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1 **SECTION 347.** 238.01 (1) of the statutes is repealed.

2 **SECTION 348.** 238.01 (2) of the statutes is repealed.

3 **SECTION 349.** 238.01 (3) of the statutes is renumbered 555.01 (2).

4 **SECTION 350.** 238.02 of the statutes, as affected by 2015 Wisconsin Act 55, is
5 repealed.

6 **SECTION 351.** 238.03 (title) and (1) to (3) of the statutes are renumbered 555.03
7 (title) and (1) to (3), and 555.03 (title), (1), (2) (intro.) and (c) and (3) (intro.), (a) and
8 (b) (intro.), as renumbered, are amended to read:

9 **555.03 (title) Duties of ~~board~~ the department.**

10 (1) The ~~board~~ department shall develop and implement economic programs to
11 promote family-supporting jobs, to provide business support and expertise and
12 financial assistance to companies that are investing and creating jobs in Wisconsin,
13 and to support new business start-ups and business expansion and growth in
14 Wisconsin. The ~~board~~ department may also develop and implement any other
15 programs related to economic development in Wisconsin. The department shall
16 emphasize programs that encourage entrepreneurship, new business start-ups, and
17 woman-owned, disabled-veteran owned, and minority businesses.

18 (2) (intro.) For each program developed and implemented by the ~~board~~
19 department, the ~~board~~ department shall do all of the following:

20 (c) Require that each recipient of a grant or loan under the program submit a
21 report to the ~~corporation~~ department. Each contract with a recipient of a grant or
22 loan under the program must specify the frequency and format of the report to be
23 submitted to the ~~corporation~~ department and the performance measures to be
24 included in the report.

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1 **(3)** (intro.) The ~~board~~ department shall require for each program developed and
2 implemented by the ~~board~~ department all of the following:

3 (a) That each recipient of a grant or loan under the program of at least \$100,000
4 submit to the ~~corporation~~ department, within 120 days after the end of the recipient's
5 fiscal year in which any grant or loan funds were expended, a schedule of
6 expenditures of the grant or loan funds, including expenditures of any matching cash
7 or in-kind match, signed by the director or principal officer of the recipient to attest
8 to the accuracy of the schedule of expenditures. The recipient shall engage an
9 independent certified public accountant to perform procedures, approved by the
10 ~~corporation~~ department and consistent with applicable professional standards of the
11 American Institute of Certified Public Accountants, to determine whether the grant
12 or loan funds and any matching cash or in-kind match were expended in accordance
13 with the grant or loan contract. The ~~board~~ department shall also require the
14 recipient of such a grant or loan to make available for inspection the documents
15 supporting the schedule of expenditures. The ~~board~~ department shall include the
16 requirements under this paragraph in the contract with grant or loan recipients.

17 (b) (intro.) That the ~~board~~ department, if a recipient of a grant or loan under
18 the program submits false or misleading information to the ~~corporation~~ department
19 or fails to comply with the terms of a contract entered into with the ~~corporation~~
20 department, without providing satisfactory explanation for the noncompliance, do
21 all of the following:

22 **SECTION 352.** 238.03 (4) of the statutes, as created by 2015 Wisconsin Act 55,
23 is repealed.

24 **SECTION 353.** 238.04 of the statutes is repealed.

25 **SECTION 354.** 238.045 of the statutes is repealed.

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1 **SECTION 355.** 238.046 of the statutes is repealed.

2 **SECTION 356.** 238.05 of the statutes is repealed.

3 **SECTION 357.** 238.06 of the statutes is repealed.

4 **SECTION 358.** 238.07 (1) of the statutes is renumbered 555.07 (1) and amended
5 to read:

6 555.07 (1) Annually, by January 1, the ~~board~~ department shall submit to the
7 chief clerk of each house of the legislature, for distribution to the legislature under
8 s. 13.172 (2), a report identifying the economic development projects that the ~~board~~
9 department intends to develop and implement during the current calendar year.

10 **SECTION 359.** 238.07 (2) of the statutes is renumbered 555.07 (2), and 555.07
11 (2) (intro.), (ag) and (ar), as renumbered, are amended to read:

12 555.07 (2) (intro.) Annually, no later than October 1, the ~~board~~ department shall
13 submit to the joint legislative audit committee and the chief clerk of each house of
14 the legislature, for distribution to the legislature under s. 13.172 (2), a report for the
15 previous fiscal year on each of the economic development programs of the ~~corporation~~
16 department that contains all of the following:

17 (ag) An accounting of the location, by municipality, of each job created or
18 retained in the state in the previous fiscal year as a result of the program. The
19 department may not rely on aggregate jobs impact numbers for its report under this
20 paragraph.

21 (ar) An accounting of the industry classification, by municipality, of each job
22 created or retained in the state as a result of the program. The department may not
23 rely on aggregate jobs impact numbers for its report under this paragraph.

24 **SECTION 360.** 238.07 (3) of the statutes is renumbered 555.07 (3) and amended
25 to read:

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1 555.07 (3) The ~~board~~ department shall make readily accessible to the public
2 on an ~~Internet-based system~~ Internet site the information required under sub. (2).
3 The department's Internet site shall also contain the department's job creation and
4 retention goals; all amendments to contracts executed under an economic
5 development program of the department; and all agendas, meeting minutes, and
6 materials discussed for meetings of the economic development policy board and the
7 board of directors of the Badger Innovation Corporation.

8 **SECTION 361.** 238.07 (4) of the statutes is repealed.

9 **SECTION 362.** 238.08 of the statutes is repealed.

10 **SECTION 363.** 238.09 of the statutes is repealed.

11 **SECTION 364.** 238.10 of the statutes is renumbered 555.10 and amended to
12 read:

13 555.10 (1) ALLOCATION. The ~~corporation~~ department shall establish under 26
14 USC 146 and administer a system for the allocation of the volume cap on the issuance
15 of private activity bonds, as defined under 26 USC 141 (a), among all municipalities,
16 as defined in s. 67.01 (5), and any corporation formed on behalf of those
17 municipalities, and among this state, the Wisconsin Health and Educational
18 Facilities Authority, the Wisconsin Aerospace Authority, and the Wisconsin Housing
19 and Economic Development Authority.

20 (2) AMENDMENT TO ALLOCATION. At any time prior to December 31 in any year,
21 the ~~corporation~~ department may adopt rules to revise the allocation system
22 established for that year under sub. (1), except that any revision under this
23 subsection does not apply to any allocation under which the recipient of that
24 allocation has adopted a resolution authorizing the issuance of a private activity
25 bond, as defined in 26 USC 141 (a).

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1 (3) CONDITIONS. The ~~corporation~~ department may establish any procedure for,
2 and place any condition upon, the granting of an allocation under this section which
3 the ~~corporation~~ department deems to be in the best interest of the state including a
4 requirement that a cash deposit, at a rate established by the ~~corporation~~ department,
5 be a condition for an allocation.

6 (4) CERTIFICATION. If the ~~corporation~~ department receives notice of the issuance
7 of a bond under an allocation under subs. (1) to (3), the ~~corporation~~ department shall
8 certify that that bond meets the requirements of 26 USC 146.

9 **SECTION 365.** 238.11 of the statutes is renumbered 555.11 and amended to
10 read:

11 555.11 (1) The ~~corporation~~ department shall prescribe the notice forms to be
12 used under s. 66.1103 (4m) (a) 1. The ~~corporation~~ department shall include on the
13 forms a requirement for information on the number of jobs the person submitting the
14 notice expects to be eliminated, created, or maintained on the project site and
15 elsewhere in this state by the project which is the subject of the notice. The
16 ~~corporation~~ department shall prescribe the forms to be used under s. 66.1103 (4m)
17 (b).

18 (2) If the ~~corporation~~ department receives a notice under s. 66.1103 (4m) (a),
19 the ~~corporation~~ department shall estimate, no later than 20 days after receipt of the
20 notice, whether the project that is the subject of the notice is expected to eliminate,
21 create, or maintain jobs on the project site and elsewhere in this state and the net
22 number of jobs expected to be eliminated, created, or maintained as a result of the
23 project.

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1 (5) The ~~corporation~~ department shall issue an estimate made under sub. (2) to
2 the city, village, town, or county which will issue the bonds to finance the project
3 which is the subject of the estimate.

4 **SECTION 366.** 238.115 of the statutes, as created by 2015 Wisconsin Act 55, is
5 renumbered 555.115, and 555.115 (1) (intro.), (a), (b), (e) and (g), (2) and (3), as
6 renumbered, are amended to read:

7 555.115 (1) ~~CORPORATION~~ DEPARTMENT OBLIGATIONS. (intro.) No later than the
8 end of the first month following each quarter, the ~~corporation~~ department shall
9 provide to the department of revenue all of the following information for the previous
10 quarter:

11 (a) The identity of each person the ~~corporation~~ department certified for tax
12 credits under this chapter and, for each person, the amount certified.

13 (b) The identity of each person the ~~corporation~~ department verified to claim tax
14 credits under this chapter based on the person's satisfaction of all applicable
15 requirements to be eligible to claim the tax credits and, for each person, the amount
16 verified.

17 (e) The identity of each person for whom the ~~corporation~~ department revoked
18 a certification for tax credits and, for each person, the amount revoked.

19 (g) Any other information the department of revenue and the ~~corporation~~
20 department agree is necessary to accurately track certification, verification,
21 transfer, and usage of tax credits under this chapter.

22 (2) Each person the ~~corporation~~ department certifies for tax credits under this
23 chapter shall provide all information necessary for the ~~corporation~~ department to
24 comply with the reporting requirements under sub. (1).

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1 **(3)** The department of revenue shall track the amount of all tax credits
2 administered by the ~~corporation~~ department under this chapter that have been
3 claimed or used to offset tax liability and the amount of all available unused tax
4 credits under this chapter.

5 **SECTION 367.** 238.12 of the statutes, as affected by 2015 Wisconsin Act 55, is
6 renumbered 555.12 and amended to read:

7 **555.12 Repayment of grants, loans, and tax benefits.** **(1)** (intro.) In this
8 section, “tax:

9 **(b)** “Tax benefits” means the credits under ss. 71.07 (2dm), (2dx), (3g), and (3t),
10 71.28 (1dm), (1dx), (3g), and (3t), 71.47 (1dm), (1dx), (3g), and (3t), and 76.636.

11 **555.12 (2)** The corporation may not award a grant or loan under this chapter
12 to a person or certify a person to receive tax benefits unless the corporation enters
13 into an agreement with the person that ~~requires~~ does all of the following:

14 **(a)** Requires the person to repay the grant, loan, or tax benefits if, within 5 years
15 after receiving the grant or loan or being certified to receive tax benefits, the person
16 ceases to conduct in this state the economic activity for which the person received the
17 grant or loan or for which the person was certified to receive tax benefits and
18 commences substantially the same economic activity outside this state.

19 **SECTION 368.** 238.123 of the statutes, as created by 2015 Wisconsin Act 55, is
20 repealed.

21 **SECTION 369.** 238.125 of the statutes is renumbered 555.125 and amended to
22 read:

23 **555.125 Notification of position openings; compliance.** The ~~corporation~~
24 department shall monitor compliance with the position-opening notification
25 requirements under ss. 66.1103 (6m) and 106.16.

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1 **SECTION 370.** 238.127 of the statutes is renumbered 555.127, and 555.127 (2)
2 (intro.), (c) (intro.), (e), (h) and (j), as renumbered, are amended to read:

3 555.127 (2) (intro.) The ~~corporation~~ department shall establish and administer
4 a state main street program to coordinate state and local participation in programs
5 offered by the national main street center, created by the national trust for historic
6 preservation, to assist municipalities in planning, managing and implementing
7 programs for the revitalization of business areas. The ~~corporation~~ department shall
8 do all of the following:

9 (c) (intro.) With help from interested individuals and organizations, develop a
10 plan describing the objectives of the state main street program and the methods by
11 which the ~~corporation~~ department shall:

12 (e) Annually select, upon application, up to 5 municipalities to participate in
13 the state main street program. The program for each municipality shall conclude
14 after 3 years, except that the program for each municipality selected after July 29,
15 1995, shall conclude after 5 years. The ~~corporation~~ department shall select program
16 participants representing various geographical regions and populations. A
17 municipality may apply to participate, and the ~~corporation~~ department may select
18 a municipality for participation, more than one time. In selecting a municipality,
19 however, the ~~corporation~~ department may give priority to those municipalities that
20 have not previously participated.

21 (h) Provide training, technical assistance and information on the revitalization
22 of business areas to municipalities which do not participate in the state main street
23 program. The ~~corporation~~ department may charge reasonable fees for the services
24 and information provided under this paragraph.

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1 (j) The ~~corporation~~ department shall expend at least \$250,000 annually on the
2 state main street program.

3 **SECTION 371.** 238.13 of the statutes, as affected by 2015 Wisconsin Act 55, is
4 renumbered 555.13, and 555.13 (2) (a) (intro.), (3) (intro.) and (f) and (5), as
5 renumbered, are amended to read:

6 555.13 (2) (a) (intro.) The ~~corporation~~ department may make a grant to a
7 person if all of the following apply:

8 (3) (intro.) The ~~corporation~~ department may consider the following criteria in
9 making awards under this section:

10 (f) Any other factors considered by the ~~corporation~~ department to be relevant
11 to assessing the viability and feasibility of the project.

12 (5) Before the ~~corporation~~ department awards a grant under this section, the
13 ~~corporation~~ department shall consider the recommendations of the department of
14 natural resources.

15 **SECTION 372.** 238.133 of the statutes is renumbered 555.133, and 555.133 (2)
16 (title), (a), (b), (c) and (d), (3) (intro.), (4), (5) (intro.) and (c) and (7), as renumbered,
17 are amended to read:

18 555.133 (2) (title) DUTIES OF THE ~~CORPORATION~~ DEPARTMENT.

19 (a) The ~~corporation~~ department shall administer a program to award
20 brownfield site assessment grants from the appropriation under s. ~~20.192~~ 20.143 (1)
21 (s) to local governmental units for the purposes of conducting any of the eligible
22 activities under sub. (3).

23 (b) The ~~corporation~~ department may not award a grant to a local governmental
24 unit under this section if that local governmental unit caused the environmental
25 contamination that is the basis for the grant request.

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1 (c) The ~~corporation~~ department may only award grants under this section if the
2 person that caused the environmental contamination that is the basis for the grant
3 request is unknown, cannot be located or is financially unable to pay the cost of the
4 eligible activities.

5 (d) The ~~corporation~~ department shall establish criteria as necessary to
6 administer the program. The ~~corporation~~ department may limit the total amount of
7 funds that may be used to cover the costs of each category of eligible activity
8 described in sub. (3).

9 (3) (intro.) The ~~corporation~~ department may award grants to local
10 governmental units to cover the costs of the following activities:

11 (4) The applicant shall submit an application on a form prescribed by the
12 ~~corporation~~ department and shall include any information that the ~~corporation~~
13 department finds necessary to calculate the amount of a grant.

14 (5) (intro.) The ~~corporation~~ department shall consider the following criteria
15 when determining whether to award a grant:

16 (c) Other criteria that the ~~corporation~~ department finds necessary to calculate
17 the amount of a grant.

18 (7) The ~~corporation~~ department may not distribute a grant unless the
19 applicant contributes matching funds equal to 20% of the grant. Matching funds
20 may be in the form of cash or in-kind contribution or both.

21 **SECTION 373.** 238.135 of the statutes is renumbered 555.135 and amended to
22 read:

23 **555.135 Grants to regional economic development organizations.** The
24 ~~corporation~~ department shall award annual grants to regional economic
25 development organizations to fund marketing activities. The amount of each grant

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1 may not exceed \$100,000 or the amount of matching funds the organization obtains
2 from sources other than ~~the corporation~~ or the state, whichever is less.

3 **SECTION 374.** 238.14 of the statutes, as created by 2015 Wisconsin Act 55, is
4 renumbered 555.14 and amended to read:

5 **555.14 St. Croix Valley Business Incubator.** From the appropriation under
6 s. ~~20.192~~ 20.143 (1) (a), the ~~corporation~~ department shall make a grant of \$250,000
7 to the River Falls Economic Development Corporation to construct the St. Croix
8 Valley Business Incubator. The ~~corporation~~ department may award the grant under
9 this section only if federal moneys are secured for the same purpose.

10 **SECTION 375.** 238.145 of the statutes, as created by 2015 Wisconsin Act 55, is
11 renumbered 555.145, and 555.145 (1) (a), (2) (a), (b) and (c), (3) (a) and (b), (5) (a) and
12 (b) (intro.), 1., 2. and 3. and (6), as renumbered, are amended to read:

13 555.145 (1) (a) “Eligible recipient” means a person the ~~corporation~~ department
14 certifies under sub. (2) (b) as eligible to receive grants under this section.

15 (2) (a) The ~~corporation~~ department shall implement an economic development
16 program to award grants under this section.

17 (b) The ~~corporation~~ department may certify a person as eligible to receive
18 grants under this section as provided in ~~policies and procedures~~ rules adopted by the
19 ~~corporation~~ department under sub. (6).

20 (c) The ~~corporation~~ department may not certify a person under par. (b) after
21 June 30, 2017.

22 (3) (a) From the appropriation under s. ~~20.192~~ 20.143 (1) (a), the ~~corporation~~
23 department may award up to a total of \$500,000 in grants to eligible recipients.

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1 (b) The ~~corporation~~ department may not award grants totaling more than
2 \$75,000 to each eligible recipient, and the ~~corporation~~ department may not award a
3 grant of more than \$25,000 to an eligible recipient in any year.

4 (5) (a) The ~~corporation~~ department shall award grants under this section
5 annually, on a competitive basis, based on an eligible recipient's financial need; and,
6 subject to the limitations under par. (b), the ~~corporation~~ department may not take
7 into account whether an eligible recipient was previously awarded a grant under this
8 section in determining whether to award a grant to the eligible recipient.

9 (b) (intro.) The ~~corporation~~ department may award no more than 3 annual
10 grants to each eligible recipient, as follows:

11 1. In the first grant year, the ~~corporation~~ department may contribute up to 75
12 percent of the eligible recipient's equipment expenditures under sub. (4).

13 2. In the 2nd grant year, the ~~corporation~~ department may contribute up to 50
14 percent of the eligible recipient's equipment expenditures under sub. (4).

15 3. In the 3rd grant year, the ~~corporation~~ department may contribute up to 25
16 percent of the eligible recipient's equipment expenditures under sub. (4).

17 (6) The ~~corporation~~ department shall ~~adopt policies and procedures~~
18 promulgate rules to implement the grant program under this section.

19 **SECTION 376.** 238.15 of the statutes, as affected by 2015 Wisconsin Act 55, is
20 renumbered 555.15, and 555.15 (1) (intro.) and (m) 1. (intro.) and c. and 3., (2) and
21 (3) (a), (d) (intro.), 1. and 2. a. and b., (dm), (e) and (f) 1., as renumbered, are amended
22 to read:

23 555.15 (1) ANGEL INVESTMENT TAX CREDITS. (intro.) The ~~corporation~~ department
24 shall implement a program to certify businesses for purposes of s. 71.07 (5d). A
25 business desiring certification shall submit an application to the ~~corporation~~

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1 department in each taxable year for which the business desires certification. The
2 business shall specify in its application the investment amount it wishes to raise and
3 the ~~corporation~~ department may certify the business and determine the amount that
4 qualifies for purposes of s. 71.07 (5d). The ~~corporation~~ department may certify or
5 recertify a business for purposes of s. 71.07 (5d) only if the business satisfies all of
6 the following conditions:

7 (m) 1. (intro.) It agrees that it will not relocate outside of this state during the
8 3 years after it receives an investment for which a person may claim a tax credit
9 under s. 71.07 (5d) and agrees to pay the ~~corporation~~ department a penalty, in an
10 amount determined under subd. 2., if the business relocates outside of this state
11 during that 3-year period. For the purposes of this paragraph, except as provided
12 in ~~policies and procedures~~ rules under sub. (3) (dm), a business relocates outside of
13 this state when the business locates more than 51 percent of any of the following
14 outside of this state:

15 c. The activities of the business's headquarters, as determined by the
16 ~~corporation~~ department.

17 3. Subdivision 1. does not apply to a business that the ~~corporation~~ department
18 certified for purposes of s. 71.07 (5d) before April 20, 2012, and that, in reliance on
19 that certification, executed a note or bond that is convertible to an equity interest.

20 (2) EARLY STAGE SEED INVESTMENT TAX CREDITS. The ~~corporation~~ department
21 shall implement a program to certify investment fund managers for purposes of ss.
22 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638. An investment fund manager desiring
23 certification shall submit an application to the ~~corporation~~ department. The
24 investment fund manager shall specify in the application the investment amount
25 that the manager wishes to raise and the ~~corporation~~ department may certify the

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1 manager and determine the amount that qualifies for purposes of ss. 71.07 (5b),
2 71.28 (5b), 71.47 (5b), and 76.638. In determining whether to certify an investment
3 fund manager, the ~~corporation~~ department shall consider the investment fund
4 manager's experience in managing venture capital funds, the past performance of
5 investment funds managed by the applicant, the expected level of investment in the
6 investment fund to be managed by the applicant, and any other relevant factors. The
7 ~~corporation~~ department may certify only investment fund managers that commit to
8 consider placing investments in businesses certified under sub. (1).

9 (3) (a) *List of certified businesses and investment fund managers.* The
10 ~~corporation~~ department shall maintain a list of businesses certified under sub. (1)
11 and investment fund managers certified under sub. (2) and shall permit public access
12 to the lists through the ~~corporation's~~ department's Internet Web site.

13 (d) *Administration.* (intro.) The ~~corporation~~ department, in consultation with
14 the department of revenue, shall ~~establish policies and procedures~~ promulgate rules
15 to administer this section and shall further define "bona fide angel investment" for
16 purposes of s. 71.07 (5d) (a) 1. The aggregate amount of tax credits under s. 71.07
17 (5d) that may be claimed for investments in businesses certified under sub. (1) and
18 of tax credits under ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638 that may be
19 claimed for investments paid to fund managers certified under sub. (2) is
20 \$30,000,000 per calendar year. The ~~policies and procedures~~ rules shall provide that
21 a person who receives a credit under s. 71.07 (5b) or (5d), 71.28 (5b), 71.47 (5b), or
22 76.638 must keep the investment in a certified business, or with a certified fund
23 manager, for no less than 3 years, unless the person's investment becomes worthless,
24 as determined by the ~~corporation~~ department, during the 3-year period or the person
25 has kept the investment for no less than 12 months and a bona fide liquidity event,

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1 as determined by the ~~corporation~~ department, occurs during the 3-year period. The
2 ~~policies and procedures~~ rules shall permit the ~~corporation~~ department to reallocate
3 credits under this section in any calendar year that are unused in that calendar year
4 to a person eligible for tax benefits, as defined under s. ~~238.30~~ 555.30 (7) (e), if all of
5 the following apply:

6 1. The ~~corporation~~ department notifies the joint committee on finance in
7 writing of its proposed reallocation.

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

12 b. The cochairpersons of the joint committee on finance notify the ~~corporation~~
13 department that the committee has approved the proposed reallocation.

14 (dm) The ~~corporation's policies and procedures~~ department's rules under this
15 subsection shall provide that a business is considered to have not relocated outside
16 of this state under sub. (1) (m) 1., regardless of whether the business satisfies sub.
17 (1) (m) 1. a. and b., if the ~~corporation~~ department determines that the business's
18 investment and employment levels in this state have not diminished.

19 (e) *Transfer.* A person who is eligible to claim a credit under s. 71.07 (5b), 71.28
20 (5b), 71.47 (5b), or 76.638 may sell or otherwise transfer the credit to another person
21 who is subject to the taxes or fees imposed under s. 71.02, 71.23, 71.47, or subch. III
22 of ch. 76, if the person receives prior authorization from the investment fund
23 manager and the manager then notifies the ~~corporation~~ department and the
24 department of revenue of the transfer and submits with the notification a copy of the
25 transfer documents. No person may sell or otherwise transfer a credit as provided

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1 in this paragraph more than once in a 12-month period. The ~~corporation~~ department
2 may charge any person selling or otherwise transferring a credit under this
3 paragraph a fee of up to 5 percent of the credit amount sold or transferred.

4 (f) 1. Beginning with December 31, 2014, tax credits that the ~~corporation~~
5 department has not allocated under this section on or before December 31 of each
6 year may not be allocated after that date.

7 **SECTION 377.** 238.16 of the statutes, as affected by 2015 Wisconsin Act 55, is
8 renumbered 555.16, and 555.16 (1) (c) 2. (intro.), (2) (intro.) and (b), (3), (4) (b) 1.
9 (intro.) and 2. and (c), (5) (title), (c), (e) and (f) (intro.) and 1. (intro.) and (6), as
10 renumbered, are amended to read:

11 555.16 (1) (c) 2. (intro.) The ~~corporation~~ department may grant exceptions to
12 the requirement under subd. 1. that a full-time job means a position in which an
13 individual, as a condition of employment, is required to work at least 2,080 hours per
14 year if all of the following apply:

15 (2) (intro.) The ~~corporation~~ department may certify a person to receive tax
16 benefits under this section if all of the following apply:

17 (b) The person applies under this section and enters into a contract with the
18 ~~corporation~~ department.

19 (3) **ELIGIBILITY FOR TAX BENEFITS.** (intro.) A person certified under sub. (2) may
20 receive tax benefits under this section if, in each year for which the person claims tax
21 benefits under this section, the person increases net employment in this state in the
22 person's business above the net employment in this state in the person's business
23 during the year before the person was certified under sub. (2), as determined by the
24 ~~corporation~~ department under its ~~policies and procedures~~ rules, and one of the
25 following applies:

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1 (4) (b) 1. (intro.) The ~~corporation~~ department may award to a person certified
2 under sub. (2) tax benefits for each eligible employee in an amount equal to up to 10
3 percent of the wages paid by the person to that employee or \$10,000, whichever is
4 less, if that employee earned wages in the year for which the tax benefit is claimed
5 equal to one of the following:

6 2. The ~~corporation~~ department may award to a person certified under sub. (2)
7 tax benefits in an amount to be determined by the ~~corporation~~ department for costs
8 incurred by the person to undertake the training activities described in sub. (3) (c).

9 (c) Subject to a reallocation by the ~~corporation~~ department pursuant to ~~policies~~
10 ~~and procedures~~ rules adopted under s. ~~238.15~~ 555.15 (3) (d), the ~~corporation~~
11 department may allocate up to \$10,000,000 in tax benefits under this section in any
12 calendar year.

13 (5) (title) DUTIES OF THE ~~CORPORATION~~ DEPARTMENT.

14 (c) The ~~corporation~~ department may require a person to repay any tax benefits
15 the person claims for a year in which the person failed to maintain employment
16 required by an agreement under sub. (2) (b).

17 (e) The ~~corporation~~ department shall annually verify the information
18 submitted to the ~~corporation~~ department by the person claiming tax benefits under
19 ss. 71.07 (3q), 71.28 (3q), and 71.47 (3q).

20 (f) (intro.) The ~~corporation~~ department shall ~~adopt policies and procedures~~
21 promulgate rules for the implementation and operation of this section, including
22 ~~policies and procedures~~ rules relating to the following:

23 1. (intro.) The definitions of a tier I county or municipality and a tier II county
24 or municipality. The ~~corporation~~ department may consider all of the following
25 information when establishing the definitions required under this subdivision:

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1 (6) SUNSET. No tax benefits may be awarded under this section after December
2 31, 2015, unless the tax benefits were allocated to a taxpayer by the ~~corporation~~
3 Wisconsin Economic Development Corporation under s. 238.16, 2013 stats., in a
4 contract that the ~~corporation~~ Wisconsin Economic Development Corporation
5 executed before that date or in a letter of intent to enter into such a contract that the
6 corporation issued before that date.

7 **SECTION 378.** 238.17 of the statutes, as affected by 2015 Wisconsin Act 55, is
8 renumbered 555.17 and amended to read:

9 **555.17 Historic rehabilitation tax credit.** For taxable years beginning
10 after December 31, 2013, the ~~corporation~~ department may certify a person to claim
11 a tax credit under s. 71.07 (9m), 71.28 (6), or 71.47 (6), if the ~~corporation~~ department
12 determines that the person is conducting an eligible activity under s. 71.07 (9m),
13 71.28 (6), or 71.47 (6). No person may claim a tax credit under s. 71.07 (9m), 71.28
14 (6), or 71.47 (6) without first being certified under this section.

15 **SECTION 379.** 238.23 of the statutes, as affected by 2015 Wisconsin Act 55, is
16 renumbered 555.23, and 555.23 (2) (a) and (b), (3) (a) (intro.), (b) (intro.), (c) and (d),
17 (4) (a) (intro.) and (b) and (5) (intro.), (e) and (g), as renumbered, are amended to read:

18 555.23 (2) (a) Except as provided in par. (c), the ~~corporation~~ department may
19 designate up to 8 areas in the state as technology zones. A business that is located
20 in a technology zone and that is certified by the ~~corporation~~ department under sub.
21 (3) is eligible for a tax credit as provided in sub. (3).

22 (b) The designation of an area as a technology zone shall be in effect for 10 years
23 from the time that the ~~corporation~~ department first designates the area. Not more
24 than \$5,000,000 in tax credits may be claimed in a technology zone, except that the
25 ~~corporation~~ department may allocate the amount of unallocated airport

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1 development zone tax credits, as provided under s. ~~238.3995~~ 555.3995 (3) (b), to
2 technology zones for which the \$5,000,000 maximum allocation is insufficient. The
3 ~~corporation~~ department may change the boundaries of a technology zone during the
4 time that its designation is in effect. A change in the boundaries of a technology zone
5 does not affect the duration of the designation of the area or the maximum tax credit
6 amount that may be claimed in the technology zone.

7 (3) (a) (intro.) Except as provided in par. (e), the ~~corporation~~ department may
8 certify for tax credits in a technology zone a business that satisfies all of the following
9 requirements:

10 (b) (intro.) In determining whether to certify a business under this subsection,
11 the ~~corporation~~ department shall consider all of the following:

12 (c) When the ~~corporation~~ department certifies a business under this
13 subsection, the ~~corporation~~ department shall establish a limit on the amount of tax
14 credits that the business may claim. Unless its certification is revoked, and subject
15 to the limit on the tax credit amount established by the ~~corporation~~ department
16 under this paragraph, a business that is certified may claim a tax credit for 3 years,
17 except that a business that experiences growth, as determined for that business by
18 the ~~corporation~~ department under par. (d) and sub. (5) (e), may claim a tax credit for
19 up to 5 years.

20 (d) The ~~corporation~~ department shall enter into an agreement with a business
21 that is certified under this subsection. The agreement shall specify the limit on the
22 amount of tax credits that the business may claim, the extent and type of growth,
23 which shall be specific to the business, that the business must experience to extend
24 its eligibility for a tax credit, the business' baseline against which that growth will
25 be measured, any other conditions that the business must satisfy to extend its

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1 eligibility for a tax credit, and reporting requirements with which the business must
2 comply.

3 (4) (a) (intro.) The ~~corporation~~ department shall notify the department of
4 revenue of all the following:

5 (b) The ~~corporation~~ department shall annually verify information submitted
6 to the ~~corporation~~ department under ss. 71.07 (2dm), (2dx), and (3g), 71.28 (1dm),
7 (1dx), and (3g), and 71.47 (1dm), (1dx), and (3g).

8 (5) (intro.) The ~~corporation~~ department shall adopt rules for the operation of
9 this section, including rules related to all the following:

10 (e) Standards for extending a business's certification, including what
11 measures, in addition to job creation, the ~~corporation~~ department will use to
12 determine the growth of a specific business and how the ~~corporation~~ department will
13 establish baselines against which to measure growth.

14 (g) The exchange of information between the ~~corporation~~ department and the
15 department of revenue.

16 **SECTION 380.** 238.25 of the statutes is renumbered 555.25 and amended to
17 read:

18 **555.25 Assistance to loan recipients.** The ~~corporation~~ department shall
19 assist new businesses and small businesses receiving the assistance of the Wisconsin
20 Housing and Economic Development Authority in locating sources of venture capital
21 and in obtaining the state and federal licenses and permits necessary for business
22 operations.

23 **SECTION 381.** 238.26 of the statutes is renumbered 555.26 and amended to
24 read:

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1 **555.26 Report to investment board.** No later than September 30 of each
2 even-numbered year, the ~~corporation~~ department shall submit to the investment
3 board a report describing the types of investments in businesses in this state that will
4 have the greatest likelihood of enhancing economic development in this state.

5 **SECTION 382.** Subchapter II (title) of chapter 238 [precedes 238.30] of the
6 statutes is renumbered Subchapter II (title) of chapter 555 [precedes 555.30].

7 **SECTION 383.** 238.30 of the statutes, as affected by 2015 Wisconsin Act 55, is
8 renumbered 555.30, and 555.30 (intro.), (2g), (2m) (b) (intro.) and (7) (b) 1. and 2., (c),
9 (d) and (e), as renumbered, are amended to read:

10 **555.30 Definitions.** (intro.) In this section and ss. ~~238.301~~ 555.301 to ~~238.395~~
11 555.395 and ~~238.398~~ 555.398:

12 **(2g)** “Eligible activity” means an activity described under s. ~~238.302~~ 555.302.

13 **(2m)** (b) (intro.) The ~~corporation~~ department may grant exceptions to the
14 requirement under par. (a) that a full-time job means a position in which an
15 individual, as a condition of employment, is required to work at least 2,080 hours per
16 year if all of the following apply:

17 **(7) (b) 1.** Except as provided in subd. 2., in s. ~~238.395~~ 555.395, “tax benefits”
18 means the development zones credit under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx),
19 and 76.636. With respect to the development opportunity zones under s. ~~238.395~~
20 555.395 (1) (e) and (f), “tax benefits” also means the development zones capital
21 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

22 2. With respect to the development opportunity zones under s. ~~238.395~~ 555.395
23 (1) (g), (h), and (i), “tax benefits” means the development zone credits under ss. 71.07
24 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636 and the development zones capital
25 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

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1 (c) In s. ~~238.398~~ 555.398, “tax benefits” means the development zones capital
2 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm) and the
3 development zones credits under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636.

4 (d) In ss. ~~238.301~~ 555.301 to ~~238.306~~ 555.306, “tax benefits” means the
5 economic development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and
6 76.637.

7 (e) In s. ~~238.308~~ 555.308, “tax benefits” means the business development tax
8 credit under ss. 71.07 (3y), 71.28 (3y), and 71.47 (3y).

9 **SECTION 384.** 238.301 of the statutes, as affected by 2015 Wisconsin Act 55, is
10 renumbered 555.301, and 555.301 (1) (intro.) and (e), (2) (a) and (b) and (3) (intro.),
11 (b), (c), (d) and (f), as renumbered, are amended to read:

12 555.301 (1) APPLICATION. (intro.) Any person may apply to the ~~corporation~~
13 department on a form prepared by the ~~corporation~~ department for certification under
14 this section. The application shall include all of the following:

15 (e) Other information required by the ~~corporation~~ department or the
16 department of revenue.

17 (2) (a) The ~~corporation~~ department may certify a person who submits an
18 application under sub. (1) if, after conducting an investigation, the ~~corporation~~
19 department determines that the person is conducting or intends to conduct at least
20 one eligible activity.

21 (b) The ~~corporation~~ department shall provide a person certified under this
22 section with a copy of the certification.

23 (3) CONTRACT. (intro.) A person certified under this section shall enter into a
24 written contract with the ~~corporation~~ department. The contract shall include
25 provisions that detail all of the following:

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1 (b) Whether any of the eligible activities will occur in an economically
2 distressed area, as designated by the ~~corporation~~ department under s. ~~238.304~~
3 555.304 (1).

4 (c) Whether any of the eligible activities will benefit members of a targeted
5 group, as determined by the ~~corporation~~ department under s. ~~238.304~~ 555.304 (2).

6 (d) A compliance schedule that includes a sequence of anticipated actions to be
7 taken or goals to be achieved by the person before the person may receive tax benefits
8 under s. ~~238.303~~ 555.303.

9 (f) If feasible, a determination of the tax benefits the person will be authorized
10 to claim under s. ~~238.303~~ 555.303 (2) if the person fulfills the terms of the contract.

11 **SECTION 385.** 238.302 of the statutes is renumbered 555.302, and 555.302
12 (intro.), (1), (2) and (3), as renumbered, are amended to read:

13 **555.302 Eligible activities.** (intro.) A person who conducts or proposes to
14 conduct any of the following may be certified under s. ~~238.301~~ 555.301 (2):

15 (1) **JOB CREATION PROJECT.** A project that creates and maintains for a period of
16 time established by the ~~corporation~~ department by rule full-time jobs in addition to
17 any existing full-time jobs provided by the person.

18 (2) **CAPITAL INVESTMENT PROJECT.** A project that involves a significant
19 investment of capital, as defined by the ~~corporation~~ department by rule under s.
20 ~~238.306~~ 555.306 (2) (b), by the person in new equipment, machinery, real property,
21 or depreciable personal property.

22 (3) **EMPLOYEE TRAINING PROJECT.** A project that involves significant investments
23 in the training or reeducation of employees, as defined by the ~~corporation~~
24 department by rule under s. ~~238.306~~ 555.306 (2) (c), by the person for the purpose
25 of improving the productivity or competitiveness of the business of the person.

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1 **SECTION 386.** 238.303 of the statutes, as affected by 2015 Wisconsin Act 55, is
2 renumbered 555.303, and 555.303 (1) (a), (am) and (b), (2), (3) and (4), as
3 renumbered, are amended to read:

4 555.303 (1) (a) Except as provided in pars. (am) and (b), the total tax benefits
5 available to be allocated by the ~~corporation~~ department under ss. ~~238.301~~ 555.301
6 to ~~238.306~~ 555.306 may not exceed the sum of the tax benefits remaining to be
7 allocated under s. 560.71 to 560.785, 2009 stats., s. 560.797, 2009 stats., s. 560.798,
8 2009 stats., s. 560.7995, 2009 stats., and s. 560.96, 2009 stats., on March 6, 2009, plus
9 \$100,000,000.

10 (am) The ~~corporation~~ department may initially allocate only \$61,000,000 of the
11 additional \$100,000,000 in tax benefits specified in par. (a). Before the ~~corporation~~
12 department allocates the remaining \$39,000,000 in tax benefits specified in par. (a),
13 the ~~corporation~~ department shall submit its plan for such allocation, including a
14 report that describes the intended use of the tax benefits, to the joint committee on
15 finance. If the cochairpersons of the committee do not notify the ~~corporation~~
16 department within 14 working days after the date of the ~~corporation's~~ department's
17 submittal that the committee has scheduled a meeting for the purpose of reviewing
18 the plan, the plan may be implemented and the remaining amount may be allocated
19 as proposed by the ~~corporation~~ department. If, within 14 working days after the date
20 of the ~~corporation's~~ department's submittal, the cochairpersons of the committee
21 notify the ~~corporation~~ department that the committee has scheduled a meeting for
22 the purpose of reviewing the proposed plan, the plan may be implemented and the
23 remaining amount allocated only upon approval of the committee.

24 (b) The ~~corporation~~ department may submit to the joint committee on finance
25 a request in writing to exceed the total tax benefits specified in par. (a). The

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1 ~~corporation~~ department shall submit with its request a justification for seeking an
2 increase under this paragraph. The joint committee on finance, following its review,
3 may approve or disapprove an increase in the total tax benefits available to be
4 allocated under ss. ~~238.301 555.301~~ to ~~238.306 555.306~~.

5 (2) AUTHORITY TO CLAIM TAX BENEFITS. The ~~corporation~~ department may
6 authorize a person certified under s. ~~238.301 555.301~~ (2) to claim tax benefits only
7 after the person has submitted a report to the ~~corporation~~ department that
8 documents to the satisfaction of the ~~corporation~~ department that the person has
9 complied with the terms of the contract under s. ~~238.301 555.301~~ (3) and the
10 requirements of any applicable rules adopted under s. ~~238.306 555.306~~ (2).

11 (3) NOTICE OF ELIGIBILITY. The ~~corporation~~ department shall provide to the
12 person a notice of eligibility to receive tax benefits that reports the amount of tax
13 benefits for which the person is eligible.

14 (4) SUNSET. No tax benefits may be awarded under ss. ~~238.301 555.301~~ to
15 ~~238.306 555.306~~ after December 31, 2015, unless the tax benefits were allocated to
16 a taxpayer by the ~~corporation~~ Wisconsin Economic Development Corporation under
17 ss. 238.301 to 238.306, 2013 stats., in a contract that the ~~corporation~~ Wisconsin
18 Economic Development Corporation executed before that date or in a letter of intent
19 to enter into such a contract that the ~~corporation~~ Wisconsin Economic Development
20 Corporation issued before that date.

21 **SECTION 387.** 238.304 of the statutes is renumbered 555.304, and 555.304
22 (intro.) and (1), as renumbered, are amended to read:

23 **555.304 Eligible activities in economically distressed areas and**
24 **benefiting members of targeted groups.** (intro.) The ~~corporation~~ department
25 may authorize a person certified under s. ~~238.301 555.301~~ (2) to claim additional tax

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1 benefits under s. ~~238.303~~ 555.303 if, after conducting an investigation, the
2 ~~corporation~~ department determines any of the following:

3 (1) The person conducts at least one eligible activity in an area designated by
4 the ~~corporation~~ department as economically distressed. In designating an area as
5 economically distressed under this subsection, the ~~corporation~~ department shall
6 follow the methodology established by rule under s. ~~238.306~~ 555.306 (2) (e).

7 **SECTION 388.** 238.3045 of the statutes, as affected by 2015 Wisconsin Act 55,
8 is renumbered 555.3045, and 555.3045 (1) (title), (a), (b) (intro.) and 4. and (c) 1., (2)
9 (a), (3) and (4) (a) and (b), as renumbered, are amended to read:

10 555.3045 (1) (title) APPLICATION AND ~~CORPORATION~~ DEPARTMENT APPROVAL. (a) An
11 applicant for certification for tax benefits under s. ~~238.301~~ 555.301 may submit with
12 its application under s. ~~238.301~~ 555.301 (1) an application to the ~~corporation~~
13 department on a form prescribed by the ~~corporation~~ department to transfer those tax
14 benefits to another person under this section. The application shall include the
15 name, address, and tax identification number of the person to whom the applicant
16 intends to transfer the tax benefits and any other information the ~~corporation~~
17 department requires. The ~~corporation~~ department shall notify the applicant of the
18 ~~corporation's~~ department's determination concerning the transfer of tax benefits
19 when the ~~corporation~~ department notifies the applicant of the ~~corporation's~~
20 department's certification determination under s. ~~238.301~~ 555.301.

21 (b) (intro.) The ~~corporation~~ department may approve the transfer of tax
22 benefits under this section if the ~~corporation~~ department certifies the applicant
23 under par. (a) for tax benefits under s. ~~238.301~~ 555.301 and finds that the applicant
24 meets at least one of the following conditions:

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1 4. Intends to expand its operations in this state, and that expansion will result
2 in the applicant making a significant capital investment in property located in this
3 state, as determined by the ~~corporation~~ department.

4 (c) 1. Subject to subd. 2., a person that receives an approval under par. (b) shall
5 transfer tax benefits in accordance with the terms of the application under par. (a)
6 after the ~~corporation~~ department authorizes the person to claim tax benefits under
7 s. ~~238.303~~ 555.303 (2) and provides the notice of eligibility under s. ~~238.303~~ 555.303
8 (3). The notice of eligibility shall contain all relevant information concerning a
9 transfer of tax benefits under this section. The person to whom tax benefits are
10 transferred may carry forward, beginning on the date of the notice of eligibility, any
11 unused amount of the value of those tax benefits as provided under the appropriate
12 provision in ch. 71 or in s. 76.636.

13 (2) (a) If the ~~corporation~~ department revokes a person's certification for tax
14 benefits under s. ~~238.305~~ 555.305, and, at the time of revocation, that person has
15 transferred those tax benefits under this section, that person shall be liable for the
16 full value of the tax benefits, and the person to whom the tax benefits were
17 transferred may not claim any tax benefits that were not claimed prior to revocation.

18 (3) ANNUAL REPORT. Annually, the ~~corporation~~ department shall submit a report
19 to the joint committee on finance that provides a detailed assessment of the progress
20 to date of the program under this section.

21 (4) (a) Except as provided in par. (b), the ~~corporation~~ department may not
22 authorize the transfer of tax benefits under this section that total more than
23 \$15,000,000, and the ~~corporation~~ department may not authorize the transfer of tax
24 benefits after 36 months after April 4, 2014.

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1 (b) Upon expiration of the 36-month period under par. (a), the ~~corporation~~
2 department may continue to authorize the transfer of tax benefits under this section
3 for up to an additional 36 months, and the ~~corporation~~ department may authorize
4 the transfer of up to an additional \$15,000,000 in tax benefits, if the ~~corporation~~
5 department determines that a continuation of the program under this section will
6 promote significant economic development in this state. Before the ~~corporation~~
7 department authorizes the transfer of tax benefits under this paragraph, the chief
8 ~~executive officer of the corporation~~ secretary shall notify the joint committee on
9 finance in writing that the ~~corporation~~ department intends to continue authorizing
10 the transfer of tax benefits under this section. That notice shall state the reasons
11 supporting the ~~corporation's~~ department's determination that the transfer of
12 additional tax benefits will promote significant economic development in this state.
13 If, within 14 working days after the date of that notice, the cochairpersons of the
14 committee do not notify the ~~corporation~~ department that the committee has
15 scheduled a meeting to review the ~~corporation's~~ department's proposed continuation
16 of the program, the ~~corporation~~ department may proceed to authorize the transfer
17 of additional tax benefits under this section. If, within 14 working days after the date
18 of that notice, the cochairpersons of the committee notify the ~~corporation~~ department
19 that the committee has scheduled a meeting to review the proposed continuation of
20 the program, the ~~corporation~~ department may proceed to authorize the transfer of
21 additional tax benefits only upon approval of the committee.

22 **SECTION 389.** 238.305 of the statutes is renumbered 555.305, and 555.305
23 (intro.), (1) and (2), as renumbered, are amended to read:

24 **555.305 Revocation of certification.** (intro.) The ~~corporation~~ department
25 shall revoke the certification of a person who does any of the following:

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1 (1) Supplies false or misleading information to obtain certification under s.
2 ~~238.301~~ 555.301 (2).

3 (2) Supplies false or misleading information to obtain tax benefits under s.
4 ~~238.303~~ 555.303.

5 **SECTION 390.** 238.306 of the statutes is renumbered 555.306, and 555.306
6 (intro.), (1) (a) and (b), (2) (a), (b), (c), (d), (e) (intro.), (f), (g), (h), (i) and (k) and (3),
7 as renumbered, are amended to read:

8 **555.306 Responsibilities of the ~~corporation~~ department.** (intro.) The
9 ~~corporation~~ department shall do all of the following:

10 (1) (a) Annually verify information submitted to the department of revenue
11 under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637 by persons certified under
12 s. ~~238.301~~ 555.301 (2) and eligible to receive tax benefits under s. ~~238.303~~ 555.303.

13 (b) Notify and obtain written approval from the ~~chief executive officer of the~~
14 ~~corporation~~ secretary for any certification under sub. (2) (j).

15 (2) (a) A schedule of hourly wage ranges to be paid, and health insurance
16 benefits to be provided, to an employee by a person certified under s. ~~238.301~~ 555.301
17 (2) and the corresponding per employee tax benefit for which a person certified under
18 s. ~~238.301~~ 555.301 (2) may be eligible.

19 (b) A definition of “significant investment of capital” for purposes of s. ~~238.302~~
20 555.302 (2), together with a corresponding schedule of tax benefits for which a person
21 who is certified under s. ~~238.301~~ 555.301 (2) and who conducts a project described
22 in s. ~~238.302~~ 555.302 (2) may be eligible. The ~~corporation~~ department shall include
23 in the definition required under this paragraph a schedule of investments that takes
24 into consideration the size or nature of the business.

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1 (c) A definition of “significant investments in the training or reeducation of
2 employees” for purposes of s. ~~238.302~~ 555.302 (3), together with a corresponding
3 schedule of tax benefits for which a person who is certified under s. ~~238.301~~ 555.301
4 (2) and who conducts a project under s. ~~238.302~~ 555.302 (3) may be eligible.

5 (d) A schedule of tax benefits for which a person who is certified under s.
6 ~~238.301~~ 555.301 (2) and who conducts a project that will result in the location or
7 retention of a person’s corporate headquarters in Wisconsin may be eligible.

8 (e) (intro.) The methodology for designating an area as economically distressed
9 under s. ~~238.304~~ 555.304 (1). The methodology under this paragraph shall require
10 the ~~corporation~~ department to consider the most current data available for the area
11 and for the state on the following indicators:

12 (f) A schedule of additional tax benefits for which a person who is certified
13 under s. ~~238.301~~ 555.301 (2) and who conducts an eligible activity described under
14 s. ~~238.304~~ 555.304 may be eligible.

15 (g) Reporting requirements, minimum benchmarks, and outcomes expected of
16 a person certified under s. ~~238.301~~ 555.301 (2) before that person may receive tax
17 benefits under s. ~~238.303~~ 555.303.

18 (h) Policies, criteria, and methodology for allocating a portion of the tax benefits
19 available under s. ~~238.303~~ 555.303 to rural areas.

20 (i) Policies, criteria, and methodology for allocating a portion of the tax benefits
21 available under s. ~~238.303~~ 555.303 to small businesses.

22 (k) Procedures for implementing ss. ~~238.301~~ 555.301 to ~~238.306~~ 555.306.

23 (3) REPORTING. Annually, 6 months after the report has been submitted under
24 s. ~~238.07~~ 555.07 (2), submit to the joint legislative audit committee and to the
25 appropriate standing committees of the legislature under s. 13.172 (3) a

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1 comprehensive report assessing the program under ss. ~~238.301~~ 555.301 to ~~238.306~~
2 555.306. The report under this subsection shall update the applicable information
3 provided in the report under s. ~~238.07~~ 555.07 (2).

4 **SECTION 391.** 238.308 of the statutes, as created by 2015 Wisconsin Act 55, is
5 renumbered 555.308, and 555.308 (2) (a) (intro.) and 2., (3), (4) (a) (intro.), 2. and 5.
6 and (b) and (5) (a), (b) and (c), as renumbered, are amended to read:

7 555.308 (2) (a) (intro.) The ~~corporation~~ department may certify a person to
8 receive tax benefits under this section if all of the following apply:

9 2. The person applies under this section and enters into a contract with the
10 ~~corporation~~ department.

11 (3) ELIGIBILITY FOR TAX BENEFITS. A person is eligible to receive tax benefits if,
12 in each year for which the person claims tax benefits under this section, the person
13 increases net employment in this state in the person's business above the net
14 employment in this state in the person's business during the year before the person
15 was certified under sub. (2), as determined by the ~~corporation~~ department under its
16 ~~policies and procedures~~ rules.

17 (4) (a) (intro.) The ~~corporation~~ department may award all of the following tax
18 benefits to a person certified under sub. (2):

19 2. In addition to any tax benefits awarded for an eligible employee under subd.
20 1., an amount equal to up to 5 percent of the amount of wages that the person paid
21 to the eligible employee in the taxable year, if the eligible employee is employed in
22 an economically distressed area, as determined by the ~~corporation~~ department.

23 5. An amount, as determined by the ~~corporation~~ department, equal to a
24 percentage of the amount of wages that the person paid to an eligible employee in the
25 taxable year, if the position in which the eligible employee was employed was created

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1 or retained in connection with the person's location or retention of the person's
2 corporate headquarters in Wisconsin and the job duties associated with the eligible
3 employee's position involve the performance of corporate headquarters functions.

4 (b) Subject to a reallocation by the ~~corporation~~ department under s. ~~238.15~~
5 555.15 (3) (d), the ~~corporation~~ department may allocate up to \$17,000,000 in tax
6 benefits under this section in 2016 and up to \$22,000,000 per year thereafter. Any
7 unused allocation may be carried forward.

8 (5) (a) The ~~corporation~~ department may require a person to repay any tax
9 benefits the person claims for a year in which the person failed to employ an eligible
10 employee required by an agreement under sub. (2) (b).

11 (b) The ~~corporation~~ department shall annually verify the information
12 submitted to it by the person claiming tax benefits under ss. 71.07 (3y), 71.28 (3y),
13 and 71.47 (3y).

14 (c) The ~~corporation~~ department shall ~~adopt policies and procedures~~ promulgate
15 rules for the implementation and operation of this section.

16 **SECTION 392.** 238.31 of the statutes is renumbered 555.31, and 555.31 (1)
17 (intro.), (ac), (am), (b), (d) and (e) (intro.), 3. and 4. a. and d., (1m) (intro.) and (h), (2)
18 and (3) (intro.), as renumbered, are amended to read:

19 555.31 (1) (intro.) The ~~corporation~~ department may designate an area as a
20 development zone if all of the following apply:

21 (ac) The ~~corporation~~ department has invited a local governing body to nominate
22 the area under s. ~~238.315~~ 555.315.

23 (am) A local governing body nominates the area as described in s. ~~238.32~~
24 555.32.

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1 (b) The ~~corporation~~ department has evaluated the local governing body's
2 application as described in s. ~~238.325~~ 555.325.

3 (d) The area meets the applicable requirements under s. ~~238.335~~ 555.335.

4 (e) (intro.) The ~~corporation~~ department determines all of the following:

5 3. That economic development in the area is not likely to occur or continue
6 without the ~~corporation's~~ department's designation of the area as a development
7 zone.

8 4. a. The unemployment rate in the area is higher than the state average for
9 the 18 months immediately preceding the date on which the application under s.
10 ~~238.32~~ 555.32 (2) or (3) was submitted to the ~~corporation~~ department.

11 d. In the 36 months immediately preceding the date on which the application
12 under s. ~~238.32~~ 555.32 (2) or (3) was submitted to the ~~corporation~~ department, a
13 number of workers in the area were permanently laid off by their employer or became
14 unemployed as a result of a business action subject to s. 109.07 (1m).

15 (1m) (intro.) In making a determination under sub. (1) (e), the ~~corporation~~
16 department shall consider all of the following:

17 (h) Any other factors that the ~~corporation~~ department considers relevant.

18 (2) In determining whether an area meets the requirements under sub. (1) (e)
19 or s. ~~238.335~~ 555.335, the ~~corporation~~ department may rely on any data provided by
20 the local governing body that the ~~corporation~~ department determines is relevant.

21 (3) (intro.) The ~~corporation~~ department shall do all of the following:

22 **SECTION 393.** 238.315 of the statutes is renumbered 555.315 and amended to
23 read:

24 **555.315 Invitation to nominate area.** If the ~~corporation~~ department
25 determines that an area has experienced or is about to experience economic distress,

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1 the ~~corporation~~ department may invite local governing bodies in the area to
2 nominate the area as a development zone.

3 **SECTION 394.** 238.32 of the statutes is renumbered 555.32, and 555.32 (1)
4 (intro.), (2) (intro.), (c), (d) and (i), (3) and (5), as renumbered, are amended to read:

5 555.32 (1) (intro.) A local governing body may nominate an area as a
6 development zone, if the ~~corporation~~ department has invited the governing body to
7 nominate the area under s. ~~238.315~~ 555.315 and if the governing body does all of the
8 following:

9 (2) (intro.) A local governing body may nominate the area as a development
10 zone by submitting an application to the ~~corporation~~ department in a form prescribed
11 by the ~~corporation~~ department. The application shall include all of the following:

12 (c) Evidence that the area meets at least 3 of the criteria under s. ~~238.31~~ 555.31
13 (1) (e) 4.

14 (d) Evidence that the area meets the applicable requirements of s. ~~238.335~~
15 555.335.

16 (i) Any other information required by the ~~corporation~~ department.

17 (3) Two or more local governing bodies may submit a joint application
18 nominating an area as a development zone, subject to s. ~~238.335~~ 555.335 (2), if each
19 local governing body complies with subs. (1) and (2).

20 (5) The ~~corporation~~ department may permit a local governing body to revise an
21 application that the ~~corporation~~ department determines is inadequate or
22 incomplete.

23 **SECTION 395.** 238.325 of the statutes is renumbered 555.325 and amended to
24 read: