235.30 (intro.), (2g), (2m) (b) (intro.) and (7) (b) 1. and 2., (c) and (d), as renumbered, are amended to read:

235.30 Definitions. (intro.) In this section and ss. ~~238.301 to 238.395~~ 235.301 to 235.395 and ~~238.398~~ 235.398:

(2g) "Eligible activity" means an activity described under s. ~~238.302~~ 235.302.

(2m) (b) (intro.) The ~~corporation~~ authority may grant exceptions to the requirement under par. (a) that a full-time job means a position in which an individual, as a condition of employment, is required to work at least 2,080 hours per year if all of the following apply:

(7) (b) 1. Except as provided in subd. 2., in s. ~~238.395~~ 235.395, "tax benefits" means ~~the development zones investment credit under ss. 71.07 (2di), 71.28 (1di), and 71.47 (1di) and the development zones credit under ss. 71.07 (2dx), 71.28 (1dx),~~

71.47 (1dx), and 76.636. With respect to the development opportunity zones under s. ~~238.395~~ 235.395 (1) (e) and (f), “tax benefits” also means the development zones capital investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

****NOTE: This is reconciled s. 235.30 (7) (b) 1. This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

2. With respect to the development opportunity zones under s. ~~238.395~~ 235.395 (1) (g), (h), and (i), “tax benefits” means the development zone credits under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636 and the development zones capital investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

(c) In s. ~~238.398~~ 235.398, “tax benefits” means the development zones capital investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm) and the development zones credits under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636.

(d) In ss. ~~238.301 to 238.306~~ 235.301 to 235.306, “tax benefits” means the economic development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637.

SECTION 504. 238.301 of the statutes is renumbered 235.301, and 235.301 (1) (intro.) and (e), (2) (a) and (b) and (3) (intro.), (b), (c), (d) and (f), as renumbered, are amended to read:

235.301 (1) APPLICATION. (intro.) Any person may apply to the ~~corporation~~ authority on a form prepared by the ~~corporation~~ authority for certification under this section. The application shall include all of the following:

(e) Other information required by the ~~corporation~~ authority or the department of revenue.

(2) (a) The ~~corporation~~ authority may certify a person who submits an application under sub. (1) if, after conducting an investigation, the ~~corporation~~

authority determines that the person is conducting or intends to conduct at least one eligible activity.

(b) The ~~corporation~~ authority shall provide a person certified under this section and the department of revenue with a copy of the certification.

(3) CONTRACT. (intro.) A person certified under this section shall enter into a written contract with the ~~corporation~~ authority. The contract shall include provisions that detail all of the following:

(b) Whether any of the eligible activities will occur in an economically distressed area, as designated by the ~~corporation~~ authority under s. ~~238.304~~ 235.304 (1).

(c) Whether any of the eligible activities will benefit members of a targeted group, as determined by the ~~corporation~~ authority under s. ~~238.304~~ 235.304 (2).

(d) A compliance schedule that includes a sequence of anticipated actions to be taken or goals to be achieved by the person before the person may receive tax benefits under s. ~~238.303~~ 235.303.

(f) If feasible, a determination of the tax benefits the person will be authorized to claim under s. ~~238.303~~ 235.303 (2) if the person fulfills the terms of the contract.

SECTION 505. 238.302 of the statutes is renumbered 235.302, and 235.302 (intro.), (1), (2) and (3), as renumbered, are amended to read:

235.302 Eligible activities. (intro.) A person who conducts or proposes to conduct any of the following may be certified under s. ~~238.301~~ 235.301 (2):

(1) A project that creates and maintains for a period of time established by the ~~corporation by rule~~ authority full-time jobs in addition to any existing full-time jobs provided by the person.

(2) A project that involves a significant investment of capital, as defined by the ~~corporation by rule authority~~ under s. ~~238.306~~ 235.306 (2) (b), by the person in new equipment, machinery, real property, or depreciable personal property.

(3) A project that involves significant investments in the training or reeducation of employees, as defined by the ~~corporation by rule authority~~ under s. ~~238.306~~ 235.306 (2) (c), by the person for the purpose of improving the productivity or competitiveness of the business of the person.

SECTION 506. 238.303 of the statutes, as affected by 2015 Wisconsin Act (this act), is renumbered 235.303, and 235.303 (1) (a), (am) and (b), (2) and (3), as renumbered, are amended to read:

235.303 (1) (a) Except as provided in pars. (am) and (b), and subject to a reallocation by the ~~corporation authority~~ under s. ~~238.15~~ 235.15 (3) (d), the total tax benefits available to be allocated by the ~~corporation authority~~ under ss. ~~238.301 to 238.306~~ 235.301 to 235.306 may not exceed the sum of the tax benefits remaining to be allocated under s. 560.71 to 560.785, 2009 stats., s. 560.797, 2009 stats., s. 560.798, 2009 stats., s. 560.7995, 2009 stats., and s. 560.96, 2009 stats., on March 6, 2009, plus \$100,000,000.

****NOTE: This is reconciled s. 238.303 (1) (a). This SECTION has been affected by drafts with the following LRB numbers: -0996/P3 and -1215/P4.

(am) The ~~corporation authority~~ may initially allocate only \$61,000,000 of the additional \$100,000,000 in tax benefits specified in par. (a). Before the ~~corporation authority~~ allocates the remaining \$39,000,000 in tax benefits specified in par. (a), the ~~corporation authority~~ shall submit its plan for such allocation, including a report that describes the intended use of the tax benefits, to the joint committee on finance. If the cochairpersons of the committee do not notify the ~~corporation authority~~ within

14 working days after the date of the ~~corporation's~~ authority's submittal that the committee has scheduled a meeting for the purpose of reviewing the plan, the plan may be implemented and the remaining amount may be allocated as proposed by the ~~corporation~~ authority. If, within 14 working days after the date of the ~~corporation's~~ authority's submittal, the cochairpersons of the committee notify the ~~corporation~~ authority that the committee has scheduled a meeting for the purpose of reviewing the proposed plan, the plan may be implemented and the remaining amount allocated only upon approval of the committee.

(b) The ~~corporation~~ authority may submit to the joint committee on finance a request in writing to exceed the total tax benefits specified in par. (a). The ~~corporation~~ authority shall submit with its request a justification for seeking an increase under this paragraph. The joint committee on finance, following its review, may approve or disapprove an increase in the total tax benefits available to be allocated under ss. ~~238.301 to 238.306~~ 235.301 to 235.306.

(2) AUTHORITY TO CLAIM TAX BENEFITS. The ~~corporation~~ authority may authorize a person certified under s. ~~238.301~~ 235.301 (2) to claim tax benefits only after the person has submitted a report to the ~~corporation~~ authority that documents to the satisfaction of the ~~corporation~~ authority that the person has complied with the terms of the contract under s. ~~238.301~~ 235.301 (3) and the requirements of any applicable rules policies and procedures adopted under s. ~~238.306~~ 235.306 (2).

(3) NOTICE OF ELIGIBILITY. The ~~corporation~~ authority shall provide to the person and to the department of revenue a notice of eligibility to receive tax benefits that reports the amount of tax benefits for which the person is eligible.

SECTION 507. 238.304 of the statutes is renumbered 235.304, and 235.304 (intro.) and (1), as renumbered, are amended to read:

235.304 Eligible activities in economically distressed areas and benefiting members of targeted groups. (intro.) The ~~corporation~~ authority may authorize a person certified under s. ~~238.301~~ 235.301 (2) to claim additional tax benefits under s. ~~238.303~~ 235.303 if, after conducting an investigation, the ~~corporation~~ authority determines any of the following:

(1) The person conducts at least one eligible activity in an area designated by the ~~corporation~~ authority as economically distressed. In designating an area as economically distressed under this subsection, the ~~corporation~~ authority shall follow the methodology established by rule under s. ~~238.306~~ 235.306 (2) (e).

SECTION 508. 238.3045 of the statutes is renumbered 235.3045, and 235.3045 (1) (title), (a), (b) (intro.) and 4. and (c) 1., (2) (a) and (b), (3) and (4) (a) and (b), as renumbered, are amended to read:

235.3045 (1) (title) APPLICATION AND ~~CORPORATION~~ APPROVAL. (a) An applicant for certification for tax benefits under s. ~~238.301~~ 235.301 may submit with its application under s. ~~238.301~~ 235.301 (1) an application to the ~~corporation~~ authority on a form prescribed by the ~~corporation~~ authority to transfer those tax benefits to another person under this section. The application shall include the name, address, and tax identification number of the person to whom the applicant intends to transfer the tax benefits and any other information the ~~corporation~~ authority requires. The ~~corporation~~ authority shall notify the applicant of the ~~corporation's~~ authority's determination concerning the transfer of tax benefits when the ~~corporation~~ authority notifies the applicant of the ~~corporation's~~ authority's certification determination under s. ~~238.301~~ 235.301.

(b) (intro.) The ~~corporation~~ authority may approve the transfer of tax benefits under this section if the ~~corporation~~ authority certifies the applicant under par. (a)

for tax benefits under s. ~~238.301~~ 235.301 and finds that the applicant meets at least one of the following conditions:

4. Intends to expand its operations in this state, and that expansion will result in the applicant making a significant capital investment in property located in this state, as determined by the ~~corporation~~ authority.

(c) 1. Subject to subd. 2., a person that receives an approval under par. (b) shall transfer tax benefits in accordance with the terms of the application under par. (a) after the ~~corporation~~ authority authorizes the person to claim tax benefits under s. ~~238.303~~ 235.303 (2) and provides the notice of eligibility under s. ~~238.303~~ 235.303 (3). The notice of eligibility shall contain all relevant information concerning a transfer of tax benefits under this section. The person to whom tax benefits are transferred may carry forward, beginning on the date of the notice of eligibility, any unused amount of the value of those tax benefits as provided under the appropriate provision in ch. 71 or in s. 76.636.

(2) (a) If the ~~corporation~~ authority revokes a person's certification for tax benefits under s. ~~238.305~~ 235.305, and, at the time of revocation, that person has transferred those tax benefits under this section, that person shall be liable for the full value of the tax benefits, and the person to whom the tax benefits were transferred may not claim any tax benefits that were not claimed prior to revocation.

(b) The ~~corporation~~ authority shall notify the department of revenue of a revocation of tax benefits subject to par. (a), including the value of the tax benefits for which the person is liable.

(3) ANNUAL REPORT. Annually, the ~~corporation~~ authority shall submit a report to the joint committee on finance that provides a detailed assessment of the progress to date of the program under this section.

(4) (a) Except as provided in par. (b), the ~~corporation~~ authority may not authorize the transfer of tax benefits under this section that total more than \$15,000,000, and the ~~corporation~~ authority may not authorize the transfer of tax benefits after 36 months after April 4, 2014.

(b) Upon expiration of the 36-month period under par. (a), the ~~corporation~~ authority may continue to authorize the transfer of tax benefits under this section for up to an additional 36 months, and the ~~corporation~~ authority may authorize the transfer of up to an additional \$15,000,000 in tax benefits, if the ~~corporation~~ authority determines that a continuation of the program under this section will promote significant economic development in this state. Before the ~~corporation~~ authority authorizes the transfer of tax benefits under this paragraph, the chief executive officer of the ~~corporation~~ authority shall notify the joint committee on finance in writing that the ~~corporation~~ authority intends to continue authorizing the transfer of tax benefits under this section. That notice shall state the reasons supporting the ~~corporation's~~ authority's determination that the transfer of additional tax benefits will promote significant economic development in this state. If, within 14 working days after the date of that notice, the cochairpersons of the committee do not notify the ~~corporation~~ authority that the committee has scheduled a meeting to review the ~~corporation's~~ authority's proposed continuation of the program, the ~~corporation~~ authority may proceed to authorize the transfer of additional tax benefits under this section. If, within 14 working days after the date of that notice, the cochairpersons of the committee notify the ~~corporation~~ authority that the committee has scheduled a meeting to review the proposed continuation of the program, the ~~corporation~~ authority may proceed to authorize the transfer of additional tax benefits only upon approval of the committee.

SECTION 509. 238.305 of the statutes is renumbered 235.305, and 235.305 (intro.), (1) and (2), as renumbered, are amended to read:

235.305 Revocation of certification. (intro.) The ~~corporation~~ authority shall revoke the certification of a person who does any of the following:

(1) Supplies false or misleading information to obtain certification under s. ~~238.301~~ 235.301 (2).

(2) Supplies false or misleading information to obtain tax benefits under s. ~~238.303~~ 235.303.

SECTION 510. 238.306 of the statutes is renumbered 235.306, and 235.306 (intro.), (1) (a) and (b), (2) (intro.), (a), (b), (c), (d), (e) (intro.), (f), (g), (h), (i) and (k) and (3), as renumbered, are amended to read:

235.306 Responsibilities of the ~~corporation~~ authority. (intro.) The ~~corporation~~ authority shall do all of the following:

(1) (a) Annually verify information submitted to the department of revenue under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637 by persons certified under s. ~~238.301~~ 235.301 (2) and eligible to receive tax benefits under s. ~~238.303~~ 235.303.

(b) Notify and obtain written approval from the chief executive officer of the ~~corporation~~ authority for any certification under sub. (2) (j).

(2) ~~RULES~~ POLICIES AND PROCEDURES. (intro.) Establish by ~~rule~~ policies and procedures all of the following:

(a) A schedule of hourly wage ranges to be paid, and health insurance benefits to be provided, to an employee by a person certified under s. ~~238.301~~ 235.301 (2) and the corresponding per employee tax benefit for which a person certified under s. ~~238.301~~ 235.301 (2) may be eligible.

(b) A definition of “significant investment of capital” for purposes of s. ~~238.302~~ 235.302 (2), together with a corresponding schedule of tax benefits for which a person who is certified under s. ~~238.301~~ 235.301 (2) and who conducts a project described in s. ~~238.302~~ 235.302 (2) may be eligible. The ~~corporation~~ authority shall include in the definition required under this paragraph a schedule of investments that takes into consideration the size or nature of the business.

(c) A definition of “significant investments in the training or reeducation of employees” for purposes of s. ~~238.302~~ 235.302 (3), together with a corresponding schedule of tax benefits for which a person who is certified under s. ~~238.301~~ 235.301 (2) and who conducts a project under s. ~~238.302~~ 235.302 (3) may be eligible.

(d) A schedule of tax benefits for which a person who is certified under s. ~~238.301~~ 235.301 (2) and who conducts a project that will result in the location or retention of a person’s corporate headquarters in Wisconsin may be eligible.

(e) (intro.) The methodology for designating an area as economically distressed under s. ~~238.304~~ 235.304 (1). The methodology under this paragraph shall require the ~~corporation~~ authority to consider the most current data available for the area and for the state on the following indicators:

(f) A schedule of additional tax benefits for which a person who is certified under s. ~~238.301~~ 235.301 (2) and who conducts an eligible activity described under s. ~~238.304~~ 235.304 may be eligible.

(g) Reporting requirements, minimum benchmarks, and outcomes expected of a person certified under s. ~~238.301~~ 235.301 (2) before that person may receive tax benefits under s. ~~238.303~~ 235.303.

(h) Policies, criteria, and methodology for allocating a portion of the tax benefits available under s. ~~238.303~~ 235.303 to rural areas.

(i) Policies, criteria, and methodology for allocating a portion of the tax benefits available under s. ~~238.303~~ 235.303 to small businesses.

(k) Procedures for implementing ss. ~~238.301 to 238.306~~ 235.301 to 235.306.

(3) REPORTING. Annually, 6 months after the report has been submitted under s. ~~238.07~~ 235.016 (2), submit to the joint legislative audit committee and to the appropriate standing committees of the legislature under s. 13.172 (3) a comprehensive report assessing the program under ss. ~~238.301 to 238.306~~ 235.301 to 235.306. The report under this subsection shall update the applicable information provided in the report under s. ~~238.07~~ 235.016 (2).

SECTION 511. 238.31 of the statutes is renumbered 235.31, and 235.31 (1) (intro.), (ac), (am), (b), (d) and (e) (intro.), 4. a. and d., (1m) (intro.) and (h), (2) and (3) (intro.), as renumbered, are amended to read:

235.31 **(1)** (intro.) The ~~corporation~~ authority may designate an area as a development zone if all of the following apply:

(ac) The ~~corporation~~ authority has invited a local governing body to nominate the area under s. ~~238.315~~ 235.315.

(am) A local governing body nominates the area as described in s. ~~238.32~~ 235.32.

(b) The ~~corporation~~ authority has evaluated the local governing body's application as described in s. ~~238.325~~ 235.325.

(d) The area meets the applicable requirements under s. ~~238.335~~ 235.335.

(e) (intro.) The ~~corporation~~ authority determines all of the following:

4. a. The unemployment rate in the area is higher than the state average for the 18 months immediately preceding the date on which the application under s. ~~238.32~~ 235.32 (2) or (3) was submitted to the ~~corporation~~ authority.

d. In the 36 months immediately preceding the date on which the application under s. ~~238.32~~ 235.32 (2) or (3) was submitted to the ~~corporation~~ authority, a number of workers in the area were permanently laid off by their employer or became unemployed as a result of a business action subject to s. 109.07 (1m).

(1m) (intro.) In making a determination under sub. (1) (e), the ~~corporation~~ authority shall consider all of the following:

(h) Any other factors that the ~~corporation~~ authority considers relevant.

(2) In determining whether an area meets the requirements under sub. (1) (e) or s. ~~238.335~~ 235.335, the ~~corporation~~ authority may rely on any data provided by the local governing body that the ~~corporation~~ authority determines is relevant.

(3) (intro.) The ~~corporation~~ authority shall do all of the following:

SECTION 512. 238.315 of the statutes is renumbered 235.315 and amended to read:

235.315 Invitation to nominate area. If the ~~corporation~~ authority determines that an area has experienced or is about to experience economic distress, the ~~corporation~~ authority may invite local governing bodies in the area to nominate the area as a development zone.

SECTION 513. 238.32 of the statutes is renumbered 235.32, and 235.32 (1) (intro.), (2) (intro.), (c), (d) and (i), (3) and (5), as renumbered, are amended to read:

235.32 (1) (intro.) A local governing body may nominate an area as a development zone, if the ~~corporation~~ authority has invited the governing body to nominate the area under s. ~~238.315~~ 235.315 and if the governing body does all of the following:

(2) (intro.) A local governing body may nominate the area as a development zone by submitting an application to the ~~corporation~~ authority in a form prescribed by the ~~corporation~~ authority. The application shall include all of the following:

(c) Evidence that the area meets at least 3 of the criteria under s. ~~238.31~~ 235.31
(1) (e) 4.

(d) Evidence that the area meets the applicable requirements of s. ~~238.335~~ 235.335.

(i) Any other information required by the ~~corporation~~ authority.

(3) Two or more local governing bodies may submit a joint application nominating an area as a development zone, subject to s. ~~238.335~~ 235.335 (2), if each local governing body complies with subs. (1) and (2).

(5) The ~~corporation~~ authority may permit a local governing body to revise an application that the ~~corporation~~ authority determines is inadequate or incomplete.

SECTION 514. 238.325 of the statutes is renumbered 235.325 and amended to read:

235.325 Evaluation by ~~corporation~~ authority. (1) The ~~corporation~~ authority shall evaluate applications received under s. ~~238.32~~ 235.32 (2) and (3).

(2) Subject to s. ~~238.335~~ 235.335 (5), the ~~corporation~~ authority may reduce the size of an area nominated as a development zone, if the ~~corporation~~ authority determines the boundaries as proposed by the local governing body in an application under s. ~~238.32~~ 235.32 (2) or (3) are inconsistent with the purpose of the development zone program. Any nominated area which is reduced under this subsection need not comply with s. ~~238.335~~ 235.335 (1) and (4).

(3) After evaluating an application submitted under s. ~~238.32~~ 235.32 (2) or (3), the ~~corporation~~ authority may approve the application, subject to any reduction in

the size of the nominated area under sub. (2). If the ~~corporation~~ authority approves the application, the ~~corporation~~ authority shall designate the area as a development zone, subject to s. ~~238.31~~ 235.31, and notify the local governing body.

SECTION 515. 238.335 of the statutes is renumbered 235.335, and 235.335 (6) (a) 2. and (c) and (7), as renumbered, are amended to read:

235.335 (6) (a) 2. Each area meets at least 3 of the criteria listed in s. ~~238.31~~ 235.31 (1) (e) 4.

(c) If an application is submitted by the governing body of a county under s. ~~238.32~~ 235.32 (2) or (3), up to 4 separate areas may be nominated or designated as one development zone, if par. (a) 1. to 3. applies.

(7) The ~~corporation~~ authority may waive the requirements of this section in a particular case, if the ~~corporation~~ authority determines that application of the requirement is impractical with respect to a particular development zone.

SECTION 516. 238.34 of the statutes is renumbered 235.34, and 235.34 (1), (2), (3) (intro.) and (a), (4), (5) and (6), as renumbered, are amended to read:

235.34 (1) Except as provided under sub. (6), at any time after a development zone is designated by the ~~corporation~~ authority, a local governing body may submit an application to change the boundaries of the development zone. If the boundary change reduces the size of a development zone, the local governing body shall explain why the area excluded should no longer be in a development zone. The ~~corporation~~ authority may require the local governing body to submit additional information.

(2) The ~~corporation~~ authority may approve an application for a boundary change if the development zone, as affected by the boundary changes, meets the applicable requirements of s. ~~238.335~~ 235.335 and 3 of the criteria under s. ~~238.31~~ 235.31 (1) (e) 4.

(3) (intro.) If the ~~corporation~~ authority approves an application for a boundary change under sub. (2), it shall do all of the following:

(a) Redetermine the limit on the tax benefits for the development zone established under s. ~~238.345~~ 235.345 (2) (a).

(4) The change in the boundaries or tax benefits limit of a development zone shall be effective on the day the ~~corporation~~ authority notifies the local governing body under sub. (3) (b).

(5) No change in the boundaries of a development zone may affect the duration of an area as a development zone under s. ~~238.345~~ 235.345 (1) (a). The ~~corporation~~ authority may consider a change in the boundary of a development zone when evaluating an application for an extension of the designation of an area as a development zone under s. ~~238.345~~ 235.345 (1) (b).

(6) The ~~corporation~~ authority may not accept any applications under sub. (1) to change the boundaries of a development zone designated under s. ~~238.31~~ 235.31 on or after March 6, 2009.

SECTION 517. 238.345 of the statutes is renumbered 235.345, and 235.345 (1) (a) and (b), (2) (a), (am), (b), (c) 1. and 2. and (d) and (3) (intro.), (a) and (b), as renumbered, are amended to read:

235.345 (1) (a) The designation of an area as a development zone shall be effective for 240 months, beginning on the day the ~~corporation~~ authority notifies the local governing body under s. ~~238.325~~ 235.325 (3) of the designation.

(b) The local governing body may apply to the ~~corporation~~ authority for one 60-month extension of the designation. The ~~corporation~~ authority shall adopt rules policies and procedures establishing criteria for approving an extension of a designation of an area as a development zone under this subsection. No applications

may be accepted by the ~~corporation~~ authority under this paragraph on or after March 6, 2009.

(2) (a) When the ~~corporation~~ authority designates a development zone under s. ~~238.31~~ 235.31, it shall establish a limit for tax benefits for the development zone determined by allocating to the development zone a portion of \$38,155,000.

(am) Notwithstanding par. (a), the ~~corporation~~ authority may increase the established limit for tax benefits for a development zone. The ~~corporation~~ authority may not increase the limit for tax benefits established for any development zone designated under s. ~~238.31~~ 235.31 on or after March 6, 2009.

(b) Annually the ~~corporation~~ authority shall estimate the amount of forgone state revenue because of tax benefits claimed by persons in each development zone.

(c) 1. Ninety days after the day on which the ~~corporation~~ authority determines that the forgone tax revenues under par. (b) will equal or exceed the limit for the development zone established under par. (a) or (am).

2. The day that the ~~corporation~~ authority withdraws its designation of an area as a development zone under sub. (3).

(d) The ~~corporation~~ authority shall immediately notify the local governing body of a change in the expiration date of the development zone under par. (c).

(3) (intro.) The ~~corporation~~ authority may withdraw the designation of an area as a development zone if any of the following applies:

(a) No person is certified as eligible to receive tax benefits under s. ~~238.365~~ 235.365 (3) during the 12-month period beginning on the day the area is designated as a development zone and the ~~corporation~~ authority determines that the local governing body that nominated the zone is not in compliance with s. ~~238.363~~ 235.363.

(b) No person is certified as eligible to receive tax benefits under s. ~~238.365~~ 235.365 (3) during the 24-month period beginning on the day the area is designated a development zone.

SECTION 518. 238.35 of the statutes is renumbered 235.35, and 235.35 (intro.), (6), (7), (8) and (10), as renumbered, are amended to read:

235.35 Additional duties of the ~~corporation~~ authority. (intro.) The ~~corporation~~ authority shall do all of the following:

(6) Notify University of Wisconsin System Authority small business development centers, the Wisconsin housing and development centers, the central administration of all University of Wisconsin System Authority campuses and regional planning commissions about the development zone program and encourage those entities to provide advice to the ~~corporation~~ authority or local governing bodies on ways to improve the development zone program.

****NOTE: This is reconciled s. 238.35 (6). This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

(7) Prepare forms for the certification described under s. ~~238.365~~ 235.365 (5).

(8) Annually verify information submitted to the ~~corporation~~ authority under s. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), or 76.636.

(10) Enter into an agreement with the local governing body of a 1st class city where a development zone is designated under s. ~~238.31~~ 235.31 (3) (c) 1. to provide efficient administration of the development zone program within the development zone.

SECTION 519. 238.363 of the statutes is renumbered 235.363, and 235.363 (1) (intro.) and (c) and (4), as renumbered, are amended to read:

235.363 (1) (intro.) If an area nominated by a local governing body is designated as a development zone under s. ~~238.31~~ 235.31, the local governing body shall do all of the following:

(c) Assist the ~~corporation~~ authority in the administration of the development zone program.

(4) The local governing body of a 1st class city where a development zone is designated under s. ~~238.31~~ 235.31 (3) (c) 1. shall enter into an agreement with the ~~corporation~~ authority to provide efficient administration of the development zone program within the development zone.

SECTION 520. 238.365 of the statutes is renumbered 235.365, and 235.365 (intro.), (2), (3) (intro.), (b) and (j) and (5) (g) and (h), as renumbered, are amended to read:

235.365 Certification for tax benefits. (intro.) The ~~corporation~~ authority shall do all of the following:

(2) Determine whether a person applying for tax benefits engages or will engage in economic activity that violates s. ~~238.38~~ 235.38 (1).

(3) (intro.) Subject to s. ~~238.38~~ 235.38, certify persons who are eligible to claim tax benefits while an area is designated as a development zone, according to the following criteria:

(b) The person's commitment not to engage in economic activity that violates s. ~~238.38~~ 235.38 (1).

(j) Any other criteria established under ~~rules~~ policies and procedures adopted by the ~~corporation~~ authority.

(5) (g) The limit under s. ~~238.368~~ 235.368 on tax benefits the person may claim while an area is designated as a development zone.

(h) Other information required by the ~~corporation~~ authority or the department of revenue.

SECTION 521. 238.368 of the statutes is renumbered 235.368, and 235.368 (1) (a) and (b) (intro.), 1. and 2., (2) (intro.) and (b) and (3) (a) (intro.) and 1. and (b), as renumbered, are amended to read:

235.368 (1) (a) The ~~corporation~~ authority shall establish a limit on the maximum amount of tax benefits a person certified under s. ~~238.365~~ 235.365 (3) may claim while an area is designated as a development zone.

(b) (intro.) When establishing a limit on tax benefits under par. (a), the ~~corporation~~ authority shall do all of the following:

1. Consider all of the criteria described in s. ~~238.365~~ 235.365 (3) (a) to (e).

2. Establish a limit which does not greatly exceed a recommended limit, established under ~~rules~~ policies and procedures adopted by the ~~corporation~~ authority based on the cost, number and types of full-time jobs that will be created, retained, or upgraded, including full-time jobs available to members of the targeted population, as a result of the economic activity of the person certified under s. ~~238.365~~ 235.365 (3).

(2) (intro.) The ~~corporation~~ authority may, upon request, increase a limit on tax benefits established under sub. (1) if the ~~corporation~~ authority does all of the following:

(b) Revises the certification required under s. ~~238.365~~ 235.365 (5) and provides a copy of the revised form to the department of revenue and the person whose limit is increased under this subsection.

(3) (a) (intro.) The ~~corporation~~ authority may reduce a limit established under sub. (1) or (2) if the ~~corporation~~ authority determines that any of the following applies:

1. The limit is not consistent with the criteria listed under s. ~~238.365~~ 235.365 (3) (a) to (e).

(b) The ~~corporation~~ authority shall notify the department of revenue and the person whose limit on tax benefits is reduced under par. (a) and provide a written explanation to the person of the reasons for reducing the limit.

SECTION 522. 238.37 of the statutes is renumbered 235.37, and 235.37 (1) (intro.) and (b) and (2), as renumbered, are amended to read:

235.37 **(1)** (intro.) The ~~corporation~~ authority shall revoke the certification of a person certified under s. ~~238.365~~ 235.365 (3) if the person does any of the following:

(b) Becomes subject to revocation under s. ~~238.38~~ 235.38 (1).

(2) The ~~corporation~~ authority shall notify the department of revenue within 30 days of revoking a certification under sub. (1).

SECTION 523. 238.38 of the statutes is renumbered 235.38, and 235.38 (1) (intro.), (1m), (2) (intro.) and (a) and (3) (a) and (b), as renumbered, are amended to read:

235.38 **(1)** (intro.) Except as provided in subs. (2) and (3), no person may be certified under s. ~~238.365~~ 235.365 (3), or a person's certification may be revoked under s. ~~238.37~~ 235.37, if the proposed new business, expansion of an existing business, or other proposed economic activity in a development zone would do or does any of the following:

(1m) No person may be certified under s. ~~238.365~~ 235.365 (3) on or after March 6, 2009.

(2) (intro.) Subsection (1) does not apply if, after a hearing, the ~~corporation~~ authority, or the local governing body under sub. (3) (a), determines that any of the following applies:

(a) The total number of full-time jobs provided by the person in this state would be reduced if the person were not certified under s. ~~238.365~~ 235.365 (3) or if the person's certification were revoked.

(3) (a) Except as provided in pars. (b) and (c), if the economic activity for which a person is seeking certification under s. ~~238.365~~ 235.365 (3) is the relocation of a business into a development zone from a location that is outside the development zone but within the limits of a city, village, town, or federally recognized American Indian reservation in which that development zone is located, the local governing body that nominated that area as a development zone under s. ~~238.32~~ 235.32 shall determine whether sub. (2) (a) or (b) applies.

(b) Only the ~~corporation~~ authority may determine whether sub. (2) (a) or (b) applies to a business relocation described in par. (a) if the business relocation would likely result in the loss of full-time jobs at or transfer of employees from a business location that is in this state but outside the limits of any city, village, town, or federally recognized American Indian reservation in which the development zone is located.

SECTION 524. 238.385 of the statutes is renumbered 235.385, and 235.385 (1) (intro.) and (bm) and (2) (intro.), (b) and (c), as renumbered, are amended to read:

235.385 (1) (intro.) For the development zone program under ss. ~~238.30~~ 235.30 and ~~238.31 to 238.38~~ 235.31 to 235.38, the development opportunity zone program under s. ~~238.395~~ 235.395, and the enterprise development zone program under s. ~~238.397~~ 235.397, the ~~corporation~~ authority shall adopt rules policies and procedures

that further define a person's eligibility for tax benefits. The ~~rules~~ policies and procedures shall do at least all of the following:

(bm) Allow a person to claim up to \$8,000 in tax benefits during the time that an area is designated as an enterprise development zone for retaining a full-time job if the ~~corporation~~ authority determines that the person made a significant capital investment to retain the full-time job.

(2) (intro.) The ~~corporation~~ authority may ~~by rule~~ specify circumstances under which the ~~corporation~~ authority may grant exceptions to any of the following:

(b) The requirement under ss. ~~238.30~~ 235.30 (2m) and ~~238.397~~ 235.397 (1) (am) that an individual's pay must equal at least 150% of the federal minimum wage.

(c) The requirement under ss. ~~238.30~~ 235.30 (2m) and ~~238.397~~ 235.397 (1) (am) that an individual's position must be regular, nonseasonal, and full-time and that the individual must be required to work at least 2,080 hours per year, including paid leave and holidays.

SECTION 525. 238.395 of the statutes is renumbered 235.395, and 235.395 (1) (a), (b), (c), (d), (e), (f), (g), (h) and (i), (2) (c), (d) 1. and 2. and (e) 1., 2. and 3., (3) (a) 1., 2., 3. and 4., (b) 9., (c) and (d), (4) (a) (intro.) and (b) and (5) (a) (intro.), 2. and 3., (b), (c), (d), (e) (intro.) and 3. and (f), as renumbered, are amended to read:

235.395 **(1)** (a) An area in the city of Beloit, the legal description of which is provided to the ~~corporation~~ authority by the local governing body of the city of Beloit.

(b) An area in the city of West Allis, the legal description of which is provided to the ~~corporation~~ authority by the local governing body of the city of West Allis.

(c) An area in the city of Eau Claire, the legal description of which is provided to the ~~corporation~~ authority by the local governing body of the city of Eau Claire.

(d) An area in the city of Kenosha, the legal description of which is provided to the ~~corporation~~ authority by the local governing body of the city of Kenosha.

(e) An area in the city of Milwaukee, the legal description of which is provided to the ~~corporation~~ authority by the local governing body of the city of Milwaukee.

(f) For the Gateway Project, an area in the city of Beloit, the legal description of which is provided to the ~~corporation~~ authority by the local governing body of the city of Beloit.

(g) An area in the city of Janesville, the legal description of which is provided to the ~~corporation~~ authority by the local governing body of the city of Janesville.

(h) An area in the city of Kenosha, the legal description of which is provided to the ~~corporation~~ authority by the local governing body of the city of Kenosha.

(i) An area in the city of Beloit, the legal description of which is provided to the ~~corporation~~ authority by the local governing body of the city of Beloit.

(2) (c) Annually, the ~~corporation~~ authority shall estimate the amount of forgone state revenue because of tax benefits claimed by persons in each development opportunity zone.

(d) 1. Notwithstanding pars. (a) and (e), the designation of an area as a development opportunity zone shall expire 90 days after the day on which the ~~corporation~~ authority determines that the forgone tax revenues under par. (c) will equal or exceed the limit for the development opportunity zone.

2. The ~~corporation~~ authority shall immediately notify the local governing body of the city in which the development opportunity zone is located of a change in the expiration date of the development opportunity zone under this paragraph.

(e) 1. The ~~corporation~~ authority may extend the designation of an area under sub. (1) (g) as a development opportunity zone for an additional 60 months if the

~~corporation~~ authority determines that an extension under this subdivision would support economic development within the city. If the ~~corporation~~ authority extends the designation of the area as a development opportunity zone, the limit for tax benefits for the development opportunity zone under sub. (1) (g) is increased by \$5,000,000.

2. The ~~corporation~~ authority may extend the designation of an area under sub. (1) (h) as a development opportunity zone for an additional 60 months if the ~~corporation~~ authority determines that an extension under this subdivision would support economic development within the city. If the ~~corporation~~ authority extends the designation of the area as a development opportunity zone, the limit for tax benefits for the development opportunity zone under sub. (1) (h) is increased by \$5,000,000.

3. The ~~corporation~~ authority may extend the designation of an area under sub. (1) (i) as a development opportunity zone for an additional 60 months if the ~~corporation~~ authority determines that an extension will support economic development within the city. If the ~~corporation~~ authority grants an extension under this subdivision, the limit for tax benefits for the development opportunity zone under sub. (1) (i) is increased by \$5,000,000.

(3) (a) 1. Any person that is conducting or that intends to conduct economic activity in a development opportunity zone under sub. (1) (a) or (b) and that, in conjunction with the local governing body of the city in which the development opportunity zone is located, submits a project plan as described in par. (b) to the ~~corporation~~ authority no later than 6 months after April 23, 1994, shall be entitled to claim tax benefits while the area is designated as a development opportunity zone.

2. Any person that is conducting or that intends to conduct economic activity in a development opportunity zone under sub. (1) (c) and that, in conjunction with the local governing body of the city in which the development opportunity zone is located, submits a project plan as described in par. (b) to the ~~corporation~~ authority no later than 6 months after April 28, 1995, shall be entitled to claim tax benefits while the area is designated as a development opportunity zone.

3. Any person that is conducting or that intends to conduct economic activity in a development opportunity zone under sub. (1) (d) and that, in conjunction with the local governing body of the city in which the development opportunity zone is located, submits a project plan as described in par. (b) to the ~~corporation~~ authority no later than July 1, 2000, shall be entitled to claim tax benefits while the area is designated as a development opportunity zone.

4. Any person that is conducting or that intends to conduct economic activity in a development opportunity zone under sub. (1) (e), (f), (g), (h), or (i) and that, in conjunction with the local governing body of the city in which the development opportunity zone is located, submits a project plan as described in par. (b) to the ~~corporation~~ authority shall be entitled to claim tax benefits while the area is designated as a development opportunity zone.

(b) 9. Other information required by the ~~corporation~~ authority or the department of revenue.

(c) The ~~corporation~~ authority shall notify the department of revenue of all persons entitled to claim tax benefits under this subsection.

(d) The ~~corporation~~ authority annually shall verify information submitted to the ~~corporation~~ authority under s. 71.07 (~~2di~~), (2dm), or (2dx), 71.28 (~~1di~~), (1dm), or (1dx), 71.47 (~~1di~~), (1dm), or (1dx), or 76.636.

****NOTE: This is reconciled s. 235.395 (3) (d). This SECTION has been affected by drafts with the following LRB numbers: -1018/P1 and -1215/P2.

(4) (a) (intro.) The ~~corporation~~ authority shall revoke the entitlement of a person to claim tax benefits under sub. (3) if the person does any of the following:

(b) The ~~corporation~~ authority shall notify the department of revenue within 30 days after revoking an entitlement under par. (a).

(5) (a) (intro.) The ~~corporation~~ authority may certify for tax benefits a person that is conducting economic activity in the development opportunity zone under sub. (1) (e) or (f) and that is not otherwise entitled to claim tax benefits if all of the following apply:

2. The ~~corporation~~ authority determines that the economic activity of the other person under subd. 1. would not have occurred but for the involvement of the person to be certified for tax benefits under this subsection.

3. The person to be certified for tax benefits under this subsection will pass the benefits through to the other person conducting the economic activity under subd. 1., as determined by the ~~corporation~~ authority.

(b) A person intending to claim tax benefits under this subsection shall submit to the ~~corporation~~ authority an application, in the form required by the ~~corporation~~ authority, containing information required by the ~~corporation~~ authority and by the department of revenue.

(c) The ~~corporation~~ authority shall notify the department of revenue of all persons certified to claim tax benefits under this subsection.

(d) The ~~corporation~~ authority annually shall verify information submitted to the ~~corporation~~ authority under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx), 71.47 (1dm) or (1dx), or 76.636.

(e) (intro.) The ~~corporation~~ authority shall revoke the entitlement of a person to claim tax benefits under this subsection if the person does any of the following:

3. Does not pass the benefits through to the other person conducting the economic activity under par. (a) 1., as determined by the ~~corporation~~ authority.

(f) The ~~corporation~~ authority shall notify the department of revenue within 30 days after revoking an entitlement under par. (e).

SECTION 526. 238.397 of the statutes is renumbered 235.397, and 235.397 (1) (am), (c) and (d), (2) (a) (intro.) and 4. a. and d., (b) (intro.) and 8., (bg) (intro.), (br) (intro.), (c), (d) and (e), (3) (a), (b) 11. and (c), (4) (a), (c), (d) and (g), (5) (a), (b) and (d) 1. and 2. and (6) (a) (intro.) and (b), as renumbered, are amended to read:

235.397 (1) (am) “Full-time job” has the meaning given in s. ~~238.30~~ 235.30 (2m).

(c) “Target population” has the meaning given in s. ~~238.30~~ 235.30 (6).

(d) “Tax benefits” has the meaning given in s. ~~238.30~~ 235.30 (7).

(2) (a) (intro.) Subject to pars. (c), (d), and (e), the ~~corporation~~ authority may designate an area as an enterprise development zone for a project if the ~~corporation~~ authority determines all of the following:

4. a. The unemployment rate in the area is higher than the state average for the 18 months immediately preceding the date on which the application under sub. (3) was submitted to the ~~corporation~~ authority.

d. In the 36 months immediately preceding the date on which the application under sub. (3) was submitted to the ~~corporation~~ authority, a number of workers in the area were permanently laid off by their employer or became unemployed as a result of a business action subject to s. 109.07 (1m).

(b) (intro.) In making a determination under par. (a), the ~~corporation~~ authority shall consider all of the following:

8. Any other factors that the ~~corporation~~ authority considers relevant.

(bg) (intro.) Notwithstanding par. (a) and subject to pars. (c), (d), and (e), the ~~corporation~~ authority may designate an area as an enterprise development zone for a project if the ~~corporation~~ authority determines all of the following:

(br) (intro.) In making a determination under par. (bg), the ~~corporation~~ authority shall consider all of the following:

(c) The ~~corporation~~ authority may not designate as an enterprise development zone, or as any part of an enterprise development zone, an area that is located within the boundaries of an area that is designated as a development opportunity zone under s. ~~238.395~~ 235.395, the designation of which is in effect.

(d) The ~~corporation~~ authority may not designate more than 98 enterprise development zones unless the ~~corporation~~ authority obtains the approval of the joint committee on finance to do so. Of the enterprise development zones that the ~~corporation~~ authority designates, at least 10 shall be designated under par. (bg).

(e) The ~~corporation~~ authority may not designate any area as an enterprise development zone on or after March 6, 2009.

(3) (a) A person that conducts or that intends to conduct a project and that desires to have the area in which the project is or is to be conducted designated as an enterprise development zone for the purpose of claiming tax benefits may submit to the ~~corporation~~ authority an application and a project plan.

(b) 11. Any other information required by the ~~corporation~~ authority or the department of revenue.

(c) The ~~corporation~~ authority may not accept or approve any applications or project plans submitted under par. (a) on or after March 6, 2009.

(4) (a) Except as provided in par. (h), if the ~~corporation~~ authority approves a project plan under sub. (3) and designates the area in which the person submitting the project plan conducts or intends to conduct the project as an enterprise development zone under the criteria under sub. (2), the ~~corporation~~ authority shall certify the person as eligible for tax benefits.

(c) When the ~~corporation~~ authority designates an area as an enterprise development zone for a project, the ~~corporation~~ authority shall notify the governing body of any city, village, town, or federally recognized American Indian tribe or band in which the area is located of the area's designation.

(d) The ~~corporation~~ authority shall notify the department of revenue of all persons entitled to claim tax benefits under this section, except that the ~~corporation~~ authority shall notify the office of the commissioner of insurance of all persons entitled to claim the credit under s. 76.636.

(g) The ~~corporation~~ authority annually shall verify information submitted to the ~~corporation~~ authority under s. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), or 76.636.

(5) (a) When the ~~corporation~~ authority designates an area as an enterprise development zone under this section, the ~~corporation~~ authority shall specify the length of time, not to exceed 84 months, that the designation is effective, subject to par. (d) and sub. (6).

(b) When the ~~corporation~~ authority designates an area as an enterprise development zone under this section, the ~~corporation~~ authority shall establish a limit, not to exceed \$3,000,000, for tax benefits for the enterprise development zone.

(d) 1. Notwithstanding the length of time specified by the ~~corporation~~ authority under par. (a), the designation of an area as an enterprise development zone shall expire 90 days after the day on which the ~~corporation~~ authority determines that the forgone tax revenues under par. (c) will equal or exceed the limit established for the enterprise development zone.

2. The ~~corporation~~ authority shall immediately notify the department of revenue and the governing body of any city, village, town, or federally recognized American Indian tribe or band in which the enterprise development zone is located of a change in the expiration date of the enterprise development zone under this paragraph.

(6) (a) (intro.) The ~~corporation~~ authority shall revoke the entitlement of a person to claim tax benefits under this section, and the designation of the area as an enterprise development zone shall expire, if the person does any of the following:

(b) The ~~corporation~~ authority shall notify the department of revenue within 30 days after revoking an entitlement under par. (a).

SECTION 527. 238.398 of the statutes is renumbered 235.398, and 235.398 (2) (a) and (b), (3) (a) and (b), (4) (a) (intro.) and (b) and (5) (intro.) and (e), as renumbered, are amended to read:

235.398 **(2)** (a) Except as provided under par. (c), the ~~corporation~~ authority may designate one area in the state as an agricultural development zone. The area must be located in a rural municipality. An agricultural business that is located in an agricultural development zone and that is certified by the ~~corporation~~ authority under sub. (3) is eligible for tax benefits as provided in sub. (3).

(b) The designation of an area as an agricultural development zone shall be in effect for 10 years from the time that the ~~corporation~~ authority first designates the

area. Not more than \$5,000,000 in tax benefits may be claimed in an agricultural development zone, except that the ~~corporation~~ authority may allocate the amount of unallocated airport development zone tax credits, as provided under s. ~~238.3995~~ 235.3995 (3) (b), to agricultural development zones for which the \$5,000,000 maximum allocation is insufficient. The ~~corporation~~ authority may change the boundaries of an agricultural development zone during the time that its designation is in effect. A change in the boundaries of an agricultural development zone does not affect the duration of the designation of the area or the maximum tax benefit amount that may be claimed in the agricultural development zone.

(3) (a) Except as provided under par. (c), the ~~corporation~~ authority may certify for tax benefits in an agricultural development zone a new or expanding agricultural business that is located in the agricultural development zone. In determining whether to certify a business under this subsection, the ~~corporation~~ authority shall consider, among other things, the number of jobs that will be created or retained by the business.

(b) When the ~~corporation~~ authority certifies an agricultural business under this subsection, the ~~corporation~~ authority shall establish a limit on the amount of tax benefits that the business may claim. The ~~corporation~~ authority shall enter into an agreement with the business that specifies the limit on the amount of tax benefits that the business may claim and reporting requirements with which the business must comply.

(4) (a) (intro.) The ~~corporation~~ authority shall notify the department of revenue of all the following:

(b) The ~~corporation~~ authority shall annually verify information submitted to the ~~corporation~~ authority under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx), 71.47 (1dm) or (1dx), or 76.636.

(5) (intro.) The ~~corporation~~ authority shall adopt rules policies and procedures for the operation of this section, including rules policies and procedures related to all of the following:

(e) The exchange of information between the ~~corporation~~ authority and the department of revenue.

SECTION 528. 238.399 of the statutes, as affected by 2015 Wisconsin Act (this act), is renumbered 235.399, and 235.399 (1) (am) 2. (intro.), (3) (a), (b) (intro.), (bm), (c) and (d), (5) (intro.), (b), (c) 1. a. and b. and 2. b. and c., (d) 1. and (e), (5m) and (6) (a), (b) (intro.), (c), (d), (e), (f) and (g) (intro.) and 1. (intro.), as renumbered, are amended to read:

235.399 (1) (am) 2. (intro.) The ~~corporation~~ authority may grant exceptions to the requirement under subd. 1. that a full-time employee means an individual who, as a condition of employment, is required to work at least 2,080 hours per year if all of the following apply:

(3) (a) The ~~corporation~~ authority may designate not more than 30 enterprise zones.

****NOTE: This is reconciled s. 238.399 (3) (a). This SECTION has been affected by drafts with the following LRB numbers: -0364/P4 and -1215/P4.

(b) (intro.) In determining whether to designate an area under par. (a), the ~~corporation~~ authority shall consider all of the following:

(bm) The ~~corporation~~ authority shall specify whether an enterprise zone designated under par. (a) is located in a tier I county or municipality or a tier II county or municipality.

(c) The ~~corporation~~ authority shall, to the extent possible, give preference to the greatest economic need.

(d) Notwithstanding pars. (b) and (c), the ~~corporation~~ authority shall designate as enterprise zones at least 3 areas comprising political subdivisions whose populations total less than 5,000 and at least 2 areas comprising political subdivisions whose populations total 5,000 or more but less than 30,000. In designating an enterprise zone under this paragraph, the ~~corporation~~ authority may consider indicators of an area's economic need and the effect of designation on other economic development activities.

(5) CERTIFICATION. (intro.) The ~~corporation~~ authority may certify for tax benefits any of the following:

(b) A business that relocates to an enterprise zone from outside this state, if the business offers compensation and benefits to its employees working in the zone for the same type of work that are at least as favorable as those offered to its employees working outside the zone, as determined by the ~~corporation~~ authority.

(c) 1. a. The business enters into an agreement with the ~~corporation~~ authority to claim tax benefits only for years during which the business maintains the increased level of personnel.

b. The business offers compensation and benefits for the same type of work to its employees working in the enterprise zone that are at least as favorable as those offered to its employees working in this state but outside the zone, as determined by the ~~corporation~~ authority.

2. b. The business enters into an agreement with the ~~corporation~~ authority to claim tax benefits only for years during which the business maintains the capital investment.

c. The business offers compensation and benefits for the same type of work to its employees working in the zone that are at least as favorable as those offered to its employees working in this state but outside the zone, as determined by the ~~corporation~~ authority.

(d) 1. The business is a manufacturer with a significant supply chain in the state, as determined by the ~~corporation~~ authority.

(e) A business located in an enterprise zone if the business purchases tangible personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or services from Wisconsin vendors, as determined by the ~~corporation~~ authority.

(5m) ADDITIONAL TAX BENEFITS FOR SIGNIFICANT CAPITAL EXPENDITURES. If the ~~corporation~~ authority determines that a business certified under sub. (5) makes a significant capital expenditure in the enterprise zone, the ~~corporation~~ authority may certify the business to receive additional tax benefits in an amount to be determined by the ~~corporation~~ authority, but not exceeding 10 percent of the business' capital expenditures. The ~~corporation~~ authority shall, in a manner determined by the ~~corporation~~ authority, allocate the tax benefits a business is certified to receive under this subsection over the remainder of the time limit of the enterprise zone under sub. (4).

(6) (a) The ~~corporation~~ authority shall notify the department of revenue when the ~~corporation~~ authority certifies a business to receive tax benefits.

(b) (intro.) The ~~corporation~~ authority shall revoke a certification under sub. (5) if the business does any of the following:

(c) The ~~corporation~~ authority shall notify the department of revenue within 30 days of a revocation under par. (b).

(d) The ~~corporation~~ authority may require a business to repay any tax benefits the business claims for a year in which the business failed to maintain employment levels or a significant capital investment in property required by an agreement under sub. (5) (c).

(e) The ~~corporation~~ authority shall determine the maximum amount of the tax credits under ss. 71.07 (3w), 71.28 (3w), and 71.47 (3w) that a certified business may claim and shall notify the department of revenue of this amount.

(f) The ~~corporation~~ authority shall annually verify the information submitted to the ~~corporation~~ authority under ss. 71.07 (3w), 71.28 (3w), or 71.47 (3w).

(g) (intro.) The ~~corporation~~ authority shall adopt policies and procedures specifying all of the following:

1. (intro.) The definitions of a tier I county or municipality and a tier II county or municipality. The ~~corporation~~ authority may consider all of the following information when establishing the definitions required under this subdivision:

SECTION 529. 238.3995 of the statutes is renumbered 235.3995, and 235.3995 (1) (b) and (c), (2) (a) (intro.) and 4., (b) (intro.) and 8., (c) 1. and 2. and (d), (3) (a), (b), (c) and (d) 1. and 2., (4) (a) (intro.) and 10., (am), (ar), (b) 1., (c) (intro.) and (d) and (5), as renumbered, are amended to read:

235.3995 (1) (b) “Full-time job” has the meaning given in s. ~~238.30~~ 235.30 (2m).

(c) “Target population” has the meaning given in s. ~~238.30~~ 235.30 (6).

(2) (a) (intro.) Subject to pars. (c) and (e), the ~~corporation~~ authority may designate an area as an airport development zone if the ~~corporation~~ authority determines all of the following:

4. That the airport development project is not likely to occur or continue without the ~~corporation~~ authority designation of the area as an airport development zone.

(b) (intro.) In making a determination under par. (a), the ~~corporation~~ authority shall consider all of the following:

8. Any other factors that the ~~corporation~~ authority considers relevant.

(c) 1. The ~~corporation~~ authority may not designate as an airport development zone, or as any part of an airport development zone, an area that is located within the boundaries of an area that is designated as a development zone under s. ~~238.31~~ 235.31, as a development opportunity zone under s. ~~238.395~~ 235.395, or as an enterprise development zone under s. ~~238.397~~ 235.397.

2. The ~~corporation~~ authority shall give the department of transportation the opportunity to review and comment on any proposed designation under this subsection and the department of transportation may deny any such designation if the department of transportation determines that the designation would compromise the airport's safety or utility. The department of transportation may also review and comment on any land use or compatibility issues related to any proposed designation under this subsection.

(d) Notwithstanding pars. (a) to (c), and except as provided in par. (e), the ~~corporation~~ authority shall designate as an airport development zone the area within the boundaries of Adams, Fond du Lac, Green Lake, Juneau, Langlade, Lincoln, Marathon, Marquette, Menominee, Oneida, Portage, Price, Shawano, Taylor, Waupaca, Waushara, Winnebago, Wood, and Vilas counties.

(3) (a) When the ~~corporation~~ authority designates an area as an airport development zone, the ~~corporation~~ authority shall specify the length of time, not to

exceed 84 months, that the designation is effective, subject to par. (d). The ~~corporation~~ authority shall notify each person certified for tax benefits in an airport development zone, the department of revenue, the department of transportation, ~~the Wisconsin Housing and Economic Development Authority,~~ and the governing body of each county, city, village, town, and federally recognized American Indian tribe or band in which territory of the airport development zone is located of the designation of and expiration date of the airport development zone.

(b) When the ~~corporation~~ authority designates an area as an airport development zone, the ~~corporation~~ authority shall establish a limit, not to exceed \$3,000,000, for tax benefits applicable to the airport development zone, except that the ~~corporation~~ authority shall limit the amount of tax benefits applicable to the airport development zone designated under sub. (2) (d) to \$750,000. The total tax benefits applicable to all airport development zones may not exceed \$9,000,000, less any amount allocated to technology zones under s. ~~238.23~~ 235.23 (2) (b) and to agricultural development zones under s. ~~238.398~~ 235.398 (2) (b), and except that the total amount allocated to all technology zones under s. ~~238.23~~ 235.23 (2) (b) and to all agricultural development zones under s. ~~238.398~~ 235.398 (2) (b), may not exceed \$6,000,000. The ~~corporation~~ authority may not reallocate amounts as provided under this paragraph on or after January 1, 2010, except that the ~~corporation~~ authority may, after 48 months from the month of any designation under this section, evaluate the area designated as an airport development zone and reallocate the amount of available tax benefits.

(c) Annually, the ~~corporation~~ authority shall estimate the amount of forgone state revenue because of tax benefits claimed by persons in each airport development zone.

(d) 1. Notwithstanding the length of time specified by the ~~corporation~~ authority under par. (a), the designation of an area as an airport development zone shall expire 90 days after the day on which the ~~corporation~~ authority determines that the forgone tax revenues estimated under par. (c) will equal or exceed the limit established for the airport development zone.

2. The ~~corporation~~ authority shall immediately notify each person certified for tax benefits in an airport development zone, the department of revenue, the department of transportation, the ~~Wisconsin Housing and Economic Development Authority~~, and the governing body of each county, city, village, town, and federally recognized American Indian tribe or band in which territory of the airport development zone is located of a change in the expiration date of the airport development zone under this paragraph.

(4) (a) (intro.) A person that intends to operate a place of business in an airport development zone may submit to the ~~corporation~~ authority an application and a business plan. The business plan shall include all of the following:

10. Any other information required by the ~~corporation~~ authority or the department of revenue.

(am) A person that intends to operate a business in the airport development zone designated under sub. (2) (d) may submit to the ~~corporation~~ authority an application and a business plan that includes all of the information required under par. (a). In approving business plans submitted under this paragraph, the ~~corporation~~ authority shall give higher priority to airport development projects located or proposed to be located in areas that have a low median household income, as determined by the ~~corporation~~ authority.

(ar) The ~~corporation~~ authority may not accept or approve any applications or business plans submitted under par. (a) on or after March 6, 2009.

(b) 1. Except as provided in subd. 2., if the ~~corporation~~ authority approves a business plan under par. (a) or (am), the ~~corporation~~ authority shall certify the person as eligible for tax benefits. The ~~corporation~~ authority shall notify the department of revenue within 30 days of certifying a person under this paragraph.

(c) (intro.) The ~~corporation~~ authority shall revoke a person's certification under par. (b) when the designation of the applicable airport development zone expires or if the person does any of the following:

(d) The ~~corporation~~ authority shall notify the department of revenue within 30 days after revoking a certification under par. (c).

(5) VERIFICATION OF INFORMATION. The ~~corporation~~ authority annually shall verify information submitted to the ~~corporation~~ authority under ss. 71.07 (2dm) and (2dx), 71.28 (1dm) and (1dx), and 71.47 (1dm) and (1dx) as it relates to airport development zones.

SECTION 530. 281.625 (2) of the statutes is amended to read:

281.625 **(2)** The department, in consultation with the department of administration, shall promulgate rules for determining whether a loan is an eligible loan under s. ~~234.86~~ 235.86 (3) for a loan guarantee under s. ~~234.86~~ 235.86. The rules shall be consistent with [42 USC 300j-12](#).

SECTION 531. 281.625 (3) of the statutes is amended to read:

281.625 **(3)** The department shall determine whether a loan to the owner of a community water system or the nonprofit owner of a noncommunity water system is an eligible loan under s. ~~234.86~~ 235.86 (3) for the purposes of the loan guarantee program under s. ~~234.86~~ 235.86.

SECTION 532. 281.625 (4) of the statutes is amended to read:

281.625 (4) With the approval of the department of administration, the department of natural resources may transfer funds from the appropriation accounts under s. 20.320 (2) (s) and (x) to the Wisconsin drinking water reserve fund under s. ~~234.933~~ 235.933 to guarantee loans under s. ~~234.86~~ 235.86.

SECTION 533. 281.625 (5) of the statutes is amended to read:

281.625 (5) The department may contract with the Forward Wisconsin Housing and Economic Development Authority for the administration of the program under this section and s. ~~234.86~~ 235.86.

SECTION 534. 281.75 (4) (b) 3. of the statutes is amended to read:

281.75 (4) (b) 3. An authority created under subch. II of ch. 114 or ch. 36, 231, 233, ~~234~~, 235, or 237, ~~or 238~~.

***NOTE: This is reconciled s. 281.75 (4) (b) 3. This SECTION has been affected by drafts with the following LRB numbers:-0971/P4 and -1215/P2.

SECTION 535. 292.11 (7) (d) 1m. b. of the statutes is amended to read:

292.11 (7) (d) 1m. b. An area designated by the local governmental unit if the area consists of 2 or more properties affected by a contiguous region of groundwater contamination or contains 2 or more properties that are brownfields, as defined in s. ~~238.13~~ 235.13 (1) (a).

SECTION 536. 292.255 of the statutes is amended to read:

292.255 Report on brownfield efforts. The department of natural resources, the department of administration, and the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development Authority shall submit a report evaluating the effectiveness of this state's efforts to remedy the contamination of, and to redevelop, brownfields, as defined in s. ~~238.13~~ 235.13 (1) (a).

SECTION 537. 292.63 (4) (cc) 2. b. of the statutes is amended to read:

292.63 (4) (cc) 2. b. An applicant that is engaged in the expansion or redevelopment of brownfields, as defined in s. ~~238.13~~ 235.13 (1) (a), if federal or state financial assistance other than under this section, has been provided for that expansion or redevelopment.

SECTION 538. 600.01 (1) (b) 8. of the statutes is amended to read:

600.01 (1) (b) 8. Guarantees of the Wisconsin Housing and Economic Development Authority under s. 234.68, 1995 stats., s. 234.69, 1995 stats., s. 234.765, 1995 stats., s. 234.82, 1995 stats., s. 234.87, 1995 stats., and ~~ss. s. 234.67, 2013 stats., s. 234.83, 2013 stats., s. 234.84, 2013 stats., s. 234.90, 2013 stats., s. 234.905, 2013 stats., s. 234.907, 2013 stats., and s. 234.91, 2013 stats., and~~ guarantees of the Forward Wisconsin Development Authority under ss. 235.67, 235.83, 235.84, 235.90, 235.905, 235.907, and 235.91.

SECTION 539. 620.25 (2) of the statutes is amended to read:

620.25 (2) This section does not apply to s. ~~234.26~~ 235.0277.

SECTION 9101. Nonstatutory provisions; Administration.

(1) ECONOMIC DEVELOPMENT PROGRAMS. Notwithstanding section 16.42 (1) (e) of the statutes, in submitting information under section 16.42 of the statutes for the 2017-19 fiscal biennium, the department of administration shall submit information concerning the appropriation under section 20.885 (3) (a) of the statutes as though the amount appropriated under that appropriation during the 2016-17 fiscal year had been \$500,000 less.

SECTION 9150. Nonstatutory provisions; Wisconsin Economic Development Corporation.

(1) ELIMINATION OF WISCONSIN ECONOMIC DEVELOPMENT CORPORATION AND WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY.

(a) *Assets and liabilities.* On the effective date of this paragraph, the assets and liabilities of the Wisconsin Economic Development Corporation and Wisconsin Housing and Economic Development Authority become the assets and liabilities of the Forward Wisconsin Development Authority.

(b) *Employees.* On the effective date of this paragraph, all employees of the Wisconsin Economic Development Corporation and Wisconsin Housing and Economic Development Authority become employees of the Forward Wisconsin Development Authority.

(c) *Tangible personal property.* On the effective date of this paragraph, all tangible personal property, including records, of the Wisconsin Economic Development Corporation and Wisconsin Housing and Economic Development Authority is transferred to the Forward Wisconsin Development Authority.

(d) *Pending matters.* Any matter pending with the Wisconsin Economic Development Corporation or Wisconsin Housing and Economic Development Authority on the effective date of this paragraph is transferred to the Forward Wisconsin Development Authority. All materials submitted to or actions taken by the Wisconsin Economic Development Corporation or Wisconsin Housing and Economic Development Authority are considered as having been submitted to or taken by the Forward Wisconsin Development Authority.

(e) *Contracts.* All contracts entered into by the Wisconsin Economic Development Corporation, all contracts entered into by the former department of commerce and maintained by the Wisconsin Economic Development Corporation, and all contracts entered into by the Wisconsin Housing and Economic Development

Authority in effect on the effective date of this paragraph remain in effect and are transferred to the Forward Wisconsin Development Authority. The Forward Wisconsin Development Authority shall carry out any obligations under those contracts unless modified or rescinded by the Forward Wisconsin Development Authority to the extent allowed under the contract.

(f) *Policies and procedures; orders.* All policies and procedures of the Wisconsin Economic Development Corporation and Wisconsin Housing and Economic Development Authority in effect on the effective date of this paragraph remain in effect until their specified expiration dates or until amended or repealed by the Forward Wisconsin Development Authority. All orders issued by the Wisconsin Economic Development Corporation and Wisconsin Housing and Economic Development Authority in effect on the effective date of this paragraph remain in effect until their specified expiration dates or until modified or rescinded by the Forward Wisconsin Development Authority.

(2) INITIAL APPOINTMENTS.

(a) *Board of directors.*

1. Notwithstanding the requirement of advice and consent of the senate under section 235.011 (1) of the statutes, as created by this act, the initial members of the board of directors of the Forward Wisconsin Development Authority nominated by the governor under that section may be provisionally appointed by the governor, subject to later senate confirmation. Any provisional appointment shall be in full force until withdrawn by the governor or acted upon by the senate, and if confirmed by the senate shall continue for the remainder of the unexpired term, if any, of the member and until a successor is chosen and qualifies. A provisional appointee may

exercise all the powers and duties of board membership to which the person is appointed during the time in which the appointee qualifies.

2. A provisional appointment made under subdivision 1. that is withdrawn by the governor shall, upon withdrawal, lapse and create a vacancy for provisional appointment of another initial member of the board of directors of the Forward Wisconsin Development Authority. Any provisional appointment made under subdivision 1. that is rejected by the senate shall upon rejection lapse and create a vacancy for nomination and appointment of another initial member of the board under subdivision 1.

3. Notwithstanding the length of terms specified for the members of the board of directors of the Forward Wisconsin Development Authority under section 235.011 (1) of the statutes, as created by this act, 3 of the initial members shall be appointed for terms expiring on January 1, 2017, 3 of the initial members shall be appointed for terms expiring on January 1, 2018, 3 of the initial members shall be appointed for terms expiring on January 1, 2019, and the remaining initial member shall be appointed for a term expiring on January 1, 2020.

(b) *Chief executive officer and chief operating officer.*

1. Notwithstanding the requirement of advice and consent of the senate under section 235.011 (4) of the statutes, as created by this act, the initial chief executive officer and chief operating officer of the Forward Wisconsin Development Authority nominated by the governor under that section may be provisionally appointed by the governor, subject to later senate confirmation. Any provisional appointment shall be in full force until withdrawn by the governor or acted upon by the senate, and if confirmed by the senate shall continue at the pleasure of the governor and until a successor is chosen and qualifies. A provisional appointee may exercise all the

powers and duties of the chief executive officer or chief operating officer, as appropriate, during the time in which the appointee qualifies.

2. A provisional appointment made under subdivision 1. that is withdrawn by the governor shall, upon withdrawal, lapse and create a vacancy for provisional appointment of another initial chief executive officer or chief operating officer of the Forward Wisconsin Development Authority. Any provisional appointment made under subdivision 1. that is rejected by the senate shall upon rejection lapse and create a vacancy for nomination and appointment of another initial chief executive officer or chief operating officer of the Forward Wisconsin Development Authority under subdivision 1.

(3) SUBMISSION OF ORGANIZATIONAL PLAN. No later than 30 days after the effective date of this subsection, the board of directors of the Forward Wisconsin Development Authority shall submit a report to the legislature under section 13.172 (2) of the statutes detailing an organizational plan for the Forward Wisconsin Development Authority.

(4) COORDINATION. To the greatest extent practicable, the Wisconsin Housing and Economic Development Authority and the Wisconsin Economic Development Corporation shall seek to coordinate their activities and efforts to establish and organize the Forward Wisconsin Development Authority, created under this act.

SECTION 9250. Fiscal changes; Wisconsin Economic Development Corporation.

(1) TRANSFERS TO THE FORWARD WISCONSIN DEVELOPMENT AUTHORITY.

(a) The unencumbered balance in the appropriation account under section 20.192 (1) (a) of the statutes is transferred to the appropriation account under section 20.885 (3) (a) of the statutes.

(b) The unencumbered balance in the appropriation account under section 20.192 (1) (m) of the statutes is transferred to the appropriation account under section 20.885 (1) (m) of the statutes.

(c) The unencumbered balance in the appropriation account under section 20.192 (1) (r) of the statutes is transferred to the appropriation account under section 20.885 (3) (r) of the statutes.

(d) The unencumbered balance in the appropriation account under section 20.192 (1) (s) of the statutes is transferred to the appropriation account under section 20.885 (3) (s) of the statutes.

SECTION 9350. Initial applicability; Wisconsin Economic Development Corporation.

(1) SCHEDULE OF EXPENDITURES. The treatment of section 235.03 (3) (a), (ad), (ah), (ap), and (at) of the statutes and the renumbering and amendment of section 238.03 (3) (a) of the statutes first apply to grant and loan contracts entered into on the effective date of this subsection.

SECTION 9452. Effective dates; Other.

(1) CREATION OF FORWARD WISCONSIN DEVELOPMENT AUTHORITY. The repeal of sections 13.94 (1) (ms), 19.42 (10) (sm), 19.42 (13) (om), 20.192, 20.490, 106.16 (3), chapter 234 (title), 234.01 (1), 234.01 (2), 234.01 (3), 234.01 (4m), 234.01 (4n), 234.02, 234.03, 234.032, 234.08 (5), 234.08 (6), 234.17, 234.25, 234.255, 234.622 (2m), 234.65, 234.84 (1), 234.84 (5) (a), chapter 238 (title), subchapter I (title) of chapter 238 [precedes 238.01], 238.01 (intro.) and (1), 238.01 (2), 238.02, 238.03 (1), 238.04, 238.045, 238.05, 238.08, 238.125 and 238.26 of the statutes; the renumbering of sections 234.01 (4), 234.01 (5), 234.01 (5k), 234.01 (7), 234.034, 234.05, 234.06, 234.08 (title), 234.08 (2), 234.08 (3), 234.08 (4), 234.08 (7), 234.15, 234.16, 234.19,

234.20, 234.23, 234.24, 234.26, 234.28, 234.29, 234.30, 234.31, 234.32, 234.621, 234.622 (1), 234.622 (3), 234.622 (3m), 234.622 (4), 234.624, subchapter II (title) of chapter 234 [precedes 234.67], 234.84 (title), 234.92, subchapter III (title) of chapter 234 [precedes 234.94], 234.96, 234.98, 238.01 (3) and subchapter II (title) of chapter 238 [precedes 238.30] of the statutes; the renumbering and amendment of subchapter I (title) of chapter 234 [precedes 234.01] and sections 45.45, 234.01 (intro.), 234.01 (3m), 234.01 (5m), 234.01 (6), 234.01 (7m), 234.01 (8), 234.01 (9), 234.01 (10), 234.04, 234.07, 234.08 (1), 234.09, 234.10, 234.11, 234.12, 234.13, 234.14, 234.165, 234.18, 234.21, 234.22, 234.265, 234.40, 234.41, 234.42, 234.43, 234.44, 234.49, 234.50, 234.51, 234.52, 234.53, 234.54, 234.55, 234.59, 234.592, 234.60, 234.605, 234.61, 234.622 (intro.), 234.622 (5), 234.622 (6), 234.622 (7), 234.623, 234.625, 234.626, 234.67, 234.75, 234.83, 234.84 (2), 234.84 (3), 234.84 (4), 234.84 (5) (b), 234.86, 234.88, 234.90, 234.905, 234.907, 234.91, 234.93, 234.932, 234.933, 234.94, 234.95, 234.97, 238.03 (title), 238.03 (2), 238.03 (3), 238.046, 238.06, 238.07, 238.09, 238.10, 238.11, 238.12, 238.127, 238.13 (by SECTION 494), 238.133, 238.135, 238.15 (by SECTION 497), 238.16, 238.17, 238.23, 238.30, 238.301, 238.302, 238.303, 238.304, 238.3045, 238.305, 238.306, 238.31, 238.315, 238.32, 238.325, 238.335, 238.34, 238.345, 238.35, 238.363, 238.365, 238.368, 238.37, 238.38, 238.385, 238.395, 238.397, 238.398, 238.399 and 238.3995 of the statutes; the amendment of sections 1.12 (1) (b), 7.33 (1) (c), 13.172 (1), 13.48 (10) (b) 6., 13.48 (12) (b) 5., 13.48 (13) (a), 13.62 (2), 13.625 (9), 13.94 (1) (dr), 13.94 (1s) (c) 5., 13.94 (4) (a) 1., 13.95 (intro.), 15.137 (2) (a) 3m., 15.435 (1) (a) 1., 16.002 (2), 16.004 (4), 16.004 (5), 16.004 (12) (a), 16.01 (1), 16.045 (1) (a), 16.15 (1) (ab), 16.287 (2) (a), 16.41 (4), 16.417 (1) (b), 16.52 (7), 16.528 (1) (a), 16.53 (2), 16.54 (9) (a) 1., 16.70 (2), 16.765 (1), 16.765 (2), 16.765 (5), 16.765 (6), 16.765 (7) (intro.), 16.765 (7) (d), 16.765 (8), 16.838 (1) (b),

16.85 (2), 16.865 (8), 19.42 (10) (h), 19.42 (13) (g), 19.56 (2) (b) 6., 19.56 (3) (e) (intro.), 19.56 (3) (e) 1., 19.56 (3) (f), 19.57, 20.320 (2) (s), 20.320 (2) (x), 20.370 (2) (mr), 20.370 (9) (ny), 20.485 (2) (vm), 20.485 (3) (b), 20.485 (3) (e), 23.167 (2) (intro.), 23.169 (1), 23.169 (2), 23.175 (1) (b), 25.17 (2) (c), 25.41 (1), 25.41 (2), 25.50 (1) (d), 26.37 (1) (b), 26.37 (2), 30.121 (3w) (b), 34.01 (1), 34.01 (4), 36.09 (1) (am) (intro.), 36.11 (29r) (b) 1., 36.11 (29r) (b) 2., 36.25 (24), 38.04 (1m) (b) (intro.), 38.04 (10m) (a), 38.04 (10m) (b), 40.02 (54) (b), 40.05 (4) (b), 40.05 (4) (bm), 40.05 (5) (b) 4., 40.62 (2), 40.95 (1) (a) 1., 41.11 (1g) (b) (intro.), 41.11 (1r) (a), 41.11 (1r) (b), 41.60 (1) (c), 45.31 (2), 45.34 (1) (a) 2., 45.37 (6) (b), 46.28 (1) (a), 46.28 (3), 46.28 (4), 59.57 (1) (a), 60.23 (4) (c), 66.1015 (2) (intro.), 66.1103 (4m) (a) 1., 66.1103 (4m) (a) 2., 66.1103 (4m) (b), 66.1103 (4s) (a) 1., 66.1103 (4s) (b) 3., 66.1103 (4s) (b) 4., 66.1103 (4s) (d), 66.1103 (10) (c), 66.1103 (10) (g), 66.1107 (2) (a), 66.1201 (16) (a), 66.1205 (3), 66.1213 (7) (b), 70.11 (4b) (b), 70.11 (4b) (c), 70.11 (38r), 71.05 (1) (c) 1., 71.05 (1) (c) 1m., 71.05 (1) (c) 10. a., 71.05 (1) (c) 12., 71.07 (2dm) (a) 1., 71.07 (2dm) (a) 3., 71.07 (2dm) (a) 4., 71.07 (2dm) (f) 1., 71.07 (2dm) (f) 2., 71.07 (2dm) (i), 71.07 (2dm) (j), 71.07 (2dm) (k), 71.07 (2dx) (a) 2., 71.07 (2dx) (a) 4., 71.07 (2dx) (b) (intro.), 2., 3., 4. and 5., 71.07 (2dx) (be), 71.07 (2dx) (bg), 71.07 (2dx) (c), 71.07 (2dx) (d), 71.07 (2dy) (a), 71.07 (2dy) (b), 71.07 (2dy) (c) 1., 71.07 (2dy) (c) 2., 71.07 (2dy) (d) 2., 71.07 (3g) (a) (intro.), 71.07 (3g) (b), 71.07 (3g) (e) 2., 71.07 (3g) (f) 1., 71.07 (3g) (f) 2., 71.07 (3q) (a) 1., 71.07 (3q) (a) 2., 71.07 (3q) (b) (intro.), 71.07 (3q) (b) 1., 71.07 (3q) (b) 2., 71.07 (3q) (b) 2., 71.07 (3q) (c) 2., 71.07 (3q) (c) 3., 71.07 (3w) (a) 2., 71.07 (3w) (a) 3., 71.07 (3w) (a) 4., 71.07 (3w) (a) 5d., 71.07 (3w) (a) 5e., 71.07 (3w) (b) (intro.), 71.07 (3w) (b) 5., 71.07 (3w) (bm) 1., 71.07 (3w) (bm) 2., 71.07 (3w) (bm) 3., 71.07 (3w) (bm) 4., 71.07 (3w) (c) 3., 71.07 (3w) (d), 71.07 (5b) (a) 2., 71.07 (5b) (b) 1., 71.07 (5b) (b) 2., 71.07 (5b) (d) 3., 71.07 (5d) (a) 1. (intro.) (by SECTION 168), 71.07 (5d) (a) 2m., 71.07 (5d) (a) 3., 71.07 (5d) (b) (intro.), 71.07 (5d) (b)

1., 71.07 (5d) (b) 2., 71.07 (5d) (c) 2., 71.07 (5d) (d) 1., 71.07 (9m) (c) (intro.), 71.26 (1) (be), 71.26 (1m) (e), 71.26 (1m) (em), 71.26 (1m) (k) 1., 71.26 (1m) (m), 71.28 (1) (a), 71.28 (1dm) (a) 1., 71.28 (1dm) (a) 3., 71.28 (1dm) (a) 4., 71.28 (1dm) (f) 1., 71.28 (1dm) (f) 2., 71.28 (1dm) (i), 71.28 (1dm) (j), 71.28 (1dm) (k), 71.28 (1dx) (a) 2., 71.28 (1dx) (a) 4., 71.28 (1dx) (b) (intro.), 71.28 (1dx) (b) 2., 71.28 (1dx) (b) 3., 71.28 (1dx) (b) 4., 71.28 (1dx) (b) 5., 71.28 (1dx) (be), 71.28 (1dx) (bg), 71.28 (1dx) (c), 71.28 (1dx) (d), 71.28 (1dy) (a), 71.28 (1dy) (b), 71.28 (1dy) (c) 1., 71.28 (1dy) (c) 2., 71.28 (1dy) (d) 2., 71.28 (3g) (a) (intro.), 71.28 (3g) (b), 71.28 (3g) (e) 2., 71.28 (3g) (f) 1., 71.28 (3g) (f) 2., 71.28 (3q) (a) 1., 71.28 (3q) (a) 2., 71.28 (3q) (b), 71.28 (3q) (c) 2., 71.28 (3q) (c) 3., 71.28 (3w) (a) 2., 71.28 (3w) (a) 3., 71.28 (3w) (a) 4., 71.28 (3w) (a) 5d., 71.28 (3w) (a) 5e., 71.28 (3w) (b) (intro.), 71.28 (3w) (b) 5., 71.28 (3w) (bm) 1., 71.28 (3w) (bm) 2., 71.28 (3w) (bm) 3., 71.28 (3w) (bm) 4., 71.28 (3w) (c) 3., 71.28 (3w) (d), 71.28 (4) (am) 1., 71.28 (4) (am) 2., 71.28 (5b) (a) 2., 71.28 (5b) (b) 1., 71.28 (5b) (b) 2., 71.28 (5b) (d) 3., 71.28 (6) (c) (intro.), 71.36 (1m) (b) 2., 71.36 (1m) (b) 5., 71.45 (1t) (e), 71.45 (1t) (em), 71.45 (1t) (k) 1., 71.45 (1t) (m), 71.47 (1) (a), 71.47 (1dm) (a) 1., 71.47 (1dm) (a) 3., 71.47 (1dm) (a) 4., 71.47 (1dm) (f) 1., 71.47 (1dm) (f) 2., 71.47 (1dm) (i), 71.47 (1dm) (j), 71.47 (1dm) (k), 71.47 (1dx) (a) 2., 71.47 (1dx) (a) 4., 71.47 (1dx) (b) (intro.), 71.47 (1dx) (b) 2., 71.47 (1dx) (b) 3., 71.47 (1dx) (b) 4., 71.47 (1dx) (b) 5., 71.47 (1dx) (be), 71.47 (1dx) (bg), 71.47 (1dx) (c), 71.47 (1dx) (d), 71.47 (1dy) (a), 71.47 (1dy) (b), 71.47 (1dy) (c) 1., 71.47 (1dy) (c) 2., 71.47 (1dy) (d) 2., 71.47 (3g) (a) (intro.), 71.47 (3g) (b), 71.47 (3g) (e) 2., 71.47 (3g) (e) 2., 71.47 (3g) (f) 1., 71.47 (3g) (f) 2., 71.47 (3q) (a) 1., 71.47 (3q) (a) 2., 71.47 (3q) (b) (intro.), 71.47 (3q) (b) 1., 71.47 (3q) (b) 2., 71.47 (3q) (c) 2., 71.47 (3q) (c) 3., 71.47 (3w) (a) 2., 71.47 (3w) (a) 3., 71.47 (3w) (a) 4., 71.47 (3w) (a) 5d., 71.47 (3w) (a) 5e., 71.47 (3w) (b) (intro.), 71.47 (3w) (b) 5., 71.47 (3w) (bm) 1., 71.47 (3w) (bm) 2., 71.47 (3w) (bm) 3., 71.47 (3w) (bm) 4., 71.47 (3w) (c) 3., 71.47 (3w) (d), 71.47 (4) (am),

71.47 (5b) (a) 2., 71.47 (5b) (b) 1., 71.47 (5b) (b) 2., 71.47 (5b) (d) 3., 71.47 (6) (c) (intro.), 71.78 (4) (m), 73.03 (35), 73.03 (35m), 73.03 (63), 75.106 (1) (a), 76.636 (1) (b) 1., 76.636 (1) (b) 2., 76.636 (1) (b) 3., 76.636 (1) (b) 4., 76.636 (1) (d), 76.636 (2) (intro.), 76.636 (2) (b), 76.636 (2) (c), 76.636 (2) (d), 76.636 (2) (e), 76.636 (4) (intro.), 76.636 (5), 76.636 (6), 76.637 (1), 76.637 (2), 76.637 (3), 76.637 (4), 76.638 (1), 76.638 (2), 77.54 (9a) (a), 79.04 (7) (a), 84.01 (6m) (b) (intro.), 84.01 (11m) (a), 84.01 (11m) (b), 85.25 (2) (a), 93.07 (3), 93.07 (18) (b) (intro.), 93.07 (20) (a), 93.07 (20) (b), 93.33 (5) (intro.), 93.42 (5), 100.45 (1) (dm), 106.16 (2), 106.27 (2m), 109.09 (2) (c) 1. a., 114.31 (6), 196.49 (4), 196.491 (3) (a) 2m. b., 196.491 (3) (d) 8., 224.71 (1br) (intro.), 230.03 (3), 281.625 (2), 281.625 (3), 281.625 (4), 281.625 (5), 281.75 (4) (b) 3., 292.11 (7) (d) 1m. b., 292.255, 292.63 (4) (cc) 2. b., 600.01 (1) (b) 8. and 620.25 (2) of the statutes; and the creation of section 20.885, chapter 235, section 235.0279 (3), subchapter II (title) of chapter 235 [precedes 235.03], sections 235.03 (3) (ad), (ah), (ap) and (at) and 235.609 of the statutes and SECTIONS 9150 (1), (2), and (3), 9250 (1), and 9350 (1) of this act take effect on January 1, 2016, or on the day after publication, whichever is later.

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