

1 and housing programs and projects that the ~~board~~ authority intends to develop and
2 implement during the current calendar fiscal year.

3 (2) (intro.) Annually, no later than October 1, the ~~board~~ authority shall submit
4 to the joint legislative audit committee and the chief clerk of each house of the
5 legislature, for distribution to the legislature under s. 13.172 (2), a report for the
6 previous fiscal year on each of the economic development programs and loan
7 guarantee and housing programs and projects of the ~~corporation~~ authority that
8 contains all of the following:

9 (3) The ~~board~~ authority shall make readily accessible to the public on an
10 Internet-based system the information required under sub. (2).

11 (4) Annually, beginning in ~~2014~~ 2016, the board shall have an independent
12 audit conducted of the ~~corporation's~~ authority's financial statements for the previous
13 fiscal year and submit the audit report to the joint legislative audit committee and
14 the chief clerk of each house of the legislature, for distribution to the legislature
15 under s. 13.172 (2).

16 **SECTION 491.** 238.08 of the statutes is repealed.

17 **SECTION 492.** 238.09 of the statutes is renumbered 235.017, and 235.017 (1),
18 (2) and (3), as renumbered, are amended to read:

19 235.017 (1) When the ~~corporation~~ authority is required to publicly solicit
20 proposals from multiple vendors of goods or services.

21 (2) How the ~~corporation~~ authority is to evaluate proposals from multiple
22 vendors.

23 (3) How the ~~corporation~~ authority is to assess any conflict of interest a vendor
24 may have if the vendor sells goods or services to the ~~corporation~~ authority.

1 **SECTION 493.** 238.10 of the statutes is renumbered 235.018, and 235.018 (1) to
2 (4), as renumbered, are amended to read:

3 **235.018 (1) ALLOCATION.** The ~~corporation~~ authority shall establish under 26
4 USC 146 and administer a system for the allocation of the volume cap on the issuance
5 of private activity bonds, as defined under 26 USC 141 (a), among all municipalities,
6 as defined in s. 67.01 (5), and any corporation formed on behalf of those
7 municipalities, and among this state, the Wisconsin Health and Educational
8 Facilities Authority, the Wisconsin Aerospace Authority, and the ~~Wisconsin Housing~~
9 ~~and Economic Development Authority~~ authority.

10 **(2) AMENDMENT TO ALLOCATION.** At any time prior to December 31 in any year,
11 the ~~corporation~~ authority may adopt rules policies and procedures to revise the
12 allocation system established for that year under sub. (1), except that any revision
13 under this subsection does not apply to any allocation under which the recipient of
14 that allocation has adopted a resolution authorizing the issuance of a private activity
15 bond, as defined in 26 USC 141 (a).

16 **(3) CONDITIONS.** The ~~corporation~~ authority may establish any procedure for,
17 and place any condition upon, the granting of an allocation under this section which
18 the ~~corporation~~ authority deems to be in the best interest of the state including a
19 requirement that a cash deposit, at a rate established by the ~~corporation~~ authority,
20 be a condition for an allocation.

21 **(4) CERTIFICATION.** If the ~~corporation~~ authority receives notice of the issuance
22 of a bond under an allocation under subs. (1) to (3), the ~~corporation~~ authority shall
23 certify that that bond meets the requirements of 26 USC 146.

24 **SECTION 494.** 238.11 of the statutes is renumbered 235.11, and 235.11 (1), (2)
25 and (5), as renumbered, are amended to read:

1 235.11 (1) ~~The corporation~~ authority shall prescribe the notice forms to be used
2 under s. 66.1103 (4m) (a) 1. ~~The corporation~~ authority shall include on the forms a
3 requirement for information on the number of jobs the person submitting the notice
4 expects to be eliminated, created, or maintained on the project site and elsewhere in
5 this state by the project which is the subject of the notice. ~~The corporation~~ authority
6 shall prescribe the forms to be used under s. 66.1103 (4m) (b).

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

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

15 **SECTION 495.** 238.12 of the statutes is renumbered 235.12, and 235.12 (2), as
16 renumbered, is amended to read:

17 235.12 (2) ~~The corporation~~ authority may not award a grant or loan under this
18 chapter to a person or certify a person to receive tax benefits unless the ~~corporation~~
19 authority enters into an agreement with the person that requires the person to repay
20 the grant, loan, or tax benefits if, within 5 years after receiving the grant or loan or
21 being certified to receive tax benefits, the person ceases to conduct in this state the
22 economic activity for which the person received the grant or loan or for which the
23 person was certified to receive tax benefits and commences substantially the same
24 economic activity outside this state.

25 **SECTION 496.** 238.125 of the statutes is repealed.

1 **SECTION 497.** 238.127 of the statutes is renumbered 235.127, and 235.127 (2)
2 (intro.), (c) (intro.), (e), (h) and (j), as renumbered, are amended to read:

3 235.127 (2) (intro.) The ~~corporation~~ authority 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~~ authority 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~~ authority 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~~ authority shall select program
16 participants representing various geographical regions and populations. A
17 municipality may apply to participate, and the ~~corporation~~ authority may select a
18 municipality for participation, more than one time. In selecting a municipality,
19 however, the ~~corporation~~ authority 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~~ authority may charge reasonable fees for the services and
24 information provided under this paragraph.

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

3 **SECTION 498.** 238.13 of the statutes is renumbered 235.13, and 235.13 (2) (a)
4 (intro.), (3) (intro.) and (f) and (5), as renumbered, are amended to read:

5 235.13 (2) (a) (intro.) The ~~corporation~~ authority may make a grant to a person
6 if all of the following apply:

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

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

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

14 **SECTION 499.** 238.133 of the statutes is renumbered 235.133, and 235.133 (2)
15 (title), (a), (b), (c) and (d), (3) (intro.), (4), (5) (intro.) and (c), (6) and (7), as
16 renumbered, are amended to read:

17 235.133 (2) (title) DUTIES OF THE CORPORATION AUTHORITY.

18 (a) The ~~corporation~~ authority shall administer a program to award brownfield
19 site assessment grants from the appropriation under s. ~~20.192 (1)~~ 20.885 (3) (s) to
20 local governmental units for the purposes of conducting any of the eligible activities
21 under sub. (3).

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

1 (c) The ~~corporation~~ authority 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~~ authority shall establish criteria as necessary to
6 administer the program. The ~~corporation~~ authority 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) ELIGIBLE ACTIVITIES. (intro.) The ~~corporation~~ authority may award grants
10 to local governmental units to cover the costs of the following activities:

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

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

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

18 (6) LIMITATION OF GRANT. The total amount of all grants awarded to a local
19 governmental unit in a fiscal year under this section shall be limited to an amount
20 equal to 15% of the available funds appropriated under s. ~~20.192(1)~~ 20.885(3) (s) for
21 the fiscal year.

22 (7) MATCHING FUNDS. The ~~corporation~~ authority may not distribute a grant
23 unless the applicant contributes matching funds equal to 20% of the grant. Matching
24 funds may be in the form of cash or in-kind contribution or both.

1 **SECTION 500.** 238.135 of the statutes is renumbered 235.135 and amended to
2 read:

3 **235.135 Grants to regional economic development organizations.** The
4 ~~corporation~~ authority shall award annual grants to regional economic development
5 organizations to fund marketing activities. The amount of each grant may not exceed
6 \$100,000 or the amount of matching funds the organization obtains from sources
7 other than the ~~corporation~~ authority or the state, whichever is less.

8 **SECTION 501.** 238.15 of the statutes is renumbered 235.15, and 235.15 (1)
9 (intro.), (m) 1. (intro.) and c., (2), (3) (a), (b), (d) (intro.), 1. and 2. a. and b. and (e), as
10 renumbered, are amended to read:

11 **235.15 (1) ANGEL INVESTMENT TAX CREDITS.** (intro.) The ~~corporation~~ authority
12 shall implement a program to certify businesses for purposes of s. 71.07 (5d). A
13 business desiring certification shall submit an application to the ~~corporation~~
14 authority in each taxable year for which the business desires certification. The
15 business shall specify in its application the investment amount it wishes to raise and
16 the ~~corporation~~ authority may certify the business and determine the amount that
17 qualifies for purposes of s. 71.07 (5d). The ~~corporation~~ authority may certify or
18 recertify a business for purposes of s. 71.07 (5d) only if the business satisfies all of
19 the following conditions:

20 (m) 1. (intro.) It agrees that it will not relocate outside of this state during the
21 3 years after it receives an investment for which a person may claim a tax credit
22 under s. 71.07 (5d) and agrees to pay the ~~corporation~~ authority a penalty, in an
23 amount determined under subd. 2., if the business relocates outside of this state
24 during that 3-year period. For the purposes of this paragraph, a business relocates

1 outside of this state when the business locates more than 51 percent of any of the
2 following outside of this state:

3 c. The activities of the business's headquarters, as determined by the
4 ~~corporation~~ authority.

5 (2) EARLY STAGE SEED INVESTMENT TAX CREDITS. The ~~corporation~~ authority shall
6 implement a program to certify investment fund managers for purposes of ss. 71.07
7 (5b), 71.28 (5b), 71.47 (5b), and 76.638. An investment fund manager desiring
8 certification shall submit an application to the ~~corporation~~ authority. The
9 investment fund manager shall specify in the application the investment amount
10 that the manager wishes to raise and the ~~corporation~~ authority may certify the
11 manager and determine the amount that qualifies for purposes of ss. 71.07 (5b),
12 71.28 (5b), 71.47 (5b), and 76.638. In determining whether to certify an investment
13 fund manager, the ~~corporation~~ authority shall consider the investment fund
14 manager's experience in managing venture capital funds, the past performance of
15 investment funds managed by the applicant, the expected level of investment in the
16 investment fund to be managed by the applicant, and any other relevant factors. The
17 ~~corporation~~ authority may certify only investment fund managers that commit to
18 consider placing investments in businesses certified under sub. (1).

19 (3) (a) *List of certified businesses and investment fund managers.* The
20 ~~corporation~~ authority shall maintain a list of businesses certified under sub. (1) and
21 investment fund managers certified under sub. (2) and shall permit public access to
22 the lists through the ~~corporation's~~ authority's Internet Web site.

23 (b) *Notification of department of revenue.* The ~~corporation~~ authority shall
24 notify the department of revenue of every certification issued under subs. (1) and (2)
25 and the date on which any such certification is revoked or expires.

1 (d) *Rules Administration.* (intro.) The ~~corporation~~ authority, in consultation
2 with the department of revenue, shall ~~adopt rules~~ establish policies and procedures
3 to administer this section. ~~The rules~~ and shall further define “bona fide angel
4 investment” for purposes of s. 71.07 (5d) (a) 1. The ~~rules shall limit the~~ aggregate
5 amount of tax credits under s. 71.07 (5d) that may be claimed for investments in
6 businesses certified under sub. (1) ~~at \$3,000,000 per calendar year for calendar years~~
7 ~~beginning after December 31, 2004, and before January 1, 2008, \$5,500,000 per~~
8 ~~calendar year for calendar years beginning after December 31, 2007, and before~~
9 ~~January 1, 2010, \$6,500,000 for calendar year 2010, and is~~ \$20,000,000 per calendar
10 year for calendar years beginning after December 31, 2010, plus, for taxable years
11 beginning after December 31, 2010, an additional \$250,000 for tax credits that may
12 be claimed for investments in nanotechnology businesses certified under sub. (1).
13 The ~~rules shall also limit the~~ aggregate amount of the tax credits under ss. 71.07 (5b),
14 71.28 (5b), 71.47 (5b), and 76.638 that may be claimed for investments paid to fund
15 managers certified under sub. (2) ~~at \$3,500,000 per calendar year for calendar years~~
16 ~~beginning after December 31, 2004, and before January 1, 2008, \$6,000,000 per~~
17 ~~calendar year for calendar years beginning after December 31, 2007, and before~~
18 ~~January 1, 2010, \$8,000,000 for calendar year 2010, and is~~ \$20,500,000 per calendar
19 year for calendar years beginning after December 31, 2010, plus, for taxable years
20 beginning after December 31, 2010, an additional \$250,000 for tax credits that may
21 be claimed for investments in nanotechnology businesses certified under sub. (1).
22 The ~~rules~~ policies and procedures shall also provide that, ~~for calendar years~~
23 ~~beginning after December 31, 2007,~~ a person who receives a credit under ~~ss. s.~~ 71.07
24 (5b) ~~and or~~ (5d), 71.28 (5b), 71.47 (5b), or 76.638 must keep the investment in a
25 certified business, or with a certified fund manager, for no less than 3 years, unless

1 the person's investment becomes worthless, as determined by the ~~corporation~~
2 authority, during the 3-year period or the person has kept the investment for no less
3 than 12 months and a bona fide liquidity event, as determined by the ~~corporation~~
4 authority, occurs during the 3-year period. The ~~rules policies and procedures~~ shall
5 permit the ~~corporation~~ authority to reallocate credits under this section that are
6 unused in any calendar year to a person eligible for tax benefits, as defined under s.
7 ~~238.16~~ 235.16 (1) (d), if all of the following apply:

8 1. The ~~corporation~~ authority notifies the joint committee on finance in writing
9 of its proposed reallocation.

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

14 b. The cochairpersons of the joint committee on finance notify the ~~corporation~~
15 authority that the committee has approved the proposed reallocation.

16 (e) *Transfer*. A person who is eligible to claim a credit under s. 71.07 (5b), 71.28
17 (5b), 71.47 (5b), or 76.638 may sell or otherwise transfer the credit to another person
18 who is subject to the taxes or fees imposed under s. 71.02, 71.23, 71.47, or subch. III
19 of ch. 76, if the person receives prior authorization from the investment fund
20 manager and the manager then notifies the ~~corporation~~ authority and the
21 department of revenue of the transfer and submits with the notification a copy of the
22 transfer documents. No person may sell or otherwise transfer a credit as provided
23 in this paragraph more than once in a 12-month period. The ~~corporation~~ authority
24 may charge any person selling or otherwise transferring a credit under this
25 paragraph a fee equal to 1 percent of the credit amount sold or transferred.

1 **SECTION 502.** 238.16 of the statutes is renumbered 235.16, and 235.16 (1) (c)
2 2. (intro.), (2) (intro.) and (b), (3) (intro.), (4) (b) 1. (intro.) and 2. and (c) and (5) (title),
3 (a), (b), (c), (d), (e) and (f) (intro.) and 1. (intro.), as renumbered, are amended to read:

4 235.16 (1) (c) 2. (intro.) The ~~corporation~~ authority may grant exceptions to the
5 requirement under subd. 1. that a full-time job means a position in which an
6 individual, as a condition of employment, is required to work at least 2,080 hours per
7 year if all of the following apply:

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

10 (b) The person applies under this section and enters into a contract with the
11 ~~corporation~~ authority.

12 (3) **ELIGIBILITY FOR TAX BENEFITS.** (intro.) A person certified under sub. (2) may
13 receive tax benefits under this section if, in each year for which the person claims tax
14 benefits under this section, the person increases net employment in this state in the
15 person's business above the net employment in this state in the person's business
16 during the year before the person was certified under sub. (2), as determined by the
17 ~~corporation~~ authority under its policies and procedures, and one of the following
18 applies:

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

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

4 (c) Subject to a reallocation by the ~~corporation~~ authority pursuant to ~~rules~~
5 ~~policies and procedures~~ adopted under s. ~~238.15~~ 235.15 (3) (d), the ~~corporation~~
6 ~~authority~~ may allocate up to \$5,000,000 in tax benefits under this section in any
7 calendar year, ~~except that beginning on July 1, 2011, the corporation may allocate~~
8 ~~up to~~ \$10,000,000 in tax benefits under this section in any calendar year.

9 (5) (title) DUTIES OF THE ~~CORPORATION~~ AUTHORITY.

10 (a) The ~~corporation~~ authority shall notify the department of revenue when the
11 ~~corporation~~ authority certifies a person to receive tax benefits.

12 (b) The ~~corporation~~ authority shall notify the department of revenue within 30
13 days of revoking a certification made under sub. (2).

14 (c) The ~~corporation~~ authority 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 (d) The ~~corporation~~ authority shall determine the maximum amount of the tax
18 credits under ss. 71.07 (3q), 71.28 (3q), and 71.47 (3q) that a certified business may
19 claim and shall notify the department of revenue of this amount.

20 (e) The ~~corporation~~ authority shall annually verify the information submitted
21 to the ~~corporation~~ authority by the person claiming tax benefits under ss. 71.07 (3q),
22 71.28 (3q), and 71.47 (3q).

23 (f) (intro.) The ~~corporation~~ authority shall adopt policies and procedures for the
24 implementation and operation of this section, including policies and procedures
25 relating to the following:

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

4 **SECTION 503.** 238.17 of the statutes is renumbered 235.17 and amended to
5 read:

6 **235.17 Historic rehabilitation tax credit.** For taxable years beginning
7 after December 31, 2013, the ~~corporation~~ authority may certify a person to claim a
8 tax credit under s. 71.07 (9m), 71.28 (6), or 71.47 (6), if the ~~corporation~~ authority
9 determines that the person is conducting an eligible activity under s. 71.07 (9m),
10 71.28 (6), or 71.47 (6). No person may claim a tax credit under s. 71.07 (9m), 71.28
11 (6), or 71.47 (6) without first being certified under this section. The ~~corporation~~
12 authority shall notify the department of revenue no later than January 15 of each
13 year of the amount of the credits certified under this section and the name, address,
14 and tax identification number of each person certified to claim the credit. The
15 ~~corporation~~ authority shall notify the department of revenue of any revoked
16 certification no later than 2 months after the revocation date.

17 **SECTION 504.** 238.23 of the statutes is renumbered 235.23, and 235.23 (2) (a)
18 and (b), (3) (a) (intro.), (b) (intro.), (c) and (d), (4) (a) (intro.) and (b) and (5) (intro.),
19 (e) and (g), as renumbered, are amended to read:

20 235.23 (2) (a) Except as provided in par. (c), the ~~corporation~~ authority may
21 designate up to 8 areas in the state as technology zones. A business that is located
22 in a technology zone and that is certified by the ~~corporation~~ authority under sub. (3)
23 is eligible for a tax credit as provided in sub. (3).

24 (b) The designation of an area as a technology zone shall be in effect for 10 years
25 from the time that the ~~corporation~~ authority first designates the area. Not more than

1 \$5,000,000 in tax credits may be claimed in a technology zone, except that the
2 ~~corporation~~ authority may allocate the amount of unallocated airport development
3 zone tax credits, as provided under s. 238.3995 235.3995 (3) (b), to technology zones
4 for which the \$5,000,000 maximum allocation is insufficient. The ~~corporation~~
5 authority may change the boundaries of a technology zone during the time that its
6 designation is in effect. A change in the boundaries of a technology zone does not
7 affect the duration of the designation of the area or the maximum tax credit amount
8 that may be claimed in the technology zone.

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

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

14 (c) When the ~~corporation~~ authority certifies a business under this subsection,
15 the ~~corporation~~ authority shall establish a limit on the amount of tax credits that the
16 business may claim. Unless its certification is revoked, and subject to the limit on
17 the tax credit amount established by the ~~corporation~~ authority under this
18 paragraph, a business that is certified may claim a tax credit for 3 years, except that
19 a business that experiences growth, as determined for that business by the
20 ~~corporation~~ authority under par. (d) and sub. (5) (e), may claim a tax credit for up to
21 5 years.

22 (d) The ~~corporation~~ authority shall enter into an agreement with a business
23 that is certified under this subsection. The agreement shall specify the limit on the
24 amount of tax credits that the business may claim, the extent and type of growth,
25 which shall be specific to the business, that the business must experience to extend

1 its eligibility for a tax credit, the business' baseline against which that growth will
2 be measured, any other conditions that the business must satisfy to extend its
3 eligibility for a tax credit, and reporting requirements with which the business must
4 comply.

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

7 (b) ~~The corporation~~ authority shall annually verify information submitted to
8 ~~the corporation~~ it under ss. 71.07 (2di), (2dm), (2dx), and (3g), 71.28 (1di), (1dm),
9 (1dx), and (3g), and 71.47 (1di), (1dm), (1dx), and (3g).

10 (5) (intro.) ~~The corporation~~ authority shall adopt rules policies and procedures
11 for the operation of this section, including rules policies and procedures related to all
12 of the following:

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

17 (g) The exchange of information between ~~the corporation~~ authority and the
18 department of revenue.

19 **SECTION 505.** 238.25 of the statutes is renumbered 235.25 and amended to
20 read:

21 **235.25 Assistance to loan recipients.** ~~The corporation~~ authority shall assist
22 new businesses and small businesses receiving the authority's assistance ~~of the~~
23 ~~Wisconsin Housing and Economic Development Authority~~ in locating sources of
24 venture capital and in obtaining the state and federal licenses and permits necessary
25 for business operations.

1 **SECTION 506.** 238.26 of the statutes is repealed.

2 **SECTION 507.** Subchapter II (title) of chapter 238 [precedes 238.30] of the
3 statutes is renumbered subchapter III (title) of chapter 235 [precedes 235.30].

4 **SECTION 508.** 238.30 of the statutes is renumbered 235.30, and 235.30 (intro.),
5 (2g), (2m) (b) (intro.) and (7) (b) 1. and 2., (c) and (d), as renumbered, are amended
6 to read:

7 **235.30 Definitions.** (intro.) In this section and ss. ~~238.301 to 238.395~~ 235.301
8 to 235.395 and ~~238.398~~ 235.398:

9 **(2g)** “Eligible activity” means an activity described under s. ~~238.302~~ 235.302.

10 **(2m)** (b) (intro.) The ~~corporation~~ authority may grant exceptions to the
11 requirement under par. (a) that a full-time job means a position in which an
12 individual, as a condition of employment, is required to work at least 2,080 hours per
13 year if all of the following apply:

14 **(7) (b) 1.** Except as provided in subd. 2., in s. ~~238.395~~ 235.395, “tax benefits”
15 means the development zones investment credit under ss. 71.07 (2di), 71.28 (1di),
16 and 71.47 (1di) and the development zones credit under ss. 71.07 (2dx), 71.28 (1dx),
17 71.47 (1dx), and 76.636. With respect to the development opportunity zones under
18 s. ~~238.395~~ 235.395 (1) (e) and (f), “tax benefits” also means the development zones
19 capital investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

20 2. With respect to the development opportunity zones under s. ~~238.395~~ 235.395
21 (1) (g), (h), and (i), “tax benefits” means the development zone credits under ss. 71.07
22 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636 and the development zones capital
23 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

1 (c) In s. ~~238.398~~ 235.398, “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 to 238.306~~ 235.301 to 235.306, “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 **SECTION 509.** 238.301 of the statutes is renumbered 235.301, and 235.301 (1)
8 (intro.) and (e), (2) (a) and (b) and (3) (intro.), (b), (c), (d) and (f), as renumbered, are
9 amended to read:

10 235.301 (1) APPLICATION. (intro.) Any person may apply to the ~~corporation~~
11 authority on a form prepared by the ~~corporation~~ authority for certification under this
12 section. The application shall include all of the following:

13 (e) Other information required by the ~~corporation~~ authority or the department
14 of revenue.

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

19 (b) The ~~corporation~~ authority shall provide a person certified under this section
20 and the department of revenue with a copy of the certification.

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

1 (b) Whether any of the eligible activities will occur in an economically
2 distressed area, as designated by the ~~corporation~~ authority under s. ~~238.304~~ 235.304

3 (1).

4 (c) Whether any of the eligible activities will benefit members of a targeted
5 group, as determined by the ~~corporation~~ authority under s. ~~238.304~~ 235.304 (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~~ 235.303.

9 (f) If feasible, a determination of the tax benefits the person will be authorized
10 to claim under s. ~~238.303~~ 235.303 (2) if the person fulfills the terms of the contract.

11 **SECTION 510.** 238.302 of the statutes is renumbered 235.302, and 235.302
12 (intro.), (1), (2) and (3), as renumbered, are amended to read:

13 **235.302 Eligible activities.** (intro.) A person who conducts or proposes to
14 conduct any of the following may be certified under s. ~~238.301~~ 235.301 (2):

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

18 (2) A project that involves a significant investment of capital, as defined by the
19 ~~corporation-by-rule~~ authority under s. ~~238.306~~ 235.306 (2) (b), by the person in new
20 equipment, machinery, real property, or depreciable personal property.

21 (3) A project that involves significant investments in the training or
22 reeducation of employees, as defined by the ~~corporation-by-rule~~ authority under s.
23 ~~238.306~~ 235.306 (2) (c), by the person for the purpose of improving the productivity
24 or competitiveness of the business of the person.

1 **SECTION 511.** 238.303 of the statutes is renumbered 235.303, and 235.303 (1)
2 (a), (am) and (b), (2) and (3), as renumbered, are amended to read:

3 235.303 (1) (a) Except as provided in pars. (am) and (b), and subject to a
4 reallocation by the ~~corporation pursuant to rules adopted~~ authority under s. 238.15
5 235.15 (3) (d), the total tax benefits available to be allocated by the ~~corporation~~
6 authority under ss. ~~238.301 to 238.306~~ 235.301 to 235.306 may not exceed the sum
7 of the tax benefits remaining to be allocated under s. 560.71 to 560.785, 2009 stats.,
8 s. 560.797, 2009 stats., s. 560.798, 2009 stats., s. 560.7995, 2009 stats., and s. 560.96,
9 2009 stats., on March 6, 2009, plus \$100,000,000.

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

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

1 ~~corporation~~ authority 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 to 238.306~~ 235.301 to 235.306.

5 (2) AUTHORITY TO CLAIM TAX BENEFITS. ~~The corporation~~ authority may authorize
6 a person certified under s. ~~238.301~~ 235.301 (2) to claim tax benefits only after the
7 person has submitted a report to the ~~corporation~~ authority that documents to the
8 satisfaction of the ~~corporation~~ authority that the person has complied with the terms
9 of the contract under s. ~~238.301~~ 235.301 (3) and the requirements of any applicable
10 rules policies and procedures adopted under s. ~~238.306~~ 235.306 (2).

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

14 SECTION 512. 238.304 of the statutes is renumbered 235.304, and 235.304
15 (intro.) and (1), as renumbered, are amended to read:

16 **235.304 Eligible activities in economically distressed areas and**
17 **benefiting members of targeted groups.** (intro.) ~~The corporation~~ authority may
18 authorize a person certified under s. ~~238.301~~ 235.301 (2) to claim additional tax
19 benefits under s. ~~238.303~~ 235.303 if, after conducting an investigation, the
20 ~~corporation~~ authority determines any of the following:

21 (1) The person conducts at least one eligible activity in an area designated by
22 the ~~corporation~~ authority as economically distressed. In designating an area as
23 economically distressed under this subsection, the ~~corporation~~ authority shall follow
24 the methodology established ~~by rule~~ under s. ~~238.306~~ 235.306 (2) (e).

1 **SECTION 513.** 238.3045 of the statutes is renumbered 235.3045, and 235.3045
2 (1) (title), (a), (b) (intro.) and 4. and (c) 1., (2) (a) and (b), (3) and (4) (a) and (b), as
3 renumbered, are amended to read:

4 235.3045 (1) (title) APPLICATION AND CORPORATION APPROVAL. (a) An applicant
5 for certification for tax benefits under s. ~~238.301~~ 235.301 may submit with its
6 application under s. ~~238.301~~ 235.301 (1) an application to the ~~corporation~~ authority
7 on a form prescribed by the ~~corporation~~ authority to transfer those tax benefits to
8 another person under this section. The application shall include the name, address,
9 and tax identification number of the person to whom the applicant intends to
10 transfer the tax benefits and any other information the ~~corporation~~ authority
11 requires. The ~~corporation~~ authority shall notify the applicant of the ~~corporation's~~
12 authority's determination concerning the transfer of tax benefits when the
13 ~~corporation~~ authority notifies the applicant of the ~~corporation's~~ authority's
14 certification determination under s. ~~238.301~~ 235.301.

15 (b) (intro.) The ~~corporation~~ authority may approve the transfer of tax benefits
16 under this section if the ~~corporation~~ authority certifies the applicant under par. (a)
17 for tax benefits under s. ~~238.301~~ 235.301 and finds that the applicant meets at least
18 one of the following conditions:

19 4. Intends to expand its operations in this state, and that expansion will result
20 in the applicant making a significant capital investment in property located in this
21 state, as determined by the ~~corporation~~ authority.

22 (c) 1. Subject to subd. 2., a person that receives an approval under par. (b) shall
23 transfer tax benefits in accordance with the terms of the application under par. (a)
24 after the ~~corporation~~ authority authorizes the person to claim tax benefits under s.
25 ~~238.303~~ 235.303 (2) and provides the notice of eligibility under s. ~~238.303~~ 235.303 (3).

1 The notice of eligibility shall contain all relevant information concerning a transfer
2 of tax benefits under this section. The person to whom tax benefits are transferred
3 may carry forward, beginning on the date of the notice of eligibility, any unused
4 amount of the value of those tax benefits as provided under the appropriate provision
5 in ch. 71 or in s. 76.636.

6 (2) (a) If the ~~corporation~~ authority revokes a person's certification for tax
7 benefits under s. ~~238.305~~ 235.305, and, at the time of revocation, that person has
8 transferred those tax benefits under this section, that person shall be liable for the
9 full value of the tax benefits, and the person to whom the tax benefits were
10 transferred may not claim any tax benefits that were not claimed prior to revocation.

11 (b) The ~~corporation~~ authority shall notify the department of revenue of a
12 revocation of tax benefits subject to par. (a), including the value of the tax benefits
13 for which the person is liable.

14 (3) ANNUAL REPORT. Annually, the ~~corporation~~ authority shall submit a report
15 to the joint committee on finance that provides a detailed assessment of the progress
16 to date of the program under this section.

17 (4) (a) Except as provided in par. (b), the ~~corporation~~ authority may not
18 authorize the transfer of tax benefits under this section that total more than
19 \$15,000,000, and the ~~corporation~~ authority may not authorize the transfer of tax
20 benefits after 36 months after April 4, 2014.

21 (b) Upon expiration of the 36-month period under par. (a), the ~~corporation~~
22 authority may continue to authorize the transfer of tax benefits under this section
23 for up to an additional 36 months, and the ~~corporation~~ authority may authorize the
24 transfer of up to an additional \$15,000,000 in tax benefits, if the ~~corporation~~
25 authority determines that a continuation of the program under this section will

1 promote significant economic development in this state. Before the ~~corporation~~
2 authority authorizes the transfer of tax benefits under this paragraph, the chief
3 executive officer of the ~~corporation~~ authority shall notify the joint committee on
4 finance in writing that the ~~corporation~~ authority intends to continue authorizing the
5 transfer of tax benefits under this section. That notice shall state the reasons
6 supporting the ~~corporation's~~ authority's determination that the transfer of
7 additional tax benefits will promote significant economic development in this state.
8 If, within 14 working days after the date of that notice, the cochairpersons of the
9 committee do not notify the ~~corporation~~ authority that the committee has scheduled
10 a meeting to review the ~~corporation's~~ authority's proposed continuation of the
11 program, the ~~corporation~~ authority may proceed to authorize the transfer of
12 additional tax benefits under this section. If, within 14 working days after the date
13 of that notice, the cochairpersons of the committee notify the ~~corporation~~ authority
14 that the committee has scheduled a meeting to review the proposed continuation of
15 the program, the ~~corporation~~ authority may proceed to authorize the transfer of
16 additional tax benefits only upon approval of the committee.

17 **SECTION 514.** 238.305 of the statutes is renumbered 235.305, and 235.305
18 (intro.), (1) and (2), as renumbered, are amended to read:

19 **235.305 Revocation of certification.** (intro.) The ~~corporation~~ authority
20 shall revoke the certification of a person who does any of the following:

21 (1) Supplies false or misleading information to obtain certification under s.
22 ~~238.301~~ 235.301 (2).

23 (2) Supplies false or misleading information to obtain tax benefits under s.
24 ~~238.303~~ 235.303.

1 **SECTION 515.** 238.306 of the statutes is renumbered 235.306, and 235.306
2 (intro.), (1) (a) and (b), (2) (intro.), (a), (b), (c), (d), (e) (intro.), (f), (g), (h), (i) and (k)
3 and (3), as renumbered, are amended to read:

4 **235.306 Responsibilities of the ~~corporation~~ authority.** (intro.) The
5 ~~corporation~~ authority shall do all of the following:

6 235.306 (1) (a) Annually verify information submitted to the department of
7 revenue under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637 by persons
8 certified under s. ~~238.301~~ 235.301 (2) and eligible to receive tax benefits under s.
9 ~~238.303~~ 235.303.

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

12 **(2) RULES POLICIES AND PROCEDURES.** (intro.) Establish by rule policies and
13 procedures all of the following:

14 (a) A schedule of hourly wage ranges to be paid, and health insurance benefits
15 to be provided, to an employee by a person certified under s. ~~238.301~~ 235.301 (2) and
16 the corresponding per employee tax benefit for which a person certified under s.
17 ~~238.301~~ 235.301 (2) may be eligible.

18 (b) A definition of “significant investment of capital” for purposes of s. ~~238.302~~
19 235.302 (2), together with a corresponding schedule of tax benefits for which a person
20 who is certified under s. ~~238.301~~ 235.301 (2) and who conducts a project described
21 in s. ~~238.302~~ 235.302 (2) may be eligible. The ~~corporation~~ authority shall include in
22 the definition required under this paragraph a schedule of investments that takes
23 into consideration the size or nature of the business.

24 (c) A definition of “significant investments in the training or reeducation of
25 employees” for purposes of s. ~~238.302~~ 235.302 (3), together with a corresponding

1 schedule of tax benefits for which a person who is certified under s. ~~238.301~~ 235.301
2 (2) and who conducts a project under s. ~~238.302~~ 235.302 (3) may be eligible.

3 (d) A schedule of tax benefits for which a person who is certified under s.
4 ~~238.301~~ 235.301 (2) and who conducts a project that will result in the location or
5 retention of a person's corporate headquarters in Wisconsin may be eligible.

6 (e) (intro.) The methodology for designating an area as economically distressed
7 under s. ~~238.304~~ 235.304 (1). The methodology under this paragraph shall require
8 the ~~corporation~~ authority to consider the most current data available for the area and
9 for the state on the following indicators:

10 (f) A schedule of additional tax benefits for which a person who is certified
11 under s. ~~238.301~~ 235.301 (2) and who conducts an eligible activity described under
12 s. ~~238.304~~ 235.304 may be eligible.

13 (g) Reporting requirements, minimum benchmarks, and outcomes expected of
14 a person certified under s. ~~238.301~~ 235.301 (2) before that person may receive tax
15 benefits under s. ~~238.303~~ 235.303.

16 (h) Policies, criteria, and methodology for allocating a portion of the tax benefits
17 available under s. ~~238.303~~ 235.303 to rural areas.

18 (i) Policies, criteria, and methodology for allocating a portion of the tax benefits
19 available under s. ~~238.303~~ 235.303 to small businesses.

20 (k) Procedures for implementing ss. ~~238.301 to 238.306~~ 235.301 to 235.306.

21 (3) REPORTING. Annually, 6 months after the report has been submitted under
22 s. ~~238.07~~ 235.016 (2), submit to the joint legislative audit committee and to the
23 appropriate standing committees of the legislature under s. 13.172 (3) a
24 comprehensive report assessing the program under ss. ~~238.301 to 238.306~~ 235.301

1 to 235.306. The report under this subsection shall update the applicable information
2 provided in the report under s. ~~238.07~~ 235.016 (2).

3 **SECTION 516.** 238.31 of the statutes is renumbered 235.31, and 235.31 (1)
4 (intro.), (ac), (am), (b), (d) and (e) (intro.), 4. a. and d., (1m) (intro.) and (h), (2) and
5 (3) (intro.), as renumbered, are amended to read:

6 235.31 (1) (intro.) The ~~corporation~~ authority may designate an area as a
7 development zone if all of the following apply:

8 (ac) The ~~corporation~~ authority has invited a local governing body to nominate
9 the area under s. ~~238.315~~ 235.315.

10 (am) A local governing body nominates the area as described in s. ~~238.32~~
11 235.32.

12 (b) The ~~corporation~~ authority has evaluated the local governing body's
13 application as described in s. ~~238.325~~ 235.325.

14 (d) The area meets the applicable requirements under s. ~~238.335~~ 235.335.

15 (e) (intro.) The ~~corporation~~ authority determines all of the following:

16 4. a. The unemployment rate in the area is higher than the state average for
17 the 18 months immediately preceding the date on which the application under s.
18 ~~238.32~~ 235.32 (2) or (3) was submitted to the ~~corporation~~ authority.

19 d. In the 36 months immediately preceding the date on which the application
20 under s. ~~238.32~~ 235.32 (2) or (3) was submitted to the ~~corporation~~ authority, a number
21 of workers in the area were permanently laid off by their employer or became
22 unemployed as a result of a business action subject to s. 109.07 (1m).

23 (1m) (intro.) In making a determination under sub. (1) (e), the ~~corporation~~
24 authority shall consider all of the following:

25 (h) Any other factors that the ~~corporation~~ authority considers relevant.

1 (2) In determining whether an area meets the requirements under sub. (1) (e)
2 or s. ~~238.335~~ 235.335, the ~~corporation~~ authority may rely on any data provided by the
3 local governing body that the ~~corporation~~ authority determines is relevant.

4 (3) (intro.) The ~~corporation~~ authority shall do all of the following:

5 **SECTION 517.** 238.315 of the statutes is renumbered 235.315 and amended to
6 read:

7 **235.315 Invitation to nominate area.** If the ~~corporation~~ authority
8 determines that an area has experienced or is about to experience economic distress,
9 the ~~corporation~~ authority may invite local governing bodies in the area to nominate
10 the area as a development zone.

11 **SECTION 518.** 238.32 of the statutes is renumbered 235.32, and 235.32 (1)
12 (intro.), (2) (intro.), (c), (d) and (i), (3) and (5), as renumbered, are amended to read:

13 235.32 (1) (intro.) A local governing body may nominate an area as a
14 development zone, if the ~~corporation~~ authority has invited the governing body to
15 nominate the area under s. ~~238.315~~ 235.315 and if the governing body does all of the
16 following:

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

20 (c) Evidence that the area meets at least 3 of the criteria under s. ~~238.31~~ 235.31
21 (1) (e) 4.

22 (d) Evidence that the area meets the applicable requirements of s. ~~238.335~~
23 235.335.

24 (i) Any other information required by the ~~corporation~~ authority.

1 (3) Two or more local governing bodies may submit a joint application
2 nominating an area as a development zone, subject to s. ~~238.335~~ 235.335 (2), if each
3 local governing body complies with subs. (1) and (2).

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

6 **SECTION 519.** ~~238.325~~ of the statutes is renumbered ~~235.325~~ and amended to
7 read:

8 **235.325 Evaluation by ~~corporation~~ authority.** (1) The ~~corporation~~
9 authority shall evaluate applications received under s. ~~238.32~~ 235.32 (2) and (3).

10 (2) Subject to s. ~~238.335~~ 235.335 (5), the ~~corporation~~ authority may reduce the
11 size of an area nominated as a development zone, if the ~~corporation~~ authority
12 determines the boundaries as proposed by the local governing body in an application
13 under s. ~~238.32~~ 235.32 (2) or (3) are inconsistent with the purpose of the development
14 zone program. Any nominated area which is reduced under this subsection need not
15 comply with s. ~~238.335~~ 235.335 (1) and (4).

16 (3) After evaluating an application submitted under s. ~~238.32~~ 235.32 (2) or (3),
17 the ~~corporation~~ authority may approve the application, subject to any reduction in
18 the size of the nominated area under sub. (2). If the ~~corporation~~ authority approves
19 the application, the ~~corporation~~ authority shall designate the area as a development
20 zone, subject to s. ~~238.31~~ 235.31, and notify the local governing body.

21 **SECTION 520.** ~~238.335~~ of the statutes is renumbered ~~235.335~~, and ~~235.335~~ (6)
22 (a) 2. and (c) and (7), as renumbered, are amended to read:

23 ~~235.335~~ (6) (a) 2. Each area meets at least 3 of the criteria listed in s. ~~238.31~~
24 235.31 (1) (e) 4.

1 (c) If an application is submitted by the governing body of a county under s.
2 ~~238.32~~ 235.32 (2) or (3), up to 4 separate areas may be nominated or designated as
3 one development zone, if par. (a) 1. to 3. applies.

4 (7) The ~~corporation~~ authority may waive the requirements of this section in a
5 particular case, if the ~~corporation~~ authority determines that application of the
6 requirement is impractical with respect to a particular development zone.

7 **SECTION 521.** ~~238.34~~ of the statutes is renumbered ~~235.34~~, and ~~235.34~~ (1), (2),
8 (3) (intro.) and (a), (4), (5) and (6), as renumbered, are amended to read:

9 ~~235.34~~ (1) Except as provided under sub. (6), at any time after a development
10 zone is designated by the ~~corporation~~ authority, a local governing body may submit
11 an application to change the boundaries of the development zone. If the boundary
12 change reduces the size of a development zone, the local governing body shall explain
13 why the area excluded should no longer be in a development zone. The ~~corporation~~
14 authority may require the local governing body to submit additional information.

15 (2) The ~~corporation~~ authority may approve an application for a boundary
16 change if the development zone, as affected by the boundary changes, meets the
17 applicable requirements of s. ~~238.335~~ 235.335 and 3 of the criteria under s. ~~238.31~~
18 235.31 (1) (e) 4.

19 (3) (intro.) If the ~~corporation~~ authority approves an application for a boundary
20 change under sub. (2), it shall do all of the following:

21 (a) Redetermine the limit on the tax benefits for the development zone
22 established under s. ~~238.345~~ 235.345 (2) (a).

23 (4) The change in the boundaries or tax benefits limit of a development zone
24 shall be effective on the day the ~~corporation~~ authority notifies the local governing
25 body under sub. (3) (b).

1 (5) No change in the boundaries of a development zone may affect the duration
2 of an area as a development zone under s. ~~238.345~~ 235.345 (1) (a). The ~~corporation~~
3 authority may consider a change in the boundary of a development zone when
4 evaluating an application for an extension of the designation of an area as a
5 development zone under s. ~~238.345~~ 235.345 (1) (b).

6 (6) The ~~corporation~~ authority may not accept any applications under sub. (1)
7 to change the boundaries of a development zone designated under s. ~~238.31~~ 235.31
8 on or after March 6, 2009.

9 **SECTION 522.** ~~238.345~~ of the statutes is renumbered ~~235.345~~, and ~~235.345~~ (1)
10 (a) and (b), (2) (a), (am), (b), (c) 1. and 2. and (d) and (3) (intro.), (a) and (b), as
11 renumbered, are amended to read:

12 235.345 (1) (a) The designation of an area as a development zone shall be
13 effective for 240 months, beginning on the day the ~~corporation~~ authority notifies the
14 local governing body under s. ~~238.325~~ 235.325 (3) of the designation.

15 (b) The local governing body may apply to the ~~corporation~~ authority for one
16 60-month extension of the designation. The ~~corporation~~ authority shall adopt ~~rules~~
17 policies and procedures establishing criteria for approving an extension of a
18 designation of an area as a development zone under this subsection. No applications
19 may be accepted by the ~~corporation~~ authority under this paragraph on or after March
20 6, 2009.

21 (2) (a) When the ~~corporation~~ authority designates a development zone under
22 s. ~~238.31~~ 235.31, it shall establish a limit for tax benefits for the development zone
23 determined by allocating to the development zone a portion of \$38,155,000.

24 (am) Notwithstanding par. (a), the ~~corporation~~ authority may increase the
25 established limit for tax benefits for a development zone. The ~~corporation~~ authority

1 may not increase the limit for tax benefits established for any development zone
2 designated under s. ~~238.31~~ 235.31 on or after March 6, 2009.

3 (b) Annually the ~~corporation~~ authority shall estimate the amount of forgone
4 state revenue because of tax benefits claimed by persons in each development zone.

5 (c) 1. Ninety days after the day on which the ~~corporation~~ authority determines
6 that the forgone tax revenues under par. (b) will equal or exceed the limit for the
7 development zone established under par. (a) or (am).

8 2. The day that the ~~corporation~~ authority withdraws its designation of an area
9 as a development zone under sub. (3).

10 (d) The ~~corporation~~ authority shall immediately notify the local governing body
11 of a change in the expiration date of the development zone under par. (c).

12 (3) (intro.) The ~~corporation~~ authority may withdraw the designation of an area
13 as a development zone if any of the following applies:

14 (a) No person is certified as eligible to receive tax benefits under s. ~~238.365~~
15 235.365 (3) during the 12-month period beginning on the day the area is designated
16 as a development zone and the ~~corporation~~ authority determines that the local
17 governing body that nominated the zone is not in compliance with s. ~~238.363~~ 235.363.

18 (b) No person is certified as eligible to receive tax benefits under s. ~~238.365~~
19 235.365 (3) during the 24-month period beginning on the day the area is designated
20 a development zone.

21 **SECTION 523.** 238.35 of the statutes is renumbered 235.35, and 235.35 (intro.),
22 (6), (7), (8) and (10), as renumbered, are amended to read:

23 **235.35 Additional duties of the ~~corporation~~ authority.** (intro.) The
24 ~~corporation~~ authority shall do all of the following:

1 (6) Notify University of Wisconsin small business development centers, the
2 Wisconsin housing and development centers, the central administration of all
3 University of Wisconsin campuses and regional planning commissions about the
4 development zone program and encourage those entities to provide advice to the
5 ~~corporation~~ authority or local governing bodies on ways to improve the development
6 zone program.

7 (7) Prepare forms for the certification described under s. ~~238.365~~ 235.365 (5).

8 (8) Annually verify information submitted to the ~~corporation~~ authority under
9 s. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), or 76.636.

10 (10) Enter into an agreement with the local governing body of a 1st class city
11 where a development zone is designated under s. ~~238.31~~ 235.31 (3) (c) 1. to provide
12 efficient administration of the development zone program within the development
13 zone.

14 **SECTION 524.** 238.363 of the statutes is renumbered 235.363, and 235.363 (1)
15 (intro.) and (c) and (4), as renumbered, are amended to read:

16 235.363 (1) (intro.) If an area nominated by a local governing body is designated
17 as a development zone under s. ~~238.31~~ 235.31, the local governing body shall do all
18 of the following:

19 (c) Assist the ~~corporation~~ authority in the administration of the development
20 zone program.

21 (4) The local governing body of a 1st class city where a development zone is
22 designated under s. ~~238.31~~ 235.31 (3) (c) 1. shall enter into an agreement with the
23 ~~corporation~~ authority to provide efficient administration of the development zone
24 program within the development zone.

1 **SECTION 525.** 238.365 of the statutes is renumbered 235.365, and 235.365
2 (intro.), (2), (3) (intro.), (b) and (j) and (5) (g) and (h), as renumbered, are amended
3 to read:

4 **235.365 Certification for tax benefits.** (intro.) The ~~corporation~~ authority
5 shall do all of the following:

6 (2) Determine whether a person applying for tax benefits engages or will
7 engage in economic activity that violates s. ~~238.38~~ 235.38 (1).

8 (3) (intro.) Subject to s. ~~238.38~~ 235.38, certify persons who are eligible to claim
9 tax benefits while an area is designated as a development zone, according to the
10 following criteria:

11 (b) The person's commitment not to engage in economic activity that violates
12 s. ~~238.38~~ 235.38 (1).

13 (j) Any other criteria established under ~~rules~~ policies and procedures adopted
14 by the ~~corporation~~ authority.

15 (5) (g) The limit under s. ~~238.368~~ 235.368 on tax benefits the person may claim
16 while an area is designated as a development zone.

17 (h) Other information required by the ~~corporation~~ authority or the department
18 of revenue.

19 **SECTION 526.** 238.368 of the statutes is renumbered 235.368, and 235.368 (1)
20 (a), (b) (intro.), 1. and 2., (2) (intro.) and (b) and (3) (a) (intro.) and 1. and (b), as
21 renumbered, are amended to read:

22 235.368 (1) (a) The ~~corporation~~ authority shall establish a limit on the
23 maximum amount of tax benefits a person certified under s. ~~238.365~~ 235.365 (3) may
24 claim while an area is designated as a development zone.

1 (b) (intro.) When establishing a limit on tax benefits under par. (a), the
2 ~~corporation~~ authority shall do all of the following:

3 1. Consider all of the criteria described in s. ~~238.365~~ 235.365 (3) (a) to (e).

4 2. Establish a limit which does not greatly exceed a recommended limit,
5 established under ~~rules~~ policies and procedures adopted by the ~~corporation~~ authority
6 based on the cost, number and types of full-time jobs that will be created, retained,
7 or upgraded, including full-time jobs available to members of the targeted
8 population, as a result of the economic activity of the person certified under s.
9 ~~238.365~~ 235.365 (3).

10 (2) (intro.) The ~~corporation~~ authority may, upon request, increase a limit on tax
11 benefits established under sub. (1) if the ~~corporation~~ authority does all of the
12 following:

13 (b) Revises the certification required under s. ~~238.365~~ 235.365 (5) and provides
14 a copy of the revised form to the department of revenue and the person whose limit
15 is increased under this subsection.

16 (3) (a) (intro.) The ~~corporation~~ authority may reduce a limit established under
17 sub. (1) or (2) if the ~~corporation~~ authority determines that any of the following
18 applies:

19 1. The limit is not consistent with the criteria listed under s. ~~238.365~~ 235.365
20 (3) (a) to (e).

21 (b) The ~~corporation~~ authority shall notify the department of revenue and the
22 person whose limit on tax benefits is reduced under par. (a) and provide a written
23 explanation to the person of the reasons for reducing the limit.

24 **SECTION 527.** 238.37 of the statutes is renumbered 235.37, and 235.37 (1)
25 (intro.) and (b) and (2), as renumbered, are amended to read:

1 235.37 (1) (intro.) The ~~corporation~~ authority shall revoke the certification of a
2 person certified under s. ~~238.365~~ 235.365 (3) if the person does any of the following:

3 (b) Becomes subject to revocation under s. ~~238.38~~ 235.38 (1).

4 (2) The ~~corporation~~ authority shall notify the department of revenue within 30
5 days of revoking a certification under sub. (1).

6 **SECTION 528.** 238.38 of the statutes is renumbered 235.38, and 235.38 (1)
7 (intro.), (1m), (2) (intro.) and (a) and (3) (a) and (b), as renumbered, are amended to
8 read:

9 235.38 (1) (intro.) Except as provided in subs. (2) and (3), no person may be
10 certified under s. ~~238.365~~ 235.365 (3), or a person's certification may be revoked
11 under s. ~~238.37~~ 235.37, if the proposed new business, expansion of an existing
12 business, or other proposed economic activity in a development zone would do or does
13 any of the following:

14 (1m) No person may be certified under s. ~~238.365~~ 235.365 (3) on or after March
15 6, 2009.

16 (2) (intro.) Subsection (1) does not apply if, after a hearing, the ~~corporation~~
17 authority, or the local governing body under sub. (3) (a), determines that any of the
18 following applies:

19 (a) The total number of full-time jobs provided by the person in this state would
20 be reduced if the person were not certified under s. ~~238.365~~ 235.365 (3) or if the
21 person's certification were revoked.

22 (3) (a) Except as provided in pars. (b) and (c), if the economic activity for which
23 a person is seeking certification under s. ~~238.365~~ 235.365 (3) is the relocation of a
24 business into a development zone from a location that is outside the development
25 zone but within the limits of a city, village, town, or federally recognized American

1 Indian reservation in which that development zone is located, the local governing
2 body that nominated that area as a development zone under s. ~~238.32~~ 235.32 shall
3 determine whether sub. (2) (a) or (b) applies.

4 (b) Only the ~~corporation~~ authority may determine whether sub. (2) (a) or (b)
5 applies to a business relocation described in par. (a) if the business relocation would
6 likely result in the loss of full-time jobs at or transfer of employees from a business
7 location that is in this state but outside the limits of any city, village, town, or
8 federally recognized American Indian reservation in which the development zone is
9 located.

10 **SECTION 529.** 238.385 of the statutes is renumbered 235.385, and 235.385 (1)
11 (intro.) and (bm) and (2) (intro.), (b) and (c), as renumbered, are amended to read:

12 235.385 (1) (intro.) For the development zone program under ss. ~~238.30~~ 235.30
13 and ~~238.31 to 238.38~~ 235.31 to 235.38, the development opportunity zone program
14 under s. ~~238.395~~ 235.395, and the enterprise development zone program under s.
15 ~~238.397~~ 235.397, the ~~corporation~~ authority shall adopt rules policies and procedures
16 that further define a person's eligibility for tax benefits. The ~~rules~~ policies and
17 procedures shall do at least all of the following:

18 (bm) Allow a person to claim up to \$8,000 in tax benefits during the time that
19 an area is designated as an enterprise development zone for retaining a full-time job
20 if the ~~corporation~~ authority determines that the person made a significant capital
21 investment to retain the full-time job.

22 (2) (intro.) The ~~corporation~~ authority may ~~by rule~~ specify circumstances under
23 which the ~~corporation~~ authority may grant exceptions to any of the following:

24 (b) The requirement under ss. ~~238.30~~ 235.30 (2m) and ~~238.397~~ 235.397 (1) (am)
25 that an individual's pay must equal at least 150% of the federal minimum wage.

1 (c) The requirement under ss. ~~238.30~~ 235.30 (2m) and ~~238.397~~ 235.397 (1) (am)
2 that an individual's position must be regular, nonseasonal, and full-time and that
3 the individual must be required to work at least 2,080 hours per year, including paid
4 leave and holidays.

5 **SECTION 530.** 238.395 of the statutes is renumbered 235.395, and 235.395 (1)
6 (a), (b), (c), (d), (e), (f), (g), (h) and (i), (2) (c), (d) 1. and 2., (e) 1., 2. and 3., (3) (a) 1.,
7 2., 3. and 4., (b) 9., (c) and (d), (4) (a) (intro.) and (b) and (5) (a) (intro.), 2. and 3., (b),
8 (c), (d), (e) (intro.) and 3. and (f), as renumbered, are amended to read:

9 235.395 (1) (a) An area in the city of Beloit, the legal description of which is
10 provided to the ~~corporation~~ authority by the local governing body of the city of Beloit.

11 (b) An area in the city of West Allis, the legal description of which is provided
12 to the ~~corporation~~ authority by the local governing body of the city of West Allis.

13 (c) An area in the city of Eau Claire, the legal description of which is provided
14 to the ~~corporation~~ authority by the local governing body of the city of Eau Claire.

15 (d) An area in the city of Kenosha, the legal description of which is provided to
16 the ~~corporation~~ authority by the local governing body of the city of Kenosha.

17 (e) An area in the city of Milwaukee, the legal description of which is provided
18 to the ~~corporation~~ authority by the local governing body of the city of Milwaukee.

19 (f) For the Gateway Project, an area in the city of Beloit, the legal description
20 of which is provided to the ~~corporation~~ authority by the local governing body of the
21 city of Beloit.

22 (g) An area in the city of Janesville, the legal description of which is provided
23 to the ~~corporation~~ authority by the local governing body of the city of Janesville.

24 (h) An area in the city of Kenosha, the legal description of which is provided to
25 the ~~corporation~~ authority by the local governing body of the city of Kenosha.

1 (i) An area in the city of Beloit, the legal description of which is provided to the
2 ~~corporation~~ authority by the local governing body of the city of Beloit.

3 (2) (c) Annually, the ~~corporation~~ authority shall estimate the amount of forgone
4 state revenue because of tax benefits claimed by persons in each development
5 opportunity zone.

6 (d) 1. Notwithstanding pars. (a) and (e), the designation of an area as a
7 development opportunity zone shall expire 90 days after the day on which the
8 ~~corporation~~ authority determines that the forgone tax revenues under par. (c) will
9 equal or exceed the limit for the development opportunity zone.

10 2. The ~~corporation~~ authority shall immediately notify the local governing body
11 of the city in which the development opportunity zone is located of a change in the
12 expiration date of the development opportunity zone under this paragraph.

13 (e) 1. The ~~corporation~~ authority may extend the designation of an area under
14 sub. (1) (g) as a development opportunity zone for an additional 60 months if the
15 ~~corporation~~ authority determines that an extension under this subdivision would
16 support economic development within the city. If the ~~corporation~~ authority extends
17 the designation of the area as a development opportunity zone, the limit for tax
18 benefits for the development opportunity zone under sub. (1) (g) is increased by
19 \$5,000,000.

20 2. The ~~corporation~~ authority may extend the designation of an area under sub.
21 (1) (h) as a development opportunity zone for an additional 60 months if the
22 ~~corporation~~ authority determines that an extension under this subdivision would
23 support economic development within the city. If the ~~corporation~~ authority extends
24 the designation of the area as a development opportunity zone, the limit for tax

1 benefits for the development opportunity zone under sub. (1) (h) is increased by
2 \$5,000,000.

3 3. The ~~corporation~~ authority may extend the designation of an area under sub.
4 (1) (i) as a development opportunity zone for an additional 60 months if the
5 ~~corporation~~ authority determines that an extension will support economic
6 development within the city. If the ~~corporation~~ authority grants an extension under
7 this subdivision, the limit for tax benefits for the development opportunity zone
8 under sub. (1) (i) is increased by \$5,000,000.

9 (3) (a) 1. Any person that is conducting or that intends to conduct economic
10 activity in a development opportunity zone under sub. (1) (a) or (b) and that, in
11 conjunction with the local governing body of the city in which the development
12 opportunity zone is located, submits a project plan as described in par. (b) to the
13 ~~corporation~~ authority no later than 6 months after April 23, 1994, shall be entitled
14 to claim tax benefits while the area is designated as a development opportunity zone.

15 2. Any person that is conducting or that intends to conduct economic activity
16 in a development opportunity zone under sub. (1) (c) and that, in conjunction with
17 the local governing body of the city in which the development opportunity zone is
18 located, submits a project plan as described in par. (b) to the ~~corporation~~ authority
19 no later than 6 months after April 28, 1995, shall be entitled to claim tax benefits
20 while the area is designated as a development opportunity zone.

21 3. Any person that is conducting or that intends to conduct economic activity
22 in a development opportunity zone under sub. (1) (d) and that, in conjunction with
23 the local governing body of the city in which the development opportunity zone is
24 located, submits a project plan as described in par. (b) to the ~~corporation~~ authority

1 no later than July 1, 2000, shall be entitled to claim tax benefits while the area is
2 designated as a development opportunity zone.

3 4. Any person that is conducting or that intends to conduct economic activity
4 in a development opportunity zone under sub. (1) (e), (f), (g), (h), or (i) and that, in
5 conjunction with the local governing body of the city in which the development
6 opportunity zone is located, submits a project plan as described in par. (b) to the
7 ~~corporation~~ authority shall be entitled to claim tax benefits while the area is
8 designated as a development opportunity zone.

9 (b) 9. Other information required by the ~~corporation~~ authority or the
10 department of revenue.

11 (c) The ~~corporation~~ authority shall notify the department of revenue of all
12 persons entitled to claim tax benefits under this subsection.

13 (d) The ~~corporation~~ authority annually shall verify information submitted to
14 the ~~corporation~~ authority under s. 71.07 (2di), (2dm), or (2dx), 71.28 (1di), (1dm), or
15 (1dx), 71.47 (1di), (1dm), or (1dx), or 76.636.

16 (4) (a) (intro.) The ~~corporation~~ authority shall revoke the entitlement of a
17 person to claim tax benefits under sub. (3) if the person does any of the following:

18 (b) The ~~corporation~~ authority shall notify the department of revenue within 30
19 days after revoking an entitlement under par. (a).

20 (5) (a) (intro.) The ~~corporation~~ authority may certify for tax benefits a person
21 that is conducting economic activity in the development opportunity zone under sub.
22 (1) (e) or (f) and that is not otherwise entitled to claim tax benefits if all of the
23 following apply:

1 2. The ~~corporation~~ authority determines that the economic activity of the other
2 person under subd. 1. would not have occurred but for the involvement of the person
3 to be certified for tax benefits under this subsection.

4 3. The person to be certified for tax benefits under this subsection will pass the
5 benefits through to the other person conducting the economic activity under subd.
6 1., as determined by the ~~corporation~~ authority.

7 (b) A person intending to claim tax benefits under this subsection shall submit
8 to the ~~corporation~~ authority an application, in the form required by the ~~corporation~~
9 authority, containing information required by the ~~corporation~~ authority and by the
10 department of revenue.

11 (c) The ~~corporation~~ authority shall notify the department of revenue of all
12 persons certified to claim tax benefits under this subsection.

13 (d) The ~~corporation~~ authority annually shall verify information submitted to
14 the ~~corporation~~ authority under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx), 71.47
15 (1dm) or (1dx), or 76.636.

16 (e) (intro.) The ~~corporation~~ authority shall revoke the entitlement of a person
17 to claim tax benefits under this subsection if the person does any of the following:

18 3. Does not pass the benefits through to the other person conducting the
19 economic activity under par. (a) 1., as determined by the ~~corporation~~ authority.

20 (f) The ~~corporation~~ authority shall notify the department of revenue within 30
21 days after revoking an entitlement under par. (e).

22 **SECTION 531.** 238.397 of the statutes is renumbered 235.397, and 235.397 (1)
23 (am), (c) and (d), (2) (a) (intro.) and 4. a. and d., (b) (intro.) and 8., (bg) (intro.), (br)
24 (intro.), (c), (d) and (e), (3) (a), (b) 11. and (c), (4) (a), (c), (d) and (g), (5) (a), (b) and (d)
25 1. and 2. and (6) (a) (intro.) and (b), as renumbered, are amended to read:

1 235.397 (1) (am) “Full-time job” has the meaning given in s. ~~238.30~~ 235.30
2 (2m).

3 (c) “Target population” has the meaning given in s. ~~238.30~~ 235.30 (6).

4 (d) “Tax benefits” has the meaning given in s. ~~238.30~~ 235.30 (7).

5 (2) (a) (intro.) Subject to pars. (c), (d), and (e), the ~~corporation~~ authority may
6 designate an area as an enterprise development zone for a project if the ~~corporation~~
7 authority determines all of the following:

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 sub.
10 (3) was submitted to the ~~corporation~~ authority.

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

15 (b) (intro.) In making a determination under par. (a), the ~~corporation~~ authority
16 shall consider all of the following:

17 8. Any other factors that the ~~corporation~~ authority considers relevant.

18 (bg) (intro.) Notwithstanding par. (a) and subject to pars. (c), (d), and (e), the
19 ~~corporation~~ authority may designate an area as an enterprise development zone for
20 a project if the ~~corporation~~ authority determines all of the following:

21 (br) (intro.) In making a determination under par. (bg), the ~~corporation~~
22 authority shall consider all of the following:

23 (c) The ~~corporation~~ authority may not designate as an enterprise development
24 zone, or as any part of an enterprise development zone, an area that is located within

1 the boundaries of an area that is designated as a development opportunity zone
2 under s. ~~238.395~~ 235.395, the designation of which is in effect.

3 (d) The ~~corporation~~ authority may not designate more than 98 enterprise
4 development zones unless the ~~corporation~~ authority obtains the approval of the joint
5 committee on finance to do so. Of the enterprise development zones that the
6 ~~corporation~~ authority designates, at least 10 shall be designated under par. (bg).

7 (e) The ~~corporation~~ authority may not designate any area as an enterprise
8 development zone on or after March 6, 2009.

9 (3) (a) A person that conducts or that intends to conduct a project and that
10 desires to have the area in which the project is or is to be conducted designated as
11 an enterprise development zone for the purpose of claiming tax benefits may submit
12 to the ~~corporation~~ authority an application and a project plan.

13 (b) 11. Any other information required by the ~~corporation~~ authority or the
14 department of revenue.

15 (c) The ~~corporation~~ authority may not accept or approve any applications or
16 project plans submitted under par. (a) on or after March 6, 2009.

17 (4) (a) Except as provided in par. (h), if the ~~corporation~~ authority approves a
18 project plan under sub. (3) and designates the area in which the person submitting
19 the project plan conducts or intends to conduct the project as an enterprise
20 development zone under the criteria under sub. (2), the ~~corporation~~ authority shall
21 certify the person as eligible for tax benefits.

22 (c) When the ~~corporation~~ authority designates an area as an enterprise
23 development zone for a project, the ~~corporation~~ authority shall notify the governing
24 body of any city, village, town, or federally recognized American Indian tribe or band
25 in which the area is located of the area's designation.

1 (d) The ~~corporation~~ authority shall notify the department of revenue of all
2 persons entitled to claim tax benefits under this section, except that the ~~corporation~~
3 authority shall notify the office of the commissioner of insurance of all persons
4 entitled to claim the credit under s. 76.636.

5 (g) The ~~corporation~~ authority annually shall verify information submitted to
6 the ~~corporation~~ authority under s. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), or 76.636.

7 (5) (a) When the ~~corporation~~ authority designates an area as an enterprise
8 development zone under this section, the ~~corporation~~ authority shall specify the
9 length of time, not to exceed 84 months, that the designation is effective, subject to
10 par. (d) and sub. (6).

11 (b) When the ~~corporation~~ authority designates an area as an enterprise
12 development zone under this section, the ~~corporation~~ authority shall establish a
13 limit, not to exceed \$3,000,000, for tax benefits for the enterprise development zone.

14 (d) 1. Notwithstanding the length of time specified by the ~~corporation~~ authority
15 under par. (a), the designation of an area as an enterprise development zone shall
16 expire 90 days after the day on which the ~~corporation~~ authority determines that the
17 forgone tax revenues under par. (c) will equal or exceed the limit established for the
18 enterprise development zone.

19 2. The ~~corporation~~ authority shall immediately notify the department of
20 revenue and the governing body of any city, village, town, or federally recognized
21 American Indian tribe or band in which the enterprise development zone is located
22 of a change in the expiration date of the enterprise development zone under this
23 paragraph.

1 **(6)** (a) (intro.) The ~~corporation~~ authority shall revoke the entitlement of a
2 person to claim tax benefits under this section, and the designation of the area as an
3 enterprise development zone shall expire, if the person does any of the following:

4 (b) The ~~corporation~~ authority shall notify the department of revenue within 30
5 days after revoking an entitlement under par. (a).

6 **SECTION 532.** 238.398 of the statutes is renumbered 235.398, and 235.398 (2)
7 (a) and (b), (3) (a) and (b), (4) (a) (intro.) and (b) and (5) (intro.) and (e), as renumbered,
8 are amended to read:

9 235.398 **(2)** (a) Except as provided under par. (c), the ~~corporation~~ authority may
10 designate one area in the state as an agricultural development zone. The area must
11 be located in a rural municipality. An agricultural business that is located in an
12 agricultural development zone and that is certified by the ~~corporation~~ authority
13 under sub. (3) is eligible for tax benefits as provided in sub. (3).

14 (b) The designation of an area as an agricultural development zone shall be in
15 effect for 10 years from the time that the ~~corporation~~ authority first designates the
16 area. Not more than \$5,000,000 in tax benefits may be claimed in an agricultural
17 development zone, except that the ~~corporation~~ authority may allocate the amount of
18 unallocated airport development zone tax credits, as provided under s. ~~238.3995~~
19 235.3995 (3) (b), to agricultural development zones for which the \$5,000,000
20 maximum allocation is insufficient. The ~~corporation~~ authority may change the
21 boundaries of an agricultural development zone during the time that its designation
22 is in effect. A change in the boundaries of an agricultural development zone does not
23 affect the duration of the designation of the area or the maximum tax benefit amount
24 that may be claimed in the agricultural development zone.

1 (3) (a) Except as provided under par. (c), the ~~corporation~~ authority may certify
2 for tax benefits in an agricultural development zone a new or expanding agricultural
3 business that is located in the agricultural development zone. In determining
4 whether to certify a business under this subsection, the ~~corporation~~ authority shall
5 consider, among other things, the number of jobs that will be created or retained by
6 the business.

7 (b) When the ~~corporation~~ authority certifies an agricultural business under
8 this subsection, the ~~corporation~~ authority shall establish a limit on the amount of tax
9 benefits that the business may claim. The ~~corporation~~ authority shall enter into an
10 agreement with the business that specifies the limit on the amount of tax benefits
11 that the business may claim and reporting requirements with which the business
12 must comply.

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

15 (b) The ~~corporation~~ authority shall annually verify information submitted to
16 the ~~corporation~~ authority under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx), 71.47
17 (1dm) or (1dx), or 76.636.

18 (5) (intro.) The ~~corporation~~ authority shall adopt ~~rules~~ policies and procedures
19 for the operation of this section, including ~~rules~~ policies and procedures related to all
20 of the following:

21 (e) The exchange of information between the ~~corporation~~ authority and the
22 department of revenue.

23 **SECTION 533.** 238.399 of the statutes is renumbered 235.399, and 235.399 (1)
24 (am) 2. (intro.), (3) (a), (b) (intro.), (bm), (c) and (d), (5) (intro.), (b), (c) 1. a. and b., 2.

1 b. and c., (d) 1. and (e), (5m) and (6) (a), (b) (intro.), (c), (d), (e), (f) and (g) (intro.) and
2 1. (intro.), as renumbered, are amended to read:

3 235.399 (1) (am) 2. (intro.) The ~~corporation~~ authority may grant exceptions to
4 the requirement under subd. 1. that a full-time employee means an individual who,
5 as a condition of employment, is required to work at least 2,080 hours per year if all
6 of the following apply:

7 (3) (a) The ~~corporation~~ authority may designate not more than 20 enterprise
8 zones.

9 (b) (intro.) In determining whether to designate an area under par. (a), the
10 ~~corporation~~ authority shall consider all of the following:

11 (bm) The ~~corporation~~ authority shall specify whether an enterprise zone
12 designated under par. (a) is located in a tier I county or municipality or a tier II county
13 or municipality.

14 (c) The ~~corporation~~ authority shall, to the extent possible, give preference to the
15 greatest economic need.

16 (d) Notwithstanding pars. (b) and (c), the ~~corporation~~ authority shall designate
17 as enterprise zones at least 3 areas comprising political subdivisions whose
18 populations total less than 5,000 and at least 2 areas comprising political
19 subdivisions whose populations total 5,000 or more but less than 30,000. In
20 designating an enterprise zone under this paragraph, the ~~corporation~~ authority may
21 consider indicators of an area's economic need and the effect of designation on other
22 economic development activities.

23 (5) CERTIFICATION. (intro.) The ~~corporation~~ authority may certify for tax
24 benefits any of the following:

1 (b) A business that relocates to an enterprise zone from outside this state, if the
2 business offers compensation and benefits to its employees working in the zone for
3 the same type of work that are at least as favorable as those offered to its employees
4 working outside the zone, as determined by the ~~corporation~~ authority.

5 (c) 1. a. The business enters into an agreement with the ~~corporation~~ authority
6 to claim tax benefits only for years during which the business maintains the
7 increased level of personnel.

8 b. The business offers compensation and benefits for the same type of work to
9 its employees working in the enterprise zone that are at least as favorable as those
10 offered to its employees working in this state but outside the zone, as determined by
11 the ~~corporation~~ authority.

12 2. b. The business enters into an agreement with the ~~corporation~~ authority to
13 claim tax benefits only for years during which the business maintains the capital
14 investment.

15 c. The business offers compensation and benefits for the same type of work to
16 its employees working in the zone that are at least as favorable as those offered to
17 its employees working in this state but outside the zone, as determined by the
18 ~~corporation~~ authority.

19 (d) 1. The business is a manufacturer with a significant supply chain in the
20 state, as determined by the ~~corporation~~ authority.

21 (e) A business located in an enterprise zone if the business purchases tangible
22 personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
23 services from Wisconsin vendors, as determined by the ~~corporation~~ authority.

24 (5m) ADDITIONAL TAX BENEFITS FOR SIGNIFICANT CAPITAL EXPENDITURES. If the
25 ~~corporation~~ authority determines that a business certified under sub. (5) makes a

1 significant capital expenditure in the enterprise zone, the ~~corporation~~ authority may
2 certify the business to receive additional tax benefits in an amount to be determined
3 by the ~~corporation~~ authority, but not exceeding 10 percent of the business' capital
4 expenditures. The ~~corporation~~ authority shall, in a manner determined by the
5 ~~corporation~~ authority, allocate the tax benefits a business is certified to receive under
6 this subsection over the remainder of the time limit of the enterprise zone under sub.
7 (4).

8 (6) (a) The ~~corporation~~ authority shall notify the department of revenue when
9 the ~~corporation~~ authority certifies a business to receive tax benefits.

10 (b) (intro.) The ~~corporation~~ authority shall revoke a certification under sub. (5)
11 if the business does any of the following:

12 (c) The ~~corporation~~ authority shall notify the department of revenue within 30
13 days of a revocation under par. (b).

14 (d) The ~~corporation~~ authority may require a business to repay any tax benefits
15 the business claims for a year in which the business failed to maintain employment
16 levels or a significant capital investment in property required by an agreement under
17 sub. (5) (c).

18 (e) The ~~corporation~~ authority shall determine the maximum amount of the tax
19 credits under ss. 71.07 (3w), 71.28 (3w), and 71.47 (3w) that a certified business may
20 claim and shall notify the department of revenue of this amount.

21 (f) The ~~corporation~~ authority shall annually verify the information submitted
22 to the ~~corporation~~ authority under ss. 71.07 (3w), 71.28 (3w), or 71.47 (3w).

23 (g) (intro.) The ~~corporation~~ authority shall adopt policies and procedures
24 specifying all of the following:

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

4 **SECTION 534.** 238.3995 of the statutes is renumbered 235.3995, and 235.3995
5 (1) (b), (c), (2) (a) (intro.) and 4., (b) (intro.) and 8., (c) 1. and 2. and (d), (3) (a), (b), (c),
6 (d) 1. and 2., (4) (a) (intro.) and 10., (am), (ar), (b) 1., (c) (intro.) and (d) and (5), as
7 renumbered, are amended to read:

8 235.3995 (1) (b) “Full-time job” has the meaning given in s. ~~238.30~~ 235.30 (2m).

9 (c) “Target population” has the meaning given in s. ~~238.30~~ 235.30 (6).

10 (2) (a) (intro.) Subject to pars. (c) and (e), the ~~corporation~~ authority may
11 designate an area as an airport development zone if the ~~corporation~~ authority
12 determines all of the following:

13 4. That the airport development project is not likely to occur or continue
14 without the ~~corporation~~ authority designation of the area as an airport development
15 zone.

16 (b) (intro.) In making a determination under par. (a), the ~~corporation~~ authority
17 shall consider all of the following:

18 8. Any other factors that the ~~corporation~~ authority considers relevant.

19 (c) 1. The ~~corporation~~ authority may not designate as an airport development
20 zone, or as any part of an airport development zone, an area that is located within
21 the boundaries of an area that is designated as a development zone under s. ~~238.31~~
22 235.31, as a development opportunity zone under s. ~~238.395~~ 235.395, or as an
23 enterprise development zone under s. ~~238.397~~ 235.397.

24 2. The ~~corporation~~ authority shall give the department of transportation the
25 opportunity to review and comment on any proposed designation under this