

1 persons and families of low and moderate income in Wisconsin. The board may also  
2 develop and implement any other programs and projects related to economic  
3 development or housing in Wisconsin.

4 **SECTION 467.** 235.0279 (3) of the statutes is created to read:

5 235.0279 (3) Records consisting of information on the In Force Network or  
6 other similar customer relationship management system maintained by the  
7 authority, unless the information was published to the In Force Network or other  
8 system by the authority or another economic development organization.

9 **SECTION 468.** Subchapter II (title) of chapter 235 [precedes 235.03] of the  
10 statutes is created to read:

11 **CHAPTER 235**

12 **SUBCHAPTER II**

13 **ECONOMIC DEVELOPMENT**

14 **SECTION 469.** 235.03 (3) (ad), (ah), (ap) and (at) of the statutes are created to  
15 read:

16 235.03 (3) (ad) That each recipient of a grant or loan under the program of at  
17 least \$500,000 shall engage an independent certified public accountant to perform  
18 procedures, approved by the authority and consistent with applicable professional  
19 standards of the American Institute of Certified Public Accountants, to determine  
20 whether the grant or loan funds and any matching cash or in-kind match were  
21 expended in accordance with the grant or loan contract.

22 (ah) That each recipient make available for inspection the documents  
23 supporting the attestation submitted under par. (a).

24 (ap) That the contract with each grant or loan recipient shall include the  
25 requirements under pars. (a) to (ah).

1 (at) The requirements of pars. (a) to (ap) do not apply to a department, as  
2 defined in s. 15.01 (5), an independent agency, as defined in s. 15.01 (9), an authority  
3 created under subch. II of ch. 114 or under ch. 231, 233, 235, 237, or 279, or the  
4 University of Wisconsin System.

5 **SECTION 470.** 235.609 of the statutes is created to read:

6 **235.609 Bonds for certain mortgages and securities and for the**  
7 **housing development fund.** The authority may issue its negotiable notes and  
8 bonds to do any of the following:

9 (1) Purchase certain mortgages and securities and make secured loans for  
10 housing for persons and families of low and moderate income, for the rehabilitation  
11 of existing structures, and for the construction of facilities appurtenant to existing  
12 structures consistent with the provisions and purposes of this chapter.

13 (2) Make secured loans to assist eligible elderly homeowners in paying  
14 property taxes and special assessments.

15 (3) Provide moneys for the housing development fund in order to make  
16 temporary loans to sponsors of housing projects as provided in this subchapter.

17 **SECTION 471.** Chapter 238 (title) of the statutes is repealed.

18 **SECTION 472.** Subchapter I (title) of chapter 238 [precedes 238.01] of the  
19 statutes is repealed.

20 **SECTION 473.** 238.01 (intro.) and (1) of the statutes are repealed.

21 **SECTION 474.** 238.01 (2) of the statutes is repealed.

22 **SECTION 475.** 238.01 (3) of the statutes is renumbered 235.01 (3).

23 **SECTION 476.** 238.02 of the statutes is repealed.

24 **SECTION 477.** 238.03 (title) of the statutes is renumbered 235.03 (title) and  
25 amended to read:

1           **235.03** (title) **Duties of ~~board~~ the authority concerning economic**  
2 **development.**

3           **SECTION 478.** 238.03 (1) of the statutes is repealed.

4           **SECTION 479.** 238.03 (2) of the statutes is renumbered 235.03 (2), and 235.03  
5 (2) (intro.) and (c), as renumbered, are amended to read:

6           235.03 (2) (intro.) For each program developed and implemented by the ~~board~~  
7 authority under this subchapter, the ~~board~~ authority shall do all of the following:

8           (c) Require that each recipient of a grant or loan under the program submit a  
9 report to the ~~corporation~~ authority. Each contract with a recipient of a grant or loan  
10 under the program must specify the frequency and format of the report to be  
11 submitted to the ~~corporation~~ authority and the performance measures to be included  
12 in the report.

13           **SECTION 480.** 238.03 (3) of the statutes is renumbered 235.03 (3), and 235.03  
14 (3) (intro.), (a) and (b) (intro.), as renumbered, are amended to read:

15           235.03 (3) (intro.) The ~~board~~ authority shall require for each economic  
16 development program developed and implemented by the ~~board~~ authority all of the  
17 following:

18           (a) That each recipient of a grant or loan under the program ~~of at least \$100,000~~  
19 submit to the ~~corporation~~ authority, within 120 days after the end of the recipient's  
20 fiscal year in which any grant or loan funds were expended, ~~a schedule of~~  
21 ~~expenditures of the grant or loan funds, including expenditures of any matching cash~~  
22 ~~or in-kind match~~ or at a different time as provided in policies and procedures  
23 approved by the board an attestation, signed by the director or principal officer of the  
24 recipient ~~to attest to the accuracy of the schedule of expenditures. The recipient shall~~  
25 ~~engage an independent certified public accountant to perform procedures, approved~~

1 ~~by the corporation and consistent with applicable professional standards of the~~  
2 ~~American Institute of Certified Public Accountants, to determine whether the grant~~  
3 ~~or loan funds and any matching cash or in-kind match were expended in accordance~~  
4 ~~with the grant or loan contract. The board shall also require the recipient of such a~~  
5 ~~grant or loan to make available for inspection the documents supporting the schedule~~  
6 ~~of expenditures. The board shall include the requirements under this paragraph in~~  
7 ~~the contract with grant or loan recipients. The attestation shall verify that the grant~~  
8 ~~or loan funds and any matching cash or in-kind match were expended in accordance~~  
9 ~~with the grant or loan contract.~~

10 (b) (intro.) That the ~~board~~ authority, if a recipient of a grant or loan under the  
11 program submits false or misleading information to the ~~corporation~~ authority or fails  
12 to comply with the terms of a contract entered into with the ~~corporation~~ authority,  
13 without providing satisfactory explanation for the noncompliance, do all of the  
14 following:

15 **SECTION 481.** 238.04 of the statutes is repealed.

16 **SECTION 482.** 238.045 of the statutes is repealed.

17 **SECTION 483.** 238.046 of the statutes is renumbered 235.014, and 235.014 (1)  
18 and (2), as renumbered, are amended to read:

19 235.014 (1) A member of the board or an employee of the ~~corporation~~ authority  
20 to whom the board delegates its authority to contract shall notify the ~~corporation's~~  
21 authority's legal counsel or, if the ~~corporation's~~ legal counsel is unavailable, the chief  
22 executive officer of the ~~corporation~~ authority if the member or employee has a direct  
23 or indirect, private, pecuniary interest in a contract that is being negotiated, bid for,  
24 or entered into with the ~~corporation~~ authority. If the ~~corporation's~~ authority's legal  
25 counsel or chief executive officer is notified under this section, he or she shall report

1 the name of the individual from whom he or she received the notification and the  
2 contract in which the individual has a private, pecuniary interest to the board. A  
3 member or employee who notifies the ~~corporation's~~ authority's legal counsel or chief  
4 executive officer under this section is not authorized to participate in the member's  
5 or employee's capacity as a member of the board or an employee of the ~~corporation~~  
6 authority in the making of the contract or to perform in regard to the contract some  
7 official function requiring the exercise of discretion on the member's or employee's  
8 part.

9 (2) An employee of the ~~corporation~~ authority shall notify the ~~corporation's~~  
10 authority's legal counsel or, if the ~~corporation's~~ legal counsel is unavailable, the chief  
11 executive officer of the ~~corporation~~ authority if the employee has a controlling  
12 interest in an entity that is negotiating, bidding for, or entering into a contract with  
13 the ~~corporation~~ authority. If the ~~corporation's~~ authority's legal counsel or chief  
14 executive officer is notified under this section, he or she shall report the name of the  
15 individual from whom he or she received the notification and the contract at issue  
16 to the board. The board shall prohibit the ~~corporation~~ authority from entering into  
17 any contract with an entity in which an employee of the ~~corporation~~ authority has  
18 a controlling interest.

19 SECTION 484. 238.05 of the statutes is repealed.

20 SECTION 485. 238.06 of the statutes is renumbered 235.015 and amended to  
21 read:

22 **235.015 Liability limited.** Neither the state nor any political subdivision of  
23 the state, nor any officer, employee, or agent of the state or a political subdivision of  
24 the state who is acting within the scope of employment or agency, is liable for any  
25 debt, obligation, act, or omission of the ~~corporation~~ authority.

1           **SECTION 486.** 238.07 of the statutes is renumbered 235.016, and 235.016 (1),  
2 (2) (intro.), (3) and (4), as renumbered, are amended to read:

3           235.016 (1) Annually, by ~~January~~ October 1, the ~~board~~ authority shall submit  
4 to the chief clerk of each house of the legislature, for distribution to the legislature  
5 under s. 13.172 (2), a report identifying the economic development and housing  
6 programs and projects that the ~~board~~ authority intends to develop and implement  
7 during the current ~~calendar~~ fiscal year.

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

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

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

20           **SECTION 487.** 238.08 of the statutes is repealed.

21           **SECTION 488.** 238.09 of the statutes is renumbered 235.017, and 235.017 (1),  
22 (2) and (3), as renumbered, are amended to read:

23           235.017 (1) When the ~~corporation~~ authority is required to publicly solicit  
24 proposals from multiple vendors of goods or services.

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

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

5           **SECTION 489.** 238.10 of the statutes is renumbered 235.018, and 235.018 (1) to  
6 (4), as renumbered, are amended to read:

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

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

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

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

4           **SECTION 490.** 238.11 of the statutes is renumbered 235.11, and 235.11 (1), (2)  
5 and (5), as renumbered, are amended to read:

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

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

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

20           **SECTION 491.** 238.12 of the statutes is renumbered 235.12 and amended to  
21 read:

22           **235.12 Repayment of grants, loans, and tax benefits.** (1) In this section,  
23 “tax benefits” means the credits under ss. 71.07 (~~2dd~~), (~~2de~~), (~~2di~~), (~~2dj~~), (~~2dL~~), (2dm),  
24 (~~2dr~~), (~~2ds~~), (2dx), (3g), and (3t), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds),



1 (1dx), (3g), and (3t), 71.47 ~~(1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (3g), and~~  
2 (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.

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

11 **SECTION 492.** 238.125 of the statutes is repealed.

12 **SECTION 493.** 238.127 of the statutes is renumbered 235.127, and 235.127 (2)  
13 (intro.), (c) (intro.), (e), (h) and (j), as renumbered, are amended to read:

14 235.127 (2) (intro.) ~~The corporation~~ authority shall establish and administer  
15 a state main street program to coordinate state and local participation in programs  
16 offered by the national main street center, created by the national trust for historic  
17 preservation, to assist municipalities in planning, managing and implementing  
18 programs for the revitalization of business areas. ~~The corporation~~ authority shall  
19 do all of the following:

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

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

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

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

16 SECTION 494. 238.13 of the statutes, as affected by 2015 Wisconsin Act ... (this  
17 act), is renumbered 235.13, and 235.13 (2) (a) (intro.), (3) (intro.) and (f) and (5), as  
18 renumbered, are amended to read:

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

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

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

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

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

4           **SECTION 495.** 238.133 of the statutes is renumbered 235.133, and 235.133 (2)  
5           (title), (a), (b), (c) and (d), (3) (intro.), (4), (5) (intro.) and (c), (6) and (7), as  
6           renumbered, are amended to read:

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

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

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

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

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

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

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

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

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

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

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

17           **SECTION 496.** 238.135 of the statutes is renumbered 235.135 and amended to  
18 read:

19           **235.135 Grants to regional economic development organizations.** The  
20 ~~corporation~~ authority shall award annual grants to regional economic development  
21 organizations to fund marketing activities. The amount of each grant may not exceed  
22 \$100,000 or the amount of matching funds the organization obtains from sources  
23 other than the ~~corporation~~ authority or the state, whichever is less.

24           **SECTION 497.** 238.15 of the statutes, as affected by 2015 Wisconsin Act ... (this  
25 act), is renumbered 235.15, and 235.15 (1) (intro.) and (m) 1. (intro.) and c., (2) and

1 (3) (a), (b), (d) (intro.), 1. and 2. a. and b., (dm) and (e), as renumbered, are amended  
2 to read:

3 235.15 (1) ANGEL INVESTMENT TAX CREDITS. (intro.) The ~~corporation~~ authority  
4 shall implement a program to certify businesses for purposes of s. 71.07 (5d). A  
5 business desiring certification shall submit an application to the ~~corporation~~  
6 authority in each taxable year for which the business desires certification. The  
7 business shall specify in its application the investment amount it wishes to raise and  
8 the ~~corporation~~ authority may certify the business and determine the amount that  
9 qualifies for purposes of s. 71.07 (5d). Except as provided in policies and procedures  
10 under sub. (3) (dm), the ~~corporation~~ authority may certify or recertify a business for  
11 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.

12 (m) 1. (intro.) It agrees that it will not relocate outside of this state during the  
13 3 years after it receives an investment for which a person may claim a tax credit  
14 under s. 71.07 (5d) and agrees to pay the ~~corporation~~ authority a penalty, in an  
15 amount determined under subd. 2., if the business relocates outside of this state  
16 during that 3–year period. For the purposes of this paragraph, except as provided  
17 in policies and procedures under sub. (3) (dm), a business relocates outside of this  
18 state when the business locates more than 51 percent of any of the following outside  
19 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.

20 c. The activities of the business’s headquarters, as determined by the  
21 ~~corporation~~ authority.

1           (2) EARLY STAGE SEED INVESTMENT TAX CREDITS. The ~~corporation~~ authority shall  
2 implement a program to certify investment fund managers for purposes of ss. 71.07  
3 (5b), 71.28 (5b), 71.47 (5b), and 76.638. An investment fund manager desiring  
4 certification shall submit an application to the ~~corporation~~ authority. The  
5 investment fund manager shall specify in the application the investment amount  
6 that the manager wishes to raise and the ~~corporation~~ authority may certify the  
7 manager and determine the amount that qualifies for purposes of ss. 71.07 (5b),  
8 71.28 (5b), 71.47 (5b), and 76.638. In determining whether to certify an investment  
9 fund manager, the ~~corporation~~ authority shall consider the investment fund  
10 manager's experience in managing venture capital funds, the past performance of  
11 investment funds managed by the applicant, the expected level of investment in the  
12 investment fund to be managed by the applicant, and any other relevant factors. The  
13 ~~corporation~~ authority may certify only investment fund managers that commit to  
14 consider placing investments in businesses certified under sub. (1).

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

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

22           (d) *Rules Administration.* (intro.) The ~~corporation~~ authority, in consultation  
23 with the department of revenue, shall ~~adopt rules~~ establish policies and procedures  
24 to administer this section.—The rules and shall further define “bona fide angel  
25 investment” for purposes of s. 71.07 (5d) (a) 1. The rules ~~shall limit the aggregate~~

1 amount of tax credits under s. 71.07 (5d) that may be claimed for investments in  
2 businesses certified under sub. (1) at \$3,000,000 per calendar year for calendar years  
3 beginning after December 31, 2004, and before January 1, 2008, \$5,500,000 per  
4 calendar year for calendar years beginning after December 31, 2007, and before  
5 January 1, 2010, \$6,500,000 for calendar year 2010, and \$20,000,000 per calendar  
6 year for calendar years beginning after December 31, 2010, plus, for taxable years  
7 beginning after December 31, 2010, an additional \$250,000 for tax credits that may  
8 be claimed for investments in nanotechnology businesses certified under sub. (1).  
9 The rules shall also limit the aggregate amount and of the tax credits under ss. 71.07  
10 (5b), 71.28 (5b), 71.47 (5b), and 76.638 that may be claimed for investments paid to  
11 fund managers certified under sub. (2) at \$3,500,000 per calendar year for calendar  
12 years beginning after December 31, 2004, and before January 1, 2008, \$6,000,000 per  
13 calendar year for calendar years beginning after December 31, 2007, and before  
14 January 1, 2010, \$8,000,000 for calendar year 2010, and \$20,500,000 is \$30,000,000  
15 per calendar year for calendar years beginning after December 31, 2010, plus, for  
16 taxable years beginning after December 31, 2010, an additional \$250,000 for tax  
17 credits that may be claimed for investments in nanotechnology businesses certified  
18 under sub. (1). The rules policies and procedures shall also provide that, for calendar  
19 years beginning after December 31, 2007, a person who receives a credit under ss.  
20 s. 71.07 (5b) and or (5d), 71.28 (5b), 71.47 (5b), or 76.638 must keep the investment  
21 in a certified business, or with a certified fund manager, for no less than 3 years,  
22 unless the person's investment becomes worthless, as determined by the corporation  
23 authority, during the 3-year period or the person has kept the investment for no less  
24 than 12 months and a bona fide liquidity event, as determined by the corporation  
25 authority, occurs during the 3-year period. The rules policies and procedures shall

1 permit the ~~corporation~~ authority to reallocate credits under this section that are  
2 unused in any calendar year to a person eligible for tax benefits, as defined under s.  
3 ~~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.

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

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

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

12 (dm) The ~~corporation's~~ authority's policies and procedures under this  
13 subsection shall permit the ~~corporation~~ authority to waive one or more of the  
14 requirements under sub. (1) (a), (b), (h), and (m) 1. based on standards the  
15 ~~corporation~~ authority establishes in the policies and procedures. The ~~corporation~~  
16 authority may not waive a requirement under sub. (1) (a), (b), (h), or (m) 1. unless  
17 the board approves the standards in the policies and procedures and the waiver  
18 complies with those standards.

19 (e) *Transfer.* A person who is eligible to claim a credit under s. 71.07 (5b), 71.28  
20 (5b), 71.47 (5b) or (5d), or 76.638 may sell or otherwise transfer the credit to another  
21 person who is subject to the taxes or fees imposed under s. 71.02, 71.23, 71.47, or  
22 subch. III of ch. 76, if the person was certified to claim the credit after December 31,  
23 2014 and if the person receives prior authorization from the investment fund



Act (this act)  
11

1 manager, for a credit under s. 71.07 (5b), 71.28 (5b), 71.47 (5b), or 76.638, and the  
2 investment fund manager, or the claimant under s. 71.07 (5d) for the sale or other  
3 transfer of a credit under s. 71.07 (5d), notifies the ~~corporation~~ authority and the  
4 department of revenue of the transfer and submits with the notification a copy of the  
5 transfer documents. No person may sell or otherwise transfer a credit as provided  
6 in this paragraph more than once in a 12-month period. The ~~corporation~~ authority  
7 may charge any person selling or otherwise transferring a credit under this  
8 paragraph a fee equal to 5 percent of the credit amount sold or transferred.

\*\*\*\*NOTE: This is reconciled s. 238.15 (3) (e). This SECTION has been affected by  
drafts with the following LRB numbers: -0996/P3 and -1215/P4.

is affected by 2015 Wisconsin

9

**SECTION 498.** 238.16 of the statutes is renumbered 235.16, and 235.16 (1) (c)

10 2. (intro.), (2) (intro.) and (b), (3) (intro.), (4) (b) 1. (intro.) and 2. and (c) and (5) (title),  
11 (a), (b), (c), (d), (e) and (f) (intro.) and 1. (intro.), as renumbered, are amended to read:

12 235.16 (1) (c) 2. (intro.) The ~~corporation~~ authority may grant exceptions to the  
13 requirement under subd. 1. that a full-time job means a position in which an  
14 individual, as a condition of employment, is required to work at least 2,080 hours per  
15 year if all of the following apply:

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

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

20 (3) **ELIGIBILITY FOR TAX BENEFITS.** (intro.) A person certified under sub. (2) may  
21 receive tax benefits under this section if, in each year for which the person claims tax  
22 benefits under this section, the person increases net employment in this state in the  
23 person's business above the net employment in this state in the person's business

1 during the year before the person was certified under sub. (2), as determined by the  
2 ~~corporation~~ authority under its policies and procedures, and one of the following  
3 applies:

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

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

12 (c) Subject to a reallocation by the ~~corporation~~ authority pursuant to policies  
13 and procedures adopted under s. ~~238.15~~ 235.15 (3) (d), the ~~corporation~~ authority may  
14 allocate up to \$10,000,000 in tax benefits under this section in any calendar year.

\*\*\*\*NOTE: This is reconciled s. 238.16 (4) (c). This SECTION has been affected by  
drafts with the following LRB numbers: -0996/P3 and -1215/P4.

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

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

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

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

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

4 (e) The ~~corporation~~ authority shall annually verify the information submitted  
5 to the ~~corporation~~ authority by the person claiming tax benefits under ss. 71.07 (3q),  
6 71.28 (3q), and 71.47 (3q).

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

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

13 **SECTION 499.** 238.17 of the statutes is renumbered 235.17 (1) (a) and amended  
14 to read:

15 235.17 (1) (a) For taxable years beginning after December 31, 2013, the  
16 ~~corporation~~ authority may certify a person to claim a tax credit under s. 71.07 (9m),  
17 71.28 (6), or 71.47 (6), if the ~~corporation~~ authority determines that the person is  
18 conducting an eligible activity under s. ~~71.07 (9m), 71.28 (6), or 71.47 (6)~~ preservation  
19 or rehabilitation project. No person may claim a tax credit under s. 71.07 (9m), 71.28  
20 (6), or 71.47 (6) without first being certified under this ~~section~~ subsection. The  
21 ~~corporation~~ authority shall notify the department of revenue no later than January  
22 15 of each year of the amount of the credits certified under this ~~section~~ subsection  
23 and the name, address, and tax identification number of each person certified to  
24 claim the credit. The ~~corporation~~ authority shall notify the department of revenue  
25 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.

1           **SECTION 500.** 238.23 of the statutes is renumbered 235.23, and 235.23 (1), (2)  
2           (a) and (b), (3) (a) (intro.), (b) (intro.), (c) and (d), (4) (a) (intro.) and (b) and (5) (intro.),  
3           (e) and (g), as renumbered, are amended to read:

4           **235.23 (1)** In this section, “tax credit” means a credit under s. 71.07 (~~2di~~), (2dm),  
5           (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.

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

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

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

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

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

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

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

21 (b) The ~~corporation~~ authority shall annually verify information submitted to  
22 the ~~corporation~~ it under ss. 71.07 (~~2di~~), (2dm), (2dx), and (3g), 71.28 (~~1di~~), (1dm),  
23 (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.

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

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

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

10           **SECTION 501.** 238.26 of the statutes is repealed.

11           **SECTION 502.** Subchapter II (title) of chapter 238 [precedes 238.30] of the  
12 statutes is renumbered subchapter III (title) of chapter 235 [precedes 235.30].

13           **SECTION 503.** 238.30 of the statutes is renumbered 235.30, and 235.30 (intro.),  
14 (2g), (2m) (b) (intro.) and (7) (b) 1. and 2., (c) and (d), as renumbered, are amended  
15 to read:

16           **235.30 Definitions.** (intro.) In this section and ss. ~~238.301 to 238.395~~ 235.301  
17 to 235.395 and ~~238.398~~ 235.398:

18           (2g) "Eligible activity" means an activity described under s. ~~238.302~~ 235.302.

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

23           (7) (b) 1. Except as provided in subd. 2., in s. ~~238.395~~ 235.395, "tax benefits"  
24 means the ~~development zones investment credit~~ under ss. ~~71.07 (2di), 71.28 (1di),~~  
25 ~~and 71.47 (1di)~~ and the development zones credit under ss. ~~71.07 (2dx), 71.28 (1dx),~~

1 71.47 (1dx), and 76.636. With respect to the development opportunity zones under  
2 s. ~~238.395~~ 235.395 (1) (e) and (f), “tax benefits” also means the development zones  
3 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.

4 2. With respect to the development opportunity zones under s. ~~238.395~~ 235.395  
5 (1) (g), (h), and (i), “tax benefits” means the development zone credits under ss. 71.07  
6 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636 and the development zones capital  
7 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

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

11 (d) In ss. ~~238.301 to 238.306~~ 235.301 to 235.306, “tax benefits” means the  
12 economic development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and  
13 76.637.

14 **SECTION 504.** 238.301 of the statutes is renumbered 235.301, and 235.301 (1)  
15 (intro.) and (e), (2) (a) and (b) and (3) (intro.), (b), (c), (d) and (f), as renumbered, are  
16 amended to read:

17 235.301 (1) APPLICATION. (intro.) Any person may apply to the ~~corporation~~  
18 authority on a form prepared by the ~~corporation~~ authority for certification under this  
19 section. The application shall include all of the following:

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

22 (2) (a) The ~~corporation~~ authority may certify a person who submits an  
23 application under sub. (1) if, after conducting an investigation, the ~~corporation~~

1 authority determines that the person is conducting or intends to conduct at least one  
2 eligible activity.

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

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

8 (b) Whether any of the eligible activities will occur in an economically  
9 distressed area, as designated by the ~~corporation~~ authority under s. ~~238.304~~ 235.304  
10 (1).

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

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

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

18 SECTION 505. ~~238.302 of the statutes, as affected by 2015 Wisconsin Act ... (this~~  
19 ~~act),~~ is renumbered 235.302, and 235.302 (intro.), (1), (2) and (3), as renumbered, are  
20 amended to read:

21 **235.302 Eligible activities.** (intro.) A person who conducts or proposes to  
22 conduct any of the following may be certified under s. ~~238.301~~ 235.301 (2):

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



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

4           (3) A project that involves significant investments in the training or  
5 reeducation of employees, as defined by the ~~corporation by rule authority~~ under s.  
6 ~~238.306~~ 235.306 (2) (c), by the person for the purpose of improving the productivity  
7 or competitiveness of the business of the person.

8           **SECTION 506.** 238.303 of the statutes, as affected by 2015 Wisconsin Act ... (this  
9 act), is renumbered 235.303, and 235.303 (1) (a), (am) and (b), (2) and (3), as  
10 renumbered, are amended to read:

11           235.303 (1) (a) Except as provided in pars. (am) and (b), and subject to a  
12 reallocation by the ~~corporation authority~~ under s. ~~238.15~~ 235.15 (3) (d), the total tax  
13 benefits available to be allocated by the ~~corporation authority~~ under ss. ~~238.301 to~~  
14 ~~238.306~~ 235.301 to 235.306 may not exceed the sum of the tax benefits remaining to  
15 be allocated under s. 560.71 to 560.785, 2009 stats., s. 560.797, 2009 stats., s.  
16 560.798, 2009 stats., s. 560.7995, 2009 stats., and s. 560.96, 2009 stats., on March 6,  
17 2009, plus \$100,000,000.

      \*\*\*NOTE: This is reconciled s. 238.303 (1) (a). This SECTION has been affected by  
drafts with the following LRB numbers: -0996/P3 and -1215/P4.

18           (am) The ~~corporation authority~~ may initially allocate only \$61,000,000 of the  
19 additional \$100,000,000 in tax benefits specified in par. (a). Before the ~~corporation~~  
20 ~~authority~~ allocates the remaining \$39,000,000 in tax benefits specified in par. (a), the  
21 ~~corporation authority~~ shall submit its plan for such allocation, including a report  
22 that describes the intended use of the tax benefits, to the joint committee on finance.  
23 If the cochairpersons of the committee do not notify the ~~corporation authority~~ within

1 14 working days after the date of the ~~corporation's~~ authority's submittal that the  
2 committee has scheduled a meeting for the purpose of reviewing the plan, the plan  
3 may be implemented and the remaining amount may be allocated as proposed by the  
4 ~~corporation~~ authority. If, within 14 working days after the date of the ~~corporation's~~  
5 authority's submittal, the cochairpersons of the committee notify the ~~corporation~~  
6 authority that the committee has scheduled a meeting for the purpose of reviewing  
7 the proposed plan, the plan may be implemented and the remaining amount  
8 allocated only upon approval of the committee.

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

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

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

24 **SECTION 507.** 238.304 of the statutes is renumbered 235.304, and 235.304  
25 (intro.) and (1), as renumbered, are amended to read:

1           **235.304 Eligible activities in economically distressed areas and**  
2 **benefiting members of targeted groups.** (intro.) The ~~corporation~~ authority may  
3 authorize a person certified under s. ~~238.301~~ 235.301 (2) to claim additional tax  
4 benefits under s. ~~238.303~~ 235.303 if, after conducting an investigation, the  
5 ~~corporation~~ authority determines any of the following:

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

10           **SECTION 508.** 238.3045 of the statutes is renumbered 235.3045, and 235.3045  
11 (1) (title), (a), (b) (intro.) and 4. and (c) 1., (2) (a) and (b), (3) and (4) (a) and (b), as  
12 renumbered, are amended to read:

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

24           (b) (intro.) The ~~corporation~~ authority may approve the transfer of tax benefits  
25 under this section if the ~~corporation~~ authority certifies the applicant under par. (a)

1 for tax benefits under s. ~~238.301~~ 235.301 and finds that the applicant meets at least  
2 one of the following conditions:

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

6 (c) 1. Subject to subd. 2., a person that receives an approval under par. (b) shall  
7 transfer tax benefits in accordance with the terms of the application under par. (a)  
8 after the ~~corporation~~ authority authorizes the person to claim tax benefits under s.  
9 ~~238.303~~ 235.303 (2) and provides the notice of eligibility under s. ~~238.303~~ 235.303 (3).  
10 The notice of eligibility shall contain all relevant information concerning a transfer  
11 of tax benefits under this section. The person to whom tax benefits are transferred  
12 may carry forward, beginning on the date of the notice of eligibility, any unused  
13 amount of the value of those tax benefits as provided under the appropriate provision  
14 in ch. 71 or in s. 76.636.

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

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

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

1           (4) (a) Except as provided in par. (b), the ~~corporation~~ authority may not  
2 authorize the transfer of tax benefits under this section that total more than  
3 \$15,000,000, and the ~~corporation~~ authority may not authorize the transfer of tax  
4 benefits after 36 months after April 4, 2014.

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

1           **SECTION 509.** 238.305 of the statutes is renumbered 235.305, and 235.305  
2 (intro.), (1) and (2), as renumbered, are amended to read:

3           **235.305 Revocation of certification.** (intro.) The ~~corporation~~ authority  
4 shall revoke the certification of a person who does any of the following:

5           (1) Supplies false or misleading information to obtain certification under s.  
6 ~~238.301~~ 235.301 (2).

7           (2) Supplies false or misleading information to obtain tax benefits under s.  
8 ~~238.303~~ 235.303.

9           **SECTION 510.** 238.306 of the statutes is renumbered 235.306, and 235.306  
10 (intro.), (1) (a) and (b), (2) (intro.), (a), (b), (c), (d), (e) (intro.), (f), (g), (h), (i) and (k)  
11 and (3), as renumbered, are amended to read:

12           **235.306 Responsibilities of the ~~corporation~~ authority.** (intro.) The  
13 ~~corporation~~ authority shall do all of the following:

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

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

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

21           (a) A schedule of hourly wage ranges to be paid, and health insurance benefits  
22 to be provided, to an employee by a person certified under s. ~~238.301~~ 235.301 (2) and  
23 the corresponding per employee tax benefit for which a person certified under s.  
24 ~~238.301~~ 235.301 (2) may be eligible.

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

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

11 (d) A schedule of tax benefits for which a person who is certified under s.  
12 ~~238.301~~ 235.301 (2) and who conducts a project that will result in the location or  
13 retention of a person’s corporate headquarters in Wisconsin may be eligible.

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

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

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

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

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

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

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

10 SECTION 511. 238.31 of the statutes is renumbered 235.31, and 235.31 (1)  
11 (intro.), (ac), (am), (b), (d) and (e) (intro.), 4. a. and d., (1m) (intro.) and (h), (2) and  
12 (3) (intro.), as renumbered, are amended to read:

13 235.31 (1) (intro.) The ~~corporation~~ authority may designate an area as a  
14 development zone if all of the following apply:

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

17 (am) A local governing body nominates the area as described in s. ~~238.32~~  
18 235.32.

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

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

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

23 4. a. The unemployment rate in the area is higher than the state average for  
24 the 18 months immediately preceding the date on which the application under s.  
25 ~~238.32~~ 235.32 (2) or (3) was submitted to the ~~corporation~~ authority.



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

5           **(1m)** (intro.) In making a determination under sub. (1) (e), the ~~corporation~~  
6           authority shall consider all of the following:

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

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

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

12          **SECTION 512.** 238.315 of the statutes is renumbered 235.315 and amended to  
13          read:

14          **235.315 Invitation to nominate area.** If the ~~corporation~~ authority  
15          determines that an area has experienced or is about to experience economic distress,  
16          the ~~corporation~~ authority may invite local governing bodies in the area to nominate  
17          the area as a development zone.

18          **SECTION 513.** 238.32 of the statutes is renumbered 235.32, and 235.32 (1)  
19          (intro.), (2) (intro.), (c), (d) and (i), (3) and (5), as renumbered, are amended to read:

20          235.32 (1) (intro.) A local governing body may nominate an area as a  
21          development zone, if the ~~corporation~~ authority has invited the governing body to  
22          nominate the area under s. ~~238.315~~ 235.315 and if the governing body does all of the  
23          following:

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

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

6           (d) Evidence that the area meets the applicable requirements of s. ~~238.335~~  
7 235.335.

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

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

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

14           **SECTION 514.** ~~238.325~~ of the statutes is renumbered ~~235.325~~ and amended to  
15 read:

16           **235.325 Evaluation by ~~corporation~~ authority.** (1) The ~~corporation~~  
17 authority shall evaluate applications received under s. ~~238.32~~ 235.32 (2) and (3).

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

24           (3) After evaluating an application submitted under s. ~~238.32~~ 235.32 (2) or (3),  
25 the ~~corporation~~ authority may approve the application, subject to any reduction in

1 the size of the nominated area under sub. (2). If the ~~corporation~~ authority approves  
2 the application, the ~~corporation~~ authority shall designate the area as a development  
3 zone, subject to s. ~~238.31~~ 235.31, and notify the local governing body.

4 **SECTION 515.** 238.335 of the statutes is renumbered 235.335, and 235.335 (6)  
5 (a) 2. and (c) and (7), as renumbered, are amended to read:

6 235.335 (6) (a) 2. Each area meets at least 3 of the criteria listed in s. ~~238.31~~  
7 235.31 (1) (e) 4.

8 (c) If an application is submitted by the governing body of a county under s.  
9 ~~238.32~~ 235.32 (2) or (3), up to 4 separate areas may be nominated or designated as  
10 one development zone, if par. (a) 1. to 3. applies.

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

14 **SECTION 516.** 238.34 of the statutes is renumbered 235.34, and 235.34 (1), (2),  
15 (3) (intro.) and (a), (4), (5) and (6), as renumbered, are amended to read:

16 235.34 (1) Except as provided under sub. (6), at any time after a development  
17 zone is designated by the ~~corporation~~ authority, a local governing body may submit  
18 an application to change the boundaries of the development zone. If the boundary  
19 change reduces the size of a development zone, the local governing body shall explain  
20 why the area excluded should no longer be in a development zone. The ~~corporation~~  
21 authority may require the local governing body to submit additional information.

22 (2) The ~~corporation~~ authority may approve an application for a boundary  
23 change if the development zone, as affected by the boundary changes, meets the  
24 applicable requirements of s. ~~238.335~~ 235.335 and 3 of the criteria under s. ~~238.31~~  
25 235.31 (1) (e) 4.

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

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

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

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

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

16           **SECTION 517.** 238.345 of the statutes is renumbered 235.345, and 235.345 (1)  
17 (a) and (b), (2) (a), (am), (b), (c) 1. and 2. and (d) and (3) (intro.), (a) and (b), as  
18 renumbered, are amended to read:

19           235.345 (1) (a) The designation of an area as a development zone shall be  
20 effective for 240 months, beginning on the day the ~~corporation~~ authority notifies the  
21 local governing body under s. ~~238.325~~ 235.325 (3) of the designation.

22           (b) The local governing body may apply to the ~~corporation~~ authority for one  
23 60-month extension of the designation. The ~~corporation~~ authority shall adopt rules  
24 policies and procedures establishing criteria for approving an extension of a  
25 designation of an area as a development zone under this subsection. No applications

1 may be accepted by the ~~corporation~~ authority under this paragraph on or after March  
2 6, 2009.

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

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

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

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

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

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

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

21 (a) No person is certified as eligible to receive tax benefits under s. ~~238.365~~  
22 235.365 (3) during the 12-month period beginning on the day the area is designated  
23 as a development zone and the ~~corporation~~ authority determines that the local  
24 governing body that nominated the zone is not in compliance with s. ~~238.363~~ 235.363.

1 (b) No person is certified as eligible to receive tax benefits under s. ~~238.365~~  
2 235.365 (3) during the 24-month period beginning on the day the area is designated  
3 a development zone.

4 SECTION 518. 238.35 of the statutes is renumbered 235.35, and 235.35 (intro.),  
5 (6), (7), (8) and (10), as renumbered, are amended to read:

6 **235.35 Additional duties of the ~~corporation~~ authority.** (intro.) The  
7 ~~corporation~~ authority shall do all of the following:

8 (6) Notify University of Wisconsin System Authority small business  
9 development centers, the Wisconsin housing and development centers, the central  
10 administration of all University of Wisconsin System Authority campuses and  
11 regional planning commissions about the development zone program and encourage  
12 those entities to provide advice to the ~~corporation~~ authority or local governing bodies  
13 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.

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

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

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

21 SECTION 519. 238.363 of the statutes is renumbered 235.363, and 235.363 (1)  
22 (intro.) and (c) and (4), as renumbered, are amended to read:

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

4           (c) Assist the ~~corporation~~ authority in the administration of the development  
5 zone program.

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

10           **SECTION 520.** 238.365 of the statutes is renumbered 235.365, and 235.365  
11 (intro.), (2), (3) (intro.), (b) and (j) and (5) (g) and (h), as renumbered, are amended  
12 to read:

13           **235.365 Certification for tax benefits.** (intro.) The ~~corporation~~ authority  
14 shall do all of the following:

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

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

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

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

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

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

3 SECTION 521. 238.368 of the statutes is renumbered 235.368, and 235.368 (1)  
4 (a) and (b) (intro.), 1. and 2., (2) (intro.) and (b) and (3) (a) (intro.) and 1. and (b), as  
5 renumbered, are amended to read:

6 235.368 (1) (a) The ~~corporation~~ authority shall establish a limit on the  
7 maximum amount of tax benefits a person certified under s. ~~238.365~~ 235.365 (3) may  
8 claim while an area is designated as a development zone.

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

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

12 2. Establish a limit which does not greatly exceed a recommended limit,  
13 established under ~~rules policies and procedures~~ adopted by the ~~corporation~~ authority  
14 based on the cost, number and types of full-time jobs that will be created, retained,  
15 or upgraded, including full-time jobs available to members of the targeted  
16 population, as a result of the economic activity of the person certified under s.  
17 ~~238.365~~ 235.365 (3).

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

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



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

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

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

9           **SECTION 522.** 238.37 of the statutes is renumbered 235.37, and 235.37 (1)  
10 (intro.) and (b) and (2), as renumbered, are amended to read:

11           235.37 (1) (intro.) The ~~corporation~~ authority shall revoke the certification of a  
12 person certified under s. ~~238.365~~ 235.365 (3) if the person does any of the following:

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

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

16           **SECTION 523.** 238.38 of the statutes is renumbered 235.38, and 235.38 (1)  
17 (intro.), (1m), (2) (intro.) and (a) and (3) (a) and (b), as renumbered, are amended to  
18 read:

19           235.38 (1) (intro.) Except as provided in subs. (2) and (3), no person may be  
20 certified under s. ~~238.365~~ 235.365 (3), or a person's certification may be revoked  
21 under s. ~~238.37~~ 235.37, if the proposed new business, expansion of an existing  
22 business, or other proposed economic activity in a development zone would do or does  
23 any of the following:

24           **(1m)** No person may be certified under s. ~~238.365~~ 235.365 (3) on or after March  
25 6, 2009.

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

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

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

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

20           **SECTION 524.** 238.385 of the statutes is renumbered 235.385, and 235.385 (1)  
21 (intro.) and (bm) and (2) (intro.), (b) and (c), as renumbered, are amended to read:

22           235.385 (1) (intro.) For the development zone program under ss. ~~238.30~~ 235.30  
23 and ~~238.31 to 238.38~~ 235.31 to 235.38, the development opportunity zone program  
24 under s. ~~238.395~~ 235.395, and the enterprise development zone program under s.  
25 ~~238.397~~ 235.397, the ~~corporation~~ authority shall adopt rules policies and procedures

1 that further define a person's eligibility for tax benefits. ~~The rules~~ policies and  
2 procedures shall do at least all of the following:

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

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

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

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

15 **SECTION 525.** ~~238.395~~ of the statutes is renumbered ~~235.395~~, and ~~235.395~~ (1)  
16 (a), (b), (c), (d), (e), (f), (g), (h) and (i), (2) (c), (d) 1. and 2. and (e) 1., 2. and 3., (3) (a)  
17 1., 2., 3. and 4., (b) 9., (c) and (d), (4) (a) (intro.) and (b) and (5) (a) (intro.), 2. and 3.,  
18 (b), (c), (d), (e) (intro.) and 3. and (f), as renumbered, are amended to read:

19 ~~235.395~~ (1) (a) An area in the city of Beloit, the legal description of which is  
20 provided to the ~~corporation~~ authority by the local governing body of the city of Beloit.

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

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

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

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

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

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

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

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

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

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

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

24 (e) 1. The ~~corporation~~ authority may extend the designation of an area under  
25 sub. (1) (g) as a development opportunity zone for an additional 60 months if the

1 ~~corporation~~ authority determines that an extension under this subdivision would  
2 support economic development within the city. If the ~~corporation~~ authority extends  
3 the designation of the area as a development opportunity zone, the limit for tax  
4 benefits for the development opportunity zone under sub. (1) (g) is increased by  
5 \$5,000,000.

6 2. The ~~corporation~~ authority may extend the designation of an area under sub.  
7 (1) (h) as a development opportunity zone for an additional 60 months if the  
8 ~~corporation~~ authority determines that an extension under this subdivision would  
9 support economic development within the city. If the ~~corporation~~ authority extends  
10 the designation of the area as a development opportunity zone, the limit for tax  
11 benefits for the development opportunity zone under sub. (1) (h) is increased by  
12 \$5,000,000.

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

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

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

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

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

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

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

23           (d) The ~~corporation~~ authority annually shall verify information submitted to  
24 the ~~corporation~~ authority under s. 71.07 (~~2di~~), (~~2dm~~), or (~~2dx~~), 71.28 (~~1di~~), (~~1dm~~), or  
25 (~~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.

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

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

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

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

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

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

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

21           (d) The ~~corporation~~ authority annually shall verify information submitted to  
22 the ~~corporation~~ authority under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx), 71.47  
23 (1dm) or (1dx), or 76.636.

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

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

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

7 **SECTION 526.** 238.397 of the statutes is renumbered 235.397, and 235.397 (1)  
8 (am), (c) and (d), (2) (a) (intro.) and 4. a. and d., (b) (intro.) and 8., (bg) (intro.), (br)  
9 (intro.), (c), (d) and (e), (3) (a), (b) 11. and (c), (4) (a), (c), (d) and (g), (5) (a), (b) and (d)  
10 1. and 2. and (6) (a) (intro.) and (b), as renumbered, are amended to read:

11 235.397 (1) (am) “Full-time job” has the meaning given in s. ~~238.30~~ 235.30  
12 (2m).

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

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

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

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

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



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

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

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

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

9 (c) The ~~corporation~~ authority may not designate as an enterprise development  
10 zone, or as any part of an enterprise development zone, an area that is located within  
11 the boundaries of an area that is designated as a development opportunity zone  
12 under s. ~~238.395~~ 235.395, the designation of which is in effect.

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

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

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

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

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

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

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

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

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

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

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