



**SENATE AMENDMENT 1,
TO ASSEMBLY BILL 40**

June 20, 2013 – Offered by Senators LASSA, VINEHOUT, SHILLING, HANSEN, RISSER, HARRIS, L. TAYLOR, WIRCH, T. CULLEN, MILLER, LEHMAN, CARPENTER and ERPENBACH.

1 At the locations indicated, amend the bill, as shown by assembly substitute
2 amendment 1, as follows:

3 **1.** Page 25, line 9: delete lines 9 to 22.

4 **2.** Page 26, line 24: delete the material beginning with that line and ending
5 with page 27, line 6.

6 **3.** Page 41, line 13: after that line insert:

7 “**SECTION 90b.** 16.72 (2) (c) of the statutes is amended to read:

8 16.72 (2) (c) To the extent possible, the department shall write specifications
9 so as to permit the purchase of materials manufactured in the United States, as
10 defined in s. 16.754 (1) (b), or the purchase of local products or services, as defined
11 in s. 66.0145 (1) (b).”.

12 **4.** Page 46, line 17: after that line insert:

13 “**SECTION 122bb.** 16.754 (title) of the statutes is amended to read:

1 **16.754** (title) **Preference for local products and services and**
2 **American-made materials.**

3 **SECTION 122bd.** 16.754 (1) (a) of the statutes is renumbered 16.754 (1) (ar).

4 **SECTION 122bf.** 16.754 (1) (am) of the statutes is created to read:

5 16.754 (1) (am) “Local product or service” has the meaning given in s. 66.0145
6 (1) (b).

7 **SECTION 122bh.** 16.754 (2) (title) of the statutes is amended to read:

8 16.754 (2) (title) ~~PURCHASE PREFERENCE~~ PREFERENCES.

9 **SECTION 120bj.** 16.754 (2) of the statutes is renumbered 16.754 (2) (b) and
10 amended to read:

11 16.754 (2) (b) Notwithstanding s. 16.75 (1) (a) 2., (2), (2m) and (6), when all
12 ~~other factors are substantially equal~~ making purchases, the state shall purchase
13 materials which are manufactured to the greatest extent in the United States.

14 **SECTION 122bL.** 16.754 (2) (a) of the statutes is created to read:

15 16.754 (2) (a) The department, any other designated purchasing agent under
16 s. 16.71 (1), and any agency making purchases under s. 16.74 shall attempt to ensure
17 that at least 20 percent of the total amount expended under this subchapter in each
18 fiscal year is for local products or services and it shall be a further goal that the
19 percentage of the total amount expended in any fiscal year for local products or
20 services will not be lower than the percentage of the total amount expended in the
21 previous fiscal year for local products or services.

22 **SECTION 120bm.** 16.754 (2) (c) of the statutes is created to read:

23 16.754 (2) (c) Any contract entered into by the state for the construction, repair,
24 or modification of a public works or public improvement project must contain a

1 provision that the contractor will use materials that are manufactured in the United
2 States in the performance of the contract.

3 **SECTION 122bn.** 16.754 (2m) of the statutes is created to read:

4 16.754 (2m) DATA. For purposes of measuring compliance with sub. (2) (a), the
5 department shall collect from a person who responds to a proposal or submits a bid
6 for a contract information regarding the person's principal place of business. The
7 department shall make available to the public on its Internet site the data it collects
8 under this subsection as well as an annual evaluation of how well the department,
9 its designated purchasing agents, and any agency making purchases under s. 16.74
10 are meeting the goal under sub. (2) (a).

11 **SECTION 120f.** 16.754 (3) (intro.) and (a) of the statutes are amended to read:

12 16.754 (3) EXEMPTIONS. (intro.) Subsection (2) does not apply if the materials
13 are purchased for the purpose of commercial resale or for the purpose of use in the
14 production of goods for commercial sale. Subsection (2) does not apply to the
15 purchase of stationery and printing materials. ~~Subsection (2) does not apply if the~~
16 ~~department determines, under s. 16.75 (1) (a) 2., that the foreign nation or~~
17 ~~subdivision thereof in which the vendor is domiciled does not give preference to~~
18 ~~vendors domiciled in that nation or subdivision in making governmental purchases.~~

19 Subsection (2) does not apply if the department or other person having contracting
20 authority in respect to the purchase determines that any of the following:

21 (a) The materials are not manufactured in the United States in sufficient or
22 reasonably available quantities; or.”

1 **5.** Page 113, line 2: increase the dollar amount for fiscal year 2013–14 by
2 \$211,200 and increase the dollar amount for fiscal year 2014–15 by \$211,200 for the
3 purpose of funding financial assistance for paratuberculosis testing.

4 **6.** Page 114, line 13: increase the dollar amount for fiscal year 2013–14 by
5 \$250,000 and increase the dollar amount for fiscal year 2014–15 by \$250,000 for the
6 purpose of funding farm to school grants.

7 **7.** Page 114, line 15: increase the dollar amount for fiscal year 2013–14 by
8 \$321,000 and increase the dollar amount for fiscal year 2014–15 by \$321,000 for the
9 purpose of providing funding for agricultural research and development grants.

10 **8.** Page 115, line 6: after that line insert:

11 “(s) Grazing lands conservation SEG A 375,500 375,500”.

12 **9.** Page 145, line 11: after that line insert:

13 “(aj) Workforce growth program GPR A 10,000,000 –0–”.

14 **10.** Page 206, line 6: increase the dollar amount for fiscal year 2013–14 by
15 \$786,600 and increase the dollar amount for fiscal year 2014–15 by \$1,205,500 to
16 increase the authorized FTE positions for the Wisconsin Employment Relations
17 Commission by 11.49 GPR positions.

18 **11.** Page 206, line 8: increase the dollar amount for fiscal year 2013–14 by
19 \$245,600 and increase the dollar amount for fiscal year 2014–15 by \$327,400 to
20 increase the authorized FTE positions for the Wisconsin Employment Relations
21 Commission by 5.0 PR positions.

1 **12.** Page 229, line 3: increase the dollar amount for fiscal year 2013–14 by
2 \$250,000 and increase the dollar amount for fiscal year 2014–15 by \$250,000 for the
3 purposes for which the appropriation is made.

4 **13.** Page 292, line 14: decrease the dollar amount for fiscal year 2013–14 by
5 \$18,835,800 and decrease the dollar amount for fiscal year 2014–15 by \$18,835,800
6 for the purposes for which the appropriation is made.

7 **14.** Page 312, line 5: delete that line.

8 **15.** Page 326, line 9: after that line insert:

9 “**SECTION 252m.** 20.292 (1) (aj) of the statutes is created to read:

10 20.292 (1) (aj) *Workforce growth program.* The amounts in the schedule for
11 grants to technical college districts under s. 38.39.”.

12 **16.** Page 458, line 2: before “118.15” insert “38.39”.

13 **17.** Page 463, line 21: after that line insert:

14 “**SECTION 657m.** 38.39 of the statutes is created to read:

15 **38.39 Workforce growth program. (1)** A district board may obtain grants
16 under sub. (2) for the purpose of partnering with a business, consortium of
17 businesses, local workforce development board established under 29 USC 2832, or
18 economic development organization, that is located or provides service in the district,
19 in a project to help meet local needs for supporting sectors of the economy with a
20 documented skills gap or high workforce shortage, which could include
21 manufacturing, energy, information technology, skilled trades, and health care. A
22 project may provide for activities that address development of individuals prior to
23 entering the workforce and workforce training, which could include one or more of
24 the following:

- 1 (a) Job training scholarships based on local labor market needs.
- 2 (b) Building or infrastructure construction.
- 3 (c) Equipment and material purchases.
- 4 (d) Faculty hiring.
- 5 (e) Development in partnership with industry of curricula, based on industry
- 6 standards, that lead to certificates or degrees.
- 7 (f) Student career support services, including job placement and business
- 8 recruitment.

9 (2) From the appropriation under s. 20.292 (1) (aj), the board shall award

10 grants to district boards that apply to the board to fund the costs of projects under

11 sub. (1). The board shall consider the speed by which the activities specified in

12 applications could meet training and employment needs and give a preference in

13 awarding the grants to projects that seek to eliminate waiting lists for courses

14 pertaining to jobs with high employment demand.”.

15 **18.** Page 564, line 15: after that line insert:

16 “SECTION 987r. 49.155 (1g) (ac) of the statutes is amended to read:

17 49.155 (1g) (ac) A child care scholarship and bonus program, in the amount of

18 at least \$3,975,000 per fiscal year, plus \$6,935,800 in each of fiscal years 2013-14 and

19 2014-15 for that program and a program to reward child care workers who have

20 received advanced training.”.

21 **19.** Page 567, line 21: delete lines 21 to 25 and substitute:

22 “SECTION 1001c. 49.155 (6) (e) 3. (intro.) of the statutes is amended to read:

23 49.155 (6) (e) 3. (intro.) Beginning on July 1, 2012 the effective date of this

24 subdivision [LRB inserts date], the department may shall modify a child care

1 provider's reimbursement payment rate under subd. 2. on the basis of the provider's
2 quality rating, as described in the quality rating plan, in the following manner:".

3 **20.** Page 568, line 4: delete lines 4 to 24 and substitute:

4 "SECTION 1003c. 49.155 (6) (e) 3. b. of the statutes is amended to read:

5 49.155 (6) (e) 3. b. For a child care provider who receives a 2-star rating, the
6 department ~~may reduce~~ shall pay the maximum reimbursement payment rate by up
7 to 5 percent.

8 SECTION 1004c. 49.155 (6) (e) 3. c. of the statutes is amended to read:

9 49.155 (6) (e) 3. c. For a child care provider who receives a 3-star rating, the
10 department ~~may pay up to~~ shall increase the maximum reimbursement payment
11 rate by 5 percent.

12 SECTION 1005c. 49.155 (6) (e) 3. d. of the statutes is amended to read:

13 49.155 (6) (e) 3. d. For a child care provider who receives a 4-star rating, the
14 department ~~may~~ shall increase the maximum reimbursement payment rate by up
15 to 5- 10 percent.

16 SECTION 1007c. 49.155 (6) (e) 3. e. of the statutes is amended to read:

17 49.155 (6) (e) 3. e. For a child care provider who receives a 5-star rating, ~~the~~
18 department ~~may increase the maximum reimbursement rate by up to 10 percent,~~
19 ~~except that beginning on January 1, 2013, the department may~~ shall increase the
20 maximum reimbursement payment rate ~~for such a child care provider by up to 25~~
21 percent.".

22 **21.** Page 576, line 8: increase the underscored dollar amount by \$10,700,000.

23 **22.** Page 576, line 9: increase the underscored dollar amount by \$10,700,000.

1 **23.** Page 576, line 19: after “2012-13” insert “, including an increase of
2 \$1,200,000 in each of fiscal years 2013-14 and 2014-15 for mini-grants under child
3 care quality rating system contracts”.

4 **24.** Page 576, line 19: increase the underscored dollar amount by \$8,135,800.

5 **25.** Page 578, line 14: delete lines 14 to 18.

6 **26.** Page 665, line 15: after that line insert:

7 “**SECTION 1265v.** 66.0145 of the statutes is created to read:

8 **66.0145 Purchases of Wisconsin goods and services. (1) DEFINITIONS.** In
9 this section:

10 (a) “Local governmental unit” has the meaning given in s. 66.0135 (1) (c).

11 (b) “Local product or service” means a product or service that is purchased from
12 a person whose principal place of business is located in this state.

13 **(2) PURCHASING GOALS.** (a) It shall be a goal of a local governmental unit that,
14 annually, at least 20 percent of the aggregate value of purchases of products and
15 services by that local governmental unit shall be local products or services, and it
16 shall be a further goal of the local governmental unit that the percentage of the
17 aggregate value of routine purchases of products and services in any year that are
18 local products and services will not be lower than the aggregate value of such routine
19 purchases in the previous year.

20 (b) A local governmental unit shall evaluate its performance in reaching the
21 goals specified in par. (a) and shall annually make this evaluation available to the
22 public, except that these requirements do not apply to any local governmental unit
23 whose governing body enacts an ordinance, adopts a resolution, or takes other official

1 action stating that it chooses not to conduct an evaluation of its performance in
2 reaching the goals.”.

3 **27.** Page 684, line 3: after that line insert:

4 “**SECTION 1277k.** 66.0901 (1m) (b) of the statutes is amended to read:

5 66.0901 (**1m**) (b) Except when necessary to secure federal aid and except as
6 provided in sub. (10), a political subdivision may not use a bidding method that gives
7 preference based on the geographic location of the bidder or that uses criteria other
8 than the lowest responsible bidder in awarding a contract.

9 **SECTION 1277L.** 66.0901 (10) of the statutes is created to read:

10 66.0901 (**10**) MATERIALS MANUFACTURED IN THE UNITED STATES. Any public
11 contract entered into by a municipality must contain a provision that the contractor
12 will use materials that are manufactured in the United States in the performance
13 of the contract.”.

14 **28.** Page 703, line 9: after “(5k),” insert “(5p).”.

15 **29.** Page 707, line 5: after “(5k),” insert “(5p).”.

16 **30.** Page 739, line 14: after that line insert:

17 “**SECTION 1345kb.** 71.07 (5p) of the statutes is created to read:

18 71.07 (**5p**) STEVE HILGENBERG COMMUNITY DEVELOPMENT CREDIT. (a) *Definition.*
19 In this subsection, “claimant” means a person who files a claim under this subsection.

20 (b) *Filing claims.* Subject to the limitations provided under this subsection and
21 the requirements under s. 238.17, for taxable years beginning after December 31,
22 2012, and before January 1, 2015, except as provided under s. 238.17 (5) (cm), a
23 claimant may claim as a credit against the tax imposed under s. 71.02, up to the
24 amount of the tax, for the taxable year in which the investment is made, an amount

1 equal to 10 percent of the claimant's qualified investment in a community
2 development financial institution, if the investment is at least \$10,000, but not more
3 than \$150,000, or 12 percent of the claimant's qualified investment in a community
4 development financial institution, if the investment is more than \$150,000, but not
5 more than \$500,000.

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

14 2. A person who makes an investment in a community development financial
15 institution in a taxable year, withdraws the investment in that taxable year, and
16 immediately reinvests the proceeds into another community development financial
17 institution may claim only one credit under this subsection for that taxable year,
18 based on the lesser of all such investments in that taxable year. Investments in a
19 community development financial institution made before the effective date of this
20 subdivision [LRB inserts date], may not be withdrawn prior to the end of their
21 contractual term and reinvested in a community development financial institution
22 in order to claim a credit under this subsection.

23 3. A claimant who withdraws a qualified investment from a community
24 development financial institution prior to the date of withdrawal specified in the
25 written notice provided to the claimant under s. 238.17 (5) (b) and who does not

1 immediately reinvest the proceeds of the qualified investment as a qualified
2 investment in another community development financial institution shall add to the
3 claimant's liability for taxes imposed under s. 71.02 one of the following percentages
4 of the amount of the credits received under this subsection:

5 a. If the withdrawal occurs during the first year after the date on which the
6 claimant made the qualified investment, 100 percent.

7 b. If the withdrawal occurs during the 2nd year after the date on which the
8 claimant made the qualified investment, 75 percent.

9 c. If the withdrawal occurs during the 3rd year after the date on which the
10 claimant made the qualified investment, 50 percent.

11 d. If the withdrawal occurs during the 4th year after the date on which the
12 claimant made the qualified investment, 25 percent.

13 e. If the withdrawal occurs during the 5th year after the date on which the
14 claimant made the qualified investment, 10 percent.

15 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under
16 s. 71.28 (4), applies to the credit under this subsection.”.

17 **31.** Page 744, line 19: after that line insert:

18 “**SECTION 1348fb.** 71.10 (4) (cs) of the statutes is created to read:

19 71.10 (4) (cs) Steve Hilgenberg community development credit under s. 71.07
20 (5p).”.

21 **32.** Page 746, line 14: after “(5k),” insert “(5p).”.

22 **33.** Page 761, line 25: after that line insert:

23 “**SECTION 1373b.** 71.26 (2) (a) 4. of the statutes is amended to read:

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

8 **34.** Page 796, line 16: after that line insert:

9 “**SECTION 1396hb.** 71.28 (5p) of the statutes is created to read:

10 71.28 (5p) STEVE HILGENBERG COMMUNITY DEVELOPMENT CREDIT. (a) *Definition.*

11 In this subsection, “claimant” means a person who files a claim under this subsection.

12 (b) *Filing claims.* Subject to the limitations provided under this subsection and
13 the requirements under s. 238.17, for taxable years beginning after December 31,
14 2012, and before January 1, 2015, except as provided under s. 238.17 (5) (cm), a
15 claimant may claim as a credit against the tax imposed under s. 71.23, up to the
16 amount of the tax, for the taxable year in which the investment is made, an amount
17 equal to 10 percent of the claimant's qualified investment in a community
18 development financial institution, if the investment is at least \$10,000, but not more
19 than \$150,000, or 12 percent of the claimant's qualified investment in a community
20 development financial institution, if the investment is more than \$150,000, but not
21 more than \$500,000.

22 (c) *Limitations.* 1. Partnerships, limited liability companies, and tax-option
23 corporations may not claim the credit under this subsection, but the eligibility for,
24 and the amount of, the credit are based on their payment of amounts under par. (b).

1 A partnership, limited liability company, or tax-option corporation shall compute
2 the amount of credit that each of its partners, members, or shareholders may claim
3 and shall provide that information to each of them. Partners, members of limited
4 liability companies, and shareholders of tax-option corporations may claim the
5 credit in proportion to their ownership interests.

6 2. A person who makes an investment in a community development financial
7 institution in a taxable year, withdraws the investment in that taxable year, and
8 immediately reinvests the proceeds into another community development financial
9 institution may claim only one credit under this subsection for that taxable year,
10 based on the lesser of all such investments in that taxable year. Investments in a
11 community development financial institution made before the effective date of this
12 subdivision ... [LRB inserts date], may not be withdrawn prior to the end of their
13 contractual term and reinvested in a community development financial institution
14 in order to claim a credit under this subsection.

15 3. A claimant who withdraws a qualified investment from a community
16 development financial institution prior to the date of withdrawal specified in the
17 written notice provided to the claimant under s. 238.17 (5) (b) and who does not
18 immediately reinvest the proceeds of the qualified investment as a qualified
19 investment in another community development financial institution shall add to the
20 claimant's liability for taxes imposed under s. 71.23 one of the following percentages
21 of the amount of the credits received under this subsection:

22 a. If the withdrawal occurs during the first year after the date on which the
23 claimant made the qualified investment, 100 percent.

24 b. If the withdrawal occurs during the 2nd year after the date on which the
25 claimant made the qualified investment, 75 percent.

1 c. If the withdrawal occurs during the 3rd year after the date on which the
2 claimant made the qualified investment, 50 percent.

3 d. If the withdrawal occurs during the 4th year after the date on which the
4 claimant made the qualified investment, 25 percent.

5 e. If the withdrawal occurs during the 5th year after the date on which the
6 claimant made the qualified investment, 10 percent.

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

9 **35.** Page 798, line 24: after that line insert:

10 “**SECTION 1398Lb.** 71.30 (3) (dr) of the statutes is created to read:

11 71.30 (3) (dr) Steve Hilgenberg community development credit under s. 71.28
12 (5p).”.

13 **36.** Page 806, line 20: after “(5k),” insert “(5p).”.

14 **37.** Page 816, line 12: after that line insert:

15 “**SECTION 1419db.** 71.45 (2) (a) 10. of the statutes is amended to read:

16 71.45 (2) (a) 10. By adding to federal taxable income the amount of credit
17 computed under s. 71.47 (1dd) to (1dy), (3g), (3h), (3n), (3p), (3q), (3r), (3rm), (3rn),
18 (3w), (5e), (5f), (5g), (5h), (5i), (5j), (5k), (5p), (5r), (5rm), (6n), (8r), and (9s) and not
19 passed through by a partnership, limited liability company, or tax-option
20 corporation that has added that amount to the partnership’s, limited liability
21 company’s, or tax-option corporation’s income under s. 71.21 (4) or 71.34 (1k) (g) and
22 the amount of credit computed under s. 71.47 (1), (3), (3t), (4), (4m), and (5).”.

23 **38.** Page 832, line 8: after that line insert:

24 “**SECTION 1432eb.** 71.47 (5p) of the statutes is created to read:

1 71.47 (5p) STEVE HILGENBERG COMMUNITY DEVELOPMENT CREDIT. (a) *Definition.*

2 In this subsection, “claimant” means a person who files a claim under this subsection.

3 (b) *Filing claims.* Subject to the limitations provided under this subsection and
4 the requirements under s. 238.17, for taxable years beginning after December 31,
5 2012, and before January 1, 2015, except as provided under s. 238.17 (5) (cm), a
6 claimant may claim as a credit against the tax imposed under s. 71.43, up to the
7 amount of the tax, for the taxable year in which the investment is made, an amount
8 equal to 10 percent of the claimant’s qualified investment in a community
9 development financial institution, if the investment is at least \$10,000, but not more
10 than \$150,000, or 12 percent of the claimant’s qualified investment in a community
11 development financial institution, if the investment is more than \$150,000, but not
12 more than \$500,000.

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

21 2. A person who makes an investment in a community development financial
22 institution in a taxable year, withdraws the investment in that taxable year, and
23 immediately reinvests the proceeds into another community development financial
24 institution may claim only one credit under this subsection for that taxable year,
25 based on the lesser of all such investments in that taxable year. Investments in a

1 community development financial institution made before the effective date of this
2 subdivision ... [LRB inserts date], may not be withdrawn prior to the end of their
3 contractual term and reinvested in a community development financial institution
4 in order to claim a credit under this subsection.

5 3. A claimant who withdraws a qualified investment from a community
6 development financial institution prior to the date of withdrawal specified in the
7 written notice provided to the claimant under s. 238.17 (5) (b) and who does not
8 immediately reinvest the proceeds of the qualified investment as a qualified
9 investment in another community development financial institution shall add to the
10 claimant's liability for taxes imposed under s. 71.43 one of the following percentages
11 of the amount of the credits received under this subsection:

12 a. If the withdrawal occurs during the first year after the date on which the
13 claimant made the qualified investment, 100 percent.

14 b. If the withdrawal occurs during the 2nd year after the date on which the
15 claimant made the qualified investment, 75 percent.

16 c. If the withdrawal occurs during the 3rd year after the date on which the
17 claimant made the qualified investment, 50 percent.

18 d. If the withdrawal occurs during the 4th year after the date on which the
19 claimant made the qualified investment, 25 percent.

20 e. If the withdrawal occurs during the 5th year after the date on which the
21 claimant made the qualified investment, 10 percent.

22 (d) *Administration.* Section 71.28 (4) (e) to (h), as it applies to the credit under
23 s. 71.28 (4), applies to the credit under this subsection.”.

24 **39.** Page 834, line 17: after that line insert:

1 **“SECTION 1434Lb.** 71.49 (1) (dr) of the statutes is created to read:
2 71.49 (1) (dr) Steve Hilgenberg community development credit under s. 71.47
3 (5p).”.

4 **40.** Page 850, line 7: after that line insert:

5 **“SECTION 1467hb.** 76.634 of the statutes is created to read:

6 **76.634 Steve Hilgenberg community development credit. (1) FILING**
7 CLAIMS. Subject to the limitations provided under this subsection and the
8 requirements under s. 238.17, for taxable years beginning after December 31, 2012,
9 and before January 1, 2015, except as provided under s. 238.17 (5) (cm), an insurer
10 may claim as a credit against the fees due under s. 76.60, 76.63, 76.65, 76.66, or 76.67
11 for the taxable year in which the investment is made, an amount equal to 10 percent
12 of the insurer’s qualified investment in a community development financial
13 institution, if the investment is at least \$10,000, but not more than \$150,000, or 12
14 percent of the insurer’s qualified investment in a community development financial
15 institution, if the investment is more than \$150,000, but not more than \$500,000.

16 **(2) CARRY-FORWARD.** If the credit under sub. (1) is not entirely offset against the
17 fees under s. 76.60, 76.63, 76.65, 76.66, or 76.67 otherwise due, the unused balance
18 may be carried forward and credited against those fees for the following 15 years to
19 the extent that it is not offset by those fees otherwise due in all the years between
20 the year in which the expense was made and the year in which the carry-forward
21 credit is claimed.

22 **(3) LIMITATIONS.** (a) No credit may be allowed under this section unless the
23 insurer includes with the insurer’s annual return under s. 76.64 a copy of the
24 insurer’s certification for tax benefits under s. 238.17 (5) (b).

1 (b) An insurer who makes an investment in a community development
2 financial institution in a taxable year, withdraws the investment in that taxable
3 year, and immediately reinvests the proceeds into another community development
4 financial institution may claim only one credit under this section for that taxable
5 year, based on the lesser of all such investments in that taxable year. Investments
6 in a community development financial institution made before the effective date of
7 this paragraph ... [LRB inserts date], may not be withdrawn prior to the end of their
8 contractual term and reinvested in a community development financial institution
9 in order to claim a credit under this section.

10 (4) REPAYMENT. An insurer who claims a credit under this section and who
11 withdraws a qualified investment from a community development financial
12 institution prior to the date of withdrawal specified in the written notice provided to
13 the insurer under s. 238.17 (5) (b) and does not immediately reinvest the proceeds
14 of the qualified investment as a qualified investment in another community
15 development financial institution shall add to the insurer's liability for fees imposed
16 under s. 76.60, 76.63, 76.65, 76.66, or 76.67 one of the following percentages of the
17 amount of the credits received under this subsection:

18 (a) If the withdrawal occurs during the first year after the date on which the
19 insurer made the qualified investment, 100 percent.

20 (b) If the withdrawal occurs during the 2nd year after the date on which the
21 insurer made the qualified investment, 75 percent.

22 (c) If the withdrawal occurs during the 3rd year after the date on which the
23 insurer made the qualified investment, 50 percent.

24 (d) If the withdrawal occurs during the 4th year after the date on which the
25 insurer made the qualified investment, 25 percent.

1 (e) If the withdrawal occurs during the 5th year after the date on which the
2 insurer made the qualified investment, 10 percent.”.

3 **41.** Page 852, line 25: after that line insert:

4 “**SECTION 1473fb.** 76.67 (2) of the statutes is amended to read:

5 76.67 (2) If any domestic insurer is licensed to transact insurance business in
6 another state, this state may not require similar insurers domiciled in that other
7 state to pay taxes greater in the aggregate than the aggregate amount of taxes that
8 a domestic insurer is required to pay to that other state for the same year less the
9 credits under ss. 76.634, 76.635, 76.636, 76.637, 76.638, and 76.655, except that the
10 amount imposed shall not be less than the total of the amounts due under ss. 76.65
11 (2) and 601.93 and, if the insurer is subject to s. 76.60, 0.375% of its gross premiums,
12 as calculated under s. 76.62, less offsets allowed under s. 646.51 (7) or under ss.
13 76.634, 76.635, 76.636, 76.637, 76.638, and 76.655 against that total, and except that
14 the amount imposed shall not be less than the amount due under s. 601.93.”.

15 **42.** Page 910, line 8: delete that line.

16 **43.** Page 1084, line 6: delete that line.

17 **44.** Page 1084, line 21: delete lines 21 to 24.

18 **45.** Page 1110, line 24: after that line insert:

19 “**SECTION 2068d.** 238.17 of the statutes is created to read:

20 **238.17 Certification of investments in community development**
21 **financial institutions. (1) DEFINITIONS.** In this section:

22 (a) “Community development financial institution” means an entity that
23 satisfies all of the following:

1 1. The entity is certified by the fund under 12 CFR 1805.201 as meeting the
2 eligibility requirements for a community development financial institution under 12
3 CFR 1805.200 and 1805.201 (b).

4 2. The entity is organized under the laws of this state.

5 3. The entity uses qualified investments for which a person may be certified for
6 tax credits under sub. (2) (a) for projects that are based in this state.

7 (b) “Fund” means the Community Development Financial Institutions Fund
8 established under 12 USC 4703 (a).

9 (c) 1. Subject to subd. 2., “qualified investment” means a deposit or loan that
10 pays no interest to the person who made the deposit or loan, if the deposit or loan has
11 a value of at least \$10,000 and is made for a period of at least 60 months.

12 2. A community development financial institution that receives an investment
13 described under subd. 1. shall have complete control over the entire investment
14 amount, including any interest earned on the investment, for the duration of the
15 investment period, but the investment may be subject to any additional terms and
16 conditions of the investment agreement between the community development
17 financial institution and the investor which are not inconsistent with the
18 requirements of this section.

19 **(2) CERTIFICATION; REGISTRATION AND REPORTING REQUIRED.** (a) Subject to the
20 limits under sub. (4), the corporation may certify a person under this section to claim
21 tax credits under s. 71.07 (5p), 71.28 (5p), 71.47 (5p), or 76.634 if the person applies
22 to the corporation on a form prepared by the corporation and submits evidence
23 satisfactory to the corporation that the person has made a qualified investment in
24 a community development financial institution that is registered under par. (b).

1 (b) 1. The corporation may register a community development financial
2 institution if the community development financial institution applies to the
3 corporation on a form prepared by the corporation. The corporation may revoke the
4 registration of a community development financial institution if the entity no longer
5 meets the eligibility requirements for certification as a community development
6 financial institution by the fund or fails to comply with the requirements of this
7 paragraph.

8 2. A community development financial institution registered under this section
9 shall annually, within 90 days after the last day of the preceding calendar year,
10 submit a report containing financial statements of the community development
11 financial institution, prepared according to generally accepted accounting principles
12 and including all of the following information for the preceding calendar year, to the
13 corporation:

14 a. The material events certification form required by the federal department
15 of the treasury.

16 b. Certification, in the form and manner prescribed by the corporation, that the
17 community development financial institution satisfies the criteria under sub. (1) (a)
18 1. to 3.

19 c. Any other information the corporation considers relevant.

20 **(3) ELIGIBILITY.** (a) Except as provided in par. (b), a person certified under sub.
21 (2) (a) is eligible to claim tax credits under s. 71.07 (5p), 71.28 (5p), 71.47 (5p), or
22 76.634.

23 (b) If the registration of a community development financial institution in
24 which a person certified under sub. (2) (a) has made a qualified investment is revoked
25 by the corporation, and not reinstated by the corporation within 120 days following

1 the revocation, or if the entity fails to meet the eligibility requirements for more than
2 120 consecutive days for certification as a community development financial
3 institution by the fund, the person certified under sub. (2) (a) may do any of the
4 following:

5 1. Subject to s. 71.07 (5p) (c) 3., 71.28 (5p) (c) 3., 71.47 (5p) (c) 3., or 76.634 (4),
6 withdraw the qualified investment.

7 2. Immediately reinvest the proceeds of the qualified investment as a qualified
8 investment in another community development financial institution for the duration
9 of the investment period.

10 (4) LIMITS. No more than \$1,000,000 in tax benefits may be claimed under this
11 section in any calendar year.

12 (5) DUTIES OF THE CORPORATION. The corporation shall do all of the following:

13 (a) Notify the department of revenue of every certification issued under sub.
14 (2) (a) and include the dates on which any such certification is granted and the date
15 on which the applicant may withdraw a qualified investment made in a community
16 development financial institution, which date shall be no earlier than the first day
17 of the 61st month after the qualified investment was made.

18 (b) Provide to each applicant for certification under sub. (2) (a) a dated written
19 notice indicating the corporation's decision to grant or deny certification. If
20 certification is granted, the notice shall include the date on which the applicant may
21 withdraw the qualified investment, which date shall be no earlier than the first day
22 of the 61st month after the qualified investment was made.

23 (c) Notify the department of revenue of each community development financial
24 institution registered under sub. (2) (b).

1 (cm) Determine whether to certify persons to claim tax credits under ss. 71.07
2 (5p), 71.28 (5p), 71.47 (5p), and 76.634 for taxable years beginning after December
3 31, 2014, and to notify the department of revenue of that determination.

4 (d) Establish policies to administer this section.”.

5 **46.** Page 1277, line 1: delete lines 1 to 11.

6 **47.** Page 1363, line 26: after that line insert:

7 “(1f) PROCUREMENT PREFERENCE FOR MATERIALS MANUFACTURED IN UNITED STATES.

8 (a) The treatment of sections 16.754 (3) (intro.) and (a) and 66.0901 (1m) (b) and
9 (10) of the statutes, the renumbering and amendment of section 16.754 (2) of the
10 statutes, and the creation of section 16.754 (2) (a) and (c) of the statutes first apply
11 to contracts entered into in the fiscal year that begins in the year after this subsection
12 takes effect.

13 (b) The treatment of section 16.754 (2m) of the statutes first applies to
14 responses made and bids submitted in the fiscal year that begins in the year after
15 this subsection takes effect.”.

16 **48.** Page 1366, line 19: delete lines 19 to 21.

17 **49.** Page 1371, line 12: after that line insert:

18 “(2h) PROCUREMENT PREFERENCES. The treatment of section 66.0145 of the
19 statutes first applies to purchases made in the fiscal year that begins in the year after
20 this subsection takes effect.”.

21 (END)