

Appendix A ... segment V

LEGISLATIVE REFERENCE BUREAU DRAFTING HISTORY RESEARCH APPENDIX

☞ The drafting file for 2017 LRB-3907 (For: DOA)
has been copied/transferred to the drafting file for
2017 LRB-4050 (For: Gov. Office)



☞ Are These “Companion Bills” ?? ... No

RESEARCH APPENDIX -
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☞ Request Made By: MPG

☞ Date: 07/26/2017



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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

SAV
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1 **AN ACT to renumber** 238.399 (4); **to amend** 30.123 (6m) (intro.), 66.1105 (2) (f)

2 1. (intro.), 66.1105 (4) (gm) 4. c., 71.05 (6) (a) 15., 71.08 (1) (intro.), 71.10 (4) (i),

3 71.21 (4) (a), 71.26 (2) (a) 4., 71.30 (3) (f), 71.34 (1k) (g), 180.0622 (2), 183.0304

4 (1), 196.491 (1) (f), 238.399 (3) (a), 238.399 (5m), 281.36 (3b) (b) and 281.36 (3m)

5 (a); and **to create** 20.835 (2) (cp), 30.123 (6) (f), 30.19 (1m) (h), 66.1105 (20),

6 71.07 (3w) (bm) 5., 71.07 (3wm), 71.28 (3w) (bm) 5., 71.28 (3wm), 73.0300, 77.54

7 (65), 196.49 (5g) (ar) 3., 238.396, 238.399 (3) (e), 238.399 (4) (b), 238.399 (5) (f)

8 and 281.36 (4m) of the statutes; **relating to:** authorizing the creation of an

9 electronics and information technology manufacturing zone, creating an

10 income and franchise tax credit for businesses that begin operations in such a

11 zone, creating special provisions for tax incremental districts that include such

12 a zone, creating exemptions from wetland and waterway permits and Public

13 Service Commission certificates for certain activities in such a zone, making

1 changes to the enterprise zone tax credit program, and making an
2 appropriation.

Analysis by the Legislative Reference Bureau

This bill authorizes the Wisconsin Economic Development Corporation to create not more than one electronics and information technology manufacturing zone and makes changes to the enterprise zone tax credit program currently administered by WEDC.

TAX CREDITS

Electronics and information technology manufacturing zone

Under the bill, WEDC may certify certain businesses to claim income and franchise tax credits if a business begins operations in the electronics and information technology manufacturing zone. WEDC may certify such a business for additional income and franchise tax credits, subject to certain limitations, if the business makes a significant capital expenditure in the zone. If the amount of the credit exceeds the taxpayer's tax liability, the taxpayer receives a refund equal to the excess amount. WEDC may seek repayment of tax credits under circumstances specified in the bill, and WEDC must revoke a certification to claim tax credits if a certified business does any of the following:

1. Supplies false or misleading information to obtain the tax credits.
2. Leaves the electronics and information technology manufacturing zone to conduct substantially the same business outside the zone.
3. Ceases operations in the electronics and information technology manufacturing zone and does not renew operation of the business or a similar business in the zone within 12 months.

Enterprise zones

Under current law, WEDC may designate areas within the state as "enterprise zones." WEDC may certify a business in an enterprise zone to receive income and franchise tax credits if the business creates or retains jobs in the enterprise zone, subject to several limitations. The bill makes the following changes to the enterprise zone tax credit program:

1. Authorizes WEDC to increase from 30 to 35 the number of designated enterprise zones.
2. Authorizes WEDC to cancel the designation of an enterprise zone if WEDC revokes all certifications for tax credits within the zone. WEDC may designate a new enterprise zone if it cancels an existing zone designation.
3. Authorizes WEDC to designate a new enterprise zone if an existing enterprise zone expires. Under current law, an enterprise zone designation expires after 12 years.

SALES AND USE TAX EXEMPTION

The bill creates a sales and use tax exemption for the sale of building materials, supplies, and equipment used to construct facilities located in an electronics and

information technology manufacturing zone if the capital expenditures for constructing the facilities may be claimed as income and franchise tax credits as certified by WEDC.

TAX INCREMENTAL FINANCING DISTRICTS

The bill creates ⁵ special provisions that apply to certain tax incremental financing districts (TID) if WEDC creates an electronics and information technology manufacturing zone, and a city or village creates a TID that includes the zone.

Under the current tax incremental financing program, a city or village may create a TID in part of its territory to foster development under certain conditions. Currently, towns and counties also have a limited ability to create a TID under certain limited circumstances. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID within specified time frames, adoption of a resolution, submission of documents to the Department of Revenue within specified time frames, and the preparation and adoption by the local planning commission of a proposed project plan for the TID.

Generally, if a resolution creating a TID is adopted between January 2 and September 30, the TID is considered to have been created on the previous January 1, and if a resolution creating a TID is adopted between October 1 and December 31, its creation date is considered to be the following January 1. In addition, forms required by DOR must be submitted to the department by October 31 of the year in which the TID is created.

Also under current law, once a TID has been created, DOR calculates the "tax incremental base" value of the TID, which is the equalized value of all taxable property within the TID at the time of its creation. If the development in the TID increases the value of the property in the TID above the base value, a value increment is created. That portion of taxes collected on the value increment in excess of the base value is called a "tax increment" and is placed in a fund that may be used only to pay back the project costs of the TID.

The project costs of a TID, which are initially incurred by the creating city or village, include public works such as sewers, streets, and lighting systems; financing costs; site preparation costs; and professional service costs. DOR authorizes the allocation of the tax increments until the TID terminates or, generally, 20 years, 23 years, or 27 years after the TID is created, depending on the type of TID and the year in which it was created. Also under current law, a city or village may not generally make expenditures for project costs later than five years before the unextended termination date of the TID. Under certain circumstances, the life of the TID, the expenditure period, and the allocation period may be extended.

Generally, under current law, expenditures for project costs must be spent within the boundaries of the TID, although limited exceptions allow expenditures to be made within a one-half mile radius of the TID's boundaries. Also, with regard to TIDs created after September 30, 2004, the territory of which is mostly suitable for industrial sites or mixed-use development, the TIDs must generally terminate not later than 20 years after their creation.

Subject to a number of exceptions, under current law, the equalized value of taxable property of a new or amended TID plus the value increment of all existing TIDs may not exceed 12 percent of the total equalized value of taxable property in the city or village.

Under this bill, for TIDs that are created in an area that includes an electronics and information technology manufacturing zone, a number of exceptions apply to the normal provisions that apply to TIDs, including the following:

1. The TID that is created must be an industrial site or mixed-use TID.
2. If the resolution creating the TID is adopted between January 1 and December 1, the creating city or village may decide if the TID is considered to have been created on the January 1 of the year in which the resolution is adopted or on the following January 1, and the forms required by DOR must be submitted before December 31 of the year in which the resolution is adopted or between the following April 1 and the following December 1, depending on the TID's creation date.
3. The 12 percent rule regarding the total equalized value for taxable property in the city or village does not apply.
4. The city or village creating the TID may incur expenditures for project costs for any territory that is located in the same county in which the TID is located, provided the expenditure benefits the TID.
5. Instead of limiting to 20 years the period during which DOR may allocate positive tax increments, the allocation period is 30 years.
6. Instead of requiring the TID to terminate no later than 20 years after creation, the TID must terminate within 30 years after it is created.

ENVIRONMENTAL IMPACT STATEMENTS

Under current law, all state agencies are required to prepare environmental impact statements for every recommendation or report on proposals for legislation and other major actions significantly affecting the quality of the human environment. Under the bill, a determination regarding the issuance of any permit or approval for a new manufacturing facility within an electronics and information technology manufacturing zone is not a major action for the purpose of the environmental impact statement requirement.

WETLANDS AND WATERWAY PERMITS EXEMPTION

Under current law, subject to exceptions, no person may discharge dredged material or fill material into a wetland unless the discharge is authorized by a wetland general permit or individual permit, or the discharge is exempt from permitting requirements. Current law requires the Department of Natural Resources to issue wetland general permits for discharges of dredged or fill material into certain wetlands. For a discharge into a wetland that is not authorized under a wetland general permit, current law requires a person to apply for and obtain a wetland individual permit. Before DNR may issue a wetland individual permit, it must require the restoration, enhancement, creation, or preservation of other wetlands to compensate for adverse impacts to a wetland resulting from the discharge, also known as mitigation.

Under this bill, a person may, without a permit, discharge dredged material or fill material into a wetland that is not subject to federal jurisdiction under the Clean

(NSZ) A

Water Act and that is located in an electronics and information technology manufacturing zone.

Under current law, subject to exceptions, no person may do any of the following without a permit issued by DNR: 1) construct or maintain a bridge or construct, place, or maintain a culvert in, on, or over navigable waters; 2) construct, dredge, or enlarge any artificial water body that connects with an existing navigable waterway; 3) construct or enlarge any part of an artificial water body that is or will be located within 500 feet of the ordinary high-water mark of, but that does not or will not connect with, an existing navigable waterway; 4) grade or remove topsoil from the bank of any navigable waterway where the area exposed by the grading or removal will exceed 10,000 square feet; and 5) change the course of or straighten a navigable stream.

Under this bill, the construction or maintenance of bridges and the construction or placement and maintenance of culverts that are required for the construction, access, or operation of a new manufacturing facility and that affect a portion of a navigable stream within an electronics and information technology manufacturing zone are exempt from the permitting requirement. However, DNR may require a permit if DNR determines that conditions specific to the site require restrictions in order to prevent significant adverse impacts to the public rights and interests, environmental pollution, or material injury to the riparian rights of any riparian owner. The bill also provides that any activity that affects a portion of a navigable stream that is required for the construction, access, and operation of a new manufacturing facility within an electronics and information technology manufacturing zone is exempt from the permitting requirement.

PUBLIC SERVICE COMMISSION CERTIFICATES

This bill exempts projects for relocating existing public utility facilities within an electronics and information technology manufacturing zone from obtaining a certificate of authority from the Public Service Commission, which current law generally requires before beginning certain public utility projects, including construction and improvement projects. The bill also exempts transmission line relocations within such a zone from obtaining a certificate of public convenience and necessity from the PSC, which current law generally requires before beginning construction of high-voltage transmission lines and associated facilities.

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1

SECTION 1. 20.835 (2) (cp) of the statutes is created to read:

1 20.835 (2) (cp) *Electronics and information technology manufacturing zone*
2 *credit*. A sum sufficient to make the payments under ss. 71.07 (3wm) (d) 2. and 71.28
3 (3wm) (d) 2.

INSZLS 6-4

4 **SECTION 2.** 30.123 (6) (f) of the statutes is created to read:

5 30.123 (6) (f) The construction or maintenance of bridges and the construction
6 or placement and maintenance of culverts that are required for the construction,
7 access, or operation of a new manufacturing facility and that affect a portion of a
8 navigable stream within an electronics and information technology manufacturing
9 zone designated under s. 238.396 (1m).

10 **SECTION 3.** 30.123 (6m) (intro.) of the statutes is amended to read:

11 30.123 (6m) (intro.) **PERMITS IN LIEU OF EXEMPTIONS.** The department may
12 decide to require that a person engaged in an activity that is exempt under sub. (6)
13 (d) or (f) apply for an individual permit or seek authorization under a general permit
14 if the department has conducted an investigation and visited the site of the activity
15 and has determined that conditions specific to the site require restrictions on the
16 activity in order to prevent any of the following:

17 **SECTION 4.** 30.19 (1m) (h) of the statutes is created to read:

18 30.19 (1m) (h) Any activity that affects a portion of a navigable stream and that
19 is required for the construction, access, and operation of a new manufacturing
20 facility within an electronics and information technology manufacturing zone
21 designated under s. 238.396 (1m).

INSZLS 6-22

22 **SECTION 5.** 66.1105 (2) (f) 1. (intro.) of the statutes is amended to read:

23 66.1105 (2) (f) 1. (intro.) "Project costs" mean any expenditures made or
24 estimated to be made or monetary obligations incurred or estimated to be incurred
25 by the city which are listed in a project plan as costs of public works or improvements

1 within a tax incremental district or, to the extent provided in this subd. 1. (intro.) or
2 subds. 1. k., 1. m., and 1. n., or sub. (20) (c), without the district, plus any incidental
3 costs, diminished by any income, special assessments, or other revenues, including
4 user fees or charges, other than tax increments, received or reasonably expected to
5 be received by the city in connection with the implementation of the plan. For any
6 tax incremental district for which a project plan is approved on or after July 31, 1981,
7 only a proportionate share of the costs permitted under this subdivision may be
8 included as project costs to the extent that they benefit the tax incremental district,
9 except that expenditures made or estimated to be made or monetary obligations
10 incurred or estimated to be incurred by a 1st class city, to fund parking facilities
11 ancillary to and within one mile from public entertainment facilities, including a
12 sports and entertainment arena, shall be considered to benefit any tax incremental
13 district located in whole or in part within a one-mile radius of such parking facilities.
14 To the extent the costs benefit the municipality outside the tax incremental district,
15 a proportionate share of the cost is not a project cost. "Project costs" include:

16 **SECTION 6.** 66.1105 (4) (gm) 4. c. of the statutes is amended to read:

17 66.1105 (4) (gm) 4. c. Except as provided in subs. (10) (c), (16) (d), (17), and (18)
18 (c) 3., and (20) (b), the equalized value of taxable property of the district plus the
19 value increment of all existing districts does not exceed 12 percent of the total
20 equalized value of taxable property within the city. In determining the equalized
21 value of taxable property under this subd. 4. c. or sub. (17) (c), the department of
22 revenue shall base its calculations on the most recent equalized value of taxable
23 property of the district that is reported under s. 70.57 (1m) before the date on which
24 the resolution under this paragraph is adopted. If the department of revenue
25 determines that a local legislative body exceeds the 12 percent limit described in this

SECTION 6

1 subd. 4. c. or sub. (17) (c), the department shall notify the city of its noncompliance,
2 in writing, not later than December 31 of the year in which the department receives
3 the completed application or amendment forms described in sub. (5) (b).

4 **SECTION 7.** 66.1105 (20) of the statutes is created to read:

5 **66.1105 (20)** DISTRICTS WITHIN AN ELECTRONICS AND INFORMATION TECHNOLOGY
6 MANUFACTURING ZONE. (a) *Creation.* With regard to a tax incremental district that
7 is created in an area that includes an electronics and information technology
8 manufacturing zone that is created under s. 238.396, the district may only be a
9 district that is suitable for industrial sites or mixed-use development, as described
10 in sub. (4) (gm) 4. a., and all of the following apply:

11 1. Notwithstanding the dates specified in sub. (4) (gm) 2., if the resolution
12 described under sub. (4) (gm) is adopted during the period between January 1 and
13 December 1, the creation date shall be either the January 1 of the year in which the
14 resolution is adopted or the next subsequent January 1, as specified by the local
15 legislative body in the resolution. If a resolution is adopted during the period
16 between December 2 and December 31, the creation date shall be the next
17 subsequent January 1.

18 2. Notwithstanding the October 31 deadline for the city clerk's submission of
19 the forms described in sub. (5) (b), the city clerk shall complete and submit the
20 required forms for a tax incremental district described in this subsection either:

21 a. On or before December 31 of the year the resolution under subd. 1. is adopted
22 if the resolution is adopted between January 1 and December 1, and the resolution
23 specifies that the district's creation date is January 1 of the year in which the
24 resolution is adopted.

1 b. On or after the next subsequent April 1 and before the next subsequent
2 December 1 of the year the resolution under subd. 1. is adopted if the resolution is
3 adopted between January 1 and December 1 and the resolution specifies that the
4 district's creation date is the next subsequent January 1 or the resolution is adopted
5 between December 2 and December 31.

6 (b) *Exception to the 12 percent limit.* Notwithstanding the 12 percent limit
7 findings requirement described under sub. (4) (gm) 4. c., the equalized value of
8 taxable property of a tax incremental district described under this subsection does
9 not count in the calculation of the 12 percent limit.

10 (c) *Expenditures.* With regard to a tax incremental district described under this
11 subsection, the creating city may incur project costs for any territory that is located
12 in the same county as the district, provided that the expenditure benefits the district.

13 (d) *Allocation of positive increments.* Notwithstanding the 20-year limit for
14 allocating positive tax increments described in sub. (6) (a) 7., for a tax incremental
15 district described under this subsection, that limit shall be 30 years for purposes of
16 sub. (6) (a) 7.

17 (e) *Termination.* Notwithstanding the 20-year termination requirement
18 specified in sub. (7) (am) 2., for a tax incremental district described under this
19 subsection, that limit shall be 30 years for purposes of sub. (7) (am) 2.

20 **SECTION 8.** 71.05 (6) (a) 15. of the statutes is amended to read:

21 71.05 (6) (a) 15. Except as provided under s. 71.07 (3p) (c) 5., the amount of the
22 credits computed under s. 71.07 (2dm), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),
23 (3rm), (3rn), (3s), (3t), (3w), (3wm), (3y), (4k), (4n), (5e), (5f), (5h), (5i), (5j), (5k), (5r),
24 (5rm), (6n), and (8r) and not passed through by a partnership, limited liability

1 company, or tax-option corporation that has added that amount to the partnership's,
2 company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

3 **SECTION 9.** 71.07 (3w) (bm) 5. of the statutes is created to read:

4 71.07 (3w) (bm) 5. In addition to the credits under par. (b) and subsds. 1. to 4.,
5 and subject to the limitations provided in this subsection and s. 238.399 or s. 560.799,
6 2009 stats., a claimant that has retained the minimum number of full-time
7 employees determined under s. 238.399 (5) (f) and maintained zone payroll for those
8 full-time employees for the taxable year equal to or greater than the base year may
9 claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount equal
10 to the percentage, as determined by the Wisconsin Economic Development
11 Corporation, of the claimant's zone payroll paid in the 12 months prior to the
12 certification date to the claimant's full-time employees in the enterprise zone whose
13 annual wages are greater than the amount determined by multiplying 2,080 by 150
14 percent of the federal minimum wage in a tier I county or municipality or greater
15 than \$30,000 in a tier II county or municipality. The amount that the claimant may
16 claim as credit under this subdivision for a taxable year shall not exceed \$2,000,000.
17 A claimant may claim a credit under this subdivision for no more than 5 consecutive
18 taxable years.

19 **SECTION 10.** 71.07 (3wm) of the statutes is created to read:

20 71.07 (3wm) ELECTRONICS AND INFORMATION TECHNOLOGY MANUFACTURING ZONE
21 CREDIT. (a) *Definitions.* In this subsection:

22 1. "Claimant" means a person who is certified to claim tax benefits under s.
23 238.396 (3) and who files a claim under this subsection.

24 2. "Full-time employee" means a full-time employee, as defined in s. 238.399
25 (1) (am).

1 3. "State payroll" means the amount of payroll apportioned to this state, as
2 determined under s. 71.25 (8).

3 4. "Tier I county or municipality" means a tier I county or municipality, as
4 determined under s. 238.396 (4) (e).

5 5. "Tier II county or municipality" means a tier II county or municipality, as
6 determined under s. 238.396 (4) e).

7 6. "Wages" means wages under section 3306 (b) of the Internal Revenue Code,
8 determined without regard to any dollar limitations.

9 7. "Zone" means a zone designated under s. 238.396 (1m).

10 8. "Zone payroll" means the amount of state payroll that is attributable to
11 wages paid to full-time employees for services that are performed in the zone or that
12 are performed outside the zone, but within the state, and for the benefit of the
13 operations within the zone, as determined by the Wisconsin Economic Development
14 Corporation. "Zone payroll" does not include the amount of wages paid to any
15 full-time employees that exceeds \$100,000.

16 (b) *Filing claims; payroll.* Subject to the limitations provided in this subsection
17 and s. 238.396, a claimant may claim as a credit against the tax imposed under s.
18 71.02 an amount calculated as follows:

19 1. Determine the zone payroll for full-time employees whose annual wages are
20 greater than the amount determined by multiplying 2,080 by 150 percent of the
21 federal minimum wage in a tier I county or municipality or greater than \$30,000 in
22 a tier II county or municipality and who the claimant employed in the zone in the
23 taxable year.

24 2. Multiply the amount determined under subd. 1. by XX percent.

1 (bm) *Filing supplemental claims.* In addition to claiming the credit under par.
2 (b), and subject to the limitations under this subsection and s. 238.396, a claimant
3 may claim as a credit against the tax imposed under s. 71.02 an amount equal to XX
4 percent of the claimant's significant capital expenditures in the zone in the taxable
5 year, as determined under s. 238.396 (3m).

6 (c) *Limitations.* 1. Partnerships, limited liability companies, and tax-option
7 corporations may not claim the credit under this subsection, but the eligibility for,
8 and the amount of, the credit are based on their payment of amounts described under
9 pars. (b) and (bm). A partnership, limited liability company, or tax-option
10 corporation shall compute the amount of credit that each of its partners, members,
11 or shareholders may claim and shall provide that information to each of them.
12 Partners, members of limited liability companies, and shareholders of tax-option
13 corporations may claim the credit in proportion to their ownership interests.

14 2. No credit may be allowed under this subsection unless the claimant includes
15 with the claimant's return a copy of the claimant's certification for tax benefits under
16 s. 238.396 (3).

17 (d) *Administration.* 1. Section 71.28 (4) (g) and (h), as it applies to the credit
18 under s. 71.28 (4), applies to the credit under this subsection.

19 2. If the allowable amount of the claim under this subsection exceeds the taxes
20 otherwise due on the claimant's income under s. 71.02, the amount of the claim that
21 is not used to offset those taxes shall be certified by the department of revenue to the
22 department of administration for payment by check, share draft, or other draft
23 drawn from the appropriation under s. 20.835 (2) (cp). Notwithstanding s. 71.82, no
24 interest shall be paid on amounts certified under this subdivision.

25 **SECTION 11.** 71.08 (1) (intro.) of the statutes is amended to read:

1 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
2 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
3 ss. 71.07 (1), (2dx), (2dy), (3m), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w),
4 (3wm), (3y), (4k), (5b), (5d), (5e), (5f), (5h), (5i), (5j), (5n), (6), (6e), (8r), (9e), (9m), and
5 (9r), 71.28 (1dx), (1dy), (2m), (3), (3n), (3t), (3w), (3wm), and (3y), 71.47 (1dx), (1dy),
6 (2m), (3), (3n), (3t), (3w), and (3y), 71.57 to 71.61, and 71.613 and subch. VIII and
7 payments to other states under s. 71.07 (7), is less than the tax under this section,
8 there is imposed on that natural person, married couple filing jointly, trust or estate,
9 instead of the tax under s. 71.02, an alternative minimum tax computed as follows:

10 **SECTION 12.** 71.10 (4) (i) of the statutes is amended to read:

11 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
12 preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and
13 beyond under s. 71.613, homestead credit under subch. VIII, farmland tax relief
14 credit under s. 71.07 (3m), dairy manufacturing facility investment credit under s.
15 71.07 (3p), jobs tax credit under s. 71.07 (3q), meat processing facility investment
16 credit under s. 71.07 (3r), woody biomass harvesting and processing credit under s.
17 71.07 (3rm), food processing plant and food warehouse investment credit under s.
18 71.07 (3rn), business development credit under s. 71.07 (3y), film production services
19 credit under s. 71.07 (5f), film production company investment credit under s. 71.07
20 (5h), veterans and surviving spouses property tax credit under s. 71.07 (6e),
21 enterprise zone jobs credit under s. 71.07 (3w), electronics and information
22 technology manufacturing zone credit under s. 71.07 (3wm), beginning farmer and
23 farm asset owner tax credit under s. 71.07 (8r), earned income tax credit under s.
24 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld under subch.
25 X.

1 **SECTION 13.** 71.21 (4) (a) of the statutes is amended to read:

2 71.21 (4) (a) The amount of the credits computed by a partnership under s.
3 71.07 (2dm), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w),
4 ~~(3wm)~~, (3y), (4k), (4n), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), and (8r) and
5 passed through to partners shall be added to the partnership's income.

6 **SECTION 14.** 71.26 (2) (a) 4. of the statutes is amended to read:

7 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dm),
8 (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), ~~(3t)~~, (3w), ~~(3wm)~~, (5e), (5f),
9 (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), (8r), and (9s) and not passed through by a
10 partnership, limited liability company, or tax-option corporation that has added that
11 amount to the partnership's, limited liability company's, or tax-option corporation's
12 income under s. 71.21 (4) or 71.34 (1k) (g).

13 **SECTION 15.** 71.28 (3w) (bm) 5. of the statutes is created to read:

14 71.28 (3w) (bm) 5. In addition to the credits under par. (b) and subsds. 1. to 4.,
15 and subject to the limitations provided in this subsection and s. 238.399 or s. 560.799,
16 2009 stats., a claimant that has retained the minimum number of full-time
17 employees determined under s. 238.399 (5) (f) and maintained zone payroll for those
18 full-time employees for the taxable year equal to or greater than the base year may
19 claim as a credit against the tax imposed under s. 71.23 an amount equal to the
20 percentage, as determined by the Wisconsin Economic Development Corporation, of
21 the claimant's zone payroll paid in the 12 months prior to the certification date to the
22 claimant's full-time employees in the enterprise zone whose annual wages are
23 greater than the amount determined by multiplying 2,080 by 150 percent of the
24 federal minimum wage in a tier I county or municipality or greater than \$30,000 in
25 a tier II county or municipality. The amount that the claimant may claim as credit

1 under this subdivision for a taxable year shall not exceed \$2,000,000. A claimant
2 may claim a credit under this subdivision for no more than 5 consecutive taxable
3 years.

4 **SECTION 16.** 71.28 (3wm) of the statutes is created to read:

5 71.28 (3wm) ELECTRONICS AND INFORMATION TECHNOLOGY MANUFACTURING ZONE
6 CREDIT. (a) *Definitions.* In this subsection:

7 1. "Claimant" means a person who is certified to claim tax benefits under s.
8 238.396 (3) and who files a claim under this subsection.

9 2. "Full-time employee" means a full-time employee, as defined in s. 238.399
10 (1) (am).

11 3. "State payroll" means the amount of payroll apportioned to this state, as
12 determined under s. 71.25 (8).

13 4. "Tier I county or municipality" means a tier I county or municipality, as
14 determined under s. 238.396 (4) (e).

15 5. "Tier II county or municipality" means a tier II county or municipality, as
16 determined under s. 238.396 (4) e).

17 6. "Wages" means wages under section 3306 (b) of the Internal Revenue Code,
18 determined without regard to any dollar limitations.

19 7. "Zone" means a zone designated under s. 238.396 (1m).

20 8. "Zone payroll" means the amount of state payroll that is attributable to
21 wages paid to full-time employees for services that are performed in the zone or that
22 are performed outside the zone, but within the state, and for the benefit of the
23 operations within the zone, as determined by the Wisconsin Economic Development
24 Corporation. "Zone payroll" does not include the amount of wages paid to any
25 full-time employees that exceeds \$100,000.

1 (b) *Filing claims; payroll.* Subject to the limitations provided in this subsection
2 and s. 238.396, a claimant may claim as a credit against the tax imposed under s.
3 71.23 an amount calculated as follows:

4 1. Determine the zone payroll for full-time employees whose annual wages are
5 greater than the amount determined by multiplying 2,080 by 150 percent of the
6 federal minimum wage in a tier I county or municipality or greater than \$30,000 in
7 a tier II county or municipality and who the claimant employed in the zone in the
8 taxable year.

9 2. Multiply the amount determined under subd. 1. by XX percent.

10 (bm) *Filing supplemental claims.* In addition to claiming the credit under par.
11 (b), and subject to the limitations under this subsection and s. 238.396, a claimant
12 may claim as a credit against the tax imposed under s. 71.23 an amount equal to XX
13 percent of the claimant's significant capital expenditures in the zone in the taxable
14 year, as determined under s. 238.396 (3m).

15 (c) *Limitations.* 1. Partnerships, limited liability companies, and tax-option
16 corporations may not claim the credit under this subsection, but the eligibility for,
17 and the amount of, the credit are based on their payment of amounts described under
18 pars. (b) and (bm). A partnership, limited liability company, or tax-option
19 corporation shall compute the amount of credit that each of its partners, members,
20 or shareholders may claim and shall provide that information to each of them.
21 Partners, members of limited liability companies, and shareholders of tax-option
22 corporations may claim the credit in proportion to their ownership interests.

23 2. No credit may be allowed under this subsection unless the claimant includes
24 with the claimant's return a copy of the claimant's certification for tax benefits under
25 s. 238.396 (3).

1 (d) *Administration*. 1. Subsection (4) (g) and (h), as it applies to the credit
2 under sub. (4), applies to the credit under this subsection.

3 2. If the allowable amount of the claim under this subsection exceeds the taxes
4 otherwise due on the claimant's income under s. 71.23, the amount of the claim that
5 is not used to offset those taxes shall be certified by the department of revenue to the
6 department of administration for payment by check, share draft, or other draft
7 drawn from the appropriation under s. 20.835 (2) (cp). Notwithstanding s. 71.82, no
8 interest shall be paid on amounts certified under this subdivision.

9 **SECTION 17.** 71.30 (3) (f) of the statutes is amended to read:

10 71.30 (3) (f) The total of farmland preservation credit under subch. IX,
11 farmland tax relief credit under s. 71.28 (2m), dairy manufacturing facility
12 investment credit under s. 71.28 (3p), jobs credit under s. 71.28 (3q), meat processing
13 facility investment credit under s. 71.28 (3r), woody biomass harvesting and
14 processing credit under s. 71.28 (3rm), food processing plant and food warehouse
15 investment credit under s. 71.28 (3rn), enterprise zone jobs credit under s. 71.28
16 (3w), electronics and information technology manufacturing zone credit under s.
17 71.28 (3wm), business development credit under s. 71.28 (3y), film production
18 services credit under s. 71.28 (5f), film production company investment credit under
19 s. 71.28 (5h), beginning farmer and farm asset owner tax credit under s. 71.28 (8r),
20 and estimated tax payments under s. 71.29.

21 **SECTION 18.** 71.34 (1k) (g) of the statutes is amended to read:

22 71.34 (1k) (g) An addition shall be made for credits computed by a tax-option
23 corporation under s. 71.28 (1dm), (1dx), (1dy), (3), (3g), (3h), (3n), (3p), (3q), (3r),
24 (3rm), (3rn), (3t), (3w), (3wm), (3y), (4), (5), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r),
25 (5rm), (6n), and (8r) and passed through to shareholders.

1 **SECTION 19.** 73.0300 of the statutes is created to read:

2 **73.0300 Disregarded entities.** With regard to a single-owner entity that is
3 disregarded as a separate entity under section 7701 of the Internal Revenue Code,
4 any notice that the department of revenue sends to the owner or to the entity is
5 considered a notice sent to both and both are liable for any amounts due as specified
6 in the notice. This section applies to all laws administered by the department.

7 **SECTION 20.** 77.54 (65) of the statutes is created to read:

8 77.54 (65) The sales price from the sale of building materials, supplies, and
9 equipment and the sale of services described in s. 77.52 (2) (a) 20. to; and the storage,
10 use, or other consumption of the same property and services by; owners, lessees,
11 contractors, subcontractors, or builders if that property or service is acquired solely
12 for or used solely in, the construction or development of facilities located in an
13 electronics and information technology manufacturing zone created under s. 238.396
14 and if the capital expenditures for the construction or development of such facilities
15 may be claimed as a credit under s. 71.07 (3wm) (bm) or 71.28 (3wm) (bm) as certified
16 by the Wisconsin Economic Development Corporation.

17 **SECTION 21.** 180.0622 (2) of the statutes is amended to read:

18 180.0622 (2) Unless otherwise provided in the articles of incorporation, a
19 shareholder of a corporation is not personally liable for the acts or debts of the
20 corporation, except for a shareholder in a corporation defined under s. 71.365 (7), and
21 only to the extent provided for under s. ~~73.300~~ and except that a shareholder may
22 become personally liable by his or her acts or conduct other than as a shareholder.

23 **SECTION 22.** 183.0304 (1) of the statutes is amended to read:

24 183.0304 (1) The debts, obligations and liabilities of a limited liability
25 company, whether arising in contract, tort or otherwise, shall be solely the debts,

1 obligations and liabilities of the limited liability company. Except as provided in ss.
2 73.0300, 183.0502, and 183.0608, a member or manager of a limited liability
3 company is not personally liable for any debt, obligation or liability of the limited
4 liability company, except that a member or manager may become personally liable
5 by his or her acts or conduct other than as a member or manager.

6 **SECTION 23.** 196.49 (5g) (ar) 3. of the statutes is created to read:

7 196.49 (5g) (ar) 3. The project is a relocation of existing public utility facilities
8 within an electronics and information technology manufacturing zone designated
9 under s. 238.396 (1m).

10 **SECTION 24.** 196.491 (1) (f) of the statutes is amended to read:

11 196.491 (1) (f) Except as provided in subs. (2) (b) 8. and (3) (d) 3m.,
12 “high-voltage transmission line” means a conductor of electric energy exceeding one
13 mile in length designed for operation at a nominal voltage of 100 kilovolts or more,
14 together with associated facilities, and does not include transmission line relocations
15 that are within an electronics and information technology manufacturing zone
16 designated under s. 238.396 (1m) or that the commission determines are necessary
17 to facilitate highway or airport projects.

18 **SECTION 25.** 238.396 of the statutes is created to read:

19 **238.396 Electronics and information technology manufacturing zone.**

20 (1) DEFINITION. In this section, “tax benefits” means the income and franchise tax
21 credits under ss. 71.07 (3wm) and 71.28 (3wm).

22 (1m) DESIGNATION OF ZONES; CRITERIA. (a) The corporation may designate not
23 more than one electronics and information technology manufacturing zone.

24 (b) In determining whether to designate an area under par. (a), the corporation
25 shall consider all of the following:

1 1. Indicators of the area's economic need, which may include data regarding
2 household income, average wages, the condition of property, housing values,
3 population decline, job losses, infrastructure and energy support, the rate of business
4 development, and the existing resources available to the area.

5 2. The effect of designation on other initiatives and programs to promote
6 economic and community development in the area, including job retention, job
7 creation, job training, and creating high-paying jobs.

8 (c) The corporation shall specify whether an electronics and information
9 technology manufacturing zone designated under par. (a) is located in a tier I county
10 or municipality or a tier II county or municipality.

11 (d) The corporation shall, to the extent possible, give preference to the greatest
12 economic need.

13 **(2) TIME LIMIT.** A designation under sub. (1m) shall remain in effect for no more
14 than XX years.

15 **(3) CERTIFICATION.** The corporation may certify for tax benefits a business that
16 begins operations in an electronics and information technology manufacturing zone.

17 **(3m) ADDITIONAL TAX BENEFITS FOR SIGNIFICANT CAPITAL EXPENDITURES.** If the
18 corporation determines that a business certified under sub. (3) makes a significant
19 capital expenditure in the electronics and information technology manufacturing
20 zone, the corporation may certify the business to receive additional tax benefits in
21 an amount to be determined by the corporation, but not exceeding XX percent of the
22 business's capital expenditures. The corporation shall, in a manner determined by
23 the corporation, allocate the tax benefits a business is certified to receive under this
24 subsection over the remainder of the time limit of the enterprise zone under sub. (2).

1 (4) OTHER DUTIES. (a) The corporation shall revoke a certification under sub.
2 (3) if the business does any of the following:

3 1. Supplies false or misleading information to obtain tax benefits.

4 2. Leaves the electronics and information technology manufacturing zone to
5 conduct substantially the same business outside the zone.

6 3. Ceases operations in the electronics and information technology
7 manufacturing zone and does not renew operation of the business or a similar
8 business in the zone within 12 months.

9 (b) The corporation may require a business to repay any tax benefits the
10 business claims for a year in which the business failed to maintain employment
11 levels or a significant capital investment in property required by an agreement
12 between the business and the corporation.

13 (c) The corporation shall determine the maximum amount of the tax benefits
14 that a certified business may claim and shall notify the department of revenue of this
15 amount.

16 (d) The corporation shall annually verify the information submitted to the
17 corporation under ss. 71.07 (3wm) and 71.28 (3wm).

18 (e) The corporation shall adopt policies and procedures defining a tier I county
19 or municipality and a tier II county or municipality. The corporation may consider
20 all of the following information when establishing the definitions required under this
21 paragraph:

22 1. Unemployment rate.

23 2. Percentage of families with incomes below the poverty line established under
24 42 USC 9902 (2).

25 3. Median family income.

1 4. Median per capita income.

2 5. Other significant or irregular indicators of economic distress, such as a
3 natural disaster or mass layoff.

4 (f) The corporation shall adopt policies and procedures defining "significant
5 capital expenditure" for purposes of sub. (3m).

6 **(5) NO ENVIRONMENTAL IMPACT STATEMENT REQUIRED.** The issuance of any permit
7 or approval for a new manufacturing facility within an electronics and information
8 technology manufacturing zone designated under this section is not a major action
9 for the purposes of s. 1.11 (2) (c).

10 **SECTION 26.** 238.399 (3) (a) of the statutes is amended to read:

11 238.399 (3) (a) The corporation may designate not more than ~~30~~ 35 enterprise
12 zones.

13 **SECTION 27.** 238.399 (3) (e) of the statutes is created to read:

14 238.399 (3) (e) If the corporation revokes all certifications for tax benefits
15 within a designated enterprise zone, the corporation may cancel the designation of
16 that enterprise zone. After canceling the designation of an enterprise zone, the
17 corporation may designate a new enterprise zone subject to the limits of this
18 subsection.

19 **SECTION 28.** 238.399 (4) of the statutes is renumbered 238.399 (4) (a).

20 **SECTION 29.** 238.399 (4) (b) of the statutes is created to read:

21 238.399 (4) (b) If an enterprise zone designation expires under par. (a), the
22 corporation may designate a new enterprise zone subject to the limits of sub. (3).

23 **SECTION 30.** 238.399 (5) (f) of the statutes is created to read:

24 238.399 (5) (f) A financial services technology business that, after completing
25 a competitive corporate relocation process, retains its corporate headquarters in this

1 state and retains at least 93 percent of its full-time employees in this state who were
2 identified as being full-time employees of the business in the base year, as
3 determined by the corporation.

4 **SECTION 31.** 238.399 (5m) of the statutes is amended to read:

5 238.399 (5m) ADDITIONAL TAX BENEFITS FOR SIGNIFICANT CAPITAL EXPENDITURES.
6 If the corporation determines that a business certified under sub. (5) makes a
7 significant capital expenditure in the enterprise zone, the corporation may certify
8 the business to receive additional tax benefits in an amount to be determined by the
9 corporation, but not exceeding 10 percent of the business' capital expenditures. The
10 corporation shall, in a manner determined by the corporation, allocate the tax
11 benefits a business is certified to receive under this subsection over the remainder
12 of the time limit of the enterprise zone under sub. (4) (a).

13 **SECTION 32.** 281.36 (3b) (b) of the statutes is amended to read:

14 281.36 (3b) (b) No person may discharge dredged material or fill material into
15 a wetland unless the discharge is authorized by a wetland general permit or
16 individual permit issued by the department under this section or the discharge is
17 exempt under sub. (4) or (4m). No person may violate any condition contained in a
18 wetland general or individual permit issued by the department under this section.
19 The department may not issue a wetland general or individual permit under this
20 section unless it determines that the discharge authorized pursuant to the wetland
21 general or individual permit will comply with all applicable water quality standards.

22 **SECTION 33.** 281.36 (3m) (a) of the statutes is amended to read:

23 281.36 (3m) (a) *When permit required.* Any person wishing to proceed with a
24 discharge into any wetland shall submit an application for a wetland individual
25 permit under this subsection unless the discharge has been authorized under a

1 wetland general permit as provided in sub. (3g) or is exempt under sub. (4) or (4m).
2 Before submitting the application, the department shall hold a meeting with the
3 applicant to discuss the details of the proposed discharge and the requirements for
4 submitting the application and for delineating the wetland. An applicant may
5 include in the application a request for a public informational hearing. The
6 application shall be accompanied by the applicable fee specified in sub. (11) or (12)
7 (a).

8 **SECTION 34.** 281.36 (4m) of the statutes is created to read:

1252LS 24-9
9 **281.36 (4m) EXEMPTION; ELECTRONICS AND INFORMATION TECHNOLOGY**
10 **MANUFACTURING ZONE.** The permitting requirement under sub. (3b) does not apply to
11 any discharge into a wetland that is not subject to federal jurisdiction under 33 USC
12 1344 that is related to the construction, access, or operation of a new manufacturing
13 facility in an electronics and information technology manufacturing zone designated
14 under s. 238.396 (1m).

15 **SECTION 35. Fiscal changes.**

16 (1) **ECONOMIC DEVELOPMENT LIAISON ACTIVITIES.** In the schedule under section
17 20.005 (3) of the statutes for the appropriation to the department of administration
18 under section 20.505 (1) (a) of the statutes, the dollar amount for fiscal year 2017-18
19 is increased by \$250,000 and the dollar amount for fiscal year 2018-19 is increased
20 by \$250,000 for economic development liaison activities under an agreement with
21 the Wisconsin Economic Development Corporation.

22 **SECTION 36. Initial applicability.**

23 (1) **SALES AND USE TAX EXEMPTION.** The treatment of section 77.54 (65) of the
24 statutes first applies to purchases made after the Wisconsin Economic Development

1 Corporation enters into a contract with a business to locate in an electronics and
2 information technology manufacturing zone.

3 (END)

2017-2018 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3907/P3ins
ZDW:...

1 **INS A**

Under current law, subject to exceptions, no person may discharge dredged material or fill material into a wetland unless the discharge is authorized by a wetland general permit or individual permit, or the discharge is exempt from permitting requirements. Current law requires the Department of Natural Resources to issue wetland general permits for discharges of dredged or fill material into certain wetlands. For a discharge into a wetland that is not authorized under a wetland general permit, current law requires a person to apply for and obtain a wetland individual permit. Before DNR may issue a wetland individual permit, it must require the restoration, enhancement, creation, or preservation of other wetlands to compensate for adverse impacts to a wetland resulting from the discharge, also known as mitigation.

Under this bill, a person may, without a permit, discharge dredged material or fill material into a wetland that is located in an electronics and information technology manufacturing zone if the discharge is related to the construction, access, or operation of a new manufacturing facility. The bill requires any adverse impacts to functional values of wetlands to be compensated at a ratio of ^{two} 2 acres per each acre impacted through the purchase of credits from a mitigation bank, participation in the in lieu fee subprogram or escrow subprogram administered by DNR, or completion of mitigation within ^{the state} (in) the state.

Under current law, subject to exceptions, no person may do any of the following without a permit issued by DNR: 1) deposit any material or place any structure upon the bed of any navigable water where no bulkhead line has been established or beyond a lawfully established bulkhead line; 2) construct or maintain a bridge or construct, place, or maintain a culvert in, on, or over navigable waters; 3) construct, dredge, or enlarge any artificial water body that connects with an existing navigable waterway; 4) construct or enlarge any part of an artificial water body that is or will be located within 500 feet of the ordinary high-water mark of, but that does not or will not connect with, an existing navigable waterway; 5) grade or remove topsoil from the bank of any navigable waterway where the area exposed by the grading or removal will exceed 10,000 square feet; and 6) change the course of or straighten a navigable stream.

Under the bill, DNR generally may not require a permit for any of these activities if they relate to the construction, access, or operation of a new manufacturing facility located in an electronics and information technology manufacturing zone. However, the bill provides that DNR may require a permit for the construction or maintenance of bridges and the construction or placement and maintenance of culverts if DNR determines that conditions specific to the site require restrictions in order to prevent significant adverse impacts to the public rights and interests, environmental pollution, or material injury to the riparian rights of any riparian owner.

2 **INS 6-4**

1 **SECTION 1.** 30.12 (1g)^X (m) of the statutes is created to read:

2 30.12 (1g) (m) A structure or deposit that is related to the construction, access,
3 or operation of a new manufacturing facility in a navigable stream located in an
4 electronics and information technology manufacturing zone designated under s.
5 238.396 (1m).

6 **INS 6-22**

7 **SECTION 2.** 30.195 (7)^X of the statutes is renumbered 30.195 (7) (intro.) and
8 amended to read:

9 30.195 (7)^(CS) (intro.) This section does not apply to municipal any of the following:
Application of section.

10 (a) Municipal or county-owned lands in counties having a population of
11 750,000 or more. X

12 **SECTION 3.** 30.195 (7) (b) of the statutes is created to read:

13 30.195 (7) (b) Activity related to the construction, access, or operation of a new
14 manufacturing facility located in an electronics and information technology
15 manufacturing zone designated under s. 238.396 (1m).

16 **INS 24-9**

17 281.36 (4m) EXEMPTION; ELECTRONICS AND INFORMATION TECHNOLOGY
18 MANUFACTURING ZONE. The permitting requirement under sub. (3b) does not apply to
19 any discharge into a wetland that is related to the construction, access, or operation
20 of a new manufacturing facility in an electronics and information technology
21 manufacturing zone designated under s. 238.396 (1m) if all adverse impacts to
22 functional values of wetlands are compensated at a ratio of 2 acres per each acre
23 impacted through any of the following methods, consistent with the rules
24 promulgated under this section:

25 (a) Purchasing credits from a mitigation bank located in this state.

- 1 (b) Participating in the in lieu fee subprogram under sub. (3r).[↓]
- 2 (c) Completing mitigation within ^{the} ~~in~~ ^{the} state.^{MS}
- 3 (d) Participating in the escrow subprogram under sub. (3s).[↓]

Gallagher, Michael

From: Cramer, Megan J - DOA
Sent: Monday, July 24, 2017 12:55 PM
To: Kreye, Joseph; Shovers, Marc; Gallagher, Michael; Wyatt, Zachary
Subject: RE: Electronics and IT Manufacturing Zone - P4 Draft

Additional items for the p4 draft below. I may have one or two small additional items by the end of the day.

- MES 1. Pg. 9, Line 3: "With regard to a tax incremental district that is created ~~in an area that includes an electronics and information technology manufacturing zone that is created~~ under s. 238.396 and ss.66.105(4)(gm)4.6., the district may..."
- MES 2. Pg. 10, Line 6: "...subsection, the creating city may incur project costs, as defined in s. 66.1105 (2) (f) 1 and within the project plan under 66.1105 (4) (f). for any territory that is located...."
- MES 3. CREATE 66.1105(6)(am)2. i. : Expenditure costs for project costs for a TID that is created in an area that includes an electronics and information technology manufacturing zone that is created under s. 238.396. Such expenditures may be made no later than 30 years after the district is created and may be made through 2047.
- SK 4. Percentage for the Jobs Tax credit: Replace the placeholder with 17% at pg. 12, Line 18 and pg. 17, Line 3
- MP 5. Percentage for the Capital Expenditures tax credit: replace the placeholder with 15% at pg. 12, Line 21; Pg. 17, Line 6; Pg. 21, Line 17
- MP 6. Pg. 21, Line 10 – insert 15 years for the duration

#1 & #2 Not needed
#3 causes problems -
Megan will check w/
DOR

From: Cramer, Megan J - DOA
Sent: Friday, July 21, 2017 5:28 PM
To: 'Kreye, Joseph A - LEGIS' <joseph.kreye@legis.wisconsin.gov>; Shovers, Marc - LEGIS <marc.shovers@legis.wisconsin.gov>; Gallagher, Miike - LEGIS <michael.gallagher@legis.wisconsin.gov>; Wyatt, Zachary - LEGIS <zachary.wyatt@legis.wisconsin.gov>
Subject: RE: Electronics and IT Manufacturing Zone - P4 Draft

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Thanks,
Megan

- 1. Establish a grant program housed at DOA with \$10 million. Limit the grant program to assistance for local government expenditures related to infrastructure, public safety and other costs, as deemed allowable by DOA, associated with development occurring in the Electronics and Information Technology Manufacturing Zone. Create a permissive local match requirement for the grant program.
- 2. Pg. 20, Line 1: Delete "a relocation of existing public utility facilities"
- MES 3. Under the cooperative agreements under 66.0307 - is there a way to shorten the time lines related to these without changing any of the public notices/hearings requirements? Perhaps, a notwithstanding clause that

Megan says don't do #3

requires any cooperative agreements for the purposes of the Electronics and Information Technology Manufacturing Zone, all steps under 66.0307 must be completed within at total of 120 (or different amount) days?

- ME 4
- Allow the design/build process instead of the normal State bid process, as is allowed for Recycling Centers under 62.155, for the construction of water and waste water treatment systems - Only for cities & villages
5. Language for the capital expenditures tax credits for the zone under 238.296 that WEDC may certify the credits over a period of not more than 7 years
 6. Limit the capital expenditures tax credit for the zone under 238.396 to \$1.35 billion. Limit the jobs tax credits available for the zone under 238.396 to \$1.5 billion.
 7. Amend 281.346(4)(c)2m:
 - a. 2m. The proposal is consistent with an approved water supply service area plan under s. 281.348 that covers the public water supply system unless the proposal is to provide water to a straddling community that includes an electronics and information technology zone designated under s. 238.396(1)
 8. Pg. 21, Line 20 – “Enterprise Zone” should be the Electronics and Information Technology Manufacturing Zone
 9. Pg. 12, Line 13: “Annually ~~D~~determine the zone payroll...”
 10. Pg. 12, Line 16-17: Delete: “And who the claimant employed in the zone in the taxable year
 11. Pg. 16, Line 23: “Annually ~~D~~determine the zone payroll...”
 12. Pg. 17, Lines 1-2: Delete: “and who the claimant employed in the zone in the taxable year”

Gallagher, Michael

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JK
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