
















State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

RESEARCH APPENDIX - **PLEASE DO NOT REMOVE FROM DRAFTING FILE**

Date Transfer Requested: 08/11/2017 (Per: CMH/MPG)

Appendix A

- Appendix A  The drafting file for LRB 17a0891 (used to create 17a0928)
- Appendix B  The drafting file for LRB 17a0900 (used to create 17a0928)
- Appendix C  The drafting file for LRB 17a0905 (used to create 17a0928)
- Appendix D  The drafting file for LRB 17a0906 (used to create 17a0928)
- Appendix E  The drafting file for LRB 17a0922 (used to create 17a0928)
- Appendix F  The drafting file for LRB 17a0901 (used to create 17a0928)
- Appendix G  The drafting file for LRB 17a0903 (used to create 17a0928)
- Appendix H  The drafting file for LRB 17a0902 (used to create 17a0928)
- Appendix I  The drafting file for LRB 17a0897 (used to create 17a0928)
- Appendix J  The drafting file for LRB 17a0871 (used to create 17a0928)
- Appendix K  The drafting file for LRB 17a0894 (used to create 17a0928)
- Appendix L  The drafting file for LRB 17a0898 (used to create 17a0928)
- Appendix M  The drafting file for LRB 17a0928 (used to create 17s0103)

has been transferred to the drafting file for

2017 LRBs0103 ASA__-AB1 (Au7)

Barman, Mike

From: Hanaman, Cathlene
Sent: Friday, August 11, 2017 11:24 AM
To: Hsia, Richard; Parisi, Lori; Barman, Mike; Milford, Renae; Rose, Stefanie; Walker, Dan
Subject: FW: a0928

This list is the one to use.

We compiled the following amendments to create a0928, which will be engrossed into ~~SSA~~ ^{ASA} to Aug 2017 Special Session AB-1 (s0103)

1. LRB 0891 – “Technical” changes
2. LRB 0900—economic development position in DOA
3. LRB 0905 – DWD Worker Training (Krista is working on a change for me...so should be P4)
4. LRB 0906 – WEDC position for local econ development
5. LRB 0922 – Incentivize Wisconsin Workers
6. LRB 0901 – Transpo Bonding – JFC Oversight
7. LRB 0903 – DNR Oversight
8. LRB 0902 – Wetlands language
9. LRB 0897 – TID \$ for fire/police
10. LRB 0871 – Town Incorporation
11. LRB 0894 – Sales Tax Revenue Bond
12. LRB 0898 – Extend TID Date

2017 Au7 DRAFTING REQUEST**Assembly Amendment (AA-AB1)**

For: **Robin Vos (608) 266-9171** Drafter: **jkreye**
 By: **steve** Secondary Drafters:
 Date: **8/8/2017** May Contact:

Same as LRB:

Submit via email: **YES**
 Requester's email: **Rep.Vos@legis.wisconsin.gov**
 Carbon copy (CC) to: **marc.shovers@legis.wisconsin.gov**
joseph.kreye@legis.wisconsin.gov
zachary.wyatt@legis.wisconsin.gov
rick.champagne@legis.wisconsin.gov
michael.gallagher@legis.wisconsin.gov
Anna.henning@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Technical changes

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mgallagh 8/9/2017	anienaja 8/9/2017			
/1	mshovers 8/10/2017		mbarman 8/9/2017	mbarman 8/9/2017	
/2		eweiss 8/10/2017	mbarman 8/10/2017	mbarman 8/10/2017	

LRBa0891

FE Sent For:

<END>

Amendments in Drafting

Plain language summary in red, specifics below.

- ✓ 1) Bond counsel was concerned that there was conflicting language in current law in chapter 66 in which municipalities approve their debt, not the DOA secretary. Also, bond counsel wanted to clarify what's included in the 40% calculation and ensure there is public purpose language for the moral obligation. ✓

Edits beginning on line 3 of page 8:

(3) **MORAL OBLIGATION PLEDGE.** Recognizing its moral obligation to do so, the legislature expresses its expectation and aspiration that, if ever called upon to do so, it shall make an appropriation to pay up to 40 percent of the principal and interest of a local governmental unit's municipal obligations, if all of the following apply:

(a) The local governmental unit's municipal obligation is issued to finance costs related to development occurring in or for the benefit of an electronics and information technology manufacturing zone designated under s. 238.396 (1m).

(b) Not more than 40 percent of the local governmental unit's aggregate municipal obligations issued for the purpose outlined in sub. (a) above shall be subject to this moral obligation pledge.

(c) The secretary approves designates the moral obligation pledge for the local governmental unit's municipal obligation before it is issued. (4) **AGREEMENT.** The secretary may contract with a local governmental unit to implement this section.

(5) **SUBSTANTIAL STATEWIDE PUBLIC PURPOSE.** The proceeds of municipal obligations issued by a local governmental unit pursuant to sub. (3) above will be used to finance an electronics and information technology manufacturing zone designated under s. 238.396(1m) which serves a substantial statewide public purpose. The legislature determines that the provision of assistance by state agencies to a local governmental unit under this section, any appropriation of funds to a local governmental unit under this section and the moral obligation pledge under sub. (3) above serve a substantial statewide public purpose by assisting the development of an electronics and information technology manufacturing zone in the state by encouraging economic development, by reducing unemployment and by bringing needed capital into the state for the benefit and welfare of people throughout the state.

- 2) There is some concern that a municipality that is 12% or higher could not create the TID for the proposed zone. Even though the zone wouldn't be included in the 12% calculation if a municipality is over 12% it could not create a new zone.

Edits beginning on page 14, Line 15:

(b) Exception to the 12 percent limit. Notwithstanding the 12 percent limit findings requirement described under sub. (4) (gm) 4. c., the equalized value of taxable property of or value increment of a tax incremental district described under this subsection does

MES

- ✓ not count in the calculation of the 12 percent limit.
- ✓ 3) The economic development liaison should be an ESG 4, not an ESG 3. ✓
- ✓ 4) This change is to clarify that the PSC flexibilities pertain to activity that is to provide service to a new customer in the zone, and not limited to changes within the zone.

Amend section 46 of SSAB1 to read:

196.49 (5g) (ar) 3. The project is primarily to provide service to a new customer within an electronics and information technology manufacturing zone designated under s. 238.396 (1m). MDK

- ✓ 5) This section clarifies our intent on the Tier 1/2 issue so that we specify that the positions for which there is a credit paid will be full time with annual pay of at least \$30,000 plus benefits. ✓

Replace Page 16, line 8-9: 2. "Full-time employee" means an individual who is employed in a job for which the annual pay is at least \$30,000 and offered retirement, health, and other benefits that are equivalent to the retirement, health, and other benefits offered to an individual who is required to work at least 2,080 hours per year.

Replace Page 20, line 17-18: 2. "Full-time employee" means an individual who is employed in a job for which the annual pay is at least \$30,000 and offered retirement, health, and other benefits that are equivalent to the retirement, health, and other benefits offered to an individual who is required to work at least 2,080 hours per year.

Strike Page 16, line 12-15.

Strike Page 17, line 5-7.

Strike Page 20, Line 21-24.

Strike Page 21, Line 14-16.

Strike Page 28, Line 15-17.

Strike Page 30, Line 6-16.

- ✓ 6) Somehow the requirement that wages be "paid by the claimant" was left out of the final draft. The following changes will be required in Assembly Bill 1, LRB -4050/1: ✓

Insert Page 16, Line 20. "by the claimant" between "paid" and "to." The line should read "wages paid by the claimant to full-time employees for services that are performed in the zone or that"

Insert Page 21, Line 5. "by the claimant" between "paid" and "to." The line should read "wages paid by the claimant to full-time employees for services that are performed in the zone or that"

✓ 7) Under current law in 238.12 there are clawback provisions for tax credit programs, ✓ however the existing enterprise zone credits are not, and were never covered in this section. It was our intent that these clawback provisions would apply to this new zone - but because the bill was modeled after the existing enterprise zone law, it was not picked up by the drafters. This amendment specifies that the 238.12 clawbacks apply to this zone.

✓ 8) The bill, page 29 line 3, allows WEDC to award tax credits up to 15% of capital ✓ expenditures. However, in the ch. 71 tax credit material, on page 17, line 12, and page 21, lines 20 to 21, the bill authorizes a claimant to claim an amount "equal to" 15 percent rather than "up to" 15 percent of its capital expenditures authorized by WEDC. That is not consistent with the enterprise zone tax credit, but may be consistent with the intent for the new tax credit. We are changing the second reference to "up to" for consistency.

Technical Amendments from Assembly/Leg. Council

We had offered to send a list of potential clarification items we discussed in our meetings regarding Special Session Assembly Bill 1. The list below is not exhaustive, and, more importantly, the list doesn't include any of the bigger picture or more policy/substantive items we discussed. Please let us know if we can be of any help as you consider amendment language and options.

- 1. ~~There is an apparent discrepancy between the relevant provision in the income tax chapter (Page 17, line 12), which provides a credit "equal to 15% of the claimant's significant capital expenditures," and the statutory provision authorizing WEDC to certify the tax benefit for capital expenditures (Page 29, line 3), which authorizes WEDC to certify a business to receive a tax benefit "in an amount to be determined by [WEDC], but not exceeding 15%" of the business's capital expenditures.~~ *DOA - #8*
- 2. In the ch. 30 exemptions (Sections 9, 10, 12, and 14), each of the exemptions applies to activities that are either "related to" or "required for" either the "construction, access, or operation" of a new manufacturing facility located in an EITM zone, or the "construction, access, and operation" of such a facility. You might want to clarify that the different language is intentional. *ZDW*
- 3. The provision on Page 8, lines 10-11 could be modified to clarify that only grants under that section (i.e., not moral obligation pledge) could be implemented via contract. *MDK* *caused by DOA REP.*
- 4. ~~The exemption from the CPCN requirement (Page 27, lines 18-19) could be modified to specify whether a transmission line that qualifies for the exclusion under the bill would be eligible for an exemption from local ordinance requirements under current law.~~ *hold app* *MDK*
- 5. Page 25, line 16 could be modified to have ~~WEDC~~, rather than an electric utility, verify a customer's eligibility for EITM zone tax credits. *MDK* *LR C*
- 6. Section 21, page 14, lines 19-21 – It may be helpful for the bill to specify who may determine whether an expenditure to be made outside the TIF district, but within the same county as the district, "benefits the district." *MDK* *DOA Definition*
- 7. ~~One more issue that could be considered a technical/drafting issue is that, as a result of some other changes that were made to the bill later in the drafting process, the provisions of ss. 71.07 (3wm) and 71.28 (3wm), Stats., that explicitly required wages to have been paid by the claimant or to have been paid to employees employed by the claimant were deleted.~~ *DOA #6*

As a result, the bill does not currently explicitly require wages to have been paid by the claimant or to employees employed by the claimant in order for the wages to be used in calculating the credit. Although, that may be sufficiently implied.

I checked with DOA and WEDC, and they stated that those provisions were removed inadvertently. So, they said that they would add the provisions back in as part of their next set of requested changes.



Today by Noon
Tuesdays!
LRBa0891P2
MG/MS/JK/MK/ZW:... amw

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT,
TO ASSEMBLY BILL 1

(1)

- 1 At the locations indicated, amend the bill as follows:
- 2 1. Page 7, line 6: delete that line and substitute “pledge. (1) DEFINITIONS.
- 3 In this section:”.
- 4 2. Page 7, line 6: after that line insert:
- 5 “(a) “Local governmental unit” means a city, village, town, or county that
- 6 contains any part of an electronics and information technology manufacturing zone
- 7 designated under s. 238.396 (1m).
- 8 (b) “Municipal obligation” has the meaning given in s. 67.01 (6).
- 9 ✓ (1m) GRANTS. From the appropriation under s. 20.505 (1) (fr), the department”.
- 10 3. Page 7, line 14: delete “(1)” and substitute “(1m)”.
- 11 4. Page 7, line 14: after that line insert:

1 “(2m) CONTRACT. The secretary may contract with a local governmental unit
2 to implement subs. (1) and (2).”

3 **5.** Page 8, line 1: after “PLEDGE.” insert “(a)”.

4 **6.** Page 8, line 3: delete “up to 40 percent of”.

5 **7.** Page 8, line 4: before “obligations” insert “municipal”.

6 **8.** Page 8, line 5: delete “(a)” and substitute “1.”.

7 **9.** Page 8, line 5: before “obligation” insert “municipal”.

8 **10.** Page 8, line 8: delete “(b)” and substitute “2.”.

9 **11.** Page 8, line 8: delete “approves the local governmental unit’s obligation
10 before it ~~is~~” and substitute “designates the moral obligation pledge for the local
11 governmental unit’s municipal obligation before the municipal obligation”.

12 **12.** Page 8, line 9: after that line insert:

13 “(b) No more than 40 percent of a local governmental unit’s aggregate
14 municipal obligations under par. (a) shall be subject to the moral obligation pledge
15 under that paragraph.

16 (c) The proceeds of municipal obligations issued by a local governmental unit
17 under this subsection shall be used to finance costs related to development occurring
18 in or for the benefit of an electronics and information technology manufacturing zone
19 designated under s. 238.396 (1m). The legislature determines that the provision of
20 assistance by state agencies to a local governmental unit under this section, any
21 appropriation of funds to a local governmental unit under this section, and the moral
22 obligation pledge under par. (a) serve a substantial statewide public purpose by
23 assisting the development of an electronics and information technology

1 manufacturing zone in the state, by encouraging economic development, by reducing
2 unemployment, and by bringing needed capital into the state for the benefit and
3 welfare of people throughout the state.”.

4 **13.** Page 8, line 10: delete lines 10 and 11.

5 **14.** Page 10, line 3: delete “required for” and substitute “related to”.

6 **15.** Page 10, line 16: delete “required for the construction, access, and
7 operation” and substitute “related to the construction, access, or operation”.

8 **16.** Page 14, line 17: after “of” insert “, or the value increment of.”.

9 **17.** Page 14, line 21: after “benefits the district” insert “, except that before the
10 creating city may incur project costs for any territory that is located outside of the
11 district but in the same county as the district, the city must obtain certification from
12 the department of administration that the department believes such a proposed
13 expenditure benefits the district.”.

14 **18.** Page 16, line 8: delete lines 8 and 9 and substitute:

15 “2. “Full-time employee” means an individual who is employed in a job for
16 which the annual pay is at least \$30,000 and who is offered retirement, health, and
17 other benefits that are equivalent to the retirement, health, and other benefits
18 offered to an individual who is required to work at least 2,080 hours per year.”.

19 **19.** Page 16, line 12: delete lines 12 to 15.

20 **20.** Page 16, line 20: after “paid” insert “by the claimant”.

21 **21.** Page 17, line 5: delete the material beginning with “whose” and ending
22 with “municipality” on line 7 and substitute “employed by the claimant”.

23 **22.** Page 17, line 11: delete “an amount”.

1 **23.** Page 17, line 12: delete “equal” and substitute “up”.

2 **24.** Page 20, line 17: delete lines 17 and 18 and substitute:

3 “2. “Full-time employee” means an individual who is employed in a job for
4 which the annual pay is at least \$30,000 and who is offered retirement, health, and
5 other benefits that are equivalent to the retirement, health, and other benefits
6 offered to an individual who is required to work at least 2,080 hours per year.”.

7 **25.** Page 20, line 21: delete lines 21 to 24.

8 **26.** Page 21, line 5: after “paid” insert “by the claimant”.

9 **27.** Page 21, line 14: delete the material beginning with “whose” and ending
10 with “municipality” on line 16 and substitute: “employed by the claimant”.

11 **28.** Page 21, line 20: delete “an amount equal” and substitute “up”.

12 **29.** Page 25, line 11: delete lines 11 to 18 and substitute:

13 “that allow a new retail customer that is within the electronics and information
14 technology manufacturing zone and that the commission determines is eligible for
15 a credit under s. 71.07 (3wm) to receive market benefits and take market risks for
16 some or all of the customer’s purchases of capacity or energy, subject to the maximum
17 capacity or energy purchase limits that shall be established by the commission. The
18 electric public utility shall include the following requirements in the tariffs:”.

19 **30.** Page 25, line 19: delete “2.” and substitute “1.”.

20 **31.** Page 25, line 21: delete “3.” and substitute “2.”.

21 **32.** Page 25, line 23: delete “4.” and substitute “3.”.

22 **33.** Page 26, line 1: delete “5.” and substitute “4.”.

1 **34.** Page 27, line 11: after “The project is” insert “primarily to provide service
2 to a new customer”.

3 **35.** Page 27, line 23: after that line insert:

4 “**SECTION 48m.** 238.12 (1) of the statutes is amended to read:

5 ~~238.12 (1)~~ In this section, “tax benefits” means the credits under ss. 71.07
6 (2dm), (2dx), (3g), and (3t), and (3wm), 71.28 (1dm), (1dx), (3g), and (3t), and (3wm),
7 71.47 (1dm), (1dx), (3g), and (3t), and 76.636.”.

8 **36.** Page 28, line 15: delete lines 15 to 17.

9 **37.** Page 30, line 6: delete lines 6 to 16.

10

(END)

Shovers, Marc

From: Henning, Anna
Sent: Thursday, August 10, 2017 8:54 AM
To: Shovers, Marc; Bemis, Zach; Fawcett, Steve
Cc: Gallagher, Michael; Grosz, Scott
Subject: RE: Technical amendment, a0891

Yes, that's how we understand the intent. Thanks, Marc!

From: Shovers, Marc
Sent: Wednesday, August 09, 2017 5:34 PM
To: Bemis, Zach <Zach.Bemis@legis.wisconsin.gov>; Henning, Anna <Anna.Henning@legis.wisconsin.gov>; Fawcett, Steve <Steve.Fawcett@legis.wisconsin.gov>
Cc: Gallagher, Michael <Michael.Gallagher@legis.wisconsin.gov>; Grosz, Scott <Scott.Grosz@legis.wisconsin.gov>
Subject: RE: Technical amendment, a0891

OK, I just want to make sure I have this right. Are you saying that when a city that has created an EITZM-containing TID creates another TID, the 12% rule generally applies, but in making the calculation the city does not have to include the value increment of the EITZM-containing TID?

I thought the concern was for any new TID created by the city that created the TID which contains the EITZM. I tried to draft subd. 2. carefully to ensure that the 12% rule does not apply to a city that creates a TID after that very same city created a TID that contains an EITMZ. I gather that you want the exception to be a little narrower – it's not a complete exception to the 12% rule for future TIDs; the city may just ignore the impact of the EITZM-containing TID in calculating the 12% rule for future TIDs, while the EITZM TID exists.

Thanks, everyone.

Marc

From: Bemis, Zach
Sent: Wednesday, August 09, 2017 5:12 PM
To: Henning, Anna <Anna.Henning@legis.wisconsin.gov>; Shovers, Marc <Marc.Shovers@legis.wisconsin.gov>; Fawcett, Steve <Steve.Fawcett@legis.wisconsin.gov>
Cc: Gallagher, Michael <Michael.Gallagher@legis.wisconsin.gov>; Grosz, Scott <Scott.Grosz@legis.wisconsin.gov>
Subject: RE: Technical amendment, a0891

I think Anna has it right in terms of the intent... A TID in the EITMZ is exempt from the 12%/findings requirement... and also ignored or disregarded from the 12% calculation for future TIDs.

From: Henning, Anna
Sent: Wednesday, August 09, 2017 4:15 PM
To: Shovers, Marc <Marc.Shovers@legis.wisconsin.gov>; Fawcett, Steve <Steve.Fawcett@legis.wisconsin.gov>
Cc: Bemis, Zach <Zach.Bemis@legis.wisconsin.gov>; Gallagher, Michael <Michael.Gallagher@legis.wisconsin.gov>; Grosz, Scott <Scott.Grosz@legis.wisconsin.gov>
Subject: RE: Technical amendment, a0891

I think splitting the provisions into two subdivision paragraphs works well. One suggestion: I think we might need to modify the language in (20) (b) 2. to make clear that the 12% limit would **generally** continue to apply to non-EITM zone TIDs. In other words, an EITM zone TID would not be considered when evaluating the 12% test for future TIDs, but the 12% test would otherwise continue to apply. Hope that makes sense.

From: Shovers, Marc

Sent: Wednesday, August 09, 2017 3:29 PM

To: Henning, Anna <Anna.Henning@legis.wisconsin.gov>; Fawcett, Steve <Steve.Fawcett@legis.wisconsin.gov>

Cc: Bemis, Zach <Zach.Bemis@legis.wisconsin.gov>; Gallagher, Michael <Michael.Gallagher@legis.wisconsin.gov>

Subject: RE: Technical amendment, a0891

Thanks, Anna and Steve.

I think it's simply unworkable to solve both of these problems in one statutory unit, so it might be easier to separate the 2 goals into 2 separate statutes. One option would be to use the language I proposed in a newly-created sub. (20) (b) 1., and then create a new subd. 2. to address the second concern.

Maybe something like this:

(20) (b) *Exception to the 12 percent limit.* Notwithstanding the 12 percent limit findings requirement described under sub. (4) (gm) 4. c.:

1. That findings requirement does not apply to a local legislative body's resolution which relates to a district described under this subsection.

2. After a local legislative body's creation of a district described under this subsection, that findings requirement does not apply to that local legislative body's resolution which relates to a tax incremental district created under this section, but not under this sub. (20), provided that the district described under this subsection has not terminated."

What do you think of that approach?

Thanks,

Marc

From: Henning, Anna

Sent: Wednesday, August 09, 2017 1:53 PM

To: Fawcett, Steve <Steve.Fawcett@legis.wisconsin.gov>; Shovers, Marc <Marc.Shovers@legis.wisconsin.gov>

Cc: Bemis, Zach <Zach.Bemis@legis.wisconsin.gov>; Gallagher, Michael <Michael.Gallagher@legis.wisconsin.gov>

Subject: RE: Technical amendment, a0891

Marc (and all) –

I agree that the change you propose better addresses the situation in which a municipality is already at or near the 12% limit. But my understanding of the intent is that, as a separate issue, we also need to make sure that it's clear that the EITM zone TID would be, in effect, disregarded under the 12% test for purposes of creating a new TID – i.e., a different TID than the TID created for the zone. I think the language you previously drafted addressed the second of those concerns but not the first. Is there an easy way to do both?

Anna

Anna Henning
Senior Staff Attorney
Wisconsin Legislative Council
(608) 266-0292
anna.henning@legis.wisconsin.gov

From: Fawcett, Steve
Sent: Wednesday, August 09, 2017 1:18 PM
To: Shovers, Marc <Marc.Shovers@legis.wisconsin.gov>
Cc: Bemis, Zach <Zach.Bemis@legis.wisconsin.gov>; Gallagher, Michael <Michael.Gallagher@legis.wisconsin.gov>;
Henning, Anna <Anna.Henning@legis.wisconsin.gov>
Subject: RE: Technical amendment, a0891

Ok. Let me loop Anna from leg. council in (she's cc'd on this email) and see if she agrees.

From: Shovers, Marc
Sent: Wednesday, August 09, 2017 12:47 PM
To: Fawcett, Steve <Steve.Fawcett@legis.wisconsin.gov>
Cc: Bemis, Zach <Zach.Bemis@legis.wisconsin.gov>; Gallagher, Michael <Michael.Gallagher@legis.wisconsin.gov>
Subject: Technical amendment, a0891

Hi Steve:

I've been thinking a lot about the part of this amendment which relates to the "12% limit" for tax incremental districts. I don't think the suggested language from yesterday's instructions, which is in Item # 16, page 3, line 8 of the amendment, is the best way to go. I think this provision should be redrafted to simply state that the findings requirement in s. 66.1105 (4) (gm) 4. c. does not apply.

What I propose would be an amendment to the bill that looks something like this:

1. Page 14, line 16: delete "the equalized value of".
2. Page 14, line 17: delete lines 17 and 18 and substitute "that findings requirement does not apply to a local legislative body's resolution which relates to a district described under this subsection."

If you agree, please send the stripes back so I can redraft the amendment.

Thanks,

Marc

Marc Shovers
Senior Legislative Attorney
Legislative Reference Bureau
608-266-0129

marc.shovers@legis.wisconsin.gov



State of Wisconsin
2017 - 2018 LEGISLATURE
August 2017 Special Session

LRBa0891/1
MG/MS/JK/MK/ZW:amn *elmu*
Am

ASSEMBLY AMENDMENT ,
TO ASSEMBLY BILL 1

now

X/02

- 1 At the locations indicated, amend the bill as follows:
- 2 **1.** Page 7, line 6: delete that line and substitute “**pledge. (1) DEFINITIONS.**
- 3 In this section.”.
- 4 **2.** Page 7, line 6: after that line insert:
- 5 “(a) “Local governmental unit” means a city, village, town, or county that
- 6 contains any part of an electronics and information technology manufacturing zone
- 7 designated under s. 238.396 (1m).
- 8 (b) “Municipal obligation” has the meaning given in s. 67.01 (6).
- 9 **(1m) GRANTS.** From the appropriation under s. 20.505 (1) (fr), the department”.
- 10 **3.** Page 7, line 14: delete “(1)” and substitute “(1m)”.
- 11 **4.** Page 7, line 14: after that line insert:

1 “(2m) CONTRACT. The secretary may contract with a local governmental unit
2 to implement subs. (1m) and (2).”.

3 **5.** Page 8, line 1: after “PLEDGE.” insert “(a)”.

4 **6.** Page 8, line 3: delete “up to 40 percent of”.

5 **7.** Page 8, line 4: before “obligations” insert “municipal”.

6 **8.** Page 8, line 5: delete “(a)” and substitute “1.”.

7 **9.** Page 8, line 5: before “obligation” insert “municipal”.

8 **10.** Page 8, line 8: delete “(b)” and substitute “2.”.

9 **11.** Page 8, line 8: delete “approves the local governmental unit’s obligation
10 before it” and substitute “designates the moral obligation pledge for the local
11 governmental unit’s municipal obligation before the municipal obligation”.

12 **12.** Page 8, line 9: after that line insert:

13 “(b) No more than 40 percent of a local governmental unit’s aggregate
14 municipal obligations under par. (a) shall be subject to the moral obligation pledge
15 under that paragraph.

16 (c) The proceeds of municipal obligations issued by a local governmental unit
17 under this subsection shall be used to finance costs related to development occurring
18 in or for the benefit of an electronics and information technology manufacturing zone
19 designated under s. 238.396 (1m). The legislature determines that the provision of
20 assistance by state agencies to a local governmental unit under this section, any
21 appropriation of funds to a local governmental unit under this section, and the moral
22 obligation pledge under par. (a) serve a substantial statewide public purpose by
23 assisting the development of an electronics and information technology

1 manufacturing zone in the state, by encouraging economic development, by reducing
2 unemployment, and by bringing needed capital into the state for the benefit and
3 welfare of people throughout the state.”.

4 **13.** Page 8, line 10: delete lines 10 and 11.

5 **14.** Page 10, line 3: delete “required for” and substitute “related to”.

6 **15.** Page 10, line 16: delete “required for the construction, access, and
7 operation” and substitute “related to the construction, access, or operation”.

8 **16.** Page 14, line 17: after “of” insert “, or the value increment of,”.

9 **17.** Page 14, line 21: after “benefits the district” insert “, except that before the
10 creating city may incur project costs for any territory that is located outside of the
11 district but in the same county as the district, the city must obtain certification from
12 the department of administration that the department believes such a proposed
13 expenditure benefits the district.”.

14 **18.** Page 16, line 8: delete lines 8 and 9 and substitute:

15 “2. “Full-time employee” means an individual who is employed in a job for
16 which the annual pay is at least \$30,000 and who is offered retirement, health, and
17 other benefits that are equivalent to the retirement, health, and other benefits
18 offered to an individual who is required to work at least 2,080 hours per year.”.

19 **19.** Page 16, line 12: delete lines 12 to 15.

20 **20.** Page 16, line 20: after “paid” insert “by the claimant”.

21 **21.** Page 17, line 5: delete the material beginning with “whose” and ending
22 with “municipality” on line 7, and substitute “employed by the claimant”.

23 **22.** Page 17, line 11: delete “an amount”.

INS
37

1 **23.** Page 17, line 12: delete “equal” and substitute “up”.

2 **24.** Page 20, line 17: delete lines 17 and 18 and substitute:

3 “2. “Full-time employee” means an individual who is employed in a job for
4 which the annual pay is at least \$30,000 and who is offered retirement, health, and
5 other benefits that are equivalent to the retirement, health, and other benefits
6 offered to an individual who is required to work at least 2,080 hours per year.”

7 **25.** Page 20, line 21: delete lines 21 to 24.

8 **26.** Page 21, line 5: after “paid” insert “by the claimant”.

9 **27.** Page 21, line 14: delete the material beginning with “whose” and ending
10 with “municipality” on line 16, and substitute “employed by the claimant”.

11 **28.** Page 21, line 20: delete “an amount equal” and substitute “up”.

12 **29.** Page 25, line 11: delete lines 11 to 18 and substitute:

13 “that allow a new retail customer that is within the electronics and information
14 technology manufacturing zone and that the commission determines is eligible for
15 a credit under s. 71.07 (3wm) to receive market benefits and take market risks for
16 some or all of the customer’s purchases of capacity or energy, subject to the maximum
17 capacity or energy purchase limits that shall be established by the commission. The
18 electric public utility shall include the following requirements in the tariffs:”

19 **30.** Page 25, line 19: delete “2.” and substitute “1.”.

20 **31.** Page 25, line 21: delete “3.” and substitute “2.”.

21 **32.** Page 25, line 23: delete “4.” and substitute “3.”.

22 **33.** Page 26, line 1: delete “5.” and substitute “4.”.

2017-2018 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBa0891/2ins
MG/MS/JK/MK/ZW:amn

INS 3-7

1. Page 14, line 16: delete lines 16 to 18 and substitute

"findings requirement described under sub. (4) (gm) 4. c.:

1. That findings requirement does not apply to a local legislative body's resolution which relates to a district described under this subsection.

2. After a local legislative body's creation of a district described under this subsection, if that body makes the calculation under sub. (4) (gm) 4. c. for a tax incremental district created under this section but not under this sub. (20), that findings requirement may not include the value increment of the district created under this subsection, provided that the district created under this subsection has not terminated."

#. Page 14, line 19: before that line insert:



State of Wisconsin
2017 - 2018 LEGISLATURE

August 2017 Special Session MG/MS/JK/MK/ZW:amn&emw

LRBa0891/2

ASSEMBLY AMENDMENT ,
TO ASSEMBLY BILL 1

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 7, line 6: delete that line and substitute “**pledge. (1)** DEFINITIONS.
3 In this section.”.

4 **2.** Page 7, line 6: after that line insert:

5 “(a) “Local governmental unit” means a city, village, town, or county that
6 contains any part of an electronics and information technology manufacturing zone
7 designated under s. 238.396 (1m).

8 (b) “Municipal obligation” has the meaning given in s. 67.01 (6).

9 **(1m)** GRANTS. From the appropriation under s. 20.505 (1) (fr), the department”.

10 **3.** Page 7, line 14: delete “(1)” and substitute “(1m)”.

11 **4.** Page 7, line 14: after that line insert:

1 “(2m) CONTRACT. The secretary may contract with a local governmental unit
2 to implement subs. (1m) and (2).”.

3 **5.** Page 8, line 1: after “PLEDGE.” insert “(a)”.

4 **6.** Page 8, line 3: delete “up to 40 percent of”.

5 **7.** Page 8, line 4: before “obligations” insert “municipal”.

6 **8.** Page 8, line 5: delete “(a)” and substitute “1.”.

7 **9.** Page 8, line 5: before “obligation” insert “municipal”.

8 **10.** Page 8, line 8: delete “(b)” and substitute “2.”.

9 **11.** Page 8, line 8: delete “approves the local governmental unit’s obligation
10 before it” and substitute “designates the moral obligation pledge for the local
11 governmental unit’s municipal obligation before the municipal obligation”.

12 **12.** Page 8, line 9: after that line insert:

13 “(b) No more than 40 percent of a local governmental unit’s aggregate
14 municipal obligations under par. (a) shall be subject to the moral obligation pledge
15 under that paragraph.

16 (c) The proceeds of municipal obligations issued by a local governmental unit
17 under this subsection shall be used to finance costs related to development occurring
18 in or for the benefit of an electronics and information technology manufacturing zone
19 designated under s. 238.396 (1m). The legislature determines that the provision of
20 assistance by state agencies to a local governmental unit under this section, any
21 appropriation of funds to a local governmental unit under this section, and the moral
22 obligation pledge under par. (a) serve a substantial statewide public purpose by
23 assisting the development of an electronics and information technology

1 manufacturing zone in the state, by encouraging economic development, by reducing
2 unemployment, and by bringing needed capital into the state for the benefit and
3 welfare of people throughout the state.”.

4 **13.** Page 8, line 10: delete lines 10 and 11.

5 **14.** Page 10, line 3: delete “required for” and substitute “related to”.

6 **15.** Page 10, line 16: delete “required for the construction, access, and
7 operation” and substitute “related to the construction, access, or operation”.

8 **16.** Page 14, line 16: delete lines 16 to 18 and substitute “findings requirement
9 described under sub. (4) (gm) 4. c.:”.

10 **17.** Page 14, line 19: before that line insert:

11 “1. That findings requirement does not apply to a local legislative body’s
12 resolution which relates to a district described under this subsection.

13 2. After a local legislative body’s creation of a district described under this
14 subsection, if that body makes the calculation under sub. (4) (gm) 4. c. for a tax
15 incremental district created under this section but not under this subsection, that
16 findings requirement may not include the value increment of the district created
17 under this subsection, provided that the district created under this subsection has
18 not terminated.”.

19 **18.** Page 14, line 21: after “benefits the district” insert “, except that before the
20 creating city may incur project costs for any territory that is located outside of the
21 district but in the same county as the district, the city must obtain certification from
22 the department of administration that the department believes such a proposed
23 expenditure benefits the district.”.

24 **19.** Page 16, line 8: delete lines 8 and 9 and substitute:

1 “2. “Full-time employee” means an individual who is employed in a job for
2 which the annual pay is at least \$30,000 and who is offered retirement, health, and
3 other benefits that are equivalent to the retirement, health, and other benefits
4 offered to an individual who is required to work at least 2,080 hours per year.”.

5 **20.** Page 16, line 12: delete lines 12 to 15.

6 **21.** Page 16, line 20: after “paid” insert “by the claimant”.

7 **22.** Page 17, line 5: delete the material beginning with “whose” and ending
8 with “municipality” on line 7, and substitute “employed by the claimant”.

9 **23.** Page 17, line 11: delete “an amount”.

10 **24.** Page 17, line 12: delete “equal” and substitute “up”.

11 **25.** Page 20, line 17: delete lines 17 and 18 and substitute:

12 “2. “Full-time employee” means an individual who is employed in a job for
13 which the annual pay is at least \$30,000 and who is offered retirement, health, and
14 other benefits that are equivalent to the retirement, health, and other benefits
15 offered to an individual who is required to work at least 2,080 hours per year.”.

16 **26.** Page 20, line 21: delete lines 21 to 24.

17 **27.** Page 21, line 5: after “paid” insert “by the claimant”.

18 **28.** Page 21, line 14: delete the material beginning with “whose” and ending
19 with “municipality” on line 16, and substitute “employed by the claimant”.

20 **29.** Page 21, line 20: delete “an amount equal” and substitute “up”.

21 **30.** Page 25, line 11: delete lines 11 to 18 and substitute:

22 “that allow a new retail customer that is within the electronics and information
23 technology manufacturing zone and that the commission determines is eligible for

1 a credit under s. 71.07 (3wm) to receive market benefits and take market risks for
2 some or all of the customer's purchases of capacity or energy, subject to the maximum
3 capacity or energy purchase limits that shall be established by the commission. The
4 electric public utility shall include the following requirements in the tariffs:"

5 **31.** Page 25, line 19: delete "2." and substitute "1."

6 **32.** Page 25, line 21: delete "3." and substitute "2."

7 **33.** Page 25, line 23: delete "4." and substitute "3."

8 **34.** Page 26, line 1: delete "5." and substitute "4."

9 **35.** Page 27, line 11: after "The project is" insert "primarily to provide service
10 to a new customer".

11 **36.** Page 27, line 23: after that line insert:

12 "SECTION 48m. 238.12 (1) of the statutes is amended to read:

13 238.12 (1) In this section, "tax benefits" means the credits under ss. 71.07
14 (2dm), (2dx), (3g), and (3t), and (3wm), 71.28 (1dm), (1dx), (3g), and (3t), and (3wm),
15 71.47 (1dm), (1dx), (3g), and (3t), and 76.636."

16 **37.** Page 28, line 15: delete lines 15 to 17.

17 **38.** Page 30, line 6: delete lines 6 to 16.

18 (END)