



State of Wisconsin
2017 - 2018 LEGISLATURE

August 2017 Special Session

LRBs0113/1
ALL:all

**SENATE SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 1**

September 6, 2017 - Offered by JOINT COMMITTEE ON FINANCE.

1 **AN ACT** *to renumber* 196.192 (2) and 238.399 (4); *to renumber and amend*
2 30.195 (7), 61.57, 62.155, 196.192 (1), 196.192 (3) (a), 196.192 (3) (b) and 196.192
3 (4); *to amend* 30.123 (6m) (intro.), 66.1105 (2) (f) 1. (intro.), 66.1105 (2) (f) 1. b.,
4 66.1105 (4) (gm) 4. c., 71.05 (6) (a) 15., 71.08 (1) (intro.), 71.10 (4) (i), 71.21 (4)
5 (a), 71.26 (2) (a) 4., 71.30 (3) (f), 71.34 (1k) (g), 77.70, 79.05 (2) (c), 84.0145 (2),
6 180.0622 (2), 183.0304 (1), 196.491 (1) (f), 238.12 (1), 238.399 (5m), 281.346 (4)
7 (c) 2m., 281.36 (3b) (b), 281.36 (3m) (a) and 809.62 (1r) (intro.); and *to create*
8 13.94 (1) (u), 16.297, 20.395 (6) (ad), 20.445 (1) (bg), 20.505 (1) (fr), 20.835 (2)
9 (cp), 20.866 (2) (uuz), 30.12 (1g) (m), 30.123 (6) (f), 30.19 (1m) (h), 30.195 (7) (b),
10 61.57 (1) and (2), 62.155 (1) and (2), 66.0203 (2) (bm), 66.0203 (10), 66.0215 (1m),
11 66.02162 (1m), 66.0621 (3m), 66.1105 (20), 71.07 (3w) (bm) 5., 71.07 (3wm),
12 71.28 (3w) (bm) 5., 71.28 (3wm), 73.0306, 77.54 (65), 84.585, 106.271, 196.192
13 (1) (b), 196.192 (2m), 196.49 (5g) (ar) 3., 238.03 (5), 238.396, 238.399 (3) (e),

1 238.399 (4) (b), 238.399 (5) (f), 281.36 (4m) and 808.055 of the statutes; **relating**
2 **to:** authorizing the creation of an electronics and information technology
3 manufacturing zone and, in connection with that zone, authorizing certain tax
4 benefits, creating special provisions for tax incremental districts, and creating
5 exemptions from wetland and waterway permits and Public Service
6 Commission certificates; making changes to the enterprise zone tax credit
7 program; authorizing limited use of the design-build construction process;
8 authorizing certain counties to issue debt backed by sales and use tax revenue;
9 facilitating a worker training and employment program; making changes to
10 town incorporation procedures; granting contingent highway bonding
11 authority; and making appropriations.

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

12 **SECTION 1m.** 13.94 (1) (u) of the statutes is created to read:

13 13.94 (1) (u) Beginning in 2018, annually for 5 years, evaluate the process used
14 by the Wisconsin Economic Development Corporation to verify information under s.
15 238.396 (4) (d) and evaluate whether the corporation appropriately verified, in
16 accordance with statutory and contractual requirements, the amount of tax credits
17 eligible claimants may claim under ss. 71.07 (3wm) and 71.28 (3wm).

18 **SECTION 2.** 16.297 of the statutes is created to read:

19 **16.297 Grants for local government expenditures; moral obligation**
20 **pledge. (1) DEFINITIONS.** In this section:

21 (a) “Local governmental unit” means a city, village, town, county, or technical
22 college district that contains any part of an electronics and information technology
23 manufacturing zone designated under s. 238.396 (1m).

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

2 (1m) GRANTS. From the appropriation under s. 20.505 (1) (fr), the department
3 may make one or more grants to a local governmental unit for the local governmental
4 unit’s expenditures for costs the department determines are associated with
5 development occurring in an electronics and information technology manufacturing
6 zone designated under s. 238.396 (1m), including costs related to infrastructure and
7 public safety.

8 (2) MATCH. The department may require a local governmental unit to match
9 in whole or in part a grant the department makes to the local governmental unit
10 under sub. (1m).

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

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

18 2. The secretary designates the moral obligation pledge for the local
19 governmental unit’s municipal obligation before the municipal obligation is issued,
20 based on a plan that the local governmental unit shall submit to the department on
21 a form prescribed by the department.

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

1 (c) The proceeds of municipal obligations issued by a local governmental unit
2 under this subsection shall be used to finance costs related to development occurring
3 in or for the benefit of an electronics and information technology manufacturing zone
4 designated under s. 238.396 (1m). The legislature determines that the provision of
5 assistance by state agencies to a local governmental unit under this section, any
6 appropriation of funds to a local governmental unit under this section, and the moral
7 obligation pledge under par. (a) serve a substantial statewide public purpose by
8 assisting the development of an electronics and information technology
9 manufacturing zone in the state, by encouraging economic development, by reducing
10 unemployment, and by bringing needed capital into the state for the benefit and
11 welfare of people throughout the state.

12 (4) CONTRACT. The secretary may contract with a local governmental unit to
13 implement this section.

14 **SECTION 3.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
15 the following amounts for the purposes indicated:

			2017-18	2018-19
16	20.445 Workforce development, department of			
17	(1) WORKFORCE DEVELOPMENT			
18	(bg) Worker training and employ-			
19	ment program	GPR C	-0-	-0-

2017-18

2018-19

1 **20.505 Administration, department of**

2 (1) SUPERVISION AND MANAGEMENT

3 (fr) Grants for local government

4 expenditures GPR C 15,000,000 -0-

5 **SECTION 4.** 20.395 (6) (ad) of the statutes is created to read:

6 20.395 **(6)** (ad) *Principal repayment and interest, contingent funding of*
7 *southeast Wisconsin freeway megaprojects, state funds.* From the general fund, a sum
8 sufficient to reimburse s. 20.866 (1) (u) for the payment of principal and interest costs
9 incurred in financing southeast Wisconsin freeway megaprojects, as provided under
10 ss. 20.866 (2) (uuz) and 84.585 and 2017 Wisconsin Act (this act), section 60 (1c),
11 and to make payments under an agreement or ancillary arrangement entered into
12 under s. 18.06 (8) (a).

13 **SECTION 4m.** 20.445 (1) (bg) of the statutes is created to read:

14 20.445 **(1)** (bg) *Worker training and employment program.* As a continuing
15 appropriation, the amounts in the schedule for the worker training and employment
16 program under s. 106.271.

17 **SECTION 5.** 20.505 (1) (fr) of the statutes is created to read:

18 20.505 **(1)** (fr) *Grants for local government expenditures.* As a continuing
19 appropriation, the amounts in the schedule for grants to local governmental units
20 under s. 16.297.

21 **SECTION 6.** 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.

4 **SECTION 7.** 20.866 (2) (uuz) of the statutes is created to read:

5 20.866 (2) (uuz) *Transportation; southeast Wisconsin freeway megaprojects*
6 *subject to contingency*. From the capital improvement fund, a sum sufficient for the
7 department of transportation to fund southeast Wisconsin freeway megaprojects as
8 provided under s. 84.585. Subject to 2017 Wisconsin Act (this act), section 60 (1c),
9 the state may contract public debt in an amount not to exceed \$252,400,000 for these
10 purposes.

11 **SECTION 9.** 30.12 (1g) (m) of the statutes is created to read:

12 30.12 (1g) (m) A structure or deposit that is related to the construction, access,
13 or operation of a new manufacturing facility in a navigable stream located in an
14 electronics and information technology manufacturing zone designated under s.
15 238.396 (1m).

16 **SECTION 10.** 30.123 (6) (f) of the statutes is created to read:

17 30.123 (6) (f) The construction or maintenance of bridges and the construction
18 or placement and maintenance of culverts that are related to the construction,
19 access, or operation of a new manufacturing facility and that affect a portion of a
20 navigable stream within an electronics and information technology manufacturing
21 zone designated under s. 238.396 (1m).

22 **SECTION 11.** 30.123 (6m) (intro.) of the statutes is amended to read:

23 30.123 (6m) PERMITS IN LIEU OF EXEMPTIONS. (intro.) The department may
24 decide to require that a person engaged in an activity that is exempt under sub. (6)
25 (d) or (f) apply for an individual permit or seek authorization under a general permit

1 if the department has conducted an investigation and visited the site of the activity
2 and has determined that conditions specific to the site require restrictions on the
3 activity in order to prevent any of the following:

4 **SECTION 12.** 30.19 (1m) (h) of the statutes is created to read:

5 30.19 **(1m)** (h) Any activity that affects a portion of a navigable stream and that
6 is related to the construction, access, or operation of a new manufacturing facility
7 within an electronics and information technology manufacturing zone designated
8 under s. 238.396 (1m).

9 **SECTION 13.** 30.195 (7) of the statutes is renumbered 30.195 (7) (intro.) and
10 amended to read:

11 30.195 **(7)** APPLICATION OF SECTION. (intro.) This section does not apply to
12 municipal any of the following:

13 (a) Municipal or county-owned lands in counties having a population of
14 750,000 or more.

15 **SECTION 14.** 30.195 (7) (b) of the statutes is created to read:

16 30.195 **(7)** (b) Activity related to the construction, access, or operation of a new
17 manufacturing facility located in an electronics and information technology
18 manufacturing zone designated under s. 238.396 (1m).

19 **SECTION 15.** 61.57 of the statutes is renumbered 61.57 (intro.) and amended
20 to read:

21 **61.57 Acquisition of ~~recycling or resource recovery~~ facilities without**
22 **bids.** (intro.) A village may contract for the acquisition of any element of ~~a recycling~~
23 ~~or resource recovery facility~~ the following without submitting the contract for bids
24 as required under s. 61.54 if the village invites developers to submit proposals to

1 provide a completed project and evaluates proposals according to site, cost, design
2 and the developers' experience in other similar projects.;

3 **SECTION 16.** 61.57 (1) and (2) of the statutes are created to read:

4 61.57 (1) A recycling or resource recovery facility.

5 (2) If the village contains an electronics and information technology
6 manufacturing zone that is designated under s. 238.396 (1m):

7 (a) Water and sewer systems.

8 (b) Wastewater treatment facilities.

9 **SECTION 17.** 62.155 of the statutes is renumbered 62.155 (intro.) and amended
10 to read:

11 **62.155 Acquisition of recycling or resource recovery facilities without**
12 **bids.** (intro.) A city may contract for the acquisition of any element of ~~a recycling~~
13 ~~or resource recovery facility~~ the following without submitting the contract for bids
14 as required under s. 62.15 if the city invites developers to submit proposals to provide
15 a completed project and evaluates proposals according to site, cost, design and the
16 developers' experience in other similar projects.;

17 **SECTION 18.** 62.155 (1) and (2) of the statutes are created to read:

18 62.155 (1) A recycling or resource recovery facility.

19 (2) If the city contains an electronics and information technology
20 manufacturing zone that is designated under s. 238.396 (1m):

21 (a) Water and sewer systems.

22 (b) Wastewater treatment facilities.

23 **SECTION 18d.** 66.0203 (2) (bm) of the statutes is created to read:

1 66.0203 (2) (bm) Once a petition is filed under par. (b), no territory within the
2 town may be annexed by any city or village under s. 66.0217 or 66.0219 until 30 days
3 after one of the following occurs:

4 1. Subject to subd. 2., the petition is dismissed by the court under sub. (8) or
5 the board under sub. (9).

6 2. If the petition is dismissed as described under subd. 1. and the dismissal is
7 appealed as described under s. 66.0209, all appeals are exhausted.

8 3. An incorporation referendum is held in the town.

9 **SECTION 18e.** 66.0203 (10) of the statutes is created to read:

10 66.0203 (10) CERTAIN TOWNS MAY BECOME A CITY OR VILLAGE. A town that is
11 adjacent to a city or village that contains an electronics and information technology
12 manufacturing zone that is designated under s. 238.396 (1m) may become a city or
13 village if the town holds, and approves, an incorporation referendum as described in
14 s. 66.0211 (3). None of the other procedures contained in ss. 66.0201 to 66.0213 need
15 to be fulfilled, and no approval by the board under s. 66.0207 is necessary for the town
16 to become a city or village.

17 **SECTION 18g.** 66.0215 (1m) of the statutes is created to read:

18 66.0215 (1m) ANNEXATION LIMITATION. Once a petition is filed under sub. (1),
19 no territory within the town may be annexed by any city or village under s. 66.0217
20 or 66.0219 until 30 days after the referendum is held in the town.

21 **SECTION 18i.** 66.02162 (1m) of the statutes is created to read:

22 66.02162 (1m) ANNEXATION LIMITATION. Once a resolution is adopted under sub.
23 (1), no territory within the town may be annexed by any city or village under s.
24 66.0217 or 66.0219 until 30 days after the referendum is held in the town.

25 **SECTION 18k.** 66.0621 (3m) of the statutes is created to read:

1 66.0621 **(3m)** A county in which an electronics and information technology
2 manufacturing zone designated under s. 238.396 (1m) exists may issue bonds under
3 this section whose principal and interest are paid only through sales and use tax
4 revenues imposed by the county under s. 77.70. The county shall be and continue
5 without power to repeal such tax or obstruct the collection of the tax until all such
6 payments have been made or provided for.

7 **SECTION 19.** 66.1105 (2) (f) 1. (intro.) of the statutes is amended to read:

8 66.1105 **(2)** (f) 1. (intro.) “Project costs” mean any expenditures made or
9 estimated to be made or monetary obligations incurred or estimated to be incurred
10 by the city which are listed in a project plan as costs of public works or improvements
11 within a tax incremental district or, to the extent provided in this subd. 1. (intro.) or
12 subds. 1. k., 1. m., and 1. n., or sub. (20) (c), without the district, plus any incidental
13 costs, diminished by any income, special assessments, or other revenues, including
14 user fees or charges, other than tax increments, received or reasonably expected to
15 be received by the city in connection with the implementation of the plan. For any
16 tax incremental district for which a project plan is approved on or after July 31, 1981,
17 only a proportionate share of the costs permitted under this subdivision may be
18 included as project costs to the extent that they benefit the tax incremental district,
19 except that expenditures made or estimated to be made or monetary obligations
20 incurred or estimated to be incurred by a 1st class city, to fund parking facilities
21 ancillary to and within one mile from public entertainment facilities, including a
22 sports and entertainment arena, shall be considered to benefit any tax incremental
23 district located in whole or in part within a one-mile radius of such parking facilities.
24 To the extent the costs benefit the municipality outside the tax incremental district,
25 a proportionate share of the cost is not a project cost. “Project costs” include:

1 **SECTION 19d.** 66.1105 (2) (f) 1. b. of the statutes is amended to read:

2 66.1105 (2) (f) 1. b. Financing costs, including, but not limited to, all interest
3 paid to holders of evidences of indebtedness issued to pay for project costs and, any
4 premium paid over the principal amount of the obligations because of the redemption
5 of the obligations prior to maturity, and payments made by the city or village to a
6 county or other municipality that issues obligations to finance project costs of a
7 district pursuant to sub. (20).

8 **SECTION 20.** 66.1105 (4) (gm) 4. c. of the statutes is amended to read:

9 66.1105 (4) (gm) 4. c. Except as provided in subs. (10) (c), (16) (d), (17), and (18)
10 (c) 3., and (20) (b), the equalized value of taxable property of the district plus the
11 value increment of all existing districts does not exceed 12 percent of the total
12 equalized value of taxable property within the city. In determining the equalized
13 value of taxable property under this subd. 4. c. or sub. (17) (c), the department of
14 revenue shall base its calculations on the most recent equalized value of taxable
15 property of the district that is reported under s. 70.57 (1m) before the date on which
16 the resolution under this paragraph is adopted. If the department of revenue
17 determines that a local legislative body exceeds the 12 percent limit described in this
18 subd. 4. c. or sub. (17) (c), the department shall notify the city of its noncompliance,
19 in writing, not later than December 31 of the year in which the department receives
20 the completed application or amendment forms described in sub. (5) (b).

21 **SECTION 21.** 66.1105 (20) of the statutes is created to read:

22 66.1105 (20) DISTRICTS WITHIN AN ELECTRONICS AND INFORMATION TECHNOLOGY
23 MANUFACTURING ZONE. (a) *Creation.* With regard to a tax incremental district that
24 is created in an electronics and information technology manufacturing zone that is
25 designated under s. 238.396 (1m), the district may only be a district that is suitable

1 for industrial sites or mixed-use development, as described in sub. (4) (gm) 4. a., and
2 all of the following apply:

3 1. Notwithstanding the dates specified in sub. (4) (gm) 2., if the resolution
4 described under sub. (4) (gm) is adopted during the period between January 1 and
5 December 1, the creation date shall be either the January 1 of the year in which the
6 resolution is adopted or the next subsequent January 1, as specified by the local
7 legislative body in the resolution. If a resolution is adopted during the period
8 between December 2 and December 31, the creation date shall be the next
9 subsequent January 1.

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

13 a. On or before December 31 of the year the resolution under subd. 1. is adopted
14 if the resolution is adopted between January 1 and December 1, and the resolution
15 specifies that the district's creation date is January 1 of the year in which the
16 resolution is adopted.

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

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

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

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

7 (c) *Expenditures*. With regard to a tax incremental district described under this
8 subsection, and subject to par. (ce), the creating city may incur project costs for any
9 of the following, provided that the expenditures benefit the district:

10 1. Territory that is located in the same county as the district.

11 2. Notwithstanding the provisions of sub. (2) (f) 2. a. and c., the cost of
12 constructing or expanding fire stations, purchasing police and fire equipment, and
13 the cost of general government operating expenses related to providing police and
14 fire protection services, provided that the total of such expenditures do not exceed,
15 over the district's lifetime, 15 percent of the total positive tax increments received by
16 the creating city over the district's lifetime. With regard to capital expenditures that
17 may be made under this subdivision, such expenditures may be made only for the
18 first 84 months following the district's creation, and any expenditures made under
19 this subdivision for constructing or expanding fire stations may be made only for fire
20 stations located within a one-mile radius of the electronics and information
21 technology manufacturing zone that is designated under s. 238.396 (1m).

22 (ce) *Certification*. Before the creating city may incur project costs for any
23 territory that is located outside the district but in the same county as the district, the
24 city must obtain certification from the department of administration that the
25 department believes such a proposed expenditure benefits the district.

1 (cm) *Expenditure period.* Notwithstanding the limitation on expenditures
2 described in sub. (6) (am) 1., expenditures for a district described under this
3 subsection may be made up to the unextended termination date described in par. (e).

4 (d) *Allocation of positive increments.* 1. Notwithstanding the 20-year limit for
5 allocating positive tax increments described in sub. (6) (a) 7., for a tax incremental
6 district described under this subsection, that limit shall be 30 years for purposes of
7 sub. (6) (a) 7.

8 2. No tax incremental district described under this subsection may allocate
9 positive tax increments as provided under sub. (4e) or (6) (d), (dm), (e), or (f).

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

13 **SECTION 22.** 71.05 (6) (a) 15. of the statutes is amended to read:

14 71.05 (6) (a) 15. Except as provided under s. 71.07 (3p) (c) 5., the amount of the
15 credits computed under s. 71.07 (2dm), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r),
16 (3rm), (3rn), (3s), (3t), (3w), (~~3wm~~), (3y), (4k), (4n), (5e), (5f), (5h), (5i), (5j), (5k), (5r),
17 (5rm), (6n), and (8r) and not passed through by a partnership, limited liability
18 company, or tax-option corporation that has added that amount to the partnership's,
19 company's, or tax-option corporation's income under s. 71.21 (4) or 71.34 (1k) (g).

20 **SECTION 23.** 71.07 (3w) (bm) 5. of the statutes is created to read:

21 71.07 (3w) (bm) 5. In addition to the credits under par. (b) and subds. 1. to 4.,
22 and subject to the limitations provided in this subsection and s. 238.399 or s. 560.799,
23 2009 stats., a claimant that has retained the minimum number of full-time
24 employees determined under s. 238.399 (5) (f) and maintained average zone payroll
25 for the taxable year equal to or greater than the base year may claim as a credit

1 against the tax imposed under s. 71.02 or 71.08 an amount equal to the percentage,
2 as determined by the Wisconsin Economic Development Corporation, of the
3 claimant's zone payroll paid in the 12 months prior to the certification date to the
4 claimant's full-time employees in the enterprise zone 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. The amount that the claimant may claim as credit
8 under this subdivision for a taxable year shall not exceed \$2,000,000. A claimant
9 may claim a credit under this subdivision for no more than 5 consecutive taxable
10 years.

11 **SECTION 24.** 71.07 (3wm) of the statutes is created to read:

12 **71.07 (3wm) ELECTRONICS AND INFORMATION TECHNOLOGY MANUFACTURING ZONE**
13 **CREDIT.** (a) *Definitions.* In this subsection:

14 1. "Claimant" means a person who is certified to claim tax benefits under s.
15 238.396 (3) and who files a claim under this subsection.

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

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

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

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

1 8. “Zone payroll” means the amount of state payroll that is attributable to
2 wages paid by the claimant to full-time employees for services that are performed
3 in the zone or that are performed outside the zone, but within the state, and for the
4 benefit of the operations within the zone, as determined by the Wisconsin Economic
5 Development Corporation. “Zone payroll” does not include the amount of wages paid
6 to any full-time employees that exceeds \$100,000.

7 (b) *Filing claims; payroll.* Subject to the limitations provided in this subsection
8 and s. 238.396, a claimant may claim as a credit against the tax imposed under s.
9 71.02 or 71.08 an amount calculated as follows:

10 1. Determine the zone payroll for the taxable year for full-time employees
11 employed by the claimant.

12 2. Multiply the amount determined under subd. 1. by 17 percent.

13 (bm) *Filing supplemental claims.* In addition to claiming the credit under par.
14 (b), and subject to the limitations under this subsection and s. 238.396, a claimant
15 may claim as a credit against the tax imposed under s. 71.02 or 71.08 up to 15 percent
16 of the claimant’s significant capital expenditures in the zone in the taxable year, as
17 determined under s. 238.396 (3m).

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

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

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

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

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

13 71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married
14 couple filing jointly, trust, or estate under s. 71.02, not considering the credits under
15 ss. 71.07 (1), (2dx), (2dy), (3m), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w),
16 (3wm), (3y), (4k), (5b), (5d), (5e), (5f), (5h), (5i), (5j), (5n), (6), (6e), (8r), (9e), (9m), and
17 (9r), 71.28 (1dx), (1dy), (2m), (3), (3n), (3t), (3w), (3wm), and (3y), 71.47 (1dx), (1dy),
18 (2m), (3), (3n), (3t), (3w), and (3y), 71.57 to 71.61, and 71.613 and subch. VIII and
19 payments to other states under s. 71.07 (7), is less than the tax under this section,
20 there is imposed on that natural person, married couple filing jointly, trust or estate,
21 instead of the tax under s. 71.02, an alternative minimum tax computed as follows:

22 **SECTION 26.** 71.10 (4) (i) of the statutes is amended to read:

23 71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland
24 preservation credit under ss. 71.57 to 71.61, farmland preservation credit, 2010 and
25 beyond under s. 71.613, homestead credit under subch. VIII, farmland tax relief

1 credit under s. 71.07 (3m), dairy manufacturing facility investment credit under s.
2 71.07 (3p), jobs tax credit under s. 71.07 (3q), meat processing facility investment
3 credit under s. 71.07 (3r), woody biomass harvesting and processing credit under s.
4 71.07 (3rm), food processing plant and food warehouse investment credit under s.
5 71.07 (3rn), business development credit under s. 71.07 (3y), film production services
6 credit under s. 71.07 (5f), film production company investment credit under s. 71.07
7 (5h), veterans and surviving spouses property tax credit under s. 71.07 (6e),
8 enterprise zone jobs credit under s. 71.07 (3w), electronics and information
9 technology manufacturing zone credit under s. 71.07 (3wm), beginning farmer and
10 farm asset owner tax credit under s. 71.07 (8r), earned income tax credit under s.
11 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld under subch.
12 X.

13 **SECTION 27.** 71.21 (4) (a) of the statutes is amended to read:

14 71.21 (4) (a) The amount of the credits computed by a partnership under s.
15 71.07 (2dm), (2dx), (2dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3s), (3t), (3w),
16 (3wm), (3y), (4k), (4n), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), and (8r) and
17 passed through to partners shall be added to the partnership's income.

18 **SECTION 28.** 71.26 (2) (a) 4. of the statutes is amended to read:

19 71.26 (2) (a) 4. Plus the amount of the credit computed under s. 71.28 (1dm),
20 (1dx), (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn), (3t), (3w), (3wm), (5e), (5f),
21 (5g), (5h), (5i), (5j), (5k), (5r), (5rm), (6n), (8r), and (9s) and not passed through by a
22 partnership, limited liability company, or tax-option corporation that has added that
23 amount to the partnership's, limited liability company's, or tax-option corporation's
24 income under s. 71.21 (4) or 71.34 (1k) (g).

25 **SECTION 29.** 71.28 (3w) (bm) 5. of the statutes is created to read:

1 71.28 (3w) (bm) 5. In addition to the credits under par. (b) and subds. 1. to 4.,
2 and subject to the limitations provided in this subsection and s. 238.399 or s. 560.799,
3 2009 stats., a claimant that has retained the minimum number of full-time
4 employees determined under s. 238.399 (5) (f) and maintained average zone payroll
5 for the taxable year equal to or greater than the base year may claim as a credit
6 against the tax imposed under s. 71.23 an amount equal to the percentage, as
7 determined by the Wisconsin Economic Development Corporation, of the claimant's
8 zone payroll paid in the 12 months prior to the certification date to the claimant's
9 full-time employees in the enterprise zone whose annual wages are greater than the
10 amount determined by multiplying 2,080 by 150 percent of the federal minimum
11 wage in a tier I county or municipality or greater than \$30,000 in a tier II county or
12 municipality. The amount that the claimant may claim as credit under this
13 subdivision for a taxable year shall not exceed \$2,000,000. A claimant may claim a
14 credit under this subdivision for no more than 5 consecutive taxable years.

15 **SECTION 30.** 71.28 (3wm) of the statutes is created to read:

16 71.28 (3wm) ELECTRONICS AND INFORMATION TECHNOLOGY MANUFACTURING ZONE
17 CREDIT. (a) *Definitions.* In this subsection:

18 1. "Claimant" means a person who is certified to claim tax benefits under s.
19 238.396 (3) and who files a claim under this subsection.

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

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

1 6. “Wages” means wages under section 3306 (b) of the Internal Revenue Code,
2 determined without regard to any dollar limitations.

3 7. “Zone” means a zone designated under s. 238.396 (1m).

4 8. “Zone payroll” means the amount of state payroll that is attributable to
5 wages paid by the claimant to full-time employees for services that are performed
6 in the zone or that are performed outside the zone, but within the state, and for the
7 benefit of the operations within the zone, as determined by the Wisconsin Economic
8 Development Corporation. “Zone payroll” does not include the amount of wages paid
9 to any full-time employees that exceeds \$100,000.

10 (b) *Filing claims; payroll.* Subject to the limitations provided in this subsection
11 and s. 238.396, a claimant may claim as a credit against the tax imposed under s.
12 71.23 an amount calculated as follows:

13 1. Determine the zone payroll for the taxable year for full-time employees
14 employed by the claimant.

15 2. Multiply the amount determined under subd. 1. by 17 percent.

16 (bm) *Filing supplemental claims.* In addition to claiming the credit under par.
17 (b), and subject to the limitations under this subsection and s. 238.396, a claimant
18 may claim as a credit against the tax imposed under s. 71.23 up to 15 percent of the
19 claimant’s significant capital expenditures in the zone in the taxable year, as
20 determined under s. 238.396 (3m).

21 (c) *Limitations.* 1. Partnerships, limited liability companies, and tax-option
22 corporations may not claim the credit under this subsection, but the eligibility for,
23 and the amount of, the credit are based on their payment of amounts described under
24 pars. (b) and (bm). A partnership, limited liability company, or tax-option
25 corporation shall compute the amount of credit that each of its partners, members,

1 or shareholders may claim and shall provide that information to each of them.
2 Partners, members of limited liability companies, and shareholders of tax-option
3 corporations may claim the credit in proportion to their ownership interests.

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

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

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

15 **SECTION 31.** 71.30 (3) (f) of the statutes is amended to read:

16 71.30 (3) (f) The total of farmland preservation credit under subch. IX,
17 farmland tax relief credit under s. 71.28 (2m), dairy manufacturing facility
18 investment credit under s. 71.28 (3p), jobs credit under s. 71.28 (3q), meat processing
19 facility investment credit under s. 71.28 (3r), woody biomass harvesting and
20 processing credit under s. 71.28 (3rm), food processing plant and food warehouse
21 investment credit under s. 71.28 (3rn), enterprise zone jobs credit under s. 71.28
22 (3w), electronics and information technology manufacturing zone credit under s.
23 71.28 (3wm), business development credit under s. 71.28 (3y), film production
24 services credit under s. 71.28 (5f), film production company investment credit under

1 s. 71.28 (5h), beginning farmer and farm asset owner tax credit under s. 71.28 (8r),
2 and estimated tax payments under s. 71.29.

3 **SECTION 32.** 71.34 (1k) (g) of the statutes is amended to read:

4 71.34 **(1k)** (g) An addition shall be made for credits computed by a tax-option
5 corporation under s. 71.28 (1dm), (1dx), (1dy), (3), (3g), (3h), (3n), (3p), (3q), (3r),
6 (3rm), (3rn), (3t), (3w), (3wm), (3y), (4), (5), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5r),
7 (5rm), (6n), and (8r) and passed through to shareholders.

8 **SECTION 33.** 73.0306 of the statutes is created to read:

9 **73.0306 Disregarded entities.** With regard to a single-owner entity that is
10 disregarded as a separate entity under section 7701 of the Internal Revenue Code,
11 any notice that the department of revenue sends to the owner or to the entity is
12 considered a notice sent to both and both are liable for any amounts due as specified
13 in the notice. This section applies to all laws administered by the department.

14 **SECTION 34.** 77.54 (65) of the statutes is created to read:

15 77.54 **(65)** The sales price from the sale of building materials, supplies, and
16 equipment and the sale of services described in s. 77.52 (2) (a) 20. to; and the storage,
17 use, or other consumption of the same property and services by; owners, lessees,
18 contractors, subcontractors, or builders if that property or service is acquired solely
19 for or used solely in, the construction or development of facilities located in an
20 electronics and information technology manufacturing zone designated under s.
21 238.396 (1m) and if the capital expenditures for the construction or development of
22 such facilities may be claimed as a credit under s. 71.07 (3wm) (bm) or 71.28 (3wm)
23 (bm), as certified by the Wisconsin Economic Development Corporation.

24 **SECTION 34e.** 77.70 of the statutes, as affected by 2017 Wisconsin Act 17, is
25 amended to read:

1 **77.70 Adoption by county ordinance.** Any county desiring to impose county
2 sales and use taxes under this subchapter may do so by the adoption of an ordinance,
3 stating its purpose and referring to this subchapter. The rate of the tax imposed
4 under this section is 0.5 percent of the sales price or purchase price. The Except as
5 provided in s. 66.0621 (3m), the county sales and use taxes may be imposed only for
6 the purpose of directly reducing the property tax levy and only in their entirety as
7 provided in this subchapter. That ordinance shall be effective on the first day of
8 January, the first day of April, the first day of July or the first day of October. A
9 certified copy of that ordinance shall be delivered to the secretary of revenue at least
10 120 days prior to its effective date. The repeal of any such ordinance shall be effective
11 on December 31. A certified copy of a repeal ordinance shall be delivered to the
12 secretary of revenue at least 120 days before the effective date of the repeal. Except
13 as provided under s. 77.60 (9), the department of revenue may not issue any
14 assessment nor act on any claim for a refund or any claim for an adjustment under
15 s. 77.585 after the end of the calendar year that is 4 years after the year in which the
16 county has enacted a repeal ordinance under this section.

17 **SECTION 34m.** 79.05 (2) (c) of the statutes is amended to read:

18 79.05 (2) (c) Its municipal budget; exclusive of principal and interest on
19 long-term debt and exclusive of revenue sharing payments under s. 66.0305,
20 recycling fee payments under s. 289.645, expenditures of grant payments under s.
21 16.297 (1m), unreimbursed expenses related to an emergency declared under s.
22 323.10, expenditures from moneys received pursuant to P.L. 111-5, and expenditures
23 made pursuant to a purchasing agreement with a school district whereby the
24 municipality makes purchases on behalf of the school district; for the year of the
25 statement under s. 79.015 increased over its municipal budget as adjusted under

1 sub. (6); exclusive of principal and interest on long-term debt and exclusive of
2 revenue sharing payments under s. 66.0305, recycling fee payments under s.
3 289.645, expenditures of grant payments under s. 16.297 (1m), unreimbursed
4 expenses related to an emergency declared under s. 323.10, expenditures from
5 moneys received pursuant to P.L. 111-5, and expenditures made pursuant to a
6 purchasing agreement with a school district whereby the municipality makes
7 purchases on behalf of the school district; for the year before that year by less than
8 the sum of the inflation factor and the valuation factor, rounded to the nearest 0.10
9 percent.

10 **SECTION 35.** 84.0145 (2) of the statutes is amended to read:

11 84.0145 (2) Subject to sub. (3) and s. 86.255, any southeast Wisconsin freeway
12 megaproject may be funded only from the appropriations under ss. 20.395 (3) (aq),
13 (av), (ax), and (ct) and 20.866 (2) (uup) ~~and, (uur), and (uuz)~~.

14 **SECTION 36.** 84.585 of the statutes is created to read:

15 **84.585 Additional contingent funding for southeast Wisconsin freeway**
16 **megaprojects.** Subject to 2017 Wisconsin Act (this act), section 60 (1c), the
17 proceeds of general obligation bonds issued under s. 20.866 (2) (uuz) may be used to
18 fund southeast Wisconsin freeway megaprojects under s. 84.0145 (3) (b) 1.

19 **SECTION 36m.** 106.271 of the statutes is created to read:

20 **106.271 Worker training and employment program. (1) PROGRAM.** Of the
21 amounts appropriated under s. 20.445 (1) (bg) in the 2019-21 fiscal biennium, the
22 department shall allocate \$20,000,000 to provide funding, through grants or other
23 means, to facilitate worker training and employment in this state.

1 **(1m) ELIGIBLE GRANT RECIPIENTS.** The persons eligible to apply for and receive
2 grants made by the department under this section shall include institutions of higher
3 education, as defined in s. 106.57 (1) (c).

4 **(2) POWERS OF DEPARTMENT.** The department shall have all other powers
5 necessary and convenient to implement this section, including the power to audit and
6 inspect the records of grant recipients.

7 **(3) CONSULTATION.** The department shall consult with the technical college
8 system board and the Wisconsin Economic Development Corporation in
9 implementing this section.

10 **(4) APPROVAL OF JOINT FINANCE COMMITTEE.** Prior to expending any funds
11 appropriated under s. 20.445 (1) (bg), the department shall submit to the joint
12 committee on finance a plan for implementing the program under this section. The
13 department may not expend any funds appropriated under s. 20.445 (1) (bg) except
14 in accordance with the plan as approved by the committee.

15 **(5) ANNUAL REPORT.** Annually, by December 31, the department shall submit
16 a report to the governor and the cochairpersons of the joint committee on finance
17 providing an account of the department's activities and expenditures under this
18 section during the preceding fiscal year.

19 **SECTION 37.** 180.0622 (2) of the statutes is amended to read:

20 180.0622 **(2)** Unless otherwise provided in the articles of incorporation, a
21 shareholder of a corporation is not personally liable for the acts or debts of the
22 corporation, except for a shareholder in a corporation defined under s. 71.365 (7), and
23 only to the extent provided for under s. 73.0306, and except that a shareholder may
24 become personally liable by his or her acts or conduct other than as a shareholder.

25 **SECTION 38.** 183.0304 (1) of the statutes is amended to read:

1 183.0304 (1) The debts, obligations and liabilities of a limited liability
2 company, whether arising in contract, tort or otherwise, shall be solely the debts,
3 obligations and liabilities of the limited liability company. Except as provided in ss.
4 73.0306, 183.0502, and 183.0608, a member or manager of a limited liability
5 company is not personally liable for any debt, obligation or liability of the limited
6 liability company, except that a member or manager may become personally liable
7 by his or her acts or conduct other than as a member or manager.

8 **SECTION 39.** 196.192 (1) of the statutes is renumbered 196.192 (1) (intro.) and
9 amended to read:

10 196.192 (1) (intro.) In this section, ~~“electric;~~

11 (a) “Electric public utility” means a public utility whose purpose is the
12 generation, distribution and sale of electric energy.

13 **SECTION 40.** 196.192 (1) (b) of the statutes is created to read:

14 196.192 (1) (b) “Electronics and information technology manufacturing zone”
15 means a zone designated under s. 238.396 (1m).

16 **SECTION 41.** 196.192 (2) of the statutes is renumbered 196.192 (2) (am).

17 **SECTION 42.** 196.192 (2m) of the statutes is created to read:

18 196.192 (2m) (a) No later than January 1, 2020, an electric public utility
19 providing service to an electronics and information technology manufacturing zone
20 shall file with the commission tariffs that include market-based pricing and options
21 that allow a new retail customer that is within the electronics and information
22 technology manufacturing zone and that the commission determines is eligible for
23 a credit under s. 71.07 (3wm) to receive market benefits and take market risks for
24 some or all of the customer’s purchases of capacity or energy, subject to the maximum

1 capacity or energy purchase limits that shall be established by the commission. The
2 electric public utility shall include the following requirements in the tariffs:

3 1. The customer shall annually nominate the amount of capacity and energy
4 subject to the market-based tariff.

5 2. The customer shall provide not less than 12 months' notice to terminate
6 service under the market-based tariff.

7 3. The term of the market-based tariff may not be less than 10 years.

8 4. The customer shall pay the difference, if any, between the otherwise
9 applicable retail rate and the market-based tariff rate if the customer does any of
10 the following:

11 a. Supplies false or misleading information regarding its applicability for the
12 market-based tariff.

13 b. Leaves the electronics and information technology manufacturing zone to
14 conduct substantially the same business outside the electronics and information
15 technology manufacturing zone.

16 c. Ceases operations in the electronics and information technology
17 manufacturing zone and does not renew operation of the business or a similar
18 business within the electronics and information technology manufacturing zone
19 within 12 months.

20 (b) The commission shall approve market-based rates that are consistent with
21 par. (a).

22 **SECTION 43.** 196.192 (3) (a) of the statutes is renumbered 196.192 (2) (bm) and
23 amended to read:

24 196.192 (2) (bm) The commission shall approve market-based rates that are
25 consistent with the options specified in ~~sub. (2) par. (am)~~, except that the commission

1 may not approve a market-based rate unless the commission determines that the
2 rate will not harm shareholders of the investor-owned electric public utility or
3 customers who are not subject to the rate.

4 **SECTION 44.** 196.192 (3) (b) of the statutes is renumbered 196.192 (3m) and
5 amended to read:

6 196.192 **(3m)** Nothing in s. 196.20, 196.22, 196.37, 196.60 or 196.604 prohibits
7 the commission from approving a filing under sub. (2) (am) or (2m) (a) or approving
8 market-based rates under ~~par. (a)~~ sub. (2) (bm) or (2m) (b).

9 **SECTION 45.** 196.192 (4) of the statutes is renumbered 196.192 (2) (c) and
10 amended to read:

11 196.192 **(2)** (c) Subject to any approval of the commission that is necessary, an
12 electric public utility that is not an investor-owned electric public utility may
13 implement market-based rates approved under ~~sub. (3) (a)~~ par. (bm) or implement
14 the options in filings under ~~sub. (2)~~ par. (am) that are approved by the commission.

15 **SECTION 46.** 196.49 (5g) (ar) 3. of the statutes is created to read:

16 196.49 **(5g)** (ar) 3. The project is primarily to provide service to a new customer
17 within an electronics and information technology manufacturing zone designated
18 under s. 238.396 (1m).

19 **SECTION 47.** 196.491 (1) (f) of the statutes is amended to read:

20 196.491 **(1)** (f) Except as provided in subs. (2) (b) 8. and (3) (d) 3m.,
21 “high-voltage transmission line” means a conductor of electric energy exceeding one
22 mile in length designed for operation at a nominal voltage of 100 kilovolts or more,
23 together with associated facilities, and does not include transmission line relocations
24 that are within an electronics and information technology manufacturing zone

1 designated under s. 238.396 (1m) or that the commission determines are necessary
2 to facilitate highway or airport projects.

3 **SECTION 48m.** 238.03 (5) of the statutes is created to read:

4 238.03 (5) The board shall hire a full-time employee who shall be known as the
5 electronics manufacturing small business development director. The director's
6 duties shall include coordinating with the economic development liaison in the
7 department of administration and providing outreach to local economic development
8 organizations. This subsection has no effect after December 31, 2022.

9 **SECTION 48s.** 238.12 (1) of the statutes is amended to read:

10 238.12 (1) In this section, "tax benefits" means the credits under ss. 71.07
11 (2dm), (2dx), (3g), ~~and (3t)~~, and (3wm), 71.28 (1dm), (1dx), (3g), ~~and (3t)~~, and (3wm),
12 71.47 (1dm), (1dx), (3g), and (3t), and 76.636.

13 **SECTION 49.** 238.396 of the statutes is created to read:

14 **238.396 Electronics and information technology manufacturing zone.**

15 (1) DEFINITION. In this section, "tax benefits" means the income and franchise tax
16 credits under ss. 71.07 (3wm) and 71.28 (3wm).

17 (1m) DESIGNATION OF ZONE; CRITERIA. (a) The corporation may designate not
18 more than one electronics and information technology manufacturing zone in this
19 state. The zone may not include any area outside this state.

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

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

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

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

6 **(2) TIME LIMIT.** A designation under sub. (1m) shall remain in effect for no more
7 than 15 years.

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

10 **(3m) ADDITIONAL TAX BENEFITS FOR SIGNIFICANT CAPITAL EXPENDITURES.** If the
11 corporation determines that a business certified under sub. (3) makes a significant
12 capital expenditure in the electronics and information technology manufacturing
13 zone, the corporation may certify the business to receive additional tax benefits in
14 an amount to be determined by the corporation, but not exceeding 15 percent of the
15 business's capital expenditures. The corporation shall, in a manner determined by
16 the corporation, allocate the tax benefits a business is certified to receive under this
17 subsection over a period of 7 years. Before certifying a business to receive tax
18 benefits under this subsection, the corporation shall attempt to ensure that the
19 business has sought and is seeking to satisfy certain hiring goals in this state, as
20 identified by the corporation, in connection with the business's capital expenditures
21 in the zone.

22 **(3s) LIMITATIONS ON TAX BENEFITS.** (a) The corporation may not issue
23 certifications to claim tax benefits under ss. 71.07 (3wm) (b) and 71.28 (3wm) (b) that
24 total more than \$1,500,000,000.

1 (b) The corporation may not issue certifications to claim tax benefits under ss.
2 71.07 (3wm) (bm) and 71.28 (3wm) (bm) that total more than \$1,350,000,000.

3 (c) The corporation may not certify a business to claim tax benefits under ss.
4 71.07 (3wm) (b) and 71.28 (3wm) (b) for services performed outside this state.

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

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

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

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

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

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

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

22 (f) The corporation shall adopt policies and procedures defining “significant
23 capital expenditure” for purposes of sub. (3m).

24 (fm) The corporation shall cooperate with the legislative audit bureau for
25 purposes of the audit bureau’s performance of its duties under s. 13.94 (1) (u).

1 (fs) The corporation shall contract with a business certified under sub. (3).

2 (g) The corporation shall, to the extent possible, attempt to include terms in any
3 agreement negotiated between the corporation and a business under par. (fs) that
4 encourage the business's hiring of Wisconsin residents.

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

9 **SECTION 51.** 238.399 (3) (e) of the statutes is created to read:

10 238.399 **(3)** (e) If the corporation revokes all certifications for tax benefits
11 within a designated enterprise zone, the corporation may cancel the designation of
12 that enterprise zone. After canceling the designation of an enterprise zone, the
13 corporation may designate a new enterprise zone subject to the limits of this
14 subsection.

15 **SECTION 52.** 238.399 (4) of the statutes is renumbered 238.399 (4) (a).

16 **SECTION 53.** 238.399 (4) (b) of the statutes is created to read:

17 238.399 **(4)** (b) If an enterprise zone designation expires under par. (a), the
18 corporation may designate a new enterprise zone subject to the limits of sub. (3).

19 **SECTION 54.** 238.399 (5) (f) of the statutes is created to read:

20 238.399 **(5)** (f) No more than one financial services technology business that,
21 after completing a competitive corporate relocation process, retains its corporate
22 headquarters in this state and retains at least 93 percent of its full-time employees
23 in this state who were identified as being full-time employees of the business in the
24 base year, as determined by the corporation.

25 **SECTION 55.** 238.399 (5m) of the statutes is amended to read:

1 238.399 **(5m)** ADDITIONAL TAX BENEFITS FOR SIGNIFICANT CAPITAL EXPENDITURES.

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

9 **SECTION 56.** 281.346 (4) (c) 2m. of the statutes is amended to read:

10 281.346 **(4)** (c) 2m. The proposal is consistent with an approved water supply
11 service area plan under s. 281.348 that covers the public water supply system unless
12 the proposal is to provide water to a straddling community that includes an
13 electronics and information technology manufacturing zone designated under s.
14 238.396 (1m).

15 **SECTION 57.** 281.36 (3b) (b) of the statutes is amended to read:

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

24 **SECTION 58.** 281.36 (3m) (a) of the statutes is amended to read:

1 281.36 **(3m)** (a) *When permit required.* Any person wishing to proceed with a
2 discharge into any wetland shall submit an application for a wetland individual
3 permit under this subsection unless the discharge has been authorized under a
4 wetland general permit as provided in sub. (3g) or is exempt under sub. (4) or (4m)
5 (a). Before submitting the application, the department shall hold a meeting with the
6 applicant to discuss the details of the proposed discharge and the requirements for
7 submitting the application and for delineating the wetland. An applicant may
8 include in the application a request for a public informational hearing. The
9 application shall be accompanied by the applicable fee specified in sub. (11) or (12)
10 (a).

11 **SECTION 59.** 281.36 (4m) of the statutes is created to read:

12 281.36 **(4m)** EXEMPTION AND WAIVER; ELECTRONICS AND INFORMATION TECHNOLOGY
13 MANUFACTURING ZONE. (a) The permitting requirement under sub. (3b) does not apply
14 to any discharge into a wetland located in an electronics and information technology
15 manufacturing zone designated under s. 238.396 (1m) if the discharge is related to
16 the construction, access, or operation of a new manufacturing facility in the zone and
17 all adverse impacts to functional values of wetlands are compensated at a ratio of 2
18 acres per each acre impacted through any of the following methods, consistent with
19 the rules promulgated under this section:

- 20 1. Purchasing credits from a mitigation bank located in this state.
- 21 2. Participating in the in lieu fee subprogram under sub. (3r), under which the
22 department shall identify and consider mitigation that could be conducted within the
23 same watershed and may locate mitigation outside the watershed only upon
24 agreement of the department and the person exempt from permitting under this
25 subsection.

1 3. Completing mitigation within this state.

2 (b) The department shall waive water quality certification under 33 USC 1341

3 (a) (1) for a discharge under par. (a).

4 **SECTION 59p.** 808.055 of the statutes is created to read:

5 **808.055 Direct review of decisions relating to electronics and**

6 **information technology manufacturing zone. (1) SUPREME COURT APPEAL AS OF**

7 RIGHT. (a) The supreme court shall take jurisdiction of an appeal filed under this
8 section.

9 (b) Notwithstanding s. 808.03, any party may immediately appeal as of right
10 to the supreme court from any order of a circuit court vacating, enjoining, reviewing,
11 or otherwise relating to a decision by a state or local official, board, commission,
12 condemnor, authority, or department concerning an electronics and information
13 technology manufacturing zone designated under s. 238.396 (1m).

14 (c) The parties and the court shall proceed according to the rules governing
15 procedure in the court of appeals, except as described under this section or as
16 otherwise ordered by the supreme court in a particular case. Unless otherwise
17 ordered by the supreme court, the parties shall comply with the requirements for
18 form of papers under s. 809.81.

19 **(2) STAY PENDING APPEAL.** Any order of a circuit court vacating, enjoining,
20 reviewing, or otherwise relating to a decision by a state or local official, board,
21 commission, condemnor, authority, or department concerning an electronics and
22 information technology manufacturing zone designated under s. 238.396 (1m) shall
23 be stayed automatically upon the filing of an appeal as provided under this section.
24 Any party to the proceeding may apply to the supreme court to request that the stay
25 be modified or vacated.

1 **SECTION 59r.** 809.62 (1r) (intro.) of the statutes is amended to read:

2 809.62 (1r) CRITERIA FOR GRANTING REVIEW. (intro.) ~~Supreme~~ Except as provided
3 under s. 808.055, supreme court review is a matter of judicial discretion, not of right,
4 and will be granted only when special and important reasons are presented. The
5 following, while neither controlling nor fully measuring the court's discretion,
6 indicate criteria that will be considered:

7 **SECTION 60. Nonstatutory provisions.**

8 (1c) The department of transportation may not expend the proceeds of general
9 obligation bonds issued under section 20.866 (2) (uuz) of the statutes unless the state
10 receives an award of federal moneys for the I 94 north-south corridor project under
11 section 84.0145 (3) (b) 1. of the statutes and submits a request to expend the proceeds
12 to the joint committee on finance. The department may not expend the proceeds of
13 general obligation bonds issued under section 20.866 (2) (uuz) of the statutes if,
14 within 14 days of receiving the request to expend proceeds, the joint committee on
15 finance objects to the request and, within 30 days of objecting, the joint committee
16 on finance votes to deny the request to expend proceeds.

17 (2c) Except as otherwise specifically provided, the department of natural
18 resources shall ensure that the conditions of applicable permits, licenses, and
19 approvals under the department's jurisdiction are met for all activities related to the
20 construction, access, or operation of a new manufacturing facility within an
21 electronics and information technology manufacturing zone designated under
22 section 238.396 (1m) of the statutes, including but not limited to permits, licenses,
23 and approvals required under chapters 23, 24, 26, 27, 28, 29, 30, 31, 33, 44, 77, 160,
24 167, 254, 280, 281, 283, 285, 287, 289, 291, 292, 293, 295, and 299 of the statutes and
25 any associated rules promulgated by the department of natural resources.

1 (2d) The Board of Regents of the University of Wisconsin System and the
2 Technical College System Board shall consult together on strategies to address
3 long-term workforce development issues for the future economy, including
4 strategies for the fields of engineering, computer science, and electronic technology
5 manufacturing. No later than December 1, 2017, the boards shall submit a joint
6 report to the joint committee on finance and the appropriate legislative standing
7 committees generally responsible for legislation related to higher education and
8 workforce development that includes recommendations to address long-term
9 workforce development issues.

10 (3m) Section 13.52 (6) of the statutes shall not apply to the actions of the
11 legislature in enacting this act.

12 **SECTION 61. Fiscal changes.**

13 (1) ECONOMIC DEVELOPMENT LIAISON. In the schedule under section 20.005 (3)
14 of the statutes for the appropriation to the department of administration under
15 section 20.505 (1) (a) of the statutes, the dollar amount for fiscal year 2017-18 is
16 increased by \$183,500 and the dollar amount for fiscal year 2018-19 is increased by
17 \$177,500 to increase the authorized FTE positions for the department by 1.0 GPR
18 unclassified economic development liaison project position. The project position
19 shall be assigned to executive salary group 4. Notwithstanding section 230.27 (1) of
20 the statutes, the project position shall expire on December 31, 2022.

21 (1c) ELECTRONICS MANUFACTURING SMALL BUSINESS DEVELOPMENT DIRECTOR. In the
22 schedule under section 20.005 (3) of the statutes for the appropriation to the
23 Wisconsin Economic Development Corporation under section 20.192 (1) (r) of the
24 statutes, the dollar amount for fiscal year 2017-18 is increased by \$110,000 and the
25 dollar amount for fiscal year 2018-19 is increased by \$110,000 to provide funding for

1 the electronics manufacturing small business development director position
2 required under section 238.03 (5) of the statutes.

3 **SECTION 62. Initial applicability.**

4 (1) SALES AND USE TAX EXEMPTION. The treatment of section 77.54 (65) of the
5 statutes first applies to purchases made after the Wisconsin Economic Development
6 Corporation enters into a contract with a business to locate in an electronics and
7 information technology manufacturing zone.

8 **SECTION 63. Effective dates.** This act takes effect on the day after publication,
9 except as follows:

10 (1) The treatment of section 20.505 (1) (fr) of the statutes and SECTION 61 (1)
11 and (1c) of this act take effect on the day after publication, or on the 2nd day after
12 publication of the 2017 biennial budget act, whichever is later.

13 (END)