



State of Wisconsin
1997 - 1998 LEGISLATURE

LRB-4311/7

ALL:all:all

1997 SENATE BILL 362

November 19, 1997 - Introduced by Senator BURKE. Referred to Joint committee on Finance.

1 **AN ACT** *to amend* 20.865 (4) (u), 20.865 (4) (u), 20.923 (1), 44.72 (4) (b), 44.72 (4)
2 (d), 46.81 (2), 46.81 (5), 48.561 (3) (a), 48.57 (3p) (d), 49.141 (1) (p), 49.141 (7)
3 (c) (intro.), 59.53 (5), 71.06 (2s) (a), 71.07 (2dx) (a) 5., 71.28 (1dx) (a) 5., 71.47
4 (1dx) (a) 5., 71.64 (9) (b), 77.54 (20) (c) 5., 78.58 (3), 118.51 (4) (a) (intro.), 118.52
5 (4), 125.51 (3) (e) 3., 125.51 (4) (br) 1. b., c. and d., 166.215 (5), 180.1130 (10m),
6 196.218 (3) (a) 3., 287.23 (3) (a) 2., 287.23 (5) (c) 2., 287.23 (7), 299.80 (16),
7 560.785 (1) (c) 1., 560.785 (1) (c) 2., 973.09 (3) (bm) 3. and 973.09 (3) (bm) 4.; **to**
8 **repeal and recreate** 48.561 (3) (a), 49.155 (1m) (a) 1m., 77.53 (9m) and 77.54
9 (14) (f); **to create** 20.566 (1) (qm), 25.40 (2) (b) 20s. and 196.218 (5) (a) 7. of the
10 statutes; and **to affect** 1997 Wisconsin Act 27, section 9137 (9c) and 1997
11 Wisconsin Act 27, section 9143 (1m); **relating to:** the application of the
12 business combination and the control share voting restriction provisions of the
13 business corporation law; dry cleaning fees; nontarget population members; the
14 date by which certain school board resolutions pertaining to the open

SENATE BILL 362

1 enrollment programs must be adopted; loans made to school districts by the
2 technology for educational achievement in Wisconsin board; the method for
3 calculating contributions to the universal service fund; use of the universal
4 service fund to make grants to certain school districts for telecommunications
5 access; financial assistance for local recycling programs; funding for a boat
6 landing located on the Wisconsin River in the town of Buena Vista; reports
7 concerning the environmental cooperation pilot program; funding for air and
8 solid and hazardous waste programs; studies of fish in the Great Lakes;
9 eligibility for child care subsidies under the Wisconsin works program;
10 increased funding for the benefit specialist program for older individuals; the
11 amount that a county having a population of 500,000 or more must contribute
12 for the provision of child welfare services in that county by the department of
13 health and family services; the photographing of a person applying for or
14 receiving kinship care payments, of employes and prospective employes of a
15 person applying for or receiving kinship care payments and of adult residents
16 and prospective adult residents of the home of a person applying for or receiving
17 kinship care payments; eliminating cross-references to the Wisconsin works
18 health plan; computing the aviation fuel tax; a sales tax and use tax exemption
19 for samples of medicine and registration for use tax purposes; the international
20 fuel tax agreement; the department of revenue's expenses to administer the fee
21 on vehicle rentals; directing the department of revenue to not adjust individual
22 income tax withholding tables and making a technical adjustment in the
23 calculation of income tax liability by individual nonresidents and part-year
24 residents of this state; the sales of food by institutions of higher learning;
25 salary-setting authority of certain state bodies; reserve "Class B" intoxicating

SENATE BILL 362

1 liquor licenses; the abolishment of the emergency response board; revocation
2 of probation for failure to pay supervision fees owed to the department of
3 corrections; and making an appropriation.

Analysis by the Legislative Reference Bureau

COMMERCE

Wisconsin's business corporations law contains various provisions which generally protect Wisconsin corporations from hostile take-overs. Prior to the enactment of 1997 Wisconsin Act 27 (the budget act), these antitake-over provisions used 2 different terms to describe the corporations to which these provisions applied. Certain provisions applied to "resident domestic corporations"; others applied to "issuing public corporations". The budget act revised these antitake-over provisions to use the term "resident domestic corporation" throughout. However, the revised definition inadvertently excludes publicly traded corporations and includes private corporations, when the reverse was intended. This bill corrects this error and modifies the definition of "resident domestic corporation" to apply only if the corporation has a class of voting stock that is registered or traded on a national securities exchange or that is registered under federal securities law.

Under current law, dry cleaners are subject to an annual fee of 1.8% of their previous year's gross receipts. Under this bill, for the first year of the fee (1998) it is equal to the gross receipts from the effective date of the 1997-98 biennial budget act (October 14, 1997) to December 31, 1997.

The department of commerce administers the development zone program. Generally, after the department of commerce designates an area as a development zone, a person that conducts economic development activity in the area is certified by the department of commerce as eligible for certain tax credits. A person may claim up to \$6,500 in tax credits for creating or retaining a full-time job that is filled by an individual who is a member of the target population and up to \$4,000 in tax credits for creating or retaining a full-time job that is filled by an individual who is not a member of the target population. (Members of the target population are specifically described in the statutes and targeted for economic benefit under the program.) This bill specifies that the individuals who are not members of the target population must be Wisconsin residents.

EDUCATION

Under the full-time and part-time open enrollment programs, currently each school board is required to adopt a resolution by December 1997 specifying various school board criteria and policies relating to the programs.

This bill changes the date by which the resolution must be adopted to February 1, 1998.

SENATE BILL 362

Under current law, the technology for educational achievement in Wisconsin board (the TEACH board) may make subsidized loans to school districts and to public library boards for the purpose of upgrading the electrical wiring of school and library buildings and for the purpose of installing and upgrading computer network wiring. These subsidized loans are funded with public debt contracted by the state. Under current law, the term of the state public debt used to fund the subsidized loans may not exceed 10 years. This bill removes this restriction on the term of the public debt used to fund the subsidized loans and instead provides that the term of the subsidized loans made to school districts and public library boards may not exceed 10 years.

Under current law, the public service commission (PSC) must promulgate rules establishing an educational telecommunications access program under which certain educational entities, including private schools, are provided access to data lines and video circuits. The educational entities are required to pay a certain portion of the cost of such access. The costs in excess of this portion are paid from the universal service fund, which is also used to fund certain other programs. Certain telecommunications providers and other persons are required to contribute to the universal service fund. The PSC must designate a method for calculating the required contributions that ensures that the contributions are sufficient to pay the cost of the educational telecommunications access program that is in excess of the portion that is paid by educational entities that are not private schools.

Under this bill, the method for calculating the required contributions to the universal service fund must also ensure that the contributions are sufficient to pay the cost of the educational telecommunications access program that is in excess of the portion that is paid by private schools.

Under current law, the technology for educational achievement in Wisconsin board (board) awards grants from the universal service fund to certain school districts to pay a portion of the costs incurred under certain contracts for telecommunications access that the school districts entered into before October 14, 1997. The public service commission (PSC) is required to use the moneys in the universal service fund only for specified purposes which do not include the grants awarded by the board to the school districts. This bill specifies that the PSC may use the universal fund to make the grants awarded by the board to school districts.

ENVIRONMENT AND NATURAL RESOURCES

Under current law, this state awards grants to local governmental units for the operation of local recycling programs. The grants are funded through the year 2000.

This bill specifies that the eligibility requirements and the formula for determining the amount of the grant for the year 2000 are the same requirements and formula used for 1999. The bill also establishes the year 2000 as the sunset date of the grant program.

SENATE BILL 362

This bill corrects a reference to the location of a boat landing for which Richland County received funding under the recreational boating project program in the 1997 biennial budget act.

This bill eliminates 2 references in the statutes to the environmental performance council, which was proposed to be created in the 1997 budget bill but was deleted from the budget bill in the legislative process.

This bill also makes 2 minor adjustments in appropriations to DNR.

This bill provides funding to the department of natural resources to study fish in the Great Lakes.

SOCIAL SERVICES

Under current law, an individual may receive a child care subsidy under the Wisconsin works program for child care needed to obtain a high school diploma or to participate in a course of study for a declaration of equivalency of high school graduation (GED), if the individual meets certain eligibility requirements. Among other things, the individual must be under 20 years of age and must reside in certain types of supervised living arrangements. These supervised living arrangements include residency with a custodial parent or a kinship care relative and residency in a foster home, a group home or an independent living arrangement supervised by an adult. This bill modifies these eligibility requirements so that the supervised living arrangement requirement applies only to persons under 18.

Currently, DHFS must allocate \$1,224,000 of general purpose revenues in each fiscal year to county aging units to provide benefit specialist services for persons who are aged at least 60. DHFS must also allocate \$132,500 in each fiscal year to area agencies on aging for training, supervision and legal back-up services for benefit specialists. Under 1997 Wisconsin Act 27 (the biennial budget act), although the appropriation amount for these purposes was increased, after partial veto, to provide \$2,348,400 in each fiscal year for elderly benefit specialist services, the statutes authorizing this program were not correspondingly changed.

This bill requires DHFS to allocate \$2,298,400 in general purpose revenues to counties in each fiscal year to provide elderly benefit specialist services. The bill also requires DHFS to allocate \$182,500 in general purpose revenues to area agencies on aging in each fiscal year for training, supervision and legal back-up services for benefit specialists.

Under current law, on January 1, 1998, DHFS takes over from the Milwaukee County department of social services the responsibility for providing child welfare services in Milwaukee County. Current law requires Milwaukee County to contribute \$31,280,700 in state fiscal year 1997-98 and \$62,561,400 in state fiscal year 1998-99 for the provision of those services. This bill adjusts those amounts to

SENATE BILL 362

\$30,489,200 in state fiscal year 1997-98 and \$60,978,400 in state fiscal year 1998-99.

Under current law, a county department of human services or social services (county department) must conduct a criminal background investigation of all persons applying for kinship care payments (kinship care relatives), of all employees and prospective employees of a kinship care relative who have or would have regular contact with the child for whom the kinship care payments are being made and of all adult residents and prospective adult residents of the home of a kinship care relative. As part of the background investigation, the county department must require the person being investigated to be photographed and fingerprinted, if the person is, or within the last 5 years has been, a nonresident or if the county department determines that there is a reasonable basis for further investigation. This bill eliminates the requirement that a county department require a person meeting any of those criteria be photographed.

1997 Wisconsin Act 27 (the budget act) eliminated the Wisconsin works health plan. This bill eliminates cross-references to the Wisconsin works health plan that erroneously remained in the budget act.

TAXATION AND TAX ADMINISTRATION

This bill makes a technical correction to make the administration of the aviation fuel tax consistent.

This bill responds to uncertainty about the validity of 2 vetoes to 1997 Wisconsin Act 27. The bill provides that any person who is not otherwise required to collect sales taxes or use taxes may register with the department of revenue and that medicines that may not be dispensed without a prescription and that are furnished without charge to a physician, nurse, nurse anesthetist, advanced practice nurse, osteopath, dentist, podiatrist or optometrist are exempt from the sales tax and the use tax.

The rate of taxation under current law, for taxable years beginning before January 1, 1998, for the lowest income tax bracket for single individuals, certain fiduciaries, heads of households and married persons is 4.9% of taxable income, the rate for the middle bracket is 6.55% and the rate for the highest bracket is 6.93%.

For taxable years beginning after December 31, 1997, current law lowers the rate of taxation for all brackets by 1.0%. Therefore, for taxable years beginning after December 31, 1997, the rate of taxation under current law for the lowest bracket for single individuals, certain fiduciaries, heads of households and married persons is 4.85% of taxable income, the rate for the middle bracket is 6.48% and the rate for the highest bracket is 6.87%.

For taxable years beginning after December 31, 1998, current law also indexes for inflation the maximum dollar amount in each tax bracket and the corresponding minimum dollar amount in the next bracket, and the dollar amounts of the standard deduction that may be claimed by individual income tax payers.

SENATE BILL 362

Current law also prohibits the department of revenue (DOR) from adjusting the withholding tables to reflect the changes in rates of taxation for any taxable year that begins before January 1, 2000. This bill prohibits DOR from adjusting the withholding tables to reflect the changes in dollar amounts because of tax bracket and standard deduction indexing for any taxable year that begins before January 1, 2000.

This bill also makes a technical change in the calculation of the income tax liability of nonresident and part-year resident individuals. Under current law, one of the 2 formulas used to calculate the tax liability of nonresident and part-year resident individuals applies to taxable years beginning after December 31, 1996, and ending before January 1, 1998. The other formula use to calculate their tax liability applies to taxable years beginning after December 31, 1997. This bill changes the applicability of the first formula such that it applies to taxable years beginning after December 31, 1996, and before January 1, 1998.

This bill creates 4.5 FTE positions for DOR for the administration of the rental vehicle fee.

Under the international fuel tax agreement (IFTA), to which this state is a party, every person who drives a larger motor truck into this state using motor fuel purchased outside this state pays the Wisconsin motor vehicle fuel tax and the oil inspection fee by purchasing in this state motor vehicle fuel in an amount that is equivalent to the gallonage consumed while driving the truck in this state, or by remitting the tax and fee directly to the department of transportation (DOT) or to another jurisdiction that is a party to IFTA. 1997 Wisconsin Act 27, the biennial state budget act, increased the motor vehicle fuel tax rate.

This bill requires DOT to recalculate the amount of motor vehicle fuel tax payable under IFTA for the 4th quarter of 1997 to reflect the midquarter increase to this state's motor vehicle fuel tax rate.

Under current law, sales of food, beverages and similar goods under a contract or an agreement by an institution of higher education to a student are exempt from the sales tax and the use tax if the goods are consumed by the student. This bill expands the exemption to include sales for which the payments are made by students through use of an account of that institution.

OTHER

This bill clarifies that the salary-setting authority of the University of Wisconsin board of regents is subject to general salary-setting provisions affecting all boards, commissions and elective and appointive state officials. The bill does not affect the authority of the University of Wisconsin board of regents to adjust salaries for incumbents of certain positions in an amount different from that provided in the compensation plan if the adjustment is for the purpose of correcting a salary inequity or recognizing competitive factors.

SENATE BILL 362

1997 Wisconsin Act 27 created a reserve "Class B" license, which authorizes the sale of intoxicating liquor to be consumed on the premises where sold, and established a quota on the number of these licenses which a municipality may issue.

This bill corrects cross-references relating to a municipal clerk's duty to record certain information required for determining the municipality's quota of reserve "Class B" licenses.

The bill also clarifies that a fee that is payable only upon the initial issuance of a "Class B" license is not an "annual" fee.

The budget bill, 1997 Wisconsin Act 27, abolishes the state emergency response board effective July 1, 1998, and gives that board's former responsibilities to the division of emergency management in the department of military affairs. Under current law, the state emergency response board is required to notify the joint committee on finance before entering into any agreements with regional emergency response teams related to emergency responses to level A releases, those releases that require the highest level of protection for the responders. This bill transfers that requirement to the division of emergency management in the department of military affairs.

Under current law, the department of corrections (DOC) assesses supervision fees to persons who are on probation. If a person on probation fails to pay supervision fees assessed by DOC, the court that placed the person on probation may, after a hearing, extend a probationer's period of probation, modify the terms and conditions of probation or revoke the person's probation. In addition, if the court does not extend the period of probation, a court's finding that the person owes supervision fees can be entered as a civil judgment against the person, which DOC can use to collect the unpaid fees. Finally, DOC may seek revocation of a person's probation using the administrative revocation process if the person fails to pay supervision fees.

This bill eliminates the courts' authority to revoke a person's probation for failing to pay supervision fees. The bill does not affect the authority of DOC to seek revocation of probation using the administrative revocation process.

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

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

1 **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
2 the following amounts for the purposes indicated:

SENATE BILL 362

1 1997-98 1998-99

2 **20.566 Revenue, department of**

3 (1) COLLECTION OF TAXES

4 (qm) Administration of rental vehicle

5 fee SEG A -0- -0-

6 **SECTION 2.** 20.566 (1) (qm) of the statutes is created to read:

7 20.566 (1) (qm) *Administration of rental vehicle fee.* From the transportation
8 fund, the amounts in the schedule for the administration of the rental vehicle fee
9 under subch. XI of ch. 77.

10 **SECTION 3.** 20.865 (4) (u) of the statutes is amended to read:

11 20.865 (4) (u) *Segregated funds general program supplementation.* From the
12 appropriate segregated funds, a sum sufficient to supplement appropriations made
13 from such funds, as provided in s. 13.101, or made under 1997 Wisconsin Act ... (this
14 act), section 9143 (1). The governor may under this paragraph allot sums not in
15 excess of \$1,000 to any state agency when necessary, without a meeting of the joint
16 committee on finance. All supplements made under this paragraph to an
17 appropriation by the governor shall be certified by him or her to the department of
18 administration, and expenditures therefrom shall be shown in the state budget
19 report as an additional cost of the state agency for which such supplements were
20 made.

21 **SECTION 4.** 20.865 (4) (u) of the statutes, as affected by 1997 Wisconsin Act ...

22 (this act), is amended to read:

23 20.865 (4) (u) *Segregated funds general program supplementation.* From the
24 appropriate segregated funds, a sum sufficient to supplement appropriations made

SENATE BILL 362**SECTION 4**

1 from such funds, as provided in s. 13.101, ~~or made under 1997 Wisconsin Act (this~~
2 ~~act), section 9143 (1).~~ The governor may under this paragraph allot sums not in
3 excess of \$1,000 to any state agency when necessary, without a meeting of the joint
4 committee on finance. All supplements made under this paragraph to an
5 appropriation by the governor shall be certified by him or her to the department of
6 administration, and expenditures therefrom shall be shown in the state budget
7 report as an additional cost of the state agency for which such supplements were
8 made.

9 **SECTION 5.** 20.923 (1) of the statutes, as affected by 1997 Wisconsin Act 27, is
10 amended to read:

11 20.923 (1) ESTABLISHMENT OF EXECUTIVE SALARY GROUPS. To this end, a
12 compensation plan consisting of 10 executive salary groups is established in
13 schedule one of the state compensation plan for the classified service from ranges 18
14 through 27. No salary range established above salary range 23 may be utilized in the
15 establishment and compensation of positions in the classified service without
16 specific approval of the joint committee on employment relations. The dollar value
17 of the salary range minimum and maximum for each executive salary group shall be
18 reviewed and established in the same manner as that provided for positions in the
19 classified service under s. 230.12 (3). The salary-setting authority of individual
20 boards, commissions, elective and appointive officials elsewhere provided by law is
21 subject to and limited by this section, and the salary rate for these positions upon
22 appointment and subsequent thereto shall be set by the appointing authority
23 pursuant to this section, ~~except as provided in s. 36.09 (1) (j) and as otherwise~~
24 required by article IV, section 26, of the constitution.

25 **SECTION 6.** 25.40 (2) (b) 20s. of the statutes is created to read:

SENATE BILL 362

1 25.40 (2) (b) 20s. Section 20.566 (1) (qm).

2 **SECTION 7.** 44.72 (4) (b) of the statutes, as created by 1997 Wisconsin Act 27,
3 is amended to read:

4 44.72 (4) (b) *Subsidized loan applications, terms and conditions.* The board
5 shall establish application procedures for, and the terms and conditions of,
6 subsidized loans under this subsection. The terms may include provision of
7 professional building construction services under s. 16.85 (15). The board shall
8 determine the interest rate on these loans. The interest rate shall be as low as
9 possible but shall be sufficient to fully pay all interest expenses incurred by the state
10 and to provide reserves that are reasonably expected to be required in the judgment
11 of the board to ensure against losses arising from delinquency and default in the
12 repayment of subsidized loans. The term of a subsidized loan under this subsection
13 may not exceed 10 years.

14 **SECTION 8.** 44.72 (4) (d) of the statutes, as created by 1997 Wisconsin Act 27,
15 is amended to read:

16 44.72 (4) (d) *Funding for subsidized loans.* The board, with the approval of the
17 governor and subject to the limits of s. 20.866 (2) (zc) and (zcm), may request that the
18 building commission contract public debt in accordance with ch. 18 to fund loans
19 under this subsection. ~~The term of public debt contracted under s. 20.866 (2) (zc) and~~
20 ~~(zcm) may not exceed 10 years.~~

21 **SECTION 9.** 46.81 (2) of the statutes is amended to read:

22 46.81 (2) From the appropriation under s. 20.435 (7) (dj), the department shall
23 allocate ~~\$1,224,000~~ \$2,298,400 in each fiscal year to aging units to provide benefit
24 specialist services for older individuals. The department shall ensure that each

SENATE BILL 362**SECTION 9**

1 aging unit receives funds and shall take into account the proportion of the state's
2 population of low-income older individuals who reside in a county.

3 **SECTION 10.** 46.81 (5) of the statutes is amended to read:

4 46.81 (5) From the appropriation under s. 20.435 (7) (dj) the department shall
5 allocate ~~\$132,500~~ \$182,500 in each fiscal year to area agencies on aging. Each area
6 agency on aging shall use the funds for training, supervision and legal back-up
7 services for benefit specialists within its area.

8 **SECTION 11.** 48.561 (3) (a) of the statutes, as created by 1997 Wisconsin Act 27,
9 is amended to read:

10 48.561 (3) (a) A county having a population of 500,000 or more shall contribute
11 ~~\$31,280,700~~ \$30,489,200 in state fiscal year 1997 -- 98 for the provision of child
12 welfare services in that county by the department.

13 **SECTION 12.** 48.561 (3) (a) of the statutes, as affected by 1997 Wisconsin Act 27,
14 section 1600d, and 1997 Wisconsin Act ... (this act), is repealed and recreated to read:

15 48.561 (3) (a) A county having a population of 500,000 or more shall contribute
16 \$60,978,400 in each state fiscal year for the provision of child welfare services in that
17 county by the department.

18 **SECTION 13.** 48.57 (3p) (d) of the statutes, as affected by 1997 Wisconsin Act
19 27, is amended to read:

20 48.57 (3p) (d) If the person being investigated under par. (b) or (c) is a
21 nonresident, or at any time within the 5 years preceding the date of the application
22 has been a nonresident, or if the county department or, in a county having a
23 population of 500,000 or more, the department of health and family services
24 determines that the person's employment, licensing or state court records provide a
25 reasonable basis for further investigation, the county department or department of

SENATE BILL 362

1 health and family services shall require the person to be photographed and
2 fingerprinted on 2 fingerprint cards, each bearing a complete set of the person's
3 fingerprints. The department of justice may provide for the submission of the
4 fingerprint cards to the federal bureau of investigation for the purposes of verifying
5 the identity of the person fingerprinted and obtaining records of his or her criminal
6 arrest and conviction.

7 **SECTION 14.** 49.141 (1) (p) of the statutes, as affected by 1997 Wisconsin Act 27,
8 is amended to read:

9 49.141 (1) (p) "Wisconsin works" means the assistance program for families
10 with dependent children, administered under ss. 49.141 to 49.161, ~~except that~~
11 ~~"Wisconsin works" does not include the Wisconsin works health plan under s. 49.153,~~
12 ~~unless a waiver under s. 49.153 (1m) is granted and in effect or federal legislation~~
13 ~~that permits the application of s. 49.153 is enacted.~~

14 **SECTION 15.** 49.141 (7) (c) (intro.) of the statutes, as created by 1997 Wisconsin
15 Act 27, is amended to read:

16 49.141 (7) (c) Except as provided in par. (d), in addition to the penalties
17 applicable under par. (a) or (b), a person shall be suspended from participating in
18 Wisconsin works, ~~except s. 49.153~~, for a period of 10 years, beginning on the date of
19 conviction, if the person is convicted in a federal or state court for any of the following:

20 **SECTION 16.** 49.155 (1m) (a) 1m. of the statutes, as created by 1997 Wisconsin
21 Act 27, is repealed and recreated to read:

22 49.155 (1m) (a) 1m. Obtain a high school diploma or participate in a course of
23 study meeting the standards established by the state superintendent of public
24 instruction for the granting of a declaration of equivalency of high school graduation,

SENATE BILL 362**SECTION 16**

1 if the individual is not subject to the school attendance requirement under s. 49.26
2 (1) (ge) and at least one of the following conditions is met:

3 a. The individual is 18 or 19 years of age.

4 b. The individual has not yet attained the age of 18 years and the individual
5 resides with his or her custodial parent or with a kinship care relative under s. 48.57
6 (3m) or is in a foster home or treatment foster home licensed under s. 48.62, a group
7 home or an independent living arrangement supervised by an adult.

8 **SECTION 17.** 59.53 (5) of the statutes, as affected by 1997 Wisconsin Act 3 and
9 1997 Wisconsin Act 27, section 2165, is amended to read:

10 **59.53 (5)** CHILD AND SPOUSAL SUPPORT; PATERNITY PROGRAM; MEDICAL SUPPORT
11 LIABILITY PROGRAM. The board shall contract with the department of workforce
12 development to implement and administer the child and spousal support and
13 establishment of paternity and the medical support liability programs provided for
14 by Title IV of the federal social security act. The board may designate by board
15 resolution any office, officer, board, department or agency, except the clerk of circuit
16 court, as the county child support agency. The board or county child support agency
17 shall implement and administer the programs in accordance with the contract with
18 the department of workforce development. The attorneys responsible for support
19 enforcement under sub. (6) (a), family court commissioner and all other county
20 officials shall cooperate with the county and the department of workforce
21 development as necessary to provide the services required under the programs. The
22 county shall charge the fee established by the department of workforce development
23 under s. 49.22 for services provided under this subsection to persons not receiving
24 benefits under s. 49.148, ~~49.153~~ or 49.155 or assistance under s. 46.261, 49.19 or
25 49.47.

SENATE BILL 362

1 **SECTION 18.** 71.06 (2s) (a) of the statutes, as created by 1997 Wisconsin Act 27,
2 is amended to read:

3 71.06 **(2s)** (a) For taxable years beginning after December 31, 1996, and ending
4 before January 1, 1998, with respect to nonresident individuals, including
5 individuals changing their domicile into or from this state, the tax brackets under
6 subs. (1) and (2) shall be multiplied by a fraction, the numerator of which is
7 Wisconsin adjusted gross income and the denominator of which is federal adjusted
8 gross income. In this paragraph, for married persons filing separately “adjusted
9 gross income” means the separate adjusted gross income of each spouse, and for
10 married persons filing jointly “adjusted gross income” means the total adjusted gross
11 income of both spouses. If an individual and that individual’s spouse are not both
12 domiciled in this state during the entire taxable year, the tax brackets under subs.
13 (1) and (2) on a joint return shall be multiplied by a fraction, the numerator of which
14 is their joint Wisconsin adjusted gross income and the denominator of which is their
15 joint federal adjusted gross income.

16 **SECTION 19.** 71.07 (2dx) (a) 5. of the statutes, as created by 1997 Wisconsin Act
17 27, is amended to read:

18 71.07 **(2dx)** (a) 5. “Member of a targeted group” means a person under sub. (2dj)
19 (am) 1., a person who resides in an empowerment zone, or an enterprise community,
20 that the U.S. government designates, a person who is employed in an unsubsidized
21 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin
22 works employment position, a person who is employed in a trial job, as defined in s.
23 49.141 (1) (n), ~~a person who is eligible for the Wisconsin works health plan under s.~~
24 ~~49.153~~ or a person who is eligible for child care assistance under s. 49.155; if the

SENATE BILL 362**SECTION 19**

1 person has been certified in the manner under sub. (2dj) (am) 3. by a designated local
2 agency, as defined in sub. (2dj) (am) 2.

3 **SECTION 20.** 71.28 (1dx) (a) 5. of the statutes, as created by 1997 Wisconsin Act
4 27, is amended to read:

5 71.28 (1dx) (a) 5. "Member of a targeted group" means a person under sub. (1dj)
6 (am) 1., a person who resides in an empowerment zone, or an enterprise community,
7 that the U.S. government designates, a person who is employed in an unsubsidized
8 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin
9 works employment position, a person who is employed in a trial job, as defined in s.
10 49.141 (1) (n), ~~a person who is eligible for the Wisconsin works health plan under s.~~
11 ~~49.153~~ or a person who is eligible for child care assistance under s. 49.155; if the
12 person has been certified in the manner under sub. (1dj) (am) 3. by a designated local
13 agency, as defined in sub. (1dj) (am) 2.

14 **SECTION 21.** 71.47 (1dx) (a) 5. of the statutes, as created by 1997 Wisconsin Act
15 27, is amended to read:

16 71.47 (1dx) (a) 5. "Member of a targeted group" means a person under sub. (1dj)
17 (am) 1., a person who resides in an empowerment zone, or an enterprise community,
18 that the U.S. government designates, a person who is employed in an unsubsidized
19 job but meets the eligibility requirements under s. 49.145 (2) and (3) for a Wisconsin
20 works employment position, a person who is employed in a trial job, as defined in s.
21 49.141 (1) (n), ~~a person who is eligible for the Wisconsin works health plan under s.~~
22 ~~49.153~~ or a person who is eligible for child care assistance under s. 49.155; if the
23 person has been certified in the manner under sub. (1dj) (am) 3. by a designated local
24 agency, as defined in sub. (1dj) (am) 2.

SENATE BILL 362

1 **SECTION 22.** 71.64 (9) (b) of the statutes, as affected by 1997 Wisconsin Act 27,
2 is amended to read:

3 71.64 (9) (b) The department shall from time to time adjust the withholding
4 tables to reflect any changes in income tax rates, any applicable surtax or any
5 changes in dollar amounts in s. 71.06 (1), (1m) and (2) resulting from statutory
6 changes, except that the department may not adjust the withholding tables to reflect
7 the changes in rates in s. 71.06 (1m) and (2) (c) and (d) and any changes in dollar
8 amounts with respect to bracket indexing under s. 71.06 (2e) and with respect to
9 standard deduction indexing under s. 71.05 (22) (ds) for any taxable year that begins
10 before January 1, 2000. The tables shall account for the working families tax credit
11 under s. 71.07 (5m). The tables shall be extended to cover from zero to 10 withholding
12 exemptions, shall assume that the payment of wages in each pay period will, when
13 multiplied by the number of pay periods in a year, reasonably reflect the annual wage
14 of the employe from the employer and shall be based on the further assumption that
15 the annual wage will be reduced for allowable deductions from gross income. The
16 department may determine the length of the tables and a reasonable span for each
17 bracket. In preparing the tables the department shall adjust all withholding
18 amounts not an exact multiple of 10 cents to the next highest figure that is a multiple
19 of 10 cents. The department shall also provide instructions with the tables for
20 withholding with respect to quarterly, semiannual and annual pay periods.

21 **SECTION 23.** 77.53 (9m) of the statutes, as affected by 1997 Wisconsin Act 27,
22 is repealed and recreated to read:

23 77.53 (9m) Any person who is not otherwise required to collect any tax imposed
24 by this subchapter and who makes sales to persons within this state of tangible
25 personal property or taxable services the use of which is subject to tax under this

SENATE BILL 362**SECTION 23**

1 subchapter may register with the department under the terms and conditions that
2 the department imposes and shall obtain a valid certificate under s. 73.03 (50) and
3 thereby be authorized and required to collect, report and remit to the department the
4 use tax imposed by this subchapter.

5 **SECTION 24.** 77.54 (14) (f) of the statutes, as created by 1997 Wisconsin Act 27,
6 is repealed and recreated to read:

7 77.54 (14) (f) Furnished without charge to a physician, surgeon, nurse
8 anesthetist, advanced practice nurse, osteopath, dentist who is licensed under ch.
9 447, podiatrist who is licensed under ch. 448 or optometrist who is licensed under ch.
10 449 if the medicine may not be dispensed without a prescription.

11 **SECTION 25.** 77.54 (20) (c) 5. of the statutes, as affected by 1997 Wisconsin Act
12 27, is amended to read:

13 77.54 (20) (c) 5. Taxable sales shall not include meals, food, food products or
14 beverages, furnished in accordance with any contract or agreement or paid for to
15 such institution through the use of an account of such institution, by a public or
16 private institution of higher education to an undergraduate student, a graduate
17 student or a student enrolled in a professional school if the student is enrolled for
18 credit at that institution and if the goods are consumed by that student and meals,
19 food, food products or beverages furnished to a national football league team under
20 a contract or agreement.

21 **SECTION 26.** 78.58 (3) of the statutes, as affected by 1997 Wisconsin Act 27, is
22 amended to read:

23 78.58 (3) COMPUTATION OF TAX. Each general aviation fuel licensee at the time
24 of making the monthly or quarterly report shall compute and pay the full amount of
25 the general aviation fuel tax for the next preceding month or quarter, which shall be

SENATE BILL 362

1 computed as follows: the number of gallons of general aviation fuel placed into the
2 fuel supply tanks of an aircraft or into bulk storage facilities by the general aviation
3 fuel licensee, multiplied by ~~0.065~~ 0.06 and the resulting figure expressed in dollars.

4 **SECTION 27.** 118.51 (4) (a) (intro.) of the statutes, as affected by 1997 Wisconsin
5 Act 27, is amended to read:

6 118.51 (4) (a) (intro.) By ~~December 1997~~ February 1, 1998, each school board
7 shall adopt a resolution specifying all of the following:

8 **SECTION 28.** 118.52 (4) of the statutes, as affected by 1997 Wisconsin Act 27,
9 is amended to read:

10 118.52 (4) ADOPTION OF POLICIES AND CRITERIA. By ~~December 1997~~ February 1,
11 1998, each school board shall adopt a resolution specifying the criteria and policies
12 described in subs. (5) and (6). If the school board wishes to revise the criteria or
13 policies, it shall do so by resolution.

14 **SECTION 29.** 125.51 (3) (e) 3. of the statutes, as created by 1997 Wisconsin Act
15 27, is amended to read:

16 125.51 (3) (e) 3. Each municipal governing body shall establish the annual fee
17 for a "Class B" license issued under sub. (4) (v). The initial ~~annual~~ fee may be
18 different from the annual fee to renew the license.

19 **SECTION 30.** 125.51 (4) (br) 1. b., c. and d. of the statutes, as created by 1997
20 Wisconsin Act 27, are amended to read:

21 125.51 (4) (br) 1. b. Subtract the number recorded under par. (bm) 2. ~~b.~~ from
22 the result under subd. 1. a.

23 c. Divide the result under subd. ~~2.~~ 1. b. by 2, except that if the result is not a
24 whole number round the quotient down to the nearest whole number.

25 d. Add 3 to the result under subd. ~~2.~~ 1. c.

SENATE BILL 362**SECTION 31**

1 **SECTION 31.** 166.215 (5) of the statutes, as created by 1997 Wisconsin Act 27,
2 is amended to read:

3 166.215 (5) The ~~board~~ division shall notify the joint committee on finance in
4 writing, before entering into a new contractual agreement under sub. (1) or renewing
5 or extending a contractual agreement under sub. (1), of the specific funding
6 commitment involved in that proposed new, renewed or extended contract. The
7 ~~board~~ division shall include in that notification information regarding any
8 anticipated contractual provisions that involve state fiscal commitments for each
9 fiscal year in the proposed new, renewed or extended contract. The ~~board~~ division
10 may enter into a new contractual agreement or renew or extend a contractual
11 agreement, as proposed in the notification to the joint committee on finance, if within
12 14 working days after notification the committee does not schedule a meeting to
13 review the ~~board's~~ division's proposed action. If, within 14 working days after
14 notification to the joint committee on finance, the committee notifies the ~~board~~
15 division that the committee has scheduled a meeting to review the ~~board's~~ division's
16 proposed action, the ~~board~~ division may enter into the proposed new contact or renew
17 or extend the contract as proposed only if the committee approves that action.
18 Notwithstanding s. 13.10, the ~~board~~ division may include in its notification to the
19 joint committee on finance a request for approval of any increase in the amount of
20 money in the appropriation account under s. 20.465 (3) (dd) necessary to provide
21 sufficient money for the proposed new, renewed or extended contracts under sub. (1).

22 **SECTION 32.** 180.1130 (10m) of the statutes, as created by 1997 Wisconsin Act
23 27, is amended to read:

24 180.1130 (10m) "Resident domestic corporation" means a resident domestic
25 corporation, as defined in s. 180.1140 (9), if that corporation ~~does not have~~ has a class

SENATE BILL 362

1 of voting stock that is registered or traded on a national securities exchange or that
2 is registered under section 12 (g) of the Securities Exchange Act.

3 **SECTION 33.** 196.218 (3) (a) 3. of the statutes, as affected by 1997 Wisconsin Act
4 27, is amended to read:

5 196.218 (3) (a) 3. The commission shall designate the method by which the
6 contributions under this paragraph shall be calculated and collected. The method
7 shall ensure that the contributions are sufficient to generate the amounts
8 appropriated under ss. 20.155 (1) (q), 20.275 (1) (s) ~~and~~, (t) and (tm) and 20.285 (1)
9 (q). Contributions may be based only on the gross operating revenues from the
10 provision of broadcast services identified by the commission under subd. 2. and on
11 intrastate telecommunications services in this state of the telecommunications
12 providers subject to the contribution.

13 **SECTION 34.** 196.218 (5) (a) 7. of the statutes is created to read:

14 196.218 (5) (a) 7. To make grants awarded by the board to school districts under
15 sub. (4r) (g). This subdivision does not apply after June 30, 2002.

16 **SECTION 35.** 287.23 (3) (a) 2. of the statutes is amended to read:

17 287.23 (3) (a) 2. For assistance in 1995 to ~~1999~~ 2000, a responsible unit that
18 has been determined under s. 287.11 to have an effective recycling program.

19 **SECTION 36.** 287.23 (5) (c) 2. of the statutes, as affected by 1997 Wisconsin Act
20 27, is amended to read:

21 287.23 (5) (c) 2. Except as provided in subd. 5. or sub. (5e), for all other
22 responsible units, the amount of the grant for 1993 through ~~1999~~ 2000 equals either
23 66% of the difference between eligible expenses and avoided disposal costs or \$8
24 times the population of the responsible unit, whichever is less.

25 **SECTION 37.** 287.23 (7) of the statutes is amended to read:

SENATE BILL 362**SECTION 37**

1 287.23 (7) SUNSET. No grant may be awarded under this section for any year
2 after 1999 the year 2000.

3 **SECTION 38.** 299.80 (16) of the statutes, as created by 1997 Wisconsin Act 27,
4 is amended to read:

5 299.80 (16) REPORTS CONCERNING THE PROGRAM UNDER THIS SECTION. (a)
6 Beginning not later than the first day of the 13th month beginning after October 14,
7 1997, the secretary of natural resources shall submit an annual progress report on
8 the program under this section to the governor, ~~the environmental performance~~
9 ~~council~~ and, under s. 13.172 (3), the standing committees of the legislature with
10 jurisdiction over environmental matters.

11 (b) Not later than the first day of the 48th month beginning after October 14,
12 1997, the secretary of natural resources shall submit a report to the governor, ~~the~~
13 ~~environmental performance council~~ and, under s. 13.172 (2) the legislature on the
14 success of the program under this section. The report shall include recommendations
15 concerning the continuation of the program under this section and any changes that
16 should be made to the program.

17 **SECTION 39.** 560.785 (1) (c) 1. of the statutes, as created by 1997 Wisconsin Act
18 27, is amended to read:

19 560.785 (1) (c) 1. Creating a full-time job that is filled by an individual who is
20 a Wisconsin resident and who is not a member of the target population.

21 **SECTION 40.** 560.785 (1) (c) 2. of the statutes, as created by 1997 Wisconsin Act
22 27, is amended to read:

23 560.785 (1) (c) 2. Retaining a full-time job that is filled by an individual who
24 is a Wisconsin resident and who is not a member of the target population.

SENATE BILL 362

1 **SECTION 41.** 973.09 (3) (bm) 3. of the statutes, as created by 1997 Wisconsin Act
2 27, is amended to read:

3 973.09 (3) (bm) 3. At a probation review hearing under subd. 2., the department
4 has the burden of proving that the probationer owes unpaid fees under s. 304.073 or
5 304.074 and the amount of the unpaid fees. If the department proves by a
6 preponderance of the evidence that the probationer owes unpaid fees under s.
7 304.073 or 304.074, the court may, by order, extend the period of probation for a
8 stated period, or modify the terms and conditions of probation ~~or revoke the~~
9 probationer's probation.

10 **SECTION 42.** 973.09 (3) (bm) 4. of the statutes, as created by 1997 Wisconsin Act
11 27, is amended to read:

12 973.09 (3) (bm) 4. If the court does not extend, ~~revoke~~ or modify the terms of
13 probation under subd. 3., it shall issue a judgment for the unpaid fees and direct the
14 clerk of circuit court to file and enter the judgment in the judgment and lien docket,
15 without fee. If the court issues a judgment for the unpaid fees, the court shall send
16 to the department a written notification that a civil judgment has been issued for the
17 unpaid fees. The judgment has the same force and effect as judgments entered under
18 s. 806.10.

19 **SECTION 43.** 1997 Wisconsin Act 27, section 9137 (9c) is amended to read:

20 [1997 Wisconsin Act 27] Section 9137 (9c) RECREATIONAL BOATING PROJECT; ~~LONE~~
21 ~~ROCK~~ BOAT LANDING. From the appropriation under section 20.370 (5) (cq) of the
22 statutes, the department of natural resources shall provide to Richland County the
23 amount that is necessary for soil erosion control at ~~Lone Rock~~ a boat landing on the
24 Wisconsin River in the town of Buena Vista, but the amount may not exceed \$10,000.
25 Notwithstanding section 30.92 (4) (b) 2. of the statutes, as affected by this act,

SENATE BILL 362**SECTION 43**

1 Richland County need not contribute any moneys to match the amount provided
2 under this subsection. The amount expended under this subsection shall be
3 considered an expenditure for an inland water project as provided in section 30.92
4 (4) (b) 6. of the statutes. This project need not be placed on the priority list under
5 section 30.92 (3) (a) of the statutes. This subsection does not apply after June 30,
6 2000.

7 **SECTION 44.** 1997 Wisconsin Act 27, section 9143 (1m) is created to read:

8 [1997 Wisconsin Act 27] Section 9143 (1m) DRY CLEANER'S FEE. Notwithstanding
9 section 77.9961 (1) of the statutes, as created by this act, the fee that is due on
10 January 15, 1998, under section 77.9961 (2) of the statutes, as created by this act,
11 is equal to 1.8% of the dry cleaner's gross receipts from October 14, 1997, to December
12 31, 1997.

13 **SECTION 9143. Nonstatutory provisions; revenue.**

14 (1) RENTAL VEHICLE ADMINISTRATION FEE. The authorized FTE positions for the
15 department of revenue are increased by 4.5 SEG positions on January 4, 1998, to be
16 funded from the appropriation under section 20.566 (1) (qm) of the statutes, as
17 created by this act, for the administration of the rental vehicle fee under subchapter
18 XI of chapter 77 of the statutes. The department of revenue and the department of
19 transportation shall jointly request the joint committee on finance to supplement,
20 from the fund under section 25.40 of the statutes, the appropriation under section
21 20.566 (1) (qm) of the statutes, as created by this act.

22 **SECTION 45. Nonstatutory provisions; transportation.**

23 (1) CALCULATION OF RATE. The department of transportation shall determine the
24 rate for calculating the amount due under section 341.45 (1g) (a) of the statutes for
25 the 4th quarter of 1997 by adding the rates for the taxes under chapter 78 of the

SENATE BILL 362

1 statutes and the fee under section 168.12 of the statutes for each of the months in the
2 quarter, by adding the 3 total rates and by dividing that total by 3.

3 **SECTION 9237. Appropriation changes; natural resources.**

4 (1) OPERATION PERMIT PROGRAM. In the schedule under section 20.005 (3) of the
5 statutes for the appropriation to the department of natural resources under section
6 20.370 (9) (mh) of the statutes, as affected by the acts of 1997, the dollar amount is
7 decreased by \$14,200 for fiscal year 1997-98 and the dollar amount is decreased by
8 \$14,200 for fiscal year 1998-99 to decrease funding for the purposes for which the
9 appropriation is made.

10 (2) SOLID AND HAZARDOUS WASTE. In the schedule under section 20.005 (3) of the
11 statutes for the appropriation to the department of natural resources under section
12 20.370 (9) (mj) of the statutes, as affected by the acts of 1997, the dollar amount is
13 increased by \$14,200 for fiscal year 1997-98 and the dollar amount is increased by
14 \$14, 200 for fiscal year 1998-99 to increase funding for the purposes for which the
15 appropriation is made.

16 (3) STUDIES OF GREAT LAKES FISH. In the schedule under section 20.005 (3) of
17 the statutes for the appropriation to the department of natural resources under
18 section 20.370 (4) (mu) of the statutes, as affected by the acts of 1997, the dollar
19 amount is increased by \$16,000 for fiscal year 1997-98 and the dollar amount is
20 increased by \$32,000 for fiscal year 1998-99 to study fish in the Great Lakes.

21 **SECTION 9310. Initial applicability; commerce.**

22 (1) DEVELOPMENT ZONES CREDIT. The treatment of section 560.785 (1) (c) 1. and
23 2. of the statutes first applies to taxable years beginning on January 1, 1998.

24 **SECTION 9419. Effective dates; financial institutions.**

SENATE BILL 362**SECTION 9419**

1 (1) RESIDENT DOMESTIC CORPORATIONS. The treatment of section 180.1130 (10m)
2 of the statutes takes effect retroactively to October 14, 1997.

3 **SECTION 9423. Effective dates; health and family services.**

4 (1) MILWAUKEE CHILD WELFARE COUNTY CONTRIBUTION.

5 (a) The amendment of section 48.561 (3) (a) of the statutes takes effect on
6 January 1, 1998, or on the day after publication, whichever is later.

7 (b) The repeal and recreation of section 48.561 (3) (a) of the statutes takes effect
8 on July 1, 1998, or on the day after publication, whichever is later.

9 (2) KINSHIP CARE PHOTOGRAPH REQUIREMENT. The treatment of section 48.57 (3p)
10 (d) of the statutes takes effect on January 1, 1998, or on the day after publication,
11 whichever is later.

12 **SECTION 9432. Effective dates; legislature.**

13 (1) The treatment of section 20.865 (4) (u) (by SECTION 3s) of the statutes takes
14 effect on June 30, 1999.

15 **SECTION 9436. Effective dates; military affairs.**

16 (1) EMERGENCY MANAGEMENT. The treatment of section 166.215 (5) of the
17 statutes takes effect on July 1, 1998.

18 **SECTION 9443. Effective dates; revenue.**

19 (1) AVIATION FUEL TAX. The treatment of section 78.58 (3) of the statutes takes
20 effect on January 1, 1998.

21 (2) USE TAX REGISTRATION; MEDICINE SAMPLES.

22 (a) The treatment of section 77.53 (9m) the statutes takes effect on January 1,
23 1998.

SENATE BILL 362

SECTION 9443

1 (b) The treatment of section 77.54 (14) (f) the statutes takes effect on December
2 1, 1997.

3 (END)