



2001 SENATE BILL 164

April 30, 2001 - Introduced by JOINT LEGISLATIVE COUNCIL. Referred to Joint survey committee on Tax Exemptions.

1 **AN ACT to amend** 44.62 (2), 71.21 (4), 71.26 (2) (a), 71.34 (1) (g) and 77.92 (4); and
2 **to create** 20.215 (1) (j), 20.220, 25.14 (1) (a) 15., 25.17 (1) (ak), 25.77, 71.07 (5)
3 (a) 10., 71.07 (9t), 71.10 (4) (dg), 71.26 (1) (bo), 71.28 (9t), 71.30 (3) (bm), 71.47
4 (9t), 71.49 (1) (bm), 73.03 (35m), 73.03 (56), 77.54 (7r) and chapter 247 of the
5 statutes; **relating to:** creating a Wisconsin Artistic Endowment Foundation
6 and an artistic endowment fund, creating an income tax credit for contributions
7 to the fund, creating a sales tax exemption for sales of tickets and admissions
8 by nonprofit organizations, and making appropriations.

Analysis by the Legislative Reference Bureau

This bill creates the Wisconsin Artistic Endowment Foundation, a nonprofit corporation organized so that contributions to it are tax deductible. The foundation is governed by a 14-member board of directors, eight of whom are appointed by the governor. The other board members are the chairperson of the arts board, two representatives to the assembly, two senators, and the executive secretary of the arts board, who is a nonvoting member.

The bill creates a segregated fund called the "artistic endowment fund". The fund consists of all gifts or other contributions made to the fund. In addition, the bill directs the foundation to deposit in the fund all cash gifts made to the foundation and

SENATE BILL 164

all noncash gifts made to the foundation that the foundation converts to cash. The interest and earnings of the fund are appropriated to the foundation for the purpose of supporting arts programs. The bill authorizes the foundation to distribute moneys to the arts board for programs that provide operating support to arts organizations and for the Wisconsin regrating program, under which the arts board awards grants to counties, municipalities, and local arts agencies. The foundation may also distribute moneys to arts programs that it establishes, but only if the programs are reviewed biennially by the foundation with the advice of the arts board and statewide arts organizations. Of the total amount distributed by the foundation each year, at least 50% must be distributed to the arts board; however, the bill also prohibits the foundation from distributing moneys to the arts board in any fiscal year in which the amount of general purpose revenue appropriated to the arts board is less than in the previous fiscal year.

The bill creates an individual income tax credit and a corporate income and franchise tax credit. The individual credit may also be claimed by partners of a partnership, members of limited liability companies, and shareholders of tax-option corporations in proportion to their ownership interests. The credit may not be claimed by nonresidents of this state, but may be claimed by part-year residents, based on a ratio of their Wisconsin adjusted gross income to federal adjusted gross income.

The credit may be claimed by an individual in an amount not to exceed \$50 each taxable year, or \$100 each taxable year by a married couple that files a joint return, or \$500 each taxable year by a sole proprietor, by a partner, by a member of a limited liability company, by a shareholder in a tax-option corporation, or by a corporation.

The credit is nonrefundable so, if the amount of a credit for which a taxpayer is eligible exceeds the person's tax liability, no check is refunded to the claimant in the amount by which the credit due exceeds the taxpayer's tax liability. No claims may be filed for the credit once the department of revenue (DOR) determines that the total amount of revenues received by the endowment fund equals \$50,150,000. In addition, DOR is required to deny a portion of a credit claimed if the total amount of claims exceeds \$7,000,000 in a taxable year that begins after December 31, 2003.

The bill exempts from the sales tax, after December 31, 2001, sales of admissions or tickets to an artistic event sponsored by a nonprofit organization. The bill also requires DOR to include on its tax forms on which the credit may be claimed a statement that a taxpayer may contribute amounts to the artistic endowment fund that exceed the amount for which a credit may be claimed by reducing the taxpayer's refund or by increasing the taxpayer's payment for a tax liability.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to this bill.

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:

SENATE BILL 164

PREFATORY NOTE: This bill, recommended by the joint legislative council's special committee on arts funding, creates an artistic endowment foundation and fund. The foundation will have a 14-member board of directors, 8 of whom are appointed by the governor. The other members are the chairperson of the Wisconsin arts board or the chairperson's designee, the executive secretary of the Wisconsin arts board as a nonvoting member, and 4 legislators representing the majority and minority parties of each house of the legislature. The members appointed by the governor will serve staggered 7-year terms.

The foundation will be financed by revenues from contributions. The bill establishes a tax credit for contributions to the foundation. The individual tax credit is \$50 per taxable year (or \$100 per year for a married couple filing a joint return) and the corporate tax credit is \$500 per taxable year. The tax credits first apply to taxable years beginning after December 31, 2002. The revenues from contributions will be placed in an endowment fund, to be invested by the state of Wisconsin investment board. The tax credits will expire at the end of the calendar year in which total contributions to the artistic endowment fund total \$50,150,000.

The earnings on the revenues placed in the endowment fund will be used to provide funding to the Wisconsin arts board for programs that provide operating support to arts organizations and regrating programs of the board. At least 50% of unrestricted earnings, if distributed by the endowment fund, must be used for this purpose.

Also, up to 50% of the unrestricted earnings will be distributed to programs established and reviewed biennially by the foundation with the advice of the Wisconsin arts board and statewide arts organizations. These programs are required, to the extent possible, to use the arts board mechanisms and staff for administering and distributing funds. The bill also provides that the foundation may not distribute funds to the arts board in any fiscal year in which the foundation determines that the amount of general purpose revenues (GPR) appropriated to the arts board programs by the legislature is less than the amount appropriated for those programs in the previous fiscal year. This is a "maintenance of effort" provision to ensure that the earnings of the endowment fund are not used to replace state appropriations to the arts board.

The bill provides \$7,500 per year in GPR for start-up costs for the artistic endowment board. It also provides \$150,000 GPR for the biennium for public education and marketing relating to the fund which will be repaid by taking 50% of the first \$300,000 in contributions to the fund.

The bill directs the department of revenue to include on the forms on which the artistic endowment tax credits are claimed that a taxpayer may contribute amounts to the Wisconsin artistic endowment fund that exceed the amount for which a credit may be claimed by reducing the taxpayer's refund or increasing his or her payment for tax liability with proceeds deposited in the fund.

The bill also establishes a sales tax exemption for sales of tickets and admissions to artistic events sponsored by nonprofit organizations. The tax exemption will take effect on January 1, 2002.

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

SENATE BILL 164

2001-02 2002-03

**20.220 Wisconsin Artistic Endowment
Foundation**

(1) SUPPORT OF THE ARTS

(a) Wisconsin artistic endowment

board; start-up costs	GPR	A	7,500	7,500
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(b) Education and marketing	GPR	C	150,000	-0-
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(q) General program operations	SEG	A	-0-	-0-
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SECTION 2. 20.215 (1) (j) of the statutes is created to read:

20.215 (1) (j) *Support of arts programs.* All moneys received from the Wisconsin Artistic Endowment Foundation under s. 247.06 (1) (a) for operating support of arts organizations and for grants under the Wisconsin regranting program under s. 44.62.

SECTION 3. 20.220 of the statutes is created to read:

20.220 Wisconsin Artistic Endowment Foundation. There is appropriated to the Wisconsin Artistic Endowment Foundation for the following programs:

(1) SUPPORT OF THE ARTS. (a) *Wisconsin artistic endowment board; start-up costs.* The amounts in the schedule for the start-up costs of the Wisconsin artistic endowment board. No moneys may be encumbered from this appropriation after June 30, 2003.

(b) *Education and marketing.* As a continuing appropriation, the amounts in the schedule for public education and marketing relating to the Wisconsin artistic endowment fund.

SENATE BILL 164

1 (q) *General program operations.* From the artistic endowment fund, the
2 amounts in the schedule for general program operations of the foundation.

3 (r) *Support of the arts.* From the artistic endowment fund, as a continuing
4 appropriation, all moneys received as interest and earnings of the artistic
5 endowment fund, less the amounts appropriated in par. (q), for support of the arts
6 under s. 247.06.

7 **SECTION 4.** 25.14 (1) (a) 15. of the statutes is created to read:

8 25.14 (1) (a) 15. The artistic endowment fund.

9 **SECTION 5.** 25.17 (1) (ak) of the statutes is created to read:

10 25.17 (1) (ak) Artistic endowment fund (s. 25.77);

11 **SECTION 6.** 25.77 of the statutes is created to read:

12 **25.77 Artistic endowment fund. (1)** There is established a separate
13 nonlapsible trust fund designated as the artistic endowment fund, to consist of all
14 of the following:

15 (a) All gifts, grants, bequests, or other contributions made to the artistic
16 endowment fund.

17 (b) All gifts, grants, bequests, or other contributions made to the Wisconsin
18 Artistic Endowment Foundation and described under s. 247.05 (2) (f).

19 **(2)** Notwithstanding sub. (1), only 50% of the first \$300,000 of any gifts, grants,
20 bequests, or other contributions received under sub. (1) shall be deposited in the
21 artistic endowment fund.

22 **SECTION 7.** 44.62 (2) of the statutes is amended to read:

23 44.62 (2) Subject to sub. (3), the board shall award grants under the Wisconsin
24 regranting program to local arts agencies and municipalities. Grants shall be
25 awarded from the ~~appropriation~~ appropriations under s. 20.215 (1) (f) and (j).

SENATE BILL 164

1 **SECTION 8.** 71.07 (5) (a) 10. of the statutes is created to read:

2 71.07 **(5)** (a) 10. Any amount claimed as a credit under sub. (9t).

3 **SECTION 9.** 71.07 (9t) of the statutes is created to read:

4 71.07 **(9t)** ARTISTIC ENDOWMENT CREDIT. (a) *Definition.* In this subsection,
5 “claimant” means a person who files a claim under this subsection.

6 (b) *Filing claims.* For taxable years beginning after December 31, 2002, subject
7 to the limitations provided in this subsection and s. 73.03 (35m), a claimant may
8 claim as a credit against the tax imposed under s. 71.02, up to the amount of those
9 taxes, an amount equal to the amount contributed to the artistic endowment fund
10 under s. 25.77, not to exceed \$50 in a taxable year for a claimant who claims the credit
11 as an individual or claims the credit as a married person who files a separate income
12 tax return, not to exceed \$100 in a taxable year for a claimant and a claimant’s spouse
13 who file a joint return, and not to exceed \$500 in a taxable year for a claimant who
14 claims the credit as a sole proprietor, a partner, a member of a limited liability
15 company, or a shareholder in a tax-option corporation.

16 (c) *Limitations and conditions.* 1. Nonresidents of this state are not eligible
17 for the credit under this subsection.

18 2. For a claimant who is a part-year resident of this state and who is a single
19 person or a married person filing a separate return, multiply the credit for which the
20 claimant is eligible under par. (b) by a fraction, the numerator of which is the
21 individual’s Wisconsin adjusted gross income and the denominator of which is the
22 individual’s federal adjusted gross income. If a claimant is married and files a joint
23 return, and if the claimant or the claimant’s spouse, or both, are nonresidents or
24 part-year residents of this state, multiply the credit for which the claimant is eligible
25 under par. (b) by a fraction, the numerator of which is the couple’s joint Wisconsin

SENATE BILL 164

1 adjusted gross income and the denominator of which is the couple's joint federal
2 adjusted gross income.

3 3. No new claim may be filed under this subsection for a taxable year that
4 begins after December 31 of the year in which the department determines that the
5 total amount of revenues received by the endowment fund equals \$50,150,000.

6 4. No credit may be allowed under this subsection unless it is claimed within
7 the time period under s. 71.75 (2).

8 5. Partnerships, limited liability companies, and tax-option corporations may
9 not claim the credit under this subsection, but the eligibility for, and the amount of,
10 the credit are based on their economic activity. A partnership, limited liability
11 company, or tax-option corporation shall compute the amount of credit that each of
12 its partners, members, or shareholders may claim and shall provide that information
13 to each of them. Partners, members of limited liability companies, and shareholders
14 of tax-option corporations may claim the credit in proportion to their ownership
15 interest.

16 (d) *Administration.* Section 71.28 (4) (e) and (g), as it applies to the credit under
17 s. 71.28 (4), applies to the credit under this subsection.

18 **SECTION 10.** 71.10 (4) (dg) of the statutes is created to read:

19 71.10 (4) (dg) The artistic endowment credit under s. 71.07 (9t).

20 **SECTION 11.** 71.21 (4) of the statutes is amended to read:

21 71.21 (4) Credits computed by a partnership under s. 71.07 (2dd), (2de), (2di),
22 (2dj), (2dL), (2ds), (2dx) ~~and (3s), and (9t)~~ and passed through to partners shall be
23 added to the partnership's income.

24 **SECTION 12.** 71.26 (1) (bo) of the statutes is created to read:

SENATE BILL 164

1 71.26 (1) (bo) *Wisconsin Artistic Endowment Foundation*. Income of the
2 Wisconsin Artistic Endowment Foundation under ch. 247.

3 **SECTION 13.** 71.26 (2) (a) of the statutes is amended to read:

4 71.26 (2) (a) *Corporations in general*. The “net income” of a corporation means
5 the gross income as computed under the internal revenue code as modified under
6 sub. (3) minus the amount of recapture under s. 71.28 (1di) plus the amount of credit
7 computed under s. 71.28 (1) ~~and, (3) to (5), and (9t)~~ plus the amount of the credit
8 computed under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds) and (1dx) and not
9 passed through by a partnership, limited liability company or tax-option corporation
10 that has added that amount to the partnership’s, limited liability company’s or
11 tax-option corporation’s income under s. 71.21 (4) or 71.34 (1) (g) plus the amount
12 of losses from the sale or other disposition of assets the gain from which would be
13 wholly exempt income, as defined in sub. (3) (L), if the assets were sold or otherwise
14 disposed of at a gain and minus deductions, as computed under the internal revenue
15 code as modified under sub. (3), plus or minus, as appropriate, an amount equal to
16 the difference between the federal basis and Wisconsin basis of any asset sold,
17 exchanged, abandoned or otherwise disposed of in a taxable transaction during the
18 taxable year, except as provided in par. (b) and s. 71.45 (2) and (5).

19 **SECTION 14.** 71.28 (9t) of the statutes is created to read:

20 71.28 (9t) ARTISTIC ENDOWMENT CREDIT. (a) *Definition*. In this subsection,
21 “claimant” means a person who files a claim under this subsection.

22 (b) *Filing claims*. For taxable years beginning after December 31, 2002, subject
23 to the limitations provided in this subsection and s. 73.03 (35m), a claimant may
24 claim as a credit against the tax imposed under s. 71.23, up to the amount of those

SENATE BILL 164

1 taxes, an amount equal to the amount contributed to the artistic endowment fund
2 under s. 25.77, not to exceed \$500 in a taxable year.

3 (c) *Limitations and conditions.* 1. No new claim may be filed under this
4 subsection for a taxable year that begins after December 31 of the year in which the
5 department determines that the total amount of revenues received by the
6 endowment fund equals \$50,150,000.

7 2. Partnerships, limited liability companies, and tax-option corporations may
8 not claim the credit under this subsection, but the eligibility for, and the amount of,
9 the credit are based on their economic activity. A partnership, limited liability
10 company, or tax-option corporation shall compute the amount of credit that each of
11 its partners, members, or shareholders may claim and shall provide that information
12 to each of them. Partners, members of limited liability companies, and shareholders
13 of tax-option corporations may claim the credit in proportion to their ownership
14 interest.

15 3. No credit may be allowed under this subsection unless it is claimed within
16 the time period under s. 71.75 (2).

17 (d) *Administration.* Subsection (4) (e) and (g), as it applies to the credit under
18 sub. (4), applies to the credit under this subsection.

19 **SECTION 15.** 71.30 (3) (bm) of the statutes is created to read:

20 71.30 (3) (bm) Artistic endowment credit under s. 71.28 (9t).

21 **SECTION 16.** 71.34 (1) (g) of the statutes is amended to read:

22 71.34 (1) (g) An addition shall be made for credits computed by a tax-option
23 corporation under s. 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx) ~~and, (3), and~~
24 ~~(9t)~~ and passed through to shareholders.

25 **SECTION 17.** 71.47 (9t) of the statutes is created to read:

SENATE BILL 164

1 71.47 (9t) ARTISTIC ENDOWMENT CREDIT. (a) *Definition.* In this subsection,
2 “claimant” means a person who files a claim under this subsection.

3 (b) *Filing claims.* For taxable years beginning after December 31, 2002, subject
4 to the limitations provided in this subsection and s. 73.03 (35m), a claimant may
5 claim as a credit against the tax imposed under s. 71.43, up to the amount of those
6 taxes, an amount equal to the amount contributed to the artistic endowment fund
7 under s. 25.77, not to exceed \$500 in a taxable year.

8 (c) *Limitations and conditions.* 1. No new claim may be filed under this
9 subsection for a taxable year that begins after December 31 of the year in which the
10 department determines that the total amount of revenues received by the
11 endowment fund equals \$50,150,000.

12 2. Partnerships, limited liability companies, and tax-option corporations may
13 not claim the credit under this subsection, but the eligibility for, and the amount of,
14 the credit are based on their economic activity. A partnership, limited liability
15 company, or tax-option corporation shall compute the amount of credit that each of
16 its partners, members, or shareholders may claim and shall provide that information
17 to each of them. Partners, members of limited liability companies, and shareholders
18 of tax-option corporations may claim the credit in proportion to their ownership
19 interest.

20 3. No credit may be allowed under this subsection unless it is claimed within
21 the time period under s. 71.75 (2).

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

24 **SECTION 18.** 71.49 (1) (bm) of the statutes is created to read:

25 71.49 (1) (bm) Artistic endowment credit under s. 71.47 (9t).

SENATE BILL 164

1 **SECTION 19.** 73.03 (35m) of the statutes is created to read:

2 73.03 (**35m**) For taxable years beginning after December 31, 2003, to deny a
3 portion of a credit claimed under s. 71.07 (9t), 71.28 (9t), or 71.47 (9t) if granting the
4 full amount of the credit would result in the total credits claimed by all claimants
5 under ss. 71.07 (9t), 71.28 (9t), and 71.47 (9t) exceeding \$7,000,000 in a taxable year.

6 **SECTION 20.** 73.03 (56) of the statutes is created to read:

7 73.03 (**56**) To include on the forms on which the artistic endowment credits are
8 claimed, under ss. 71.07 (9t), 71.28 (9t), and 71.47 (9t), a statement that a taxpayer
9 may contribute amounts to the artistic endowment fund under s. 25.77 that exceed
10 the amount for which a credit may be claimed by reducing the taxpayer's refund or
11 by increasing the taxpayer's payment for tax liability, with the proceeds to be
12 deposited into the fund.

13 **SECTION 21.** 77.54 (7r) of the statutes is created to read:

14 77.54 (**7r**) Sales of admissions or tickets after December 31, 2001, to an artistic
15 event sponsored by an association or organization that is described in section 501 (c)
16 (3) of the Internal Revenue Code and is exempt from taxation under section 501 (1)
17 of the Internal Revenue Code.

18 **SECTION 22.** 77.92 (4) of the statutes is amended to read:

19 77.92 (**4**) "Net business income", with respect to a partnership, means taxable
20 income as calculated under section 703 of the Internal Revenue Code; plus the items
21 of income and gain under section 702 of the Internal Revenue Code, including taxable
22 state and municipal bond interest and excluding nontaxable interest income or
23 dividend income from federal government obligations; minus the items of loss and
24 deduction under section 702 of the Internal Revenue Code, except items that are not
25 deductible under s. 71.21; plus guaranteed payments to partners under section 707

SENATE BILL 164

1 (c) of the Internal Revenue Code; plus the credits claimed under s. 71.07 (2dd), (2de),
2 (2di), (2dj), (2dL), (2dr), (2ds), (2dx) ~~and, (3s), and (9t)~~; and plus or minus, as
3 appropriate, transitional adjustments, depreciation differences and basis
4 differences under s. 71.05 (13), (15), (16), (17) and (19); but excluding income, gain,
5 loss and deductions from farming. "Net business income", with respect to a natural
6 person, estate or trust, means profit from a trade or business for federal income tax
7 purposes and includes net income derived as an employee as defined in section 3121
8 (d) (3) of the Internal Revenue Code.

9 **SECTION 23.** Chapter 247 of the statutes is created to read:

10 **CHAPTER 247**

11 **WISCONSIN ARTISTIC**

12 **ENDOWMENT FOUNDATION**

13 **247.02 Definition.** In this chapter, "foundation" means the Wisconsin Artistic
14 Endowment Foundation.

15 **247.03 Creation and organization.** (1) There is created a public body
16 corporate and politic, to be known as the "Wisconsin Artistic Endowment
17 Foundation." The foundation shall be a nonprofit corporation organized under ch.
18 181 so that contributions to it are deductible from adjusted gross income under
19 section 170 of the Internal Revenue Code.

20 (2) The board of directors of the foundation shall consist of the following
21 persons:

22 (a) Eight nominees of the governor, who are residents of this state, represent
23 the diverse artistic interests of the people of this state, and represent each of the
24 geographic regions of the state, appointed for 7-year terms with the advice and
25 consent of the senate. At least one of the nominees shall be knowledgeable in

SENATE BILL 164

1 marketing and fund raising. Each member appointed under this paragraph may
2 hold office until a successor is appointed.

3 (b) The chairperson of the arts board or the chairperson's designee.

4 (c) The executive secretary of the arts board as a nonvoting member.

5 (d) Two representatives to the assembly, one appointed by the speaker of the
6 assembly and one appointed by the minority leader of the assembly.

7 (e) Two senators, one appointed by the majority leader of the senate and one
8 appointed by the minority leader of the senate.

9 **(3)** The board of directors holds the powers of the foundation. The members
10 of the board of directors shall annually elect a chairperson and may elect other
11 officers as they consider appropriate. Seven voting members of the board of directors
12 constitute a quorum for the purpose of conducting the business and exercising the
13 powers of the foundation, notwithstanding the existence of any vacancy. The board
14 of directors may take action upon a vote of a majority of the voting members present,
15 unless the bylaws of the foundation require a larger number.

16 **(4)** No member of the board of directors may receive compensation for
17 performing his or her duties. Each member shall be reimbursed for actual and
18 necessary expenses, including travel expenses, incurred in performing those duties.

19 **247.05 General powers and duties. (1)** Except as otherwise provided in this
20 chapter, the foundation has all of the powers necessary and convenient to carry out
21 its duties under sub. (2) and s. 247.06, including the power to do all of the following:

22 (a) Make, amend, and repeal bylaws for the conduct of its affairs.

23 (b) Adopt a seal and alter that seal.

24 (c) Sue and be sued.

25 (d) Maintain an office.

SENATE BILL 164

- 1 (e) Solicit and accept donations of money, property, and art objects.
- 2 (f) Execute contracts and other instruments.
- 3 (g) Employ legal, financial, technical, or other experts and any other necessary
4 employees, and fix their qualifications, duties, and compensation.
- 5 (h) Establish arts programs with the advice of the arts board and statewide arts
6 organizations.
- 7 (i) Convert any noncash gift, grant, bequest, or other contribution to the
8 foundation to cash.
- 9 **(2)** The foundation shall do all of the following:
- 10 (a) In carrying out its responsibilities under this chapter, ensure to the greatest
11 extent possible the equitable distribution of funds and other support among all of the
12 following:
- 13 1. The various geographic regions of the state.
- 14 2. Urban, suburban, and rural areas of the state.
- 15 3. The various ethnic, racial, and cultural groups of the state.
- 16 (b) Appoint a licensed appraiser to evaluate each donated art object to establish
17 the current value of, potential appreciation of, degree of risk in holding, and
18 recommended timing for sale of, the art object.
- 19 (c) Adopt bylaws for accepting restricted donations.
- 20 (d) Annually submit to the governor and to the presiding officer of each house
21 of the legislature an audited financial statement of the operations of the foundation,
22 prepared in accordance with generally accepted accounting principles.
- 23 (e) Contract for all education and marketing activities.
- 24 (f) Deposit in the state treasury all cash, gifts, grants, bequests, or other
25 contributions made to the foundation, and all noncash gifts, grants, bequests, or

SENATE BILL 164

1 other contributions made to the foundation that have been converted to cash under
2 sub. (1) (i).

3 (g) Biennially review the foundation's priorities for expenditures under s.
4 247.06 (1) (b) and report those priorities to the presiding officer of each house of the
5 legislature.

6 **247.06 Support of arts programs.** (1) (a) The foundation may distribute
7 moneys appropriated under s. 20.220 (1) (r) to the arts board for programs that
8 provide operating support to arts organizations and for the Wisconsin regranting
9 program under s. 44.62.

10 (b) The foundation may distribute moneys appropriated under s. 20.220 (1) (r)
11 to an arts program established under s. 247.05 (1) (h) if the program is reviewed
12 biennially by the foundation with the advice of the arts board and statewide arts
13 organizations. To the extent possible, the programs funded under this paragraph
14 shall use existing arts board mechanisms and staff for administering and
15 distributing the moneys.

16 (2) (a) Of the total amount distributed by the foundation under sub. (1) in any
17 fiscal year that constitutes earnings on unrestricted donations, the foundation shall
18 distribute at least 50% to the arts board under sub. (1) (a).

19 (b) The foundation may not distribute moneys to the arts board under sub. (1)
20 (a) in any fiscal year in which the foundation determines that the amount of general
21 purpose revenue appropriated to the arts board under s. 20.215 is less than the
22 amount appropriated in the previous fiscal year.

23 **247.07 Dissolution.** The foundation may not dissolve and wind up its affairs
24 unless the legislature enacts a law ordering dissolution.

25 **SECTION 24. Nonstatutory provisions.**

