

2019 DRAFTING REQUEST

Bill

For: **Administration-Budget** Drafter: **mgallagh**
 By: **Quinn** Secondary Drafters:
 Date: **2/7/2019** May Contact:

Same as LRB:

Submit via email: **YES**
 Requester's email:
 Carbon copy (CC) to: **doasbostatlanguage@wisconsin.gov**
michael.gallagher@legis.wisconsin.gov
Erika.Lunder@legis.wisconsin.gov

Pre Topic:

DOA:.....Quinn, BB0294 -

Topic:

Business Development Tax Credit Renewable Energy Bonus

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mgallagh 2/8/2019	ccarmich 2/8/2019			
/P1	mgallagh 2/18/2019	ccarmich 2/18/2019	lparisi 2/8/2019		State
/P2			lparisi 2/18/2019		State

FE Sent For: **<END>**

Gallagher, Michael

From: Hanaman, Cathlene
Sent: Wednesday, February 06, 2019 8:58 AM
To: Gallagher, Michael
Subject: FW: Statutory Language Drafting Request - 2019-21

From: Quinn, Brian D - DOA <Brian.Quinn@wisconsin.gov>
Sent: Tuesday, February 05, 2019 6:11 PM
To: Hanaman, Cathlene <Cathlene.Hanaman@legis.wisconsin.gov>
Cc: Ziegler, Paul - DOA <Paul2.Ziegler@wisconsin.gov>; Quinn, Brian D - DOA <Brian.Quinn@wisconsin.gov>
Subject: Statutory Language Drafting Request - 2019-21

Biennial Budget: 2019-21

Topic: Business Development Credit Renewable Energy Bonus

Tracking Code: BB0294

SBO Team: TLGED

SBO Analyst: Quinn, Brian D - DOA
Phone: (608) 266-1923
E-mail: brian.quinn@wisconsin.gov

Agency Acronym: 192

Agency Number: 192

Priority: Medium

Intent:

Beginning with awards made after the effective date of the budget, create an enhancement to capital investments under s. 238.308(4)(a)4 of an additional up to 5 percent of amounts spent on renewable energy generation or energy efficiency projects. Require WEDC to include in its contracts related to such initiatives documentation verifying such expenditures and their renewable energy or energy efficiency impacts.

Attachments: False

Please send completed drafts to SBOSTatlanguage@spmail.enterprise.wistate.us



DOA:.....Quinn, BB0294 - Business Development Tax Credit Renewable Energy Bonus

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

171

SIA
x-ref
s/c

1 AN ACT ^φ...; relating to: the budget.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Subject to certain limitations, current law authorizes WEDC to award tax credits to a person making an investment in a building project in this state. The award may equal up to 5 percent of the investment.

Under this bill, WEDC may additionally award tax credits to a person making an investment in a building project in this state, if the project satisfies certain requirements under current law, and if the investment is made for purposes of energy efficiency or the generation of energy from renewable resources.

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

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

2 SECTION 1. 238.308 (4) (a) 4m. [✓] of the statutes is created to read:

3 238.308 (4) (a) 4m. An amount equal to up to 5 percent of the person's real

4 [✓] property investment in a capital investment project, if the project satisfies subd. 4.

1 and if the investment is made for purposes of energy efficiency or the generation of
2 energy from renewable resources. The corporation shall include in any contract for
3 the award of tax benefits under this subdivision a requirement that the recipient of
4 the tax benefits provide documentation to the corporation verifying all expenditures
5 under this subdivision and showing the energy efficiency or renewable energy
6 impacts of those expenditure.

§

(END)

Gallagher, Michael

From: Quinn, Brian D - DOA
Sent: Monday, February 18, 2019 11:16 AM
To: Gallagher, Michael
Subject: RE: Business Development Tax Credit Energy Bonus - 1850/p1

The basic notion is that any of these renewable/energy efficiency investments would almost certainly be a capital investment that would earn a credit to begin with, so I think that works.

From: Gallagher, Mike - LEGIS <michael.gallagher@legis.wisconsin.gov>
Sent: Monday, February 18, 2019 11:14 AM
To: Quinn, Brian D - DOA <Brian.Quinn@wisconsin.gov>
Subject: RE: Business Development Tax Credit Energy Bonus - 1850/p1

Is the intent that the "energy bonus" be awarded only if the taxpayer has been awarded tax benefits under subd. 4.?

From: Quinn, Brian D - DOA <Brian.Quinn@wisconsin.gov>
Sent: Monday, February 18, 2019 11:09 AM
To: Gallagher, Michael <Michael.Gallagher@legis.wisconsin.gov>
Subject: RE: Business Development Tax Credit Energy Bonus - 1850/p1

That should work. I think that removes any ambiguity as to whether it is an alternative or supplemental benefit by clarifying that it is a supplemental benefit.

From: Gallagher, Mike - LEGIS <michael.gallagher@legis.wisconsin.gov>
Sent: Monday, February 18, 2019 11:00 AM
To: Quinn, Brian D - DOA <Brian.Quinn@wisconsin.gov>
Subject: RE: Business Development Tax Credit Energy Bonus - 1850/p1

On this one, I will add to the beginning of the provision, "In addition to any tax benefit awarded under subd. 4. . . ." Does that do it?

From: Quinn, Brian D - DOA <Brian.Quinn@wisconsin.gov>
Sent: Sunday, February 17, 2019 3:21 PM
To: Gallagher, Michael <Michael.Gallagher@legis.wisconsin.gov>
Subject: Business Development Tax Credit Energy Bonus - 1850/p1

Mike,

On this draft, I want to ensure that it's clear that this is an additional 5% on top of the ordinary 3% or 5% listed in s.238.308(4)(a)4. I think I can read it that way since it relates to something that already satisfies the overall requirement, but it probably couldn't hurt to put an extra emphasis on that.

Let me know if you have questions.

Thanks.

Brian Quinn

Executive Policy and Budget Analyst - Advanced
Wisconsin Department of Administration
Division of Executive Budget and Finance
(608)-266-1923



DOA:.....Quinn, BB0294 - Business Development Tax Credit Renewable Energy Bonus

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

sub sub

Energy efficiency and use of renewable resources in certain building projects

2/18

1 AN ACT ...; relating to: the budget.

**Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT**

ECONOMIC DEVELOPMENT

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In addition to any tax benefit awarded under subd. 4.1

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4 the tax benefits provide documentation to the corporation verifying all expenditures
5 under this subdivision and showing the energy efficiency or renewable energy
6 impacts of those expenditures.

7 (END)



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1850/P2
MPG:cdc

DOA:.....Quinn, BB0294 - Business Development Tax Credit Renewable
Energy Bonus

FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT
ECONOMIC DEVELOPMENT

1. *Energy efficiency and use of renewable resources in certain building projects*

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