

1 **SECTION 478.** 238.03 (3) of the statutes is renumbered 235.03 (3), and 235.03
2 (3) (intro.), (a) and (b) (intro.), as renumbered, are amended to read:

3 235.03 (3) (intro.) The ~~board~~ authority shall require for each economic
4 development program developed and implemented by the ~~board~~ authority all of the
5 following:

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

23 (b) (intro.) That the ~~board~~ authority, if a recipient of a grant or loan under the
24 program submits false or misleading information to the ~~corporation~~ authority or fails
25 to comply with the terms of a contract entered into with the ~~corporation~~ authority,

1 without providing satisfactory explanation for the noncompliance, do all of the
2 following:

3 SECTION 479. 238.04 of the statutes is repealed.

4 SECTION 480. 238.045 of the statutes is repealed.

5 SECTION 481. 238.046 of the statutes is renumbered 235.014, and 235.014 (1)
6 and (2), as renumbered, are amended to read:

7 235.014 (1) A member of the board or an employee of the ~~corporation~~ authority
8 to whom the board delegates its authority to contract shall notify the ~~corporation's~~
9 authority's legal counsel or, if the ~~corporation's~~ legal counsel is unavailable, the chief
10 executive officer of the ~~corporation~~ authority if the member or employee has a direct
11 or indirect, private, pecuniary interest in a contract that is being negotiated, bid for,
12 or entered into with the ~~corporation~~ authority. If the ~~corporation's~~ authority's legal
13 counsel or chief executive officer is notified under this section, he or she shall report
14 the name of the individual from whom he or she received the notification and the
15 contract in which the individual has a private, pecuniary interest to the board. A
16 member or employee who notifies the ~~corporation's~~ authority's legal counsel or chief
17 executive officer under this section is not authorized to participate in the member's
18 or employee's capacity as a member of the board or an employee of the ~~corporation~~
19 authority in the making of the contract or to perform in regard to the contract some
20 official function requiring the exercise of discretion on the member's or employee's
21 part.

22 (2) An employee of the ~~corporation~~ authority shall notify the ~~corporation's~~
23 authority's legal counsel or, if the ~~corporation's~~ legal counsel is unavailable, the chief
24 executive officer of the ~~corporation~~ authority if the employee has a controlling
25 interest in an entity that is negotiating, bidding for, or entering into a contract with

1 the ~~corporation~~ authority. If the ~~corporation's~~ authority's legal counsel or chief
2 executive officer is notified under this section, he or she shall report the name of the
3 individual from whom he or she received the notification and the contract at issue
4 to the board. The board shall prohibit the ~~corporation~~ authority from entering into
5 any contract with an entity in which an employee of the ~~corporation~~ authority has
6 a controlling interest.

7 **SECTION 482.** 238.05 of the statutes is repealed.

8 **SECTION 483.** 238.06 of the statutes is renumbered 235.015 and amended to
9 read:

10 **235.015 Liability limited.** Neither the state nor any political subdivision of
11 the state, nor any officer, employee, or agent of the state or a political subdivision of
12 the state who is acting within the scope of employment or agency, is liable for any
13 debt, obligation, act, or omission of the ~~corporation~~ authority.

14 **SECTION 484.** 238.07 of the statutes is renumbered 235.016, and 235.016 (1),
15 (2) (intro.), (3) and (4), as renumbered, are amended to read:

16 235.016 (1) Annually, by ~~January~~ October 1, the ~~board~~ authority shall submit
17 to the chief clerk of each house of the legislature, for distribution to the legislature
18 under s. 13.172 (2), a report identifying the economic development and housing
19 programs and projects that the ~~board~~ authority intends to develop and implement
20 during the current ~~calendar~~ fiscal year.

21 (2) (intro.) Annually, no later than October 1, the ~~board~~ authority shall submit
22 to the joint legislative audit committee and the chief clerk of each house of the
23 legislature, for distribution to the legislature under s. 13.172 (2), a report for the
24 previous fiscal year on each of the economic development programs of the ~~corporation~~
25 authority that contains all of the following:

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

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

8 **SECTION 485.** 238.08 of the statutes is repealed.

9 **SECTION 486.** 238.09 of the statutes is renumbered 235.017, and 235.017 (1),
10 (2) and (3), as renumbered, are amended to read:

11 235.017 (1) When the ~~corporation~~ authority is required to publicly solicit
12 proposals from multiple vendors of goods or services.

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

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

17 **SECTION 487.** 238.10 of the statutes is renumbered 235.018, and 235.018 (1) to
18 (4), as renumbered, are amended to read:

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

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

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

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

15 **SECTION 488.** 238.11 of the statutes is renumbered 235.11, and 235.11 (1), (2)
16 and (5), as renumbered, are amended to read:

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

23 (2) If the ~~corporation~~ authority receives a notice under s. 66.1103 (4m) (a), the
24 ~~corporation~~ authority shall estimate, no later than 20 days after receipt of the notice,
25 whether the project that is the subject of the notice is expected to eliminate, create,

1 or maintain jobs on the project site and elsewhere in this state and the net number
2 of jobs expected to be eliminated, created, or maintained as a result of the project.

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

6 **SECTION 489.** 238.12 of the statutes is renumbered 235.12 and amended to
7 read:

8 **235.12 Repayment of grants, loans, and tax benefits.** (1) In this section,
9 “tax benefits” means the credits under ss. 71.07 (~~2dd~~), (~~2de~~), (~~2di~~), (~~2dj~~), (~~2dL~~), (~~2dm~~),
10 (~~2dr~~), (~~2ds~~), (~~2dx~~), (3g), and (3t), 71.28 (~~1dd~~), (~~1de~~), (~~1di~~), (~~1dj~~), (~~1dL~~), (~~1dm~~), (~~1ds~~),
11 (~~1dx~~), (3g), and (3t), 71.47 (~~1dd~~), (~~1de~~), (~~1di~~), (~~1dj~~), (~~1dL~~), (~~1dm~~), (~~1ds~~), (~~1dx~~), (3g), and
12 (3t), and 76.636.

****NOTE: This is reconciled s. 235.12 (1). This SECTION has been affected by drafts
with the following LRB numbers: -1018/P1 and -1215/P2.

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

21 **SECTION 490.** 238.125 of the statutes is repealed.

22 **SECTION 491.** 238.127 of the statutes is renumbered 235.127, and 235.127 (2)
23 (intro.), (c) (intro.), (e), (h) and (j), as renumbered, are amended to read:

1 235.127 (2) (intro.) The ~~corporation~~ authority shall establish and administer
2 a state main street program to coordinate state and local participation in programs
3 offered by the national main street center, created by the national trust for historic
4 preservation, to assist municipalities in planning, managing and implementing
5 programs for the revitalization of business areas. The ~~corporation~~ authority shall
6 do all of the following:

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

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

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

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

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1 SECTION 492. 238.13 of the statutes is renumbered 235.13, and 235.13 (2) (a)
2 (intro.), (3) (intro.) and (f) and (5), as renumbered, are amended to read:

3 235.13 (2) (a) (intro.) The ~~corporation~~ authority may make a grant to a person
4 if all of the following apply:

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

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

9 (5) Before the ~~corporation~~ authority awards a grant under this section, the
10 ~~corporation~~ authority shall consider the recommendations of the department of

11 ~~administration and~~ the department of natural resources.

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****NOTE: This is reconciled s. 238.13 (5). This SECTION has been affected by drafts with the following LRB numbers:-0363/P1 and -1215/P2.

12 SECTION 493. 238.133 of the statutes is renumbered 235.133, and 235.133 (2)
13 (title), (a), (b), (c) and (d), (3) (intro.), (4), (5) (intro.) and (c), (6) and (7), as
14 renumbered, are amended to read:

15 235.133 (2) (title) DUTIES OF THE CORPORATION AUTHORITY.

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

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

As affected by 2015 Wisconsin Act ... (this act)

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

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

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

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

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

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

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

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

1 **SECTION 494.** 238.135 of the statutes is renumbered 235.135 and amended to
2 read:

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

8 **SECTION 495.** 238.15 of the statutes, as affected by 2015 Wisconsin Act ... (this
9 act), is renumbered 235.15, and 235.15 (1) (intro.) and (m) 1. (intro.) and c., (2) and
10 (3) (a), (b), (d) (intro.), 1. and 2. a. and b., (dm) and (e), as renumbered, are amended
11 to read:

12 **235.15 (1) ANGEL INVESTMENT TAX CREDITS.** (intro.) The ~~corporation~~ authority
13 shall implement a program to certify businesses for purposes of s. 71.07 (5d). A
14 business desiring certification shall submit an application to the ~~corporation~~
15 authority in each taxable year for which the business desires certification. The
16 business shall specify in its application the investment amount it wishes to raise and
17 the ~~corporation~~ authority may certify the business and determine the amount that
18 qualifies for purposes of s. 71.07 (5d). Except as provided in policies and procedures
19 under sub. (3) (dm), the ~~corporation~~ authority may certify or recertify a business for
20 purposes of s. 71.07 (5d) only if the business satisfies all of the following conditions:

 ****NOTE: This is reconciled s. 238.15 (1) (intro.). This SECTION has been affected
by drafts with the following LRB numbers: -0365/P1, -0996/P2 and -1215/P2.

21 (m) 1. (intro.) It agrees that it will not relocate outside of this state during the
22 3 years after it receives an investment for which a person may claim a tax credit
23 under s. 71.07 (5d) and agrees to pay the ~~corporation~~ authority a penalty, in an

1 amount determined under subd. 2., if the business relocates outside of this state
2 during that 3-year period. For the purposes of this paragraph, except as provided
3 in policies and procedures under sub. (3) (dm), a business relocates outside of this
4 state when the business locates more than 51 percent of any of the following outside
5 of this state:

****NOTE: This is reconciled s. 238.15 (1) (m) 1. (intro.). This SECTION has been
affected by drafts with the following LRB numbers:-0365/P1 and -1215/P2.

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

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

22 (3) (a) *List of certified businesses and investment fund managers.* The
23 ~~corporation~~ authority shall maintain a list of businesses certified under sub. (1) and

1 investment fund managers certified under sub. (2) and shall permit public access to
2 the lists through the corporation's authority's Internet Web site.

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

6 (d) *Rules Administration.* (intro.) The ~~corporation~~ authority, in consultation
7 with the department of revenue, shall ~~adopt rules~~ establish policies and procedures
8 to administer this section. ~~The rules~~ and shall further define “bona fide angel
9 investment” for purposes of s. 71.07 (5d) (a) 1. ~~The rules shall limit the aggregate~~
10 ~~amount of tax credits under s. 71.07 (5d) that may be claimed for investments in~~
11 ~~businesses certified under sub. (1) at \$3,000,000 per calendar year for calendar years~~
12 ~~beginning after December 31, 2004, and before January 1, 2008, \$5,500,000 per~~
13 ~~calendar year for calendar years beginning after December 31, 2007, and before~~
14 ~~January 1, 2010, \$6,500,000 for calendar year 2010, and \$20,000,000 per calendar~~
15 ~~year for calendar years beginning after December 31, 2010, plus, for taxable years~~
16 ~~beginning after December 31, 2010, an additional \$250,000 for tax credits that may~~
17 ~~be claimed for investments in nanotechnology businesses certified under sub. (1).~~
18 ~~The rules shall also limit the aggregate amount~~ and of the tax credits under ss. 71.07
19 (5b), 71.28 (5b), 71.47 (5b), and 76.638 that may be claimed for investments paid to
20 fund managers certified under sub. (2) ~~at \$3,500,000 per calendar year for calendar~~
21 ~~years beginning after December 31, 2004, and before January 1, 2008, \$6,000,000 per~~
22 ~~calendar year for calendar years beginning after December 31, 2007, and before~~
23 ~~January 1, 2010, \$8,000,000 for calendar year 2010, and \$20,500,000~~ is \$30,000,000
24 ~~per calendar year for calendar years beginning after December 31, 2010, plus, for~~
25 ~~taxable years beginning after December 31, 2010, an additional \$250,000 for tax~~

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

****NOTE: This is reconciled s. 238.15 (3) (d) (intro.). This SECTION has been affected
by drafts with the following LRB numbers: -0365/P1, -0996/P2 and -1215/P2.

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

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

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

21 (dm) The ~~corporation's~~ ~~authority's~~ policies and procedures under this
22 subsection shall permit the ~~corporation authority~~ to waive one or more of the
23 requirements under sub. (1) (a), (b), (h), and (m) 1. based on standards the

if the person was certified to claim the credit after December 31, 2014 and

1 corporation authority establishes in the policies and procedures. The corporation
2 authority may not waive a requirement under sub. (1) (a), (b), (h), or (m) 1. unless
3 the board approves the standards in the policies and procedures and the waiver
4 complies with those standards.

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 (5d)}, 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~~ ^{investor} ~~then~~ ^{fund} 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 ⁵ percent of the credit amount sold or transferred.

15 **SECTION 496.** 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.

5-5-16 1624-154

for a credit under s. 71.07 (5b) & 71.28 (5b) & 71.47 (5b) or 76.638

for the claimant under s. 71.07 (5d) for the sale or other transfer of a credit under s. 71.07 (5d)

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 PLAN (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).

INS-A 165-20

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 497.** 238.17 of the statutes is renumbered 235.17 (1) (a) and amended
17 to read:

18 235.17 (1) (a) For taxable years beginning after December 31, 2013, the
19 ~~corporation~~ authority may certify a person to claim a tax credit under s. 71.07 (9m),
20 71.28 (6), or 71.47 (6), if the ~~corporation~~ authority determines that the person is
21 conducting an eligible activity under s. ~~71.07 (9m), 71.28 (6), or 71.47 (6)~~ preservation
22 or rehabilitation project. 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
24 ~~corporation~~ authority shall notify the department of revenue no later than January
25 15 of each year of the amount of the credits certified under this ~~section~~ subsection

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

****NOTE: This is reconciled s. 235.17 (1) (a). This SECTION has been affected by
drafts with the following LRB numbers: -1215/P2 and -0935/P4.

4 **SECTION 498.** 238.23 of the statutes is renumbered 235.23, and 235.23 (1), (2)
5 (a) 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 (1) In this section, “tax credit” means a credit under s. 71.07 (~~2di~~), (2dm),
8 (2dx), or (3g), 71.28 (~~1di~~), (1dm), (1dx), or (3g), or 71.47 (~~1di~~), (1dm), (1dx), or (3g).

****NOTE: This is reconciled s. 235.23 (1). This SECTION has been affected by drafts
with the following LRB numbers: -1018/P1 and -1215/P2.

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

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

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

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

6 (c) When the ~~corporation~~ authority certifies a business under this subsection,
7 the ~~corporation~~ authority shall establish a limit on the amount of tax credits that the
8 business may claim. Unless its certification is revoked, and subject to the limit on
9 the tax credit amount established by the ~~corporation~~ authority under this
10 paragraph, a business that is certified may claim a tax credit for 3 years, except that
11 a business that experiences growth, as determined for that business by the
12 ~~corporation~~ authority under par. (d) and sub. (5) (e), may claim a tax credit for up to
13 5 years.

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

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

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

****NOTE: This is reconciled s. 235.23 (4) (b). This SECTION has been affected by
drafts with the following LRB numbers: -1018/P1 and -1215/P2.

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

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

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

13 **SECTION 499.** 238.26 of the statutes is repealed.

14 **SECTION 500.** Subchapter II (title) of chapter 238 [precedes 238.30] of the
15 statutes is renumbered subchapter III (title) of chapter 235 [precedes 235.30].

16 **SECTION 501.** 238.30 of the statutes is renumbered 235.30, and 235.30 (intro.),
17 (2g), (2m) (b) (intro.) and (7) (b) 1. and 2., (c) and (d), as renumbered, are amended
18 to read:

19 **235.30 Definitions.** (intro.) In this section and ss. ~~238.301 to 238.395~~ 235.301
20 to 235.395 and ~~238.398~~ 235.398:

21 (2g) "Eligible activity" means an activity described under s. ~~238.302~~ 235.302.

22 (2m) (b) (intro.) The ~~corporation~~ authority may grant exceptions to the
23 requirement under par. (a) that a full-time job means a position in which an

1 individual, as a condition of employment, is required to work at least 2,080 hours per
2 year if all of the following apply:

3 (7) (b) 1. Except as provided in subd. 2., in s. ~~238.395~~ 235.395, “tax benefits”
4 means ~~the development zones investment credit under ss. 71.07 (2di), 71.28 (1di),~~
5 ~~and 71.47 (1di)~~ and the development zones credit under ss. 71.07 (2dx), 71.28 (1dx),
6 71.47 (1dx), and 76.636. With respect to the development opportunity zones under
7 s. ~~238.395~~ 235.395 (1) (e) and (f), “tax benefits” also means the development zones
8 capital investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

****NOTE: This is reconciled s. 235.30 (7) (b) 1. This SECTION has been affected by
drafts with the following LRB numbers: -1018/P1 and -1215/P2.

9 2. With respect to the development opportunity zones under s. ~~238.395~~ 235.395
10 (1) (g), (h), and (i), “tax benefits” means the development zone credits under ss. 71.07
11 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636 and the development zones capital
12 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

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

16 (d) In ss. ~~238.301 to 238.306~~ 235.301 to 235.306, “tax benefits” means the
17 economic development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and
18 76.637.

19 **SECTION 502.** 238.301 of the statutes is renumbered 235.301, and 235.301 (1)
20 (intro.) and (e), (2) (a) and (b) and (3) (intro.), (b), (c), (d) and (f), as renumbered, are
21 amended to read:

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

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

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

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

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

15 (b) Whether any of the eligible activities will occur in an economically
16 distressed area, as designated by the ~~corporation~~ authority under s. ~~238.304~~ 235.304
17 (1).

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

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

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

SECTION 503

as affected by 2015 Wisconsin Act ... (this act)

1

SECTION 503. 238.302 of the statutes is renumbered 235.302, and 235.302

(intro.), (1), (2) and (3), as renumbered, are amended to read:

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

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

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

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

as affected by 2015 Wisconsin Act ... (this act)

SECTION 504. 238.303 of the statutes is renumbered 235.303, and 235.303 (1)

(a), (am) and (b), (2) and (3), as renumbered, are amended to read:

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

(am) The ~~corporation authority~~ may initially allocate only \$61,000,000 of the additional \$100,000,000 in tax benefits specified in par. (a). Before the ~~corporation~~

Insert 172-23

1 authority allocates the remaining \$39,000,000 in tax benefits specified in par. (a), the
2 ~~corporation~~ authority shall submit its plan for such allocation, including a report
3 that describes the intended use of the tax benefits, to the joint committee on finance.
4 If the cochairpersons of the committee do not notify the ~~corporation~~ authority within
5 14 working days after the date of the ~~corporation's~~ authority's submittal that the
6 committee has scheduled a meeting for the purpose of reviewing the plan, the plan
7 may be implemented and the remaining amount may be allocated as proposed by the
8 ~~corporation~~ authority. If, within 14 working days after the date of the ~~corporation's~~
9 authority's submittal, the cochairpersons of the committee notify the ~~corporation~~
10 authority that the committee has scheduled a meeting for the purpose of reviewing
11 the proposed plan, the plan may be implemented and the remaining amount
12 allocated only upon approval of the committee.

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

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

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

4 **SECTION 505.** 238.304 of the statutes is renumbered 235.304, and 235.304
5 (intro.) and (1), as renumbered, are amended to read:

6 **235.304 Eligible activities in economically distressed areas and**
7 **benefiting members of targeted groups.** (intro.) ~~The corporation authority~~ may
8 authorize a person certified under s. ~~238.301~~ 235.301 (2) to claim additional tax
9 benefits under s. ~~238.303~~ 235.303 if, after conducting an investigation, the
10 ~~corporation authority~~ determines any of the following:

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

15 **SECTION 506.** 238.3045 of the statutes is renumbered 235.3045, and 235.3045
16 (1) (title), (a), (b) (intro.) and 4. and (c) 1., (2) (a) and (b), (3) and (4) (a) and (b), as
17 renumbered, are amended to read:

18 **235.3045 (1) (title) APPLICATION AND CORPORATION APPROVAL.** (a) An applicant
19 for certification for tax benefits under s. ~~238.301~~ 235.301 may submit with its
20 application under s. ~~238.301~~ 235.301 (1) an application to the ~~corporation authority~~
21 on a form prescribed by the ~~corporation authority~~ to transfer those tax benefits to
22 another person under this section. The application shall include the name, address,
23 and tax identification number of the person to whom the applicant intends to
24 transfer the tax benefits and any other information the ~~corporation authority~~
25 requires. The ~~corporation authority~~ shall notify the applicant of the ~~corporation's~~

1 authority's determination concerning the transfer of tax benefits when the
2 ~~corporation~~ authority notifies the applicant of the ~~corporation's~~ authority's
3 certification determination under s. ~~238.301~~ 235.301.

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

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

11 (c) 1. Subject to subd. 2., a person that receives an approval under par. (b) shall
12 transfer tax benefits in accordance with the terms of the application under par. (a)
13 after the ~~corporation~~ authority authorizes the person to claim tax benefits under s.
14 ~~238.303~~ 235.303 (2) and provides the notice of eligibility under s. ~~238.303~~ 235.303 (3).
15 The notice of eligibility shall contain all relevant information concerning a transfer
16 of tax benefits under this section. The person to whom tax benefits are transferred
17 may carry forward, beginning on the date of the notice of eligibility, any unused
18 amount of the value of those tax benefits as provided under the appropriate provision
19 in ch. 71 or in s. 76.636.

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

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

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

7 (4) (a) Except as provided in par. (b), the ~~corporation~~ authority may not
8 authorize the transfer of tax benefits under this section that total more than
9 \$15,000,000, and the ~~corporation~~ authority may not authorize the transfer of tax
10 benefits after 36 months after April 4, 2014.

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

1 program, the ~~corporation~~ authority may proceed to authorize the transfer of
2 additional tax benefits under this section. If, within 14 working days after the date
3 of that notice, the cochairpersons of the committee notify the ~~corporation~~ authority
4 that the committee has scheduled a meeting to review the proposed continuation of
5 the program, the ~~corporation~~ authority may proceed to authorize the transfer of
6 additional tax benefits only upon approval of the committee.

7 **SECTION 507.** 238.305 of the statutes is renumbered 235.305, and 235.305
8 (intro.), (1) and (2), as renumbered, are amended to read:

9 **235.305 Revocation of certification.** (intro.) The ~~corporation~~ authority
10 shall revoke the certification of a person who does any of the following:

11 (1) Supplies false or misleading information to obtain certification under s.
12 ~~238.301~~ 235.301 (2).

13 (2) Supplies false or misleading information to obtain tax benefits under s.
14 ~~238.303~~ 235.303.

15 **SECTION 508.** 238.306 of the statutes is renumbered 235.306, and 235.306
16 (intro.), (1) (a) and (b), (2) (intro.), (a), (b), (c), (d), (e) (intro.), (f), (g), (h), (i) and (k)
17 and (3), as renumbered, are amended to read:

18 **235.306 Responsibilities of the ~~corporation~~ authority.** (intro.) The
19 ~~corporation~~ authority shall do all of the following:

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

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

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

3 (a) A schedule of hourly wage ranges to be paid, and health insurance benefits
4 to be provided, to an employee by a person certified under s. ~~238.301~~ 235.301 (2) and
5 the corresponding per employee tax benefit for which a person certified under s.
6 ~~238.301~~ 235.301 (2) may be eligible.

7 (b) A definition of “significant investment of capital” for purposes of s. ~~238.302~~
8 235.302 (2), together with a corresponding schedule of tax benefits for which a person
9 who is certified under s. ~~238.301~~ 235.301 (2) and who conducts a project described
10 in s. ~~238.302~~ 235.302 (2) may be eligible. The ~~corporation~~ authority shall include in
11 the definition required under this paragraph a schedule of investments that takes
12 into consideration the size or nature of the business.

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

17 (d) A schedule of tax benefits for which a person who is certified under s.
18 ~~238.301~~ 235.301 (2) and who conducts a project that will result in the location or
19 retention of a person’s corporate headquarters in Wisconsin may be eligible.

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

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

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

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

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

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

12 (3) REPORTING. Annually, 6 months after the report has been submitted under
13 s. ~~238.07~~ 235.016 (2), submit to the joint legislative audit committee and to the
14 appropriate standing committees of the legislature under s. 13.172 (3) a
15 comprehensive report assessing the program under ss. ~~238.301 to 238.306~~ 235.301
16 to 235.306. The report under this subsection shall update the applicable information
17 provided in the report under s. ~~238.07~~ 235.016 (2).

18 **SECTION 509.** 238.31 of the statutes is renumbered 235.31, and 235.31 (1)
19 (intro.), (ac), (am), (b), (d) and (e) (intro.), 4. a. and d., (1m) (intro.) and (h), (2) and
20 (3) (intro.), as renumbered, are amended to read:

21 235.31 (1) (intro.) The ~~corporation~~ authority may designate an area as a
22 development zone if all of the following apply:

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

1 (am) A local governing body nominates the area as described in s. ~~238.32~~
2 235.32.

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

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

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

7 4. a. The unemployment rate in the area is higher than the state average for
8 the 18 months immediately preceding the date on which the application under s.
9 ~~238.32~~ 235.32 (2) or (3) was submitted to the ~~corporation~~ authority.

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

14 (1m) (intro.) In making a determination under sub. (1) (e), the ~~corporation~~
15 authority shall consider all of the following:

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

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

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

21 **SECTION 510.** 238.315 of the statutes is renumbered 235.315 and amended to
22 read:

23 **235.315 Invitation to nominate area.** If the ~~corporation~~ authority
24 determines that an area has experienced or is about to experience economic distress,

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

3 **SECTION 511.** 238.32 of the statutes is renumbered 235.32, and 235.32 (1)
4 (intro.), (2) (intro.), (c), (d) and (i), (3) and (5), as renumbered, are amended to read:

5 235.32 (1) (intro.) A local governing body may nominate an area as a
6 development zone, if the ~~corporation~~ authority has invited the governing body to
7 nominate the area under s. ~~238.315~~ 235.315 and if the governing body does all of the
8 following:

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

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

14 (d) Evidence that the area meets the applicable requirements of s. ~~238.335~~
15 235.335.

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

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

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

22 **SECTION 512.** 238.325 of the statutes is renumbered 235.325 and amended to
23 read:

24 **235.325 Evaluation by ~~corporation~~ authority.** (1) The ~~corporation~~
25 authority shall evaluate applications received under s. ~~238.32~~ 235.32 (2) and (3).

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

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

12 **SECTION 513.** 238.335 of the statutes is renumbered 235.335, and 235.335 (6)
13 (a) 2. and (c) and (7), as renumbered, are amended to read:

14 235.335 (6) (a) 2. Each area meets at least 3 of the criteria listed in s. ~~238.31~~
15 235.31 (1) (e) 4.

16 (c) If an application is submitted by the governing body of a county under s.
17 ~~238.32~~ 235.32 (2) or (3), up to 4 separate areas may be nominated or designated as
18 one development zone, if par. (a) 1. to 3. applies.

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

22 **SECTION 514.** 238.34 of the statutes is renumbered 235.34, and 235.34 (1), (2),
23 (3) (intro.) and (a), (4), (5) and (6), as renumbered, are amended to read:

24 235.34 (1) Except as provided under sub. (6), at any time after a development
25 zone is designated by the ~~corporation~~ authority, a local governing body may submit

1 an application to change the boundaries of the development zone. If the boundary
2 change reduces the size of a development zone, the local governing body shall explain
3 why the area excluded should no longer be in a development zone. The ~~corporation~~
4 authority may require the local governing body to submit additional information.

5 (2) The ~~corporation~~ authority may approve an application for a boundary
6 change if the development zone, as affected by the boundary changes, meets the
7 applicable requirements of s. ~~238.335~~ 235.335 and 3 of the criteria under s. ~~238.31~~
8 235.31 (1) (e) 4.

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

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

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

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

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

1 **SECTION 515.** 238.345 of the statutes is renumbered 235.345, and 235.345 (1)
2 (a) and (b), (2) (a), (am), (b), (c) 1. and 2. and (d) and (3) (intro.), (a) and (b), as
3 renumbered, are amended to read:

4 235.345 (1) (a) The designation of an area as a development zone shall be
5 effective for 240 months, beginning on the day the ~~corporation~~ authority notifies the
6 local governing body under s. ~~238.325~~ 235.325 (3) of the designation.

7 (b) The local governing body may apply to the ~~corporation~~ authority for one
8 60-month extension of the designation. The ~~corporation~~ authority shall adopt ~~rules~~
9 policies and procedures establishing criteria for approving an extension of a
10 designation of an area as a development zone under this subsection. No applications
11 may be accepted by the ~~corporation~~ authority under this paragraph on or after March
12 6, 2009.

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

16 (am) Notwithstanding par. (a), the ~~corporation~~ authority may increase the
17 established limit for tax benefits for a development zone. The ~~corporation~~ authority
18 may not increase the limit for tax benefits established for any development zone
19 designated under s. ~~238.31~~ 235.31 on or after March 6, 2009.

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

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

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

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

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

7 (a) No person is certified as eligible to receive tax benefits under s. ~~238.365~~
8 235.365 (3) during the 12-month period beginning on the day the area is designated
9 as a development zone and the ~~corporation~~ authority determines that the local
10 governing body that nominated the zone is not in compliance with s. ~~238.363~~ 235.363.

11 (b) No person is certified as eligible to receive tax benefits under s. ~~238.365~~
12 235.365 (3) during the 24-month period beginning on the day the area is designated
13 a development zone.

14 **SECTION 516.** 238.35 of the statutes is renumbered 235.35, and 235.35 (intro.),
15 (6), (7), (8) and (10), as renumbered, are amended to read:

16 **235.35 Additional duties of the ~~corporation~~ authority.** (intro.) The
17 ~~corporation~~ authority shall do all of the following:

18 **(6)** Notify University of Wisconsin System Authority small business
19 development centers, the Wisconsin housing and development centers, the central
20 administration of all University of Wisconsin System Authority campuses and
21 regional planning commissions about the development zone program and encourage
22 those entities to provide advice to the ~~corporation~~ authority or local governing bodies
23 on ways to improve the development zone program.

****NOTE: This is reconciled s. 238.35 (6). This SECTION has been affected by drafts
with the following LRB numbers: -0971/P4 and -1215/P2.

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

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

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

8 **SECTION 517.** 238.363 of the statutes is renumbered 235.363, and 235.363 (1)
9 (intro.) and (c) and (4), as renumbered, are amended to read:

10 235.363 (1) (intro.) If an area nominated by a local governing body is designated
11 as a development zone under s. ~~238.31~~ 235.31, the local governing body shall do all
12 of the following:

13 (c) Assist the ~~corporation~~ authority in the administration of the development
14 zone program.

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

19 **SECTION 518.** 238.365 of the statutes is renumbered 235.365, and 235.365
20 (intro.), (2), (3) (intro.), (b) and (j) and (5) (g) and (h), as renumbered, are amended
21 to read:

22 **235.365 Certification for tax benefits.** (intro.) The ~~corporation~~ authority
23 shall do all of the following:

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

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

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

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

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

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

12 **SECTION 519.** ~~238.368~~ of the statutes is renumbered ~~235.368~~, and ~~235.368~~ (1)
13 (a) and (b) (intro.), 1. and 2., (2) (intro.) and (b) and (3) (a) (intro.) and 1. and (b), as
14 renumbered, are amended to read:

15 ~~235.368~~ (1) (a) The ~~corporation~~ authority shall establish a limit on the
16 maximum amount of tax benefits a person certified under s. ~~238.365~~ 235.365 (3) may
17 claim while an area is designated as a development zone.

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

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

21 2. Establish a limit which does not greatly exceed a recommended limit,
22 established under ~~rules~~ policies and procedures adopted by the ~~corporation~~ authority
23 based on the cost, number and types of full-time jobs that will be created, retained,
24 or upgraded, including full-time jobs available to members of the targeted

1 population, as a result of the economic activity of the person certified under s.
2 ~~238.365~~ 235.365 (3).

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

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

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

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

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

17 **SECTION 520.** 238.37 of the statutes is renumbered 235.37, and 235.37 (1)
18 (intro.) and (b) and (2), as renumbered, are amended to read:

19 235.37 (1) (intro.) The ~~corporation~~ authority shall revoke the certification of a
20 person certified under s. ~~238.365~~ 235.365 (3) if the person does any of the following:

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

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

1 **SECTION 521.** 238.38 of the statutes is renumbered 235.38, and 235.38 (1)
2 (intro.), (1m), (2) (intro.) and (a) and (3) (a) and (b), as renumbered, are amended to
3 read:

4 235.38 (1) (intro.) Except as provided in subs. (2) and (3), no person may be
5 certified under s. ~~238.365~~ 235.365 (3), or a person's certification may be revoked
6 under s. ~~238.37~~ 235.37, if the proposed new business, expansion of an existing
7 business, or other proposed economic activity in a development zone would do or does
8 any of the following:

9 **(1m)** No person may be certified under s. ~~238.365~~ 235.365 (3) on or after March
10 6, 2009.

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

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

17 **(3)** (a) Except as provided in pars. (b) and (c), if the economic activity for which
18 a person is seeking certification under s. ~~238.365~~ 235.365 (3) is the relocation of a
19 business into a development zone from a location that is outside the development
20 zone but within the limits of a city, village, town, or federally recognized American
21 Indian reservation in which that development zone is located, the local governing
22 body that nominated that area as a development zone under s. ~~238.32~~ 235.32 shall
23 determine whether sub. (2) (a) or (b) applies.

24 (b) Only the ~~corporation~~ authority may determine whether sub. (2) (a) or (b)
25 applies to a business relocation described in par. (a) if the business relocation would

1 likely result in the loss of full-time jobs at or transfer of employees from a business
2 location that is in this state but outside the limits of any city, village, town, or
3 federally recognized American Indian reservation in which the development zone is
4 located.

5 SECTION 522. 238.385 of the statutes is renumbered 235.385, and 235.385 (1)
6 (intro.) and (bm) and (2) (intro.), (b) and (c), as renumbered, are amended to read:

7 235.385 (1) (intro.) For the development zone program under ss. ~~238.30~~ 235.30
8 and ~~238.31 to 238.38~~ 235.31 to 235.38, the development opportunity zone program
9 under s. ~~238.395~~ 235.395, and the enterprise development zone program under s.
10 ~~238.397~~ 235.397, the ~~corporation~~ authority shall adopt ~~rules~~ policies and procedures
11 that further define a person's eligibility for tax benefits. The ~~rules~~ policies and
12 procedures shall do at least all of the following:

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

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

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

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

1 **SECTION 523.** 238.395 of the statutes is renumbered 235.395, and 235.395 (1)
2 (a), (b), (c), (d), (e), (f), (g), (h) and (i), (2) (c), (d) 1. and 2. and (e) 1., 2. and 3., (3) (a)
3 1., 2., 3. and 4., (b) 9., (c) and (d), (4) (a) (intro.) and (b) and (5) (a) (intro.), 2. and 3.,
4 (b), (c), (d), (e) (intro.) and 3. and (f), as renumbered, are amended to read:

5 235.395 (1) (a) An area in the city of Beloit, the legal description of which is
6 provided to the ~~corporation~~ authority by the local governing body of the city of Beloit.

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

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

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

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

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

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

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

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

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

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

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

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

18 2. The ~~corporation~~ authority may extend the designation of an area under sub.
19 (1) (h) as a development opportunity zone for an additional 60 months if the
20 ~~corporation~~ authority determines that an extension under this subdivision would
21 support economic development within the city. If the ~~corporation~~ authority extends
22 the designation of the area as a development opportunity zone, the limit for tax
23 benefits for the development opportunity zone under sub. (1) (h) is increased by
24 \$5,000,000.

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

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

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

19 3. Any person that is conducting or that intends to conduct economic activity
20 in a development opportunity zone under sub. (1) (d) and that, in conjunction with
21 the local governing body of the city in which the development opportunity zone is
22 located, submits a project plan as described in par. (b) to the ~~corporation~~ authority
23 no later than July 1, 2000, shall be entitled to claim tax benefits while the area is
24 designated as a development opportunity zone.

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

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

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

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

****NOTE: This is reconciled s. 235.395 (3) (d). This SECTION has been affected by
drafts with the following LRB numbers: -1018/P1 and -1215/P2.

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

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

18 (5) (a) (intro.) The ~~corporation~~ authority may certify for tax benefits a person
19 that is conducting economic activity in the development opportunity zone under sub.
20 (1) (e) or (f) and that is not otherwise entitled to claim tax benefits if all of the
21 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 524.** 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 525.** 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 526.** 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