

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

6           **SECTION 491.** 238.08 of the statutes is repealed.

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

9           235.017 (1) When the ~~corporation~~ authority is required to publicly solicit  
10          proposals from multiple vendors of goods or services.

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

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

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

17          235.018 (1) ALLOCATION. The ~~corporation~~ authority shall establish under 26  
18          USC 146 and administer a system for the allocation of the volume cap on the issuance  
19          of private activity bonds, as defined under 26 USC 141 (a), among all municipalities,  
20          as defined in s. 67.01 (5), and any corporation formed on behalf of those  
21          municipalities, and among this state, the Wisconsin Health and Educational  
22          Facilities Authority, the Wisconsin Aerospace Authority, and the ~~Wisconsin Housing~~  
23          and ~~Economic Development Authority~~ authority.

24          (2) AMENDMENT TO ALLOCATION. At any time prior to December 31 in any year,  
25          the ~~corporation~~ authority may adopt rules policies and procedures to revise the

1 allocation system established for that year under sub. (1), except that any revision  
2 under this subsection does not apply to any allocation under which the recipient of  
3 that allocation has adopted a resolution authorizing the issuance of a private activity  
4 bond, as defined in 26 USC 141 (a).

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

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

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

15 235.11 (1) The ~~corporation~~ authority shall prescribe the notice forms to be used  
16 under s. 66.1103 (4m) (a) 1. The ~~corporation~~ authority shall include on the forms a  
17 requirement for information on the number of jobs the person submitting the notice  
18 expects to be eliminated, created, or maintained on the project site and elsewhere in  
19 this state by the project which is the subject of the notice. The ~~corporation~~ authority  
20 shall prescribe the forms to be used under s. 66.1103 (4m) (b).

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

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

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

6 **235.12 (2)** The ~~corporation~~ authority may not award a grant or loan under this  
7 chapter to a person or certify a person to receive tax benefits unless the ~~corporation~~  
8 authority enters into an agreement with the person that requires the person to repay  
9 the grant, loan, or tax benefits if, within 5 years after receiving the grant or loan or  
10 being certified to receive tax benefits, the person ceases to conduct in this state the  
11 economic activity for which the person received the grant or loan or for which the  
12 person was certified to receive tax benefits and commences substantially the same  
13 economic activity outside this state.

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

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

17 235.127 (2) (intro.) The ~~corporation~~ authority shall establish and administer  
18 a state main street program to coordinate state and local participation in programs  
19 offered by the national main street center, created by the national trust for historic  
20 preservation, to assist municipalities in planning, managing and implementing  
21 programs for the revitalization of business areas. The ~~corporation~~ authority shall  
22 do all of the following:

23 (c) (intro.) With help from interested individuals and organizations, develop a  
24 plan describing the objectives of the state main street program and the methods by  
25 which the ~~corporation~~ authority shall:

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1 (e) Annually select, upon application, up to 5 municipalities to participate in  
2 the state main street program. The program for each municipality shall conclude  
3 after 3 years, except that the program for each municipality selected after July 29,  
4 1995, shall conclude after 5 years. The ~~corporation~~ authority shall select program  
5 participants representing various geographical regions and populations. A  
6 municipality may apply to participate, and the ~~corporation~~ authority may select a  
7 municipality for participation, more than one time. In selecting a municipality,  
8 however, the ~~corporation~~ authority may give priority to those municipalities that  
9 have not previously participated.

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

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

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

18 235.13 (2) (a) (intro.) The ~~corporation~~ authority may make a grant to a person  
19 if all of the following apply:

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

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

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

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

7 235.133 (2) (title) DUTIES OF THE CORPORATION AUTHORITY.

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

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

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

19 (d) The ~~corporation~~ authority shall establish criteria as necessary to  
20 administer the program. The ~~corporation~~ authority may limit the total amount of  
21 funds that may be used to cover the costs of each category of eligible activity  
22 described in sub. (3).

23 (3) **ELIGIBLE ACTIVITIES.** (intro.) The ~~corporation~~ authority may award grants  
24 to local governmental units to cover the costs of the following activities:

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

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

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

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

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

15 SECTION 500. 238.135 of the statutes is renumbered 235.135 and amended to  
16 read:

17 **235.135 Grants to regional economic development organizations.** The  
18 ~~corporation~~ authority shall award annual grants to regional economic development  
19 organizations to fund marketing activities. The amount of each grant may not exceed  
20 \$100,000 or the amount of matching funds the organization obtains from sources  
21 other than the ~~corporation~~ authority or the state, whichever is less.

22 (22) SECTION 501. 238.15 of the statutes is renumbered 235.15, and 235.15 (1)  
23 (intro.) and (m) 1. (intro.) and c., (2) and (3) (a), (b), (d) (intro.), 1. and 2. a. and b. and  
24 (e), as renumbered, are amended to read: (dm)

as affected by 2015 Wisconsin Act 100 (this act);

Except as provided in policies and procedures  
under sub. (3)(dm) ↑ the

except as provided in policies and procedures  
under sub. (3)(dm)

1 235.15 (1) ANGEL INVESTMENT TAX CREDITS. (intro.) The corporation authority  
2 shall implement a program to certify businesses for purposes of s. 71.07 (5d). A  
3 business desiring certification shall submit an application to the corporation  
4 authority in each taxable year for which the business desires certification. The  
5 business shall specify in its application the investment amount it wishes to raise and  
6 the corporation authority may certify the business and determine the amount that  
7 qualifies for purposes of s. 71.07 (5d). ~~The corporation authority~~ may certify or  
8 recertify a business for purposes of s. 71.07 (5d) only if the business satisfies all of  
9 the following conditions:

INS.  
157-9

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

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17 c. The activities of the business's headquarters, as determined by the  
18 corporation authority.

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

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

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

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

15 (d) *Rules Administration.* (intro.) The ~~corporation~~ authority, in consultation  
16 with the department of revenue, shall adopt rules establish policies and procedures  
17 to administer this section. ~~The rules and~~ shall further define "bona fide angel  
18 investment" for purposes of s. 71.07 (5d) (a) 1. The ~~rules shall limit the~~ aggregate  
19 amount of tax credits under s. 71.07 (5d) that may be claimed for investments in  
20 businesses certified under sub. (1) at ~~\$3,000,000 per calendar year for calendar years~~  
21 ~~beginning after December 31, 2004, and before January 1, 2008, \$5,500,000 per~~  
22 ~~calendar year for calendar years beginning after December 31, 2007, and before~~  
23 ~~January 1, 2010, \$6,500,000 for calendar year 2010, and <sup>is</sup> ~~\$20,000,000 per calendar~~~~  
24 ~~year for calendar years beginning after December 31, 2010, plus, for taxable years~~  
25 ~~beginning after December 31, 2010, an additional \$250,000 for tax credits that may~~



is \$30,000,000

1 ~~be claimed for investments in nanotechnology businesses certified under sub. (1).~~  
 2 ~~The rules shall also limit the aggregate amount of the tax credits under ss. 71.07 (5b),~~  
 3 ~~71.28 (5b), 71.47 (5b), and 76.638 that may be claimed for investments paid to fund~~  
 4 ~~managers certified under sub. (2) at \$3,500,000 per calendar year for calendar years~~  
 5 ~~beginning after December 31, 2004, and before January 1, 2008, \$6,000,000 per~~  
 6 ~~calendar year for calendar years beginning after December 31, 2007, and before~~  
 7 ~~January 1, 2010, \$8,000,000 for calendar year 2010, and <sup>is</sup> \$20,500,000 per calendar~~  
 8 ~~year for calendar years beginning after December 31, 2010, plus, for taxable years~~  
 9 ~~beginning after December 31, 2010, an additional \$250,000 for tax credits that may~~  
 10 ~~be claimed for investments in nanotechnology businesses certified under sub. (1).~~

11 ~~The rules policies and procedures shall also provide that, for calendar years~~  
 12 ~~beginning after December 31, 2007, a person who receives a credit under ss. s. 71.07~~  
 13 ~~(5b) and or (5d), 71.28 (5b), 71.47 (5b), or 76.638 must keep the investment in a~~  
 14 ~~certified business, or with a certified fund manager, for no less than 3 years, unless~~  
 15 ~~the person's investment becomes worthless, as determined by the corporation~~  
 16 ~~authority, during the 3-year period or the person has kept the investment for no less~~  
 17 ~~than 12 months and a bona fide liquidity event, as determined by the corporation~~  
 18 ~~authority, occurs during the 3-year period. The rules policies and procedures shall~~  
 19 ~~permit the corporation authority to reallocate credits under this section that are~~  
 20 ~~unused in any calendar year to a person eligible for tax benefits, as defined under s.~~  
 21 ~~238.16 235.16 (1) (d), if all of the following apply:~~

159-21

- 22 1. The corporation authority notifies the joint committee on finance in writing
- 23 of its proposed reallocation.
- 24 2. a. The cochairpersons of the joint committee on finance fail to notify the
- 25 corporation authority, within 14 working days after the date of the corporation's

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1 authority's notification under subd. 1., that the committee has scheduled a meeting  
2 for the purpose of reviewing the proposed reallocation.

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

5 (e) *Transfer*. A person who is eligible to claim a credit under s. 71.07 (5b), 71.28  
6 (5b), 71.47 (5b), or 76.638 may sell or otherwise transfer the credit to another person  
7 who is subject to the taxes or fees imposed under s. 71.02, 71.23, 71.47, or subch. III  
8 of ch. 76, if the person receives prior authorization from the investment fund  
9 manager and the manager then notifies the ~~corporation~~ authority and the  
10 department of revenue of the transfer and submits with the notification a copy of the  
11 transfer documents. No person may sell or otherwise transfer a credit as provided  
12 in this paragraph more than once in a 12-month period. The ~~corporation~~ authority  
13 may charge any person selling or otherwise transferring a credit under this  
14 paragraph a fee equal to 1 percent of the credit amount sold or transferred.

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

18 235.16 (1) (c) 2. (intro.) The ~~corporation~~ authority may grant exceptions to the  
19 requirement under subd. 1. that a full-time job means a position in which an  
20 individual, as a condition of employment, is required to work at least 2,080 hours per  
21 year if all of the following apply:

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

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

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

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

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

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

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

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

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

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

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

7 (e) The ~~corporation~~ authority shall annually verify the information submitted  
8 to the ~~corporation~~ authority by the person claiming tax benefits under ss. 71.07 (3q),  
9 71.28 (3q), and 71.47 (3q).

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

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

16 SECTION 503. 238.17 of the statutes is renumbered 235.17 and amended to  
17 read:

18 **235.17 (Historic rehabilitation tax credit.** For taxable years beginning  
19 after December 31, 2013, the ~~corporation~~ authority may certify a person to claim a  
20 tax credit under s. 71.07 (9m), 71.28 (6), or 71.47 (6), if the ~~corporation~~ authority  
21 determines that the person is conducting an eligible ~~activity~~ under s. 71.07 (9m),

22 ~~71.28 (6), or 71.47 (6).~~ No person may claim a tax credit under s. 71.07 (9m), 71.28

23 (6), or 71.47 (6) without first being certified under this ~~section~~ subsection. The ~~corporation~~ authority

24 authority shall notify the department of revenue no later than January 15 of each  
25 year of the amount of the credits certified under this ~~section~~ subsection and the name, address,

preservation or rehabilitation project

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(1)(a)  
(1)(B)(A)  
strike  
sub-section  
strike  
sub-section

Amend 163-3 ✓  
Amend 163-6 ✓

1 and tax identification number of each person certified to claim the credit. The  
2 ~~corporation~~ authority shall notify the department of revenue of any revoked  
3 certification no later than 2 months after the revocation date.

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

7 235.23 (2) (a) Except as provided in par. (c), the ~~corporation~~ authority may  
8 designate up to 8 areas in the state as technology zones. A business that is located  
9 in a technology zone and that is certified by the ~~corporation~~ authority under sub. (3)  
10 is eligible for a tax credit as provided in sub. (3).

11 (b) The designation of an area as a technology zone shall be in effect for 10 years  
12 from the time that the ~~corporation~~ authority first designates the area. Not more than  
13 \$5,000,000 in tax credits may be claimed in a technology zone, except that the  
14 ~~corporation~~ authority may allocate the amount of unallocated airport development  
15 zone tax credits, as provided under s. ~~238.3995~~ 235.3995 (3) (b), to technology zones  
16 for which the \$5,000,000 maximum allocation is insufficient. The ~~corporation~~  
17 authority may change the boundaries of a technology zone during the time that its  
18 designation is in effect. A change in the boundaries of a technology zone does not  
19 affect the duration of the designation of the area or the maximum tax credit amount  
20 that may be claimed in the technology zone.

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

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

1 (c) When the ~~corporation~~ authority certifies a business under this subsection,  
2 the ~~corporation~~ authority shall establish a limit on the amount of tax credits that the  
3 business may claim. Unless its certification is revoked, and subject to the limit on  
4 the tax credit amount established by the ~~corporation~~ authority under this  
5 paragraph, a business that is certified may claim a tax credit for 3 years, except that  
6 a business that experiences growth, as determined for that business by the  
7 ~~corporation~~ authority under par. (d) and sub. (5) (e), may claim a tax credit for up to  
8 5 years.

9 (d) The ~~corporation~~ authority shall enter into an agreement with a business  
10 that is certified under this subsection. The agreement shall specify the limit on the  
11 amount of tax credits that the business may claim, the extent and type of growth,  
12 which shall be specific to the business, that the business must experience to extend  
13 its eligibility for a tax credit, the business' baseline against which that growth will  
14 be measured, any other conditions that the business must satisfy to extend its  
15 eligibility for a tax credit, and reporting requirements with which the business must  
16 comply.

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

19 (b) The ~~corporation~~ authority shall annually verify information submitted to  
20 the ~~corporation~~ it under ss. 71.07-~~(2di)~~ <sup>✓</sup>(2dm), (2dx), and (3g), 71.28-~~(1di)~~ <sup>✓</sup>(1dm),  
21 (1dx), and (3g), and 71.47-~~(1di)~~ <sup>✓</sup>(1dm), (1dx), and (3g).

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

Insert 164-21 ✓

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

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

7 **SECTION 505.** 238.26 of the statutes is repealed.

8 **SECTION 506.** Subchapter II (title) of chapter 238 [precedes 238.30] of the  
9 statutes is renumbered subchapter III (title) of chapter 235 [precedes 235.30].

10 **SECTION 507.** 238.30 of the statutes is renumbered 235.30, and 235.30 (intro.),  
11 (2g), (2m) (b) (intro.) and (7) (b) 1. and 2., (c) and (d), as renumbered, are amended  
12 to read:

13 **235.30 Definitions.** (intro.) In this section and ss. ~~238.301 to 238.395~~ 235.301  
14 to 235.395 and ~~238.398~~ 235.398:

15 (2g) "Eligible activity" means an activity described under s. ~~238.302~~ 235.302.

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

20 (7) (b) 1. Except as provided in subd. 2., in s. ~~238.395~~ 235.395, "tax benefits"  
21 means ~~the development zones investment credit under ss. 71.07 (2di), 71.28 (1di),~~  
22 ~~and 71.47 (1di)~~ and the development zones credit under ss. 71.07 (2dx), 71.28 (1dx),  
23 71.47 (1dx), and 76.636. With respect to the development opportunity zones under  
24 s. ~~238.395~~ 235.395 (1) (e) and (f), "tax benefits" also means the development zones  
25 capital investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

1           2. With respect to the development opportunity zones under s. ~~238.395~~ 235.395  
2 (1) (g), (h), and (i), “tax benefits” means the development zone credits under ss. 71.07  
3 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636 and the development zones capital  
4 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

5           (c) In s. ~~238.398~~ 235.398, “tax benefits” means the development zones capital  
6 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm) and the  
7 development zones credits under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636.

8           (d) In ss. ~~238.301 to 238.306~~ 235.301 to 235.306, “tax benefits” means the  
9 economic development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and  
10 76.637.

11           **SECTION 508.** 238.301 of the statutes is renumbered 235.301, and 235.301 (1)  
12 (intro.) and (e), (2) (a) and (b) and (3) (intro.), (b), (c), (d) and (f), as renumbered, are  
13 amended to read:

14           235.301 (1) APPLICATION. (intro.) Any person may apply to the ~~corporation~~  
15 authority on a form prepared by the ~~corporation~~ authority for certification under this  
16 section. The application shall include all of the following:

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

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

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



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

4           (b) Whether any of the eligible activities will occur in an economically  
5 distressed area, as designated by the ~~corporation~~ authority under s. ~~238.304~~ 235.304  
6 (1).

7           (c) Whether any of the eligible activities will benefit members of a targeted  
8 group, as determined by the ~~corporation~~ authority under s. ~~238.304~~ 235.304 (2).

9           (d) A compliance schedule that includes a sequence of anticipated actions to be  
10 taken or goals to be achieved by the person before the person may receive tax benefits  
11 under s. ~~238.303~~ 235.303.

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

14           **SECTION 509.** 238.302 of the statutes is renumbered 235.302, and 235.302  
15 (intro.), (1), (2) and (3), as renumbered, are amended to read:

16           **235.302 Eligible activities.** (intro.) A person who conducts or proposes to  
17 conduct any of the following may be certified under s. ~~238.301~~ 235.301 (2):

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

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

24           (3) A project that involves significant investments in the training or  
25 reeducation of employees, as defined by the ~~corporation-by-rule~~ authority under s.

1 ~~238.306~~ 235.306 (2) (c), by the person for the purpose of improving the productivity  
2 or competitiveness of the business of the person.

3 **SECTION 510.** ~~238.303~~ of the statutes is renumbered ~~235.303~~, and ~~235.303~~ (1)  
4 (a), (am) and (b), (2) and (3), as renumbered, are amended to read:

5 ~~235.303~~ (1) (a) Except as provided in pars. (am) and (b), and subject to a  
6 reallocation by the ~~corporation pursuant to rules adopted~~ authority under s. ~~238.15~~  
7 235.15 (3) (d), the total tax benefits available to be allocated by the ~~corporation~~  
8 authority under ss. ~~238.301 to 238.306~~ 235.301 to 235.306 may not exceed the sum  
9 of the tax benefits remaining to be allocated under s. 560.71 to 560.785, 2009 stats.,  
10 s. 560.797, 2009 stats., s. 560.798, 2009 stats., s. 560.7995, 2009 stats., and s. 560.96,  
11 2009 stats., on March 6, 2009, plus \$100,000,000.

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

1 (b) The ~~corporation~~ authority may submit to the joint committee on finance a  
2 request in writing to exceed the total tax benefits specified in par. (a). The  
3 ~~corporation~~ authority shall submit with its request a justification for seeking an  
4 increase under this paragraph. The joint committee on finance, following its review,  
5 may approve or disapprove an increase in the total tax benefits available to be  
6 allocated under ss. ~~238.301 to 238.306~~ 235.301 to 235.306.

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

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

16 SECTION 511. 238.304 of the statutes is renumbered 235.304, and 235.304  
17 (intro.) and (1), as renumbered, are amended to read:

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

23 (1) The person conducts at least one eligible activity in an area designated by  
24 the ~~corporation~~ authority as economically distressed. In designating an area as

1 economically distressed under this subsection, the ~~corporation~~ authority shall follow  
2 the methodology established by rule under s. ~~238.306~~ 235.306 (2) (e).

3 **SECTION 512.** 238.3045 of the statutes is renumbered 235.3045, and 235.3045  
4 (1) (title), (a), (b) (intro.) and 4. and (c) 1., (2) (a) and (b), (3) and (4) (a) and (b), as  
5 renumbered, are amended to read:

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

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

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

24 (c) 1. Subject to subd. 2., a person that receives an approval under par. (b) shall  
25 transfer tax benefits in accordance with the terms of the application under par. (a)

1 after the ~~corporation~~ authority authorizes the person to claim tax benefits under s.  
2 ~~238.303~~ 235.303 (2) and provides the notice of eligibility under s. ~~238.303~~ 235.303 (3).  
3 The notice of eligibility shall contain all relevant information concerning a transfer  
4 of tax benefits under this section. The person to whom tax benefits are transferred  
5 may carry forward, beginning on the date of the notice of eligibility, any unused  
6 amount of the value of those tax benefits as provided under the appropriate provision  
7 in ch. 71 or in s. 76.636.

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

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

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

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

23 (b) Upon expiration of the 36-month period under par. (a), the ~~corporation~~  
24 authority may continue to authorize the transfer of tax benefits under this section  
25 for up to an additional 36 months, and the ~~corporation~~ authority may authorize the

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

19 **SECTION 513.** 238.305 of the statutes is renumbered 235.305, and 235.305  
20 (intro.), (1) and (2), as renumbered, are amended to read:

21 **235.305 Revocation of certification.** (intro.) The ~~corporation~~ authority  
22 shall revoke the certification of a person who does any of the following:

23 (1) Supplies false or misleading information to obtain certification under s.  
24 ~~238.301~~ 235.301 (2).

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

3           **SECTION 514.** ~~238.306~~ of the statutes is renumbered ~~235.306~~, and ~~235.306~~  
4     (intro.), (1) (a) and (b), (2) (intro.), (a), (b), (c), (d), (e) (intro.), (f), (g), (h), (i) and (k)  
5     and (3), as renumbered, are amended to read:

6           **235.306 Responsibilities of the ~~corporation~~ authority.** (intro.) The  
7     ~~corporation~~ authority shall do all of the following:

8           235.306 (1) (a) Annually verify information submitted to the department of  
9     revenue under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637 by persons  
10    certified under s. ~~238.301~~ 235.301 (2) and eligible to receive tax benefits under s.  
11    ~~238.303~~ 235.303.

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

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

16          (a) A schedule of hourly wage ranges to be paid, and health insurance benefits  
17    to be provided, to an employee by a person certified under s. ~~238.301~~ 235.301 (2) and  
18    the corresponding per employee tax benefit for which a person certified under s.  
19    ~~238.301~~ 235.301 (2) may be eligible.

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

1 (c) A definition of “significant investments in the training or reeducation of  
2 employees” for purposes of s. ~~238.302~~ 235.302 (3), together with a corresponding  
3 schedule of tax benefits for which a person who is certified under s. ~~238.301~~ 235.301  
4 (2) and who conducts a project under s. ~~238.302~~ 235.302 (3) may be eligible.

5 (d) A schedule of tax benefits for which a person who is certified under s.  
6 ~~238.301~~ 235.301 (2) and who conducts a project that will result in the location or  
7 retention of a person’s corporate headquarters in Wisconsin may be eligible.

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

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

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

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

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

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

23 (3) REPORTING. Annually, 6 months after the report has been submitted under  
24 s. ~~238.07~~ 235.016 (2), submit to the joint legislative audit committee and to the  
25 appropriate standing committees of the legislature under s. 13.172 (3) a



1 comprehensive report assessing the program under ss. ~~238.301 to 238.306~~ 235.301  
2 to 235.306. The report under this subsection shall update the applicable information  
3 provided in the report under s. ~~238.07~~ 235.016 (2).

4 **SECTION 515.** 238.31 of the statutes is renumbered 235.31, and 235.31 (1)  
5 (intro.), (ac), (am), (b), (d) and (e) (intro.), 4. a. and d., (1m) (intro.) and (h), (2) and  
6 (3) (intro.), as renumbered, are amended to read:

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

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

11 (am) A local governing body nominates the area as described in s. ~~238.32~~  
12 235.32.

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

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

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

17 4. a. The unemployment rate in the area is higher than the state average for  
18 the 18 months immediately preceding the date on which the application under s.  
19 ~~238.32~~ 235.32 (2) or (3) was submitted to the ~~corporation~~ authority.

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

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

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

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

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

6 **SECTION 516.** 238.315 of the statutes is renumbered 235.315 and amended to  
7 read:

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

12 **SECTION 517.** 238.32 of the statutes is renumbered 235.32, and 235.32 (1)  
13 (intro.), (2) (intro.), (c), (d) and (i), (3) and (5), as renumbered, are amended to read:

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

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

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

23 (d) Evidence that the area meets the applicable requirements of s. ~~238.335~~  
24 235.335.

25 (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 518.** ~~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 519.** ~~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 520.** 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 521.** ~~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:

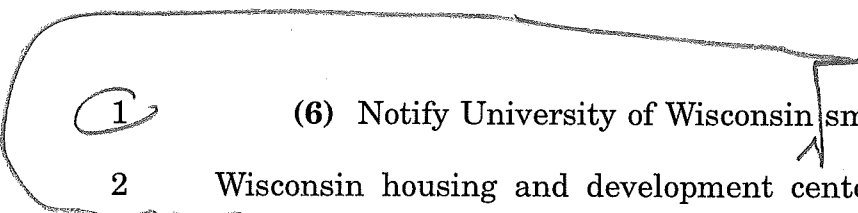
14 (a) No person is certified as eligible to receive tax benefits under s. ~~238.365~~  
15 235.365 (3) during the 12-month period beginning on the day the area is designated  
16 as a development zone and the ~~corporation~~ authority determines that the local  
17 governing body that nominated the 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 522.** 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:

System Authority



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.

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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 523.** 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 524.** 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 525.** 238.368 of the statutes is renumbered 235.368, and 235.368 (1)  
20 (a) and (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 526.** 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 527.** 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 528.** 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 529.** 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. and (e) 1., 2. and 3., (3) (a)  
7 1., 2., 3. and 4., (b) 9., (c) and (d), (4) (a) (intro.) and (b) and (5) (a) (intro.), 2. and 3.,  
8 (b), (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.

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

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

21 (5) (a) (intro.) The ~~corporation~~ authority may certify for tax benefits a person  
22 that is conducting economic activity in the development opportunity zone under sub.  
23 (1) (e) or (f) and that is not otherwise entitled to claim tax benefits if all of the  
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 530.** 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 531.** 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 532.** 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. and

1 2. b. and c., (d) 1. and (e), (5m) and (6) (a), (b) (intro.), (c), (d), (e), (f) and (g) (intro.)  
2 and 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 533.** 238.3995 of the statutes is renumbered 235.3995, and 235.3995  
5 (1) (b) and (c), (2) (a) (intro.) and 4., (b) (intro.) and 8., (c) 1. and 2. and (d), (3) (a), (b),  
6 (c) and (d) 1. and 2., (4) (a) (intro.) and 10., (am), (ar), (b) 1., (c) (intro.) and (d) and  
7 (5), as 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

1 subsection and the department of transportation may deny any such designation if  
2 the department of transportation determines that the designation would  
3 compromise the airport's safety or utility. The department of transportation may  
4 also review and comment on any land use or compatibility issues related to any  
5 proposed designation under this subsection.

6 (d) Notwithstanding pars. (a) to (c), and except as provided in par. (e), the  
7 ~~corporation~~ authority shall designate as an airport development zone the area  
8 within the boundaries of Adams, Fond du Lac, Green Lake, Juneau, Langlade,  
9 Lincoln, Marathon, Marquette, Menominee, Oneida, Portage, Price, Shawano,  
10 Taylor, Waupaca, Waushara, Winnebago, Wood, and Vilas counties.

11 (3) (a) When the ~~corporation~~ authority designates an area as an airport  
12 development zone, the ~~corporation~~ authority shall specify the length of time, not to  
13 exceed 84 months, that the designation is effective, subject to par. (d). The  
14 ~~corporation~~ authority shall notify each person certified for tax benefits in an airport  
15 development zone, the department of revenue, the department of transportation, the  
16 ~~Wisconsin Housing and Economic Development Authority~~, and the governing body  
17 of each county, city, village, town, and federally recognized American Indian tribe or  
18 band in which territory of the airport development zone is located of the designation  
19 of and expiration date of the airport development zone.

20 (b) When the ~~corporation~~ authority designates an area as an airport  
21 development zone, the ~~corporation~~ authority shall establish a limit, not to exceed  
22 \$3,000,000, for tax benefits applicable to the airport development zone, except that  
23 the ~~corporation~~ authority shall limit the amount of tax benefits applicable to the  
24 airport development zone designated under sub. (2) (d) to \$750,000. The total tax  
25 benefits applicable to all airport development zones may not exceed \$9,000,000, less