



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-4098/1
MPG&AJM:amn

2015 ASSEMBLY BILL 617

December 29, 2015 – Introduced by Representatives BARCA, SHANKLAND, MILROY, SARGENT, GOYKE, SPREITZER, BERCEAU, BROSTOFF, C. TAYLOR, OHNSTAD, JORGENSEN, CONSIDINE, SUBECK, WACHS, KOLSTE, HEBL, ZAMARRIPA, POPE, SINICKI and JOHNSON, cosponsored by Senators LASSA, CARPENTER, C. LARSON, VINEHOUT, L. TAYLOR and SHILLING. Referred to Committee on Jobs and the Economy.

1 **AN ACT** *to repeal* 13.48 (10) (b) 6., 13.48 (12) (b) 5., 15.107 (20), 16.35, 19.42 (10)
2 (sm), 19.42 (13) (om), 20.192 (intro.), 20.192 (1) (k), 40.02 (54) (m), 70.11 (38r),
3 chapter 238 (title), 238.01 (1), 238.01 (2), 238.02, 238.03 (4), 238.04, 238.045,
4 238.046, 238.05, 238.06, 238.07 (4), 238.08, 238.09 and 238.123; *to renumber*
5 16.295, 16.309, 20.192 (1) (title), subchapter I (title) of chapter 238 [precedes
6 238.01], 238.01 (intro.), 238.01 (3) and subchapter II (title) of chapter 238
7 [precedes 238.30]; *to renumber and amend* 20.192 (1) (a), 20.192 (1) (m),
8 20.192 (1) (r), 20.192 (1) (s), 20.505 (1) (fm), 238.03 (title) and (1) to (3), 238.07
9 (1), 238.07 (2), 238.07 (3), 238.10, 238.11, 238.115, 238.12, 238.125, 238.127,
10 238.13, 238.133, 238.135, 238.14, 238.145, 238.15, 238.16, 238.17, 238.23,
11 238.25, 238.26, 238.30, 238.301, 238.302, 238.303, 238.304, 238.3045, 238.305,
12 238.306, 238.308, 238.31, 238.315, 238.32, 238.325, 238.335, 238.34, 238.345,
13 238.35, 238.363, 238.365, 238.368, 238.37, 238.38, 238.385, 238.395, 238.397,
14 238.398, 238.399 and 238.3995; *to amend* 1.12 (1) (b), 13.172 (1), 13.48 (13) (a),

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1 13.62 (2), 13.625 (9), 13.94 (1) (dr), 13.94 (1) (ms), 13.94 (1s) (c) 5., 13.94 (4) (a)
2 1., 13.95 (intro.), 16.002 (2), 16.004 (4), 16.004 (5), 16.045 (1) (a), 16.41 (4),
3 16.417 (1) (b), 16.52 (7), 16.528 (1) (a), 16.53 (2), 16.54 (9) (a) 1., 16.85 (2), 16.865
4 (8), 19.56 (2) (b) 6., 19.56 (3) (e) (intro.), 19.56 (3) (e) 1., 19.56 (3) (f), 19.57, 20.370
5 (2) (mr), 23.167 (2) (intro.), 23.169 (1), 23.169 (2), 25.17 (70) (d), 25.17 (72), 26.37
6 (1) (b), 26.37 (2), 30.121 (3w) (b), 36.09 (1) (am) (intro.), 36.11 (29r) (b) 1., 36.11
7 (29r) (b) 2., 36.25 (24), 38.04 (1m) (b) (intro.), 38.04 (10m) (a), 38.04 (10m) (b),
8 40.05 (4) (b), 40.05 (4) (bm), 40.05 (5) (b) 4., 40.62 (2), 40.95 (1) (a) 1., 41.11 (1g)
9 (b) (intro.), 41.11 (1r) (a), 41.11 (1r) (b), 59.57 (1) (a), 60.23 (4) (c), 66.1103 (4m)
10 (a) 1., 66.1103 (4m) (a) 2., 66.1103 (4m) (b), 66.1103 (4s) (a) 1., 66.1103 (4s) (b)
11 3., 66.1103 (4s) (b) 4., 66.1103 (4s) (d), 66.1103 (10) (c), 66.1103 (10) (g), 71.07
12 (2dm) (a) 1., 71.07 (2dm) (a) 3., 71.07 (2dm) (a) 4., 71.07 (2dm) (f) 1., 71.07 (2dm)
13 (f) 2., 71.07 (2dm) (i), 71.07 (2dm) (j), 71.07 (2dm) (k), 71.07 (2dx) (a) 2., 71.07
14 (2dx) (a) 4., 71.07 (2dx) (b) (intro.), 2. and 3., 71.07 (2dx) (b) 4. and 5., 71.07 (2dx)
15 (be), 71.07 (2dx) (bg), 71.07 (2dx) (c), 71.07 (2dx) (d), 71.07 (2dy) (a), 71.07 (2dy)
16 (b), 71.07 (2dy) (c) 1., 71.07 (2dy) (c) 2., 71.07 (2dy) (d) 2., 71.07 (3g) (a) (intro.),
17 71.07 (3g) (b), 71.07 (3g) (e) 2., 71.07 (3g) (f) 1., 71.07 (3g) (f) 2., 71.07 (3q) (a) 1.,
18 71.07 (3q) (a) 2., 71.07 (3q) (b) (intro.), 71.07 (3q) (b) 1., 71.07 (3q) (b) 2., 71.07
19 (3q) (c) 2., 71.07 (3q) (c) 3., 71.07 (3w) (a) 2., 71.07 (3w) (a) 3., 71.07 (3w) (a) 4.,
20 71.07 (3w) (a) 5d., 71.07 (3w) (a) 5e., 71.07 (3w) (b) (intro.), 71.07 (3w) (b) 5.,
21 71.07 (3w) (bm) 1., 71.07 (3w) (bm) 2., 71.07 (3w) (bm) 3., 71.07 (3w) (bm) 4.,
22 71.07 (3w) (c) 3., 71.07 (3w) (d), 71.07 (3y) (a) 1., 71.07 (3y) (a) 2., 71.07 (3y) (b)
23 (intro.), 71.07 (3y) (b) 1., 71.07 (3y) (b) 2., 71.07 (3y) (b) 3., 71.07 (3y) (b) 4., 71.07
24 (3y) (b) 5., 71.07 (3y) (c) 2., 71.07 (5b) (a) 2., 71.07 (5b) (b) 1., 71.07 (5b) (b) 2.,
25 71.07 (5b) (d) 3., 71.07 (5d) (a) 1. (intro.), 71.07 (5d) (a) 2m., 71.07 (5d) (a) 3.,

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1 71.07 (5d) (b) (intro.), 71.07 (5d) (b) 1., 71.07 (5d) (b) 2., 71.07 (5d) (c) 2., 71.07
2 (5d) (d) 1., 71.07 (9m) (c) (intro.), 71.26 (1) (be), 71.28 (1dm) (a) 1., 71.28 (1dm)
3 (a) 3., 71.28 (1dm) (a) 4., 71.28 (1dm) (f) 1., 71.28 (1dm) (f) 2., 71.28 (1dm) (i),
4 71.28 (1dm) (j), 71.28 (1dm) (k), 71.28 (1dx) (a) 2., 71.28 (1dx) (a) 4., 71.28 (1dx)
5 (b) (intro.), 71.28 (1dx) (b) 2., 71.28 (1dx) (b) 3., 71.28 (1dx) (b) 4., 71.28 (1dx) (b)
6 5., 71.28 (1dx) (be), 71.28 (1dx) (bg), 71.28 (1dx) (c), 71.28 (1dx) (d), 71.28 (1dy)
7 (a), 71.28 (1dy) (b), 71.28 (1dy) (c) 1., 71.28 (1dy) (c) 2., 71.28 (1dy) (d) 2., 71.28
8 (3g) (a) (intro.), 71.28 (3g) (b), 71.28 (3g) (e) 2., 71.28 (3g) (f) 1., 71.28 (3g) (f) 2.,
9 71.28 (3q) (a) 1., 71.28 (3q) (a) 2., 71.28 (3q) (b), 71.28 (3q) (c) 2., 71.28 (3q) (c)
10 3., 71.28 (3w) (a) 2., 71.28 (3w) (a) 3., 71.28 (3w) (a) 4., 71.28 (3w) (a) 5d., 71.28
11 (3w) (a) 5e., 71.28 (3w) (b) (intro.), 71.28 (3w) (b) 5., 71.28 (3w) (bm) 1., 71.28
12 (3w) (bm) 2., 71.28 (3w) (bm) 3., 71.28 (3w) (bm) 4., 71.28 (3w) (c) 3., 71.28 (3w)
13 (d), 71.28 (3y) (a) 1., 71.28 (3y) (a) 2., 71.28 (3y) (b) (intro.), 71.28 (3y) (b) 1., 71.28
14 (3y) (b) 2., 71.28 (3y) (b) 3., 71.28 (3y) (b) 4., 71.28 (3y) (b) 5., 71.28 (3y) (c) 2.,
15 71.28 (4) (am) 1., 71.28 (4) (am) 2., 71.28 (5b) (a) 2., 71.28 (5b) (b) 1., 71.28 (5b)
16 (b) 2., 71.28 (5b) (d) 3., 71.28 (6) (c) (intro.), 71.47 (1dm) (a) 1., 71.47 (1dm) (a)
17 3., 71.47 (1dm) (a) 4., 71.47 (1dm) (f) 1., 71.47 (1dm) (f) 2., 71.47 (1dm) (i), 71.47
18 (1dm) (j), 71.47 (1dm) (k), 71.47 (1dx) (a) 2., 71.47 (1dx) (a) 4., 71.47 (1dx) (b)
19 (intro.), 71.47 (1dx) (b) 2., 71.47 (1dx) (b) 3., 71.47 (1dx) (b) 4., 71.47 (1dx) (b) 5.,
20 71.47 (1dx) (be), 71.47 (1dx) (bg), 71.47 (1dx) (c), 71.47 (1dx) (d), 71.47 (1dy) (a),
21 71.47 (1dy) (b), 71.47 (1dy) (c) 1., 71.47 (1dy) (c) 2., 71.47 (1dy) (d) 2., 71.47 (3g)
22 (a) (intro.), 71.47 (3g) (b), 71.47 (3g) (e) 2., 71.47 (3g) (f) 1., 71.47 (3g) (f) 2., 71.47
23 (3q) (a) 1., 71.47 (3q) (a) 2., 71.47 (3q) (b) (intro.), 71.47 (3q) (b) 1., 71.47 (3q) (b)
24 2., 71.47 (3q) (c) 2., 71.47 (3q) (c) 3., 71.47 (3w) (a) 2., 71.47 (3w) (a) 3., 71.47 (3w)
25 (a) 4., 71.47 (3w) (a) 5d., 71.47 (3w) (a) 5e., 71.47 (3w) (b) (intro.), 71.47 (3w) (b)

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1 5., 71.47 (3w) (bm) 1., 71.47 (3w) (bm) 2., 71.47 (3w) (bm) 3., 71.47 (3w) (bm) 4.,
2 71.47 (3w) (c) 3., 71.47 (3w) (d), 71.47 (3y) (a) 1., 71.47 (3y) (a) 2., 71.47 (3y) (b)
3 (intro.), 71.47 (3y) (b) 1., 71.47 (3y) (b) 2., 71.47 (3y) (b) 3., 71.47 (3y) (b) 4., 71.47
4 (3y) (b) 5., 71.47 (3y) (c) 2., 71.47 (4) (am), 71.47 (5b) (a) 2., 71.47 (5b) (b) 1., 71.47
5 (5b) (b) 2., 71.47 (5b) (d) 3., 71.47 (6) (c) (intro.), 71.78 (4) (m), 73.03 (35), 73.03
6 (35m), 75.106 (1) (a), 76.636 (1) (b) 1., 76.636 (1) (b) 2., 76.636 (1) (b) 3., 76.636
7 (1) (b) 4., 76.636 (1) (d), 76.636 (2) (intro.), 76.636 (2) (b), 76.636 (2) (c), 76.636
8 (2) (d), 76.636 (2) (e), 76.636 (4) (intro.), 76.636 (5), 76.636 (6), 76.637 (1), 76.637
9 (2), 76.637 (3), 76.637 (4), 76.638 (1), 76.638 (2), 77.54 (9a) (a), 79.04 (7) (a),
10 84.01 (6m) (b) (intro.), 84.01 (11m) (a), 84.01 (11m) (b), 93.07 (3), 93.07 (18) (b)
11 (intro.), 93.07 (20) (a), 93.07 (20) (b), 93.33 (5) (intro.), 93.42 (5), 100.45 (1) (dm),
12 106.16 (3), 106.27 (2m), 114.31 (6), 196.49 (4), 196.491 (3) (a) 2m. b., 196.491 (3)
13 (d) 8., 230.03 (3), 230.81 (2), 234.02 (1), 234.032 (2) (intro.), 234.08 (5), 234.08
14 (6), 234.255 (1), 234.255 (2), 234.84 (1), 234.84 (3) (c), 234.84 (4) (a), 234.84 (5)
15 (a), 234.84 (5) (b), 234.932 (3) (c), 281.60 (6), 281.75 (4) (b) 3., 285.59 (1) (b),
16 292.11 (7) (d) 1m. b., 292.255 and 292.63 (4) (cc) 2. b.; and **to create** 13.94 (1)
17 (ds), 13.94 (1s) (c) 5m., 15.107 (20), 15.15, 15.155, 16.35, 20.143 (intro.), 20.143
18 (1) (g), 20.143 (1) (gm), 20.505 (1) (zr), 230.81 (4), chapter 555 (title), 555.01 (1),
19 555.01 (3), 555.07 (2) (i), 555.095, 555.12 (1) (a), 555.12 (2) (b), 555.12 (2) (c),
20 555.121, 555.122 and subchapter III of chapter 555 [precedes 555.40] of the
21 statutes; **relating to:** creating the Department of Economic Opportunity and
22 the Economic Development Policy Board, requiring the creation of a nonstock,
23 nonprofit corporation to be known as the Badger Innovation Corporation,
24 providing for the elimination of the Wisconsin Economic Development
25 Corporation and the transfer its functions to the Department of Economic

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- 1 Opportunity and the Badger Innovation Corporation, granting rule-making
2 authority, and making appropriations.
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Analysis by the Legislative Reference Bureau

This bill provides for the elimination of the Wisconsin Economic Development Corporation (WEDC) and the transfer of its functions to a new Department of Economic Opportunity (DEO) and a nonstock, nonprofit corporation to be known as the “Badger Innovation Corporation.” The bill’s provisions become effective only if a transition plan is enacted as a part of the 2017–19 biennial budget act.

Transition

The bill creates an Economic Development Transition Council (transition council) to effect the transition of WEDC’s functions to DEO and the Badger Innovation Corporation. The transition council consists of the following members:

1. Five members appointed by the governor.
2. One representative to the assembly appointed by the speaker of the assembly.
3. One representative to the assembly appointed by the minority leader of the assembly.
4. One senator appointed by the majority leader of the senate.
5. One senator appointed by the minority leader of the senate.
6. The chief executive officer, chief operating officer, and chief financial officer of WEDC.
7. The secretary of administration.
8. The secretary of revenue.

The members appointed by the governor must include representatives of local and regional economic development agencies.

The bill requires the transition council to develop a detailed plan for the transfer of WEDC’s duties, powers, and functions to DEO and the Badger Innovation Corporation. The transition council is required to submit the transition plan to the governor within 12 months after the bill is enacted, except that the Joint Committee on Finance may approve an extension of that deadline.

The bill requires the governor to include the transition plan as a part of the executive budget for the 2017–19 fiscal biennium, unless the transition plan is not ready at that time, in which case the governor must include the transition plan as a part of the executive budget for the 2019–21 fiscal biennium. If the transition plan or a version of it is enacted as a part of the 2017–19 or 2019–21 biennial budget act, the transition plan takes effect approximately six months after enactment of the biennial budget act, unless the legislature specifies a different effective date.

The transition council is required to send a notice to the Legislative Reference Bureau for publication in the Wisconsin Administrative Register that confirms enactment of the transition plan and states the effective date of the transition plan as enacted. If that notice is not provided before July 1, 2020, the transition plan does not take effect.

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Under the bill, DEO assumes most of WEDC's functions related to economic development, including reporting requirements. The bill also includes new responsibilities for DEO, including the following:

1. DEO emphasizes economic development programs that encourage entrepreneurship, new business start-ups, and woman-owned, disabled-veteran owned, and minority businesses.

2. DEO must post on its Internet site DEO's job creation and retention goals; all amendments to contracts executed under an economic development program of DEO; and all agendas, meeting minutes, and materials discussed for meetings of the Economic Development Policy Board, described below, and the board of directors of the Badger Innovation Corporation.

3. DEO's contract with a grant or loan recipient, or with a person DEO certifies to claim tax credits, must include a provision requiring the recipient to repay all or a portion of the grant, loan, or tax credits if, within five years after receiving the grant or loan or being certified to receive tax credits, the total number of employees the recipient employs in full-time jobs in Wisconsin falls below the average number of employees the recipient employed in full-time jobs in Wisconsin during the previous two years. DEO is required to refer any claim for damages with respect to that contract requirement to the Department of Justice for collection.

4. DEO's contract with a grant or loan recipient, or with a person DEO certifies to claim tax credits, must include a provision requiring the recipient to repay all or a portion of the grant, loan, or tax credits if, within five years after the contract terms have been completed, the person eliminates any full-time job in this state that was created as a result of the grant, loan, or tax credits. DEO is also required to refer any claim for damages with respect to that contract requirement to the Department of Justice for collection.

5. In its annual report to the legislature, DEO must include the number of businesses or other persons against whom DEO, or WEDC under previous law, has initiated an action because the business or other person was not in compliance with contract requirements under an economic development program administered by DEO, or WEDC under previous law, and the total dollar amount that has been recovered to date as a result of those actions.

6. Before DEO executes a contract awarding a grant, loan, or tax credit to a person, DEO must conduct a thorough background check of the person that includes information concerning the person's business performance and a review of any legal proceedings in which the person is or was a party.

7. DEO must cooperate with the Badger Innovation Corporation to carry out the corporation's economic development duties, described below.

The bill also creates the Economic Development Policy Board (board), attached to DEO for limited purposes. The board consists of 12 members nominated by the governor and appointed with senate confirmation for staggered three-year terms. The members must have expertise in banking, business financing, and public economic development administration, and must represent private business and related stakeholder groups. At least four of the members must have public economic

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development administration experience. The board's function is to assist DEO in setting major economic development policy goals for the state.

Badger Innovation Corporation

Finally, under the bill, the transition council is required to draft and file articles of incorporation creating the Badger Innovation Corporation as a private nonstock, nonprofit corporation and draft bylaws for adoption by the board of directors of the corporation. The composition of the board of directors for the Badger Innovation Corporation is as follows:

1. The secretary of DEO, who acts as chairperson.
2. One representative to the assembly appointed by the speaker of the assembly.
3. One representative to the assembly appointed by the minority leader of the assembly.
4. One senator appointed by the majority leader of the senate.
5. One senator appointed by the minority leader of the senate.
6. Nine members nominated by the governor and appointed with senate confirmation for staggered three-year terms. The members so appointed must represent regional and local economic development agencies, private business, and other related stakeholder groups.
7. The secretaries of administration, revenue, and workforce development, who shall serve as nonvoting members.

The bill contains a number of requirements imposed on the Badger Innovation Corporation as a condition for the corporation to receive aid under a state appropriation. Among other things, the Badger Innovation Corporation must do the following:

1. Develop and implement economic programs to provide business support and expertise and financial assistance to companies that are investing and creating jobs in Wisconsin and to support new business start-ups and business expansion and growth in Wisconsin.
2. Conduct foreign trade missions, business siting promotion, international business development, and marketing.
3. Create industry cluster development strategies.
4. Adopt the bylaws for the corporation drafted by the transition council and maintain the required composition and method of selection of the corporation's board of directors.
5. Provide public access to its records consistent with the state public records law.
6. Provide public access to its meetings consistent with the state open meetings law.
7. Fully cooperate with the Legislative Audit Bureau for purposes of a biennial financial audit and program evaluation audit of the corporation.

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

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

1 **SECTION 1.** 1.12 (1) (b) of the statutes is amended to read:

2 1.12 (1) (b) “State agency” means an office, department, agency, institution of
3 higher education, the legislature, a legislative service agency, the courts, a judicial
4 branch agency, an association, society, or other body in state government that is
5 created or authorized to be created by the constitution or by law, for which
6 appropriations are made by law, ~~excluding the Wisconsin Economic Development~~
7 ~~Corporation.~~

8 **SECTION 2.** 13.172 (1) of the statutes is amended to read:

9 13.172 (1) In this section, “agency” means an office, department, agency,
10 institution of higher education, association, society, or other body in state
11 government created or authorized to be created by the constitution or any law, that
12 is entitled to expend moneys appropriated by law, including the legislature and the
13 courts, and any authority created in subch. II of ch. 114 or in ch. 231, 233, 234, ~~238,~~
14 or 279.

15 **SECTION 3.** 13.48 (10) (b) 6. of the statutes is repealed.

16 **SECTION 4.** 13.48 (12) (b) 5. of the statutes is repealed.

17 **SECTION 5.** 13.48 (13) (a) of the statutes is amended to read:

18 13.48 (13) (a) Except as provided in par. (b) or (c), every building, structure or
19 facility that is constructed for the benefit of or use of the state, any state agency,
20 board, commission or department, the University of Wisconsin Hospitals and Clinics
21 Authority, the Fox River Navigational System Authority, ~~the Wisconsin Economic~~

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1 ~~Development Corporation~~, or any local professional baseball park district created
2 under subch. III of ch. 229 if the construction is undertaken by the department of
3 administration on behalf of the district, shall be in compliance with all applicable
4 state laws, rules, codes and regulations but the construction is not subject to the
5 ordinances or regulations of the municipality in which the construction takes place
6 except zoning, including without limitation because of enumeration ordinances or
7 regulations relating to materials used, permits, supervision of construction or
8 installation, payment of permit fees, or other restrictions.

9 **SECTION 6.** 13.62 (2) of the statutes is amended to read:

10 13.62 (2) "Agency" means any board, commission, department, office, society,
11 institution of higher education, council, or committee in the state government, or any
12 authority created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237, 238, or 279,
13 except that the term does not include a council or committee of the legislature.

14 **SECTION 7.** 13.625 (9) of the statutes is amended to read:

15 13.625 (9) This section does not apply to the solicitation, acceptance, or
16 furnishing of anything of pecuniary value by the ~~Wisconsin Economic Development~~
17 ~~Corporation~~ department of economic opportunity, or to a principal furnishing
18 anything of pecuniary value to the ~~Wisconsin Economic Development Corporation~~
19 department of economic opportunity, under s. 19.56 (3) (e) or (f) for the activities
20 specified in s. 19.56 (3) (e).

21 **SECTION 8.** 13.94 (1) (dr) of the statutes is amended to read:

22 13.94 (1) (dr) Biennially, ~~beginning in 2013~~, conduct a financial audit of the
23 ~~Wisconsin Economic Development Corporation~~ department of economic opportunity
24 and a program evaluation audit of the economic development programs
25 administered by the ~~Wisconsin Economic Development Corporation~~ department of

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1 economic opportunity under ch. 238 555. The legislative audit bureau shall file a
2 copy of each audit report under this paragraph with the distributees specified in par.
3 (b).

4 **SECTION 9.** 13.94 (1) (ds) of the statutes is created to read:

5 13.94 (1) (ds) 1. In this paragraph and in sub. (1s) (c) 5m., “Badger Innovation
6 Corporation” means the corporation specified in s. 16.35 (3).

7 2. Each odd-numbered year, conduct a financial audit of the Badger Innovation
8 Corporation and a program evaluation audit of the economic development programs
9 conducted by the Badger Innovation Corporation under its contract with the
10 department of economic opportunity. The legislative audit bureau shall file a copy
11 of each audit report under this subdivision with the distributees specified in par. (b).

12 **SECTION 10.** 13.94 (1) (ms) of the statutes is amended to read:

13 13.94 (1) (ms) No later than July 1, 2014, prepare a financial and performance
14 evaluation audit of the economic development tax benefit program under ss. ~~238.301~~
15 555.301 to ~~238.306~~ 555.306. The legislative audit bureau shall file a copy of the
16 report of the audit under this paragraph with the distributees specified in par. (b).

17 **SECTION 11.** 13.94 (1s) (c) 5. of the statutes is amended to read:

18 13.94 (1s) (c) 5. The ~~Wisconsin Economic Development Corporation~~
19 department of economic opportunity for the cost of the audit required to be performed
20 under sub. (1) (dr).

21 **SECTION 12.** 13.94 (1s) (c) 5m. of the statutes is created to read:

22 13.94 (1s) (c) 5m. The Badger Innovation Corporation for the cost of the audit
23 required to be performed under sub. (1) (ds).

24 **SECTION 13.** 13.94 (4) (a) 1. of the statutes is amended to read:

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1 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
2 credentialing board, commission, independent agency, council or office in the
3 executive branch of state government; all bodies created by the legislature in the
4 legislative or judicial branch of state government; any public body corporate and
5 politic created by the legislature including specifically the Fox River Navigational
6 System Authority, the Lower Fox River Remediation Authority, the Wisconsin
7 Aerospace Authority, ~~the Wisconsin Economic Development Corporation,~~ a
8 professional baseball park district, a local professional football stadium district, a
9 local cultural arts district and a long-term care district under s. 46.2895; every
10 Wisconsin works agency under subch. III of ch. 49; every provider of medical
11 assistance under subch. IV of ch. 49; technical college district boards; every county
12 department under s. 51.42 or 51.437; every nonprofit corporation or cooperative or
13 unincorporated cooperative association to which moneys are specifically
14 appropriated by state law; and every corporation, institution, association or other
15 organization which receives more than 50% of its annual budget from appropriations
16 made by state law, including subgrantee or subcontractor recipients of such funds.

17 **SECTION 14.** 13.95 (intro.) of the statutes is amended to read:

18 **13.95 Legislative fiscal bureau.** (intro.) There is created a bureau to be
19 known as the "Legislative Fiscal Bureau" headed by a director. The fiscal bureau
20 shall be strictly nonpartisan and shall at all times observe the confidential nature
21 of the research requests received by it; however, with the prior approval of the
22 requester in each instance, the bureau may duplicate the results of its research for
23 distribution. Subject to s. 230.35 (4) (a) and (f), the director or the director's
24 designated employees shall at all times, with or without notice, have access to all
25 state agencies, the University of Wisconsin Hospitals and Clinics Authority, the

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1 Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the
2 ~~Wisconsin Economic Development Corporation~~, and the Fox River Navigational
3 System Authority, and to any books, records, or other documents maintained by such
4 agencies or authorities and relating to their expenditures, revenues, operations, and
5 structure.

6 **SECTION 15.** 15.107 (20) of the statutes is created to read:

7 15.107 (20) ECONOMIC DEVELOPMENT TRANSITION COUNCIL. (a) There is created
8 an economic development transition council, attached to the department of
9 administration under s. 15.03.

10 (b) The council consists of the following members:

- 11 1. Five members appointed by the governor.
- 12 2. One representative to the assembly appointed by the speaker of the
13 assembly.
- 14 3. One representative to the assembly appointed by the minority leader of the
15 assembly.
- 16 4. One senator appointed by the majority leader of the senate.
- 17 5. One senator appointed by the minority leader of the senate.
- 18 6. The chief executive officer, chief operating officer, and chief financial officer
19 of the Wisconsin Economic Development Corporation.

20 7. The secretary of administration.

21 8. The secretary of revenue.

22 (c) The members appointed under par. (b) 1. shall include representatives of
23 local and regional economic development agencies.

24 (d) The Wisconsin Economic Development Corporation shall provide staffing
25 and facilities for the council.

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1 (e) The council shall be dissolved on January 1, 2019.

2 **SECTION 16.** 15.107 (20) of the statutes, as created by 2015 Wisconsin Act ...
3 (this act), is repealed.

4 **SECTION 17.** 15.15 of the statutes is created to read:

5 **15.15 Department of economic opportunity; creation.** There is created
6 a department of economic opportunity under the direction and supervision of the
7 secretary of economic opportunity.

8 **SECTION 18.** 15.155 of the statutes is created to read:

9 **15.155 Same; attached boards and commissions. (1) ECONOMIC**
10 **DEVELOPMENT POLICY BOARD.** (a) There is created an economic development policy
11 board attached to the department of economic opportunity under s. 15.03 consisting
12 of 12 members nominated by the governor and, with the advice and consent of the
13 senate, appointed for staggered 3-year terms.

14 (b) The members appointed under par. (a) shall have expertise in banking,
15 business financing, and public economic development administration, and shall
16 represent private business and related stakeholder groups. At least 4 of those
17 members shall have public economic development administration experience.

18 (c) The economic development policy board shall assist the department of
19 economic opportunity in setting major economic development policy goals for the
20 state.

21 **SECTION 19.** 16.002 (2) of the statutes is amended to read:

22 16.002 (2) "Departments" means constitutional offices, departments, and
23 independent agencies and includes all societies, associations, and other agencies of
24 state government for which appropriations are made by law, but not including
25 authorities created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237, ~~238~~, or 279.

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1 **SECTION 20.** 16.004 (4) of the statutes is amended to read:

2 16.004 (4) FREEDOM OF ACCESS. The secretary and such employees of the
3 department as the secretary designates may enter into the offices of state agencies
4 and authorities created under subch. II of ch. 114 and under chs. 231, 233, 234, 237,
5 238, and 279, and may examine their books and accounts and any other matter that
6 in the secretary's judgment should be examined and may interrogate the agency's
7 employees publicly or privately relative thereto.

8 **SECTION 21.** 16.004 (5) of the statutes is amended to read:

9 16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and
10 authorities created under subch. II of ch. 114 and under chs. 231, 233, 234, 237, 238,
11 and 279, and their officers and employees, shall cooperate with the secretary and
12 shall comply with every request of the secretary relating to his or her functions.

13 **SECTION 22.** 16.045 (1) (a) of the statutes is amended to read:

14 16.045 (1) (a) "Agency" means an office, department, independent agency,
15 institution of higher education, association, society, or other body in state
16 government created or authorized to be created by the constitution or any law, that
17 is entitled to expend moneys appropriated by law, including the legislature and the
18 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 232,
19 233, 234, 237, 238, or 279.

20 **SECTION 23.** 16.295 of the statutes is renumbered 555.155.

21 **SECTION 24.** 16.309 of the statutes is renumbered 555.129.

22 **SECTION 25.** 16.35 of the statutes is created to read:

23 **16.35 Economic development transition council. (1) DEFINITIONS.** In this
24 section:

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1 (a) “Badger Innovation Corporation” means the corporation specified in sub.

2 (3).

3 (b) “Department” means the department of economic opportunity, as created
4 in 2015 Wisconsin Act ... (this act).

5 (c) “Transition council” means the economic development transition council.

6 (d) “Transition plan” means the plan created under sub. (2) (a).

7 **(2) TRANSITION PLAN.** (a) The transition council shall develop a detailed plan
8 for the transfer of the Wisconsin Economic Development Corporation’s duties,
9 powers, and functions to the department and the Badger Innovation Corporation.
10 The plan shall include all of the following:

11 1. An organizational plan for the department and the Badger Innovation
12 Corporation.

13 2. A plan for the transfer of all assets and liabilities of the Wisconsin Economic
14 Development Corporation to the department and the Badger Innovation
15 Corporation

16 3. A plan for the transfer of employees of the Wisconsin Economic Development
17 Corporation to the department or the Badger Innovation Corporation.

18 4. A plan for the transfer of tangible personal property of the Wisconsin
19 Economic Development Corporation to the department or the Badger Innovation
20 Corporation.

21 5. A plan for the transfer of all matters pending with the Wisconsin Economic
22 Development Corporation to the department or the Badger Innovation Corporation.

23 The plan under this subdivision shall provide that all materials submitted to or
24 actions taken by the Wisconsin Economic Development Corporation with respect to

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1 the pending matter are considered as having been submitted to or taken by the
2 department or the Badger Innovation Corporation, as appropriate.

3 6. A plan for the transfer of all contracts entered into by the Wisconsin
4 Economic Development Corporation, and all contracts entered into by the former
5 department of commerce and maintained by the Wisconsin Economic Development
6 Corporation, to the department or the Badger Innovation Corporation. The plan
7 under this subdivision shall provide that the contracts remain in effect and that the
8 department or the Badger Innovation Corporation, as appropriate, shall carry out
9 any obligations under such a contract until the contract is modified or rescinded by
10 the department or the Badger Innovation Corporation, as appropriate, to the extent
11 allowed under the contract.

12 7. A plan for the transfer of policies and procedures and orders of the Wisconsin
13 Economic Development Corporation to the department or the Badger Innovation
14 Corporation. The plan under this subdivision shall provide that the transferred
15 policies and procedures remain in effect until their specified expiration dates or until
16 amended or repealed by the department or the Badger Innovation Corporation, as
17 appropriate, and that all orders issued by the Wisconsin Economic Development
18 Corporation remain in effect until their specified expiration dates or until modified
19 or rescinded by the department or the Badger Innovation Corporation, as
20 appropriate.

21 8. Proposed legislation reconciling the acts of 2015, 2017, and 2019, as
22 appropriate, with 2015 Wisconsin Act ... (this act). The transition council shall use
23 the drafting services of the legislative reference bureau to draft the proposed
24 legislation.

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1 (b) 1. The transition council shall submit the transition plan to the governor
2 within 12 months after the effective date of this subdivision [LRB inserts date].
3 The joint committee on finance may approve an extension of that deadline if
4 requested by the transition council.

5 2. Except as provided in subd. 4., the governor shall include the transition plan
6 submitted by the transition council under subd. 1. as a part of the governor's
7 executive budget for the 2017-19 fiscal biennium.

8 3. If the transition plan or a version of it is enacted as a part of the 2017-19
9 biennial budget act, and unless a different effective date is provided in the 2017-19
10 biennial budget act, the transition plan as enacted shall take effect on the first day
11 of the 7th month beginning after publication of the 2017-19 biennial budget act.

12 4. If the transition council does not submit the transition plan to the governor
13 in time for inclusion as a part of the governor's executive budget for the 2017-19
14 fiscal biennium, the governor shall include the transition plan submitted by the
15 transition council under subd. 1. as a part of the governor's executive budget for the
16 2019-21 fiscal biennium.

17 5. If the transition plan or a version of it is enacted as a part of the 2019-21
18 biennial budget act, and unless a different effective date is provided in the 2019-21
19 biennial budget act, the transition plan as enacted shall take effect on the first day
20 of the 7th month beginning after publication of the 2019-21 biennial budget act.

21 6. The chairperson of the transition council shall send a notice to the legislative
22 reference bureau for publication in the Wisconsin Administrative Register that
23 confirms enactment of the transition plan and states the effective date of the
24 transition plan as enacted.

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1 **(3) BADGER INNOVATION CORPORATION; CREATION.** The transition council shall do
2 all of the following:

3 (a) Draft and file articles of incorporation for a nonstock corporation under ch.
4 181 and take all actions necessary to exempt the corporation from federal taxation
5 under section 501 (c) (3) of the Internal Revenue Code.

6 (b) Draft bylaws for adoption by the initial board of directors of the Badger
7 Innovation Corporation under s. 181.0206 (2). The bylaws shall specify the method
8 of selection and composition of the board of directors required under s. 555.42.

9 **SECTION 26.** 16.35 of the statutes, as created by 2015 Wisconsin Act ... (this
10 act), is repealed.

11 **SECTION 27.** 16.41 (4) of the statutes is amended to read:

12 16.41 (4) In this section, “authority” means a body created under subch. II of
13 ch. 114 or under ch. 231, 233, 234, 237, ~~238~~, or 279.

14 **SECTION 28.** 16.417 (1) (b) of the statutes is amended to read:

15 16.417 (1) (b) “Authority” means a body created under subch. II of ch. 114 or
16 ch. 231, 232, 233, 234, 237, ~~238~~, or 279.

17 **SECTION 29.** 16.52 (7) of the statutes is amended to read:

18 16.52 (7) **PETTY CASH ACCOUNT.** With the approval of the secretary, each agency
19 that is authorized to maintain a contingent fund under s. 20.920 may establish a
20 petty cash account from its contingent fund. The procedure for operation and
21 maintenance of petty cash accounts and the character of expenditures therefrom
22 shall be prescribed by the secretary. In this subsection, “agency” means an office,
23 department, independent agency, institution of higher education, association,
24 society, or other body in state government created or authorized to be created by the
25 constitution or any law, that is entitled to expend moneys appropriated by law,

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1 including the legislature and the courts, but not including an authority created in
2 subch. II of ch. 114 or in ch. 231, 233, 234, 237, ~~238~~, or 279.

3 **SECTION 30.** 16.528 (1) (a) of the statutes is amended to read:

4 16.528 (1) (a) "Agency" means an office, department, independent agency,
5 institution of higher education, association, society, or other body in state
6 government created or authorized to be created by the constitution or any law, that
7 is entitled to expend moneys appropriated by law, including the legislature and the
8 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 233,
9 234, 237, ~~238~~, or 279.

10 **SECTION 31.** 16.53 (2) of the statutes is amended to read:

11 16.53 (2) IMPROPER INVOICES. If an agency receives an improperly completed
12 invoice, the agency shall notify the sender of the invoice within 10 working days after
13 it receives the invoice of the reason it is improperly completed. In this subsection,
14 "agency" means an office, department, independent agency, institution of higher
15 education, association, society, or other body in state government created or
16 authorized to be created by the constitution or any law, that is entitled to expend
17 moneys appropriated by law, including the legislature and the courts, but not
18 including an authority created in subch. II of ch. 114 or in ch. 231, 233, 234, 237, ~~238~~,
19 or 279.

20 **SECTION 32.** 16.54 (9) (a) 1. of the statutes is amended to read:

21 16.54 (9) (a) 1. "Agency" means an office, department, independent agency,
22 institution of higher education, association, society or other body in state
23 government created or authorized to be created by the constitution or any law, which
24 is entitled to expend moneys appropriated by law, including the legislature and the

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1 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 233,
2 234, 237, ~~238~~, or 279.

3 **SECTION 33.** 16.85 (2) of the statutes is amended to read:

4 16.85 (2) To furnish engineering, architectural, project management, and other
5 building construction services whenever requisitions therefor are presented to the
6 department by any agency. The department may deposit moneys received from the
7 provision of these services in the account under s. 20.505 (1) (kc) or in the general
8 fund as general purpose revenue — earned. In this subsection, “agency” means an
9 office, department, independent agency, institution of higher education, association,
10 society, or other body in state government created or authorized to be created by the
11 constitution or any law, which is entitled to expend moneys appropriated by law,
12 including the legislature and the courts, but not including an authority created in
13 subch. II of ch. 114 or in ch. 231, 233, 234, 237, ~~238~~, or 279.

14 **SECTION 34.** 16.865 (8) of the statutes is amended to read:

15 16.865 (8) Annually in each fiscal year, allocate as a charge to each agency a
16 proportionate share of the estimated costs attributable to programs administered by
17 the agency to be paid from the appropriation under s. 20.505 (2) (k). The department
18 may charge premiums to agencies to finance costs under this subsection and pay the
19 costs from the appropriation on an actual basis. The department shall deposit all
20 collections under this subsection in the appropriation account under s. 20.505 (2) (k).
21 Costs assessed under this subsection may include judgments, investigative and
22 adjustment fees, data processing and staff support costs, program administration
23 costs, litigation costs, and the cost of insurance contracts under sub. (5). In this
24 subsection, “agency” means an office, department, independent agency, institution
25 of higher education, association, society, or other body in state government created

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1 or authorized to be created by the constitution or any law, that is entitled to expend
2 moneys appropriated by law, including the legislature and the courts, but not
3 including an authority created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237,
4 238, or 279.

5 **SECTION 35.** 19.42 (10) (sm) of the statutes is repealed.

6 **SECTION 36.** 19.42 (13) (om) of the statutes is repealed.

7 **SECTION 37.** 19.56 (2) (b) 6. of the statutes is amended to read:

8 19.56 (2) (b) 6. Is made available to the official by the ~~Wisconsin Economic~~
9 ~~Development Corporation~~ department of economic opportunity or the department of
10 tourism in accordance with sub. (3) (e), (em) or (f).

11 **SECTION 38.** 19.56 (3) (e) (intro.) of the statutes is amended to read:

12 19.56 (3) (e) (intro.) A state public official who is an officer or employee of the
13 ~~Wisconsin Economic Development Corporation~~ department of economic opportunity
14 may solicit, receive and retain on behalf of the state anything of value for the purpose
15 of any of the following:

16 **SECTION 39.** 19.56 (3) (e) 1. of the statutes is amended to read:

17 19.56 (3) (e) 1. The sponsorship by the ~~Wisconsin Economic Development~~
18 ~~Corporation~~ department of economic opportunity of a trip to a foreign country
19 primarily to promote trade between that country and this state that the ~~Wisconsin~~
20 ~~Economic Development Corporation~~ department of economic opportunity can
21 demonstrate through clear and convincing evidence is primarily for the benefit of
22 this state.

23 **SECTION 40.** 19.56 (3) (f) of the statutes is amended to read:

24 19.56 (3) (f) A state public official may receive and retain from the ~~Wisconsin~~
25 ~~Economic Development Corporation~~ department of economic opportunity anything

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1 of value which the ~~Wisconsin Economic Development Corporation~~ department of
2 economic opportunity is authorized to provide under par. (e) and may receive and
3 retain from the department of tourism anything of value which the department of
4 tourism is authorized to provide under par. (em).

5 **SECTION 41.** 19.57 of the statutes is amended to read:

6 **19.57 Conferences, visits and economic development activities.** The
7 ~~Wisconsin Economic Development Corporation~~ department of economic opportunity
8 shall file a report with the board no later than April 30 annually, specifying the
9 source and amount of anything of value received by the ~~Wisconsin Economic~~
10 ~~Development Corporation~~ department of economic opportunity during the preceding
11 calendar year for a purpose specified in s. 19.56 (3) (e), and the program or activity
12 in connection with which the thing is received, together with the location and date
13 of that program or activity.

14 **SECTION 42.** 20.005 (3) (schedule) of the statutes: at the appropriate place,
15 insert the following amounts for the purposes indicated:

	2015-16	2016-17
20.505 Administration, department of		
(1) SUPERVISION AND MANAGEMENT		
(zr) Badger Innovation Corporation SEG C	-0-	-0-

20 **SECTION 43.** 20.143 (intro.) of the statutes is created to read:

21 **20.143 Economic opportunity; department of.** (intro.) There is
22 appropriated to the department of economic opportunity for the following programs:

23 **SECTION 44.** 20.143 (1) (g) of the statutes is created to read:

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1 20.143 (1) (g) *Gifts, grants, and proceeds.* All moneys received from gifts,
2 donations, grants, bequests, and devises and all proceeds from services, conferences,
3 and sales of publications and promotional materials, for the purposes for which made
4 or collected.

5 **SECTION 45.** 20.143 (1) (gm) of the statutes is created to read:

6 20.143 (1) (gm) *Administration of grants, loans, and tax credits.* All moneys
7 received from loan origination fees or other fees charged by the department of
8 economic opportunity under a grant, loan, or tax credit program administered by the
9 department of economic opportunity under ch. 555, all moneys received from
10 repayment of grants and loans, and all moneys received under s. 555.12, for
11 administering the grant, loan, and tax credit programs under ch. 555.

12 **SECTION 46.** 20.192 (intro.) of the statutes is repealed.

13 **SECTION 47.** 20.192 (1) (title) of the statutes is renumbered 20.143 (1) (title).

14 **SECTION 48.** 20.192 (1) (a) of the statutes is renumbered 20.143 (1) (a) and
15 amended to read:

16 20.143 (1) (a) *Operations and programs.* As a continuing appropriation, the
17 amounts in the schedule for the operations of the ~~Wisconsin Economic Development~~
18 ~~Corporation~~ department of economic opportunity and for funding economic
19 development programs developed and implemented under s. ~~238.03~~ 555.03.

20 **SECTION 49.** 20.192 (1) (k) of the statutes is repealed.

21 **SECTION 50.** 20.192 (1) (m) of the statutes is renumbered 20.143 (1) (m) and
22 amended to read:

23 20.143 (1) (m) *Federal aid; programs.* All moneys received from the federal
24 government as authorized by the governor under s. 16.54 ~~and all moneys transferred~~
25 ~~under 2011 Wisconsin Act 32, section 9210 (3),~~ for the purposes of funding programs

ASSEMBLY BILL 617**SECTION 50**

1 administered by the ~~Wisconsin Economic Development Corporation~~ department of
2 economic opportunity.

3 **SECTION 51.** 20.192 (1) (r) of the statutes, as affected by 2015 Wisconsin Act 55,
4 is renumbered 20.143 (1) (r) and amended to read:

5 20.143 (1) (r) *Economic development fund; operations and programs.* From the
6 economic development fund, as a continuing appropriation, the amounts in the
7 schedule for the operations of the ~~Wisconsin Economic Development Corporation~~
8 department of economic opportunity and for funding the economic development
9 programs it administers.

10 **SECTION 52.** 20.192 (1) (s) of the statutes is renumbered 20.143 (1) (s) and
11 amended to read:

12 20.143 (1) (s) *Brownfield site assessment grants.* Biennially, from the
13 environmental fund, the amounts in the schedule for brownfield site assessment
14 grants under s. ~~238.133~~ 555.133.

15 **SECTION 53.** 20.370 (2) (mr) of the statutes is amended to read:

16 20.370 (2) (mr) *General program operations — brownfields.* From the
17 environmental fund, the amounts in the schedule for administration of activities
18 related to brownfields, as defined in s. ~~238.13~~ 555.13 (1) (a).

19 **SECTION 54.** 20.505 (1) (fm) of the statutes is renumbered 20.143 (1) (fm) and
20 amended to read:

21 20.143 (1) (fm) *Fund of funds investment program.* The amounts in the
22 schedule for the venture capital investment program under s. ~~16.295~~ 555.155.

23 **SECTION 55.** 20.505 (1) (zr) of the statutes is created to read:

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1 20.505 (1) (zr) *Badger Innovation Corporation*. As a continuing appropriation,
2 from the economic development fund, the amounts in the schedule for the payments
3 to the Badger Innovation Corporation under s. 555.44 (2).

4 **SECTION 56.** 23.167 (2) (intro.) of the statutes is amended to read:

5 23.167 (2) (intro.) The department, in consultation with the ~~Wisconsin~~
6 ~~Economic Development Corporation~~ department of economic opportunity, shall do
7 all of the following for each economic development program administered by the
8 department:

9 **SECTION 57.** 23.169 (1) of the statutes is amended to read:

10 23.169 (1) The department shall coordinate any economic development
11 assistance with the ~~Wisconsin Economic Development Corporation~~ department of
12 economic opportunity.

13 **SECTION 58.** 23.169 (2) of the statutes is amended to read:

14 23.169 (2) Annually, no later than October 1, the department shall submit to
15 the joint legislative audit committee and to the appropriate standing committees of
16 the legislature under s. 13.172 (3) a comprehensive report assessing economic
17 development programs, as defined in s. 23.167 (1), administered by the department.
18 The report shall include all of the information required under s. ~~238.07 (2)~~ 555.07 (2).
19 The department shall collaborate with the ~~Wisconsin Economic Development~~
20 ~~Corporation~~ department of economic opportunity to make readily accessible to the
21 public on an Internet-based system the information required under this section.

22 **SECTION 59.** 25.17 (70) (d) of the statutes is amended to read:

23 25.17 (70) (d) Comments solicited from the ~~chief executive officer of the~~
24 ~~Wisconsin Economic Development Corporation~~ secretary of economic opportunity
25 and received by the board on or before November 30 of the year of submittal.

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1 **SECTION 60.** 25.17 (72) of the statutes is amended to read:

2 25.17 **(72)** Appoint the board's representatives to the committee under s.
3 ~~16.295~~ 555.155 (3) (a).

4 **SECTION 61.** 26.37 (1) (b) of the statutes is amended to read:

5 26.37 **(1)** (b) Establish an implementation committee for the consortium.
6 Members of the committee may include one or more representatives from the
7 department of natural resources, the ~~Wisconsin Economic Development Corporation~~
8 department of economic opportunity, and the forest products industry.

9 **SECTION 62.** 26.37 (2) of the statutes is amended to read:

10 26.37 **(2)** The department of natural resources may not expend moneys from
11 the appropriations under s. 20.370 (5) (ax) or (6) (bt), 1997 stats., unless the
12 department of natural resources and the ~~Wisconsin Economic Development~~
13 ~~Corporation~~ department of economic opportunity first submit to the joint committee
14 on finance the plan required under sub. (1). If the cochairpersons of the joint
15 committee on finance do not notify the department of natural resources within 14
16 working days after the date of the submittal of the plan that the committee has
17 scheduled a meeting to review the plan, the plan may be implemented and moneys
18 may be expended as proposed by the department of natural resources. If, within 14
19 days after the date of the submittal of the plan, the cochairpersons of the committee
20 notify the department of natural resources that the committee has scheduled a
21 meeting to review the plan, moneys may be expended only after the plan has been
22 approved by the committee.

23 **SECTION 63.** 30.121 (3w) (b) of the statutes is amended to read:

24 30.121 **(3w)** (b) The boathouse is located on land zoned exclusively for
25 commercial or industrial purposes or the boathouse is located on a brownfield, as

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1 defined in s. ~~238.13~~ 555.13 (1) (a), or in a blighted area, as defined in s. 66.1331 (3)
2 (a).

3 **SECTION 64.** 36.09 (1) (am) (intro.) of the statutes is amended to read:

4 36.09 (1) (am) (intro.) The board, in consultation with the ~~Wisconsin Economic~~
5 ~~Development Corporation~~ department of economic opportunity, shall do all of the
6 following for each economic development program, as defined in s. 36.11 (29r) (a),
7 administered by the board:

8 **SECTION 65.** 36.11 (29r) (b) 1. of the statutes is amended to read:

9 36.11 (29r) (b) 1. The board shall coordinate any economic development
10 assistance with the ~~Wisconsin Economic Development Corporation~~ department of
11 economic opportunity.

12 **SECTION 66.** 36.11 (29r) (b) 2. of the statutes is amended to read:

13 36.11 (29r) (b) 2. Annually, no later than October 1, the board shall submit to
14 the joint legislative audit committee and to the appropriate standing committees of
15 the legislature under s. 13.172 (3) a comprehensive report assessing economic
16 development programs administered by the board. The report shall include all of the
17 information required under s. ~~238.07~~ 555.07 (2). The board shall collaborate with the
18 ~~Wisconsin Economic Development Corporation~~ department of economic opportunity
19 to make readily accessible to the public on an Internet-based system the information
20 required under this subsection.

21 **SECTION 67.** 36.25 (24) of the statutes is amended to read:

22 36.25 (24) EMPLOYEE-OWNED BUSINESSES PROGRAM. Through the University of
23 Wisconsin small business development center, in cooperation with the ~~Wisconsin~~
24 ~~Economic Development Corporation~~ department of economic opportunity, the
25 technical college system board and the University of Wisconsin-Extension, the board

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1 shall create, as needed, educational programs to provide training in the management
2 of employee-owned businesses and shall provide technical assistance to
3 employee-owned businesses in matters affecting their management and business
4 operations, including assistance with governmental relations and assistance in
5 obtaining management, technical and financial assistance.

6 **SECTION 68.** 38.04 (1m) (b) (intro.) of the statutes is amended to read:

7 38.04 (1m) (b) (intro.) The board, in consultation with the ~~Wisconsin Economic~~
8 ~~Development Corporation~~ department of economic opportunity, shall do all of the
9 following for each economic development program administered by the board:

10 **SECTION 69.** 38.04 (10m) (a) of the statutes is amended to read:

11 38.04 (10m) (a) The board shall coordinate any economic development
12 assistance with the ~~Wisconsin Economic Development Corporation~~ department of
13 economic opportunity.

14 **SECTION 70.** 38.04 (10m) (b) of the statutes is amended to read:

15 38.04 (10m) (b) Annually, no later than October 1, the board shall submit to
16 the joint legislative audit committee and to the appropriate standing committees of
17 the legislature under s. 13.172 (3) a comprehensive report assessing economic
18 development programs, as defined in sub. (1m) (a), administered by the board. The
19 report shall include all of the information required under s. ~~238.07~~ 555.07 (2). The
20 board shall collaborate with the ~~Wisconsin Economic Development Corporation~~
21 department of economic opportunity to make readily accessible to the public on an
22 Internet-based system the information required under this subsection.

23 **SECTION 71.** 40.02 (54) (m) of the statutes is repealed.

24 **SECTION 72.** 40.05 (4) (b) of the statutes is amended to read:

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1 40.05 (4) (b) Except as provided under pars. (bc) and (bp), accumulated unused
2 sick leave under ss. 13.121 (4), 36.30, 230.35 (2), 233.10, ~~238.04 (8)~~, and 757.02 (5)
3 and subch. V of ch. 111 of any eligible employee shall, at the time of death, upon
4 qualifying for an immediate annuity or for a lump sum payment under s. 40.25 (1)
5 or upon termination of creditable service and qualifying as an eligible employee
6 under s. 40.02 (25) (b) 6. or 10., be converted, at the employee's highest basic pay rate
7 he or she received while employed by the state, to credits for payment of health
8 insurance premiums on behalf of the employee or the employee's surviving insured
9 dependents. Any supplemental compensation that is paid to a state employee who
10 is classified under the state classified civil service as a teacher, teacher supervisor,
11 or education director for the employee's completion of educational courses that have
12 been approved by the employee's employer is considered as part of the employee's
13 basic pay for purposes of this paragraph. The full premium for any eligible employee
14 who is insured at the time of retirement, or for the surviving insured dependents of
15 an eligible employee who is deceased, shall be deducted from the credits until the
16 credits are exhausted and paid from the account under s. 40.04 (10), and then
17 deducted from annuity payments, if the annuity is sufficient. The department shall
18 provide for the direct payment of premiums by the insured to the insurer if the
19 premium to be withheld exceeds the annuity payment. Upon conversion of an
20 employee's unused sick leave to credits under this paragraph or par. (bf), the
21 employee or, if the employee is deceased, the employee's surviving insured
22 dependents may initiate deductions from those credits or may elect to delay
23 initiation of deductions from those credits, but only if the employee or surviving
24 insured dependents are covered by a comparable health insurance plan or policy
25 during the period beginning on the date of the conversion and ending on the date on

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1 which the employee or surviving insured dependents later elect to initiate
2 deductions from those credits. If an employee or an employee's surviving insured
3 dependents elect to delay initiation of deductions from those credits, an employee or
4 the employee's surviving insured dependents may only later elect to initiate
5 deductions from those credits during the annual enrollment period under par. (be).
6 A health insurance plan or policy is considered comparable if it provides hospital and
7 medical benefits that are substantially equivalent to the standard health insurance
8 plan established under s. 40.52 (1).

9 **SECTION 73.** 40.05 (4) (bm) of the statutes is amended to read:

10 40.05 (4) (bm) Except as provided under par. (bp), accumulated unused sick
11 leave under ss. 36.30 and 230.35 (2), or 233.10, ~~or 238.04 (8)~~ of any eligible employee
12 shall, upon request of the employee at the time the employee is subject to layoff under
13 s. 40.02 (40), be converted at the employee's highest basic pay rate he or she received
14 while employed by the state to credits for payment of health insurance premiums on
15 behalf of the employee. Any supplemental compensation that is paid to a state
16 employee who is classified under the state classified civil service as a teacher, teacher
17 supervisor or education director for the employee's completion of educational courses
18 that have been approved by the employee's employer is considered as part of the
19 employee's basic pay for purposes of this paragraph. The full amount of the required
20 employee contribution for any eligible employee who is insured at the time of the
21 layoff shall be deducted from the credits until the credits are exhausted, the
22 employee is reemployed, or 5 years have elapsed from the date of layoff, whichever
23 occurs first.

24 **SECTION 74.** 40.05 (5) (b) 4. of the statutes is amended to read:

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1 40.05 (5) (b) 4. The accrual and crediting of sick leave shall be determined in
2 accordance with ss. 13.121 (4), 36.30, 230.35 (2), 233.10, ~~238.04 (8)~~, and 757.02 (5)
3 and subch. V of ch. 111.

4 **SECTION 75.** 40.62 (2) of the statutes is amended to read:

5 40.62 (2) Sick leave accumulation shall be determined in accordance with rules
6 of the department, any collective bargaining agreement under subch. V of ch. 111,
7 and ss. 13.121 (4), 36.30, 49.825 (4) (d) and (5) (d), 49.826 (4) (d), 230.35 (2), 233.10,
8 ~~238.04 (8)~~, 757.02 (5) and 978.12 (3).

9 **SECTION 76.** 40.95 (1) (a) 1. of the statutes is amended to read:

10 40.95 (1) (a) 1. The employee accrues accumulated unused sick leave under s.
11 13.121 (4), 36.30, 230.35 (2), 233.10, ~~238.04 (8)~~, or 757.02 (5).

12 **SECTION 77.** 41.11 (1g) (b) (intro.) of the statutes is amended to read:

13 41.11 (1g) (b) (intro.) The department, in consultation with the ~~Wisconsin~~
14 ~~Economic Development Corporation~~ department of economic opportunity, shall do
15 all of the following for each economic development program administered by the
16 department:

17 **SECTION 78.** 41.11 (1r) (a) of the statutes is amended to read:

18 41.11 (1r) (a) The department shall coordinate any economic development
19 assistance with the ~~Wisconsin Economic Development Corporation~~ department of
20 economic opportunity.

21 **SECTION 79.** 41.11 (1r) (b) of the statutes is amended to read:

22 41.11 (1r) (b) Annually, no later than October 1, the department shall submit
23 to the joint legislative audit committee and to the appropriate standing committees
24 of the legislature under s. 13.172 (3) a comprehensive report assessing economic
25 development programs, as defined in sub. (1g) (a), administered by the department.

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1 The report shall include all of the information required under s. ~~238.07~~ 555.07 (2).

2 The department shall collaborate with the ~~Wisconsin Economic Development~~
3 ~~Corporation~~ department of economic opportunity to make readily accessible to the
4 public on an Internet-based system the information required under this subsection.

5 **SECTION 80.** 59.57 (1) (a) of the statutes is amended to read:

6 59.57 (1) (a) Subject to par. (b), the board may appropriate money for and create
7 a county industrial development agency or to any nonprofit agency organized to
8 engage or engaging in activities described in this paragraph, appoint an executive
9 officer and provide a staff and facilities to promote and develop the resources of the
10 county and of its component municipalities. To this end the agency may, without
11 limitation because of enumeration, develop data regarding the industrial needs,
12 advantages and sites in the county, acquaint the purchaser with the products of the
13 county by promotional activities, coordinate its work with that of the county
14 planning commission, the ~~Wisconsin Economic Development Corporation~~
15 department of economic opportunity, and private credit development corporations,
16 and do all things necessary to provide for the continued improvement of the
17 industrial climate of the county.

18 **SECTION 81.** 60.23 (4) (c) of the statutes is amended to read:

19 60.23 (4) (c) Coordinate its activities with the county planning commission, the
20 ~~Wisconsin Economic Development Corporation~~ department of economic opportunity,
21 and private credit development organizations.

22 **SECTION 82.** 66.1103 (4m) (a) 1. of the statutes is amended to read:

23 66.1103 (4m) (a) 1. The person, at least 30 days prior to entering into the
24 revenue agreement, has given a notice of intent to enter into the agreement, on a
25 form prescribed under s. ~~238.11~~ 555.11 (1), to the ~~Wisconsin Economic Development~~

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1 ~~Corporation~~ department of economic opportunity and to any collective bargaining
2 agent in this state with whom the person has a collective bargaining agreement.

3 **SECTION 83.** 66.1103 (4m) (a) 2. of the statutes is amended to read:

4 66.1103 (4m) (a) 2. The municipality or county has received an estimate issued
5 under s. ~~238.11~~ 555.11 (5), and the ~~Wisconsin Economic Development Corporation~~
6 department of economic opportunity has estimated whether the project which the
7 municipality or county would finance under the revenue agreement is expected to
8 eliminate, create, or maintain jobs on the project site and elsewhere in this state and
9 the net number of jobs expected to be eliminated, created, or maintained as a result
10 of the project.

11 **SECTION 84.** 66.1103 (4m) (b) of the statutes is amended to read:

12 66.1103 (4m) (b) Any revenue agreement which an eligible participant enters
13 into with a municipality or county to finance a project shall require the eligible
14 participant to submit to the ~~Wisconsin Economic Development Corporation~~
15 department of economic opportunity within 12 months after the project is completed
16 or 2 years after a revenue bond is issued to finance the project, whichever is sooner,
17 on a form prescribed under s. ~~238.11~~ 555.11 (1), the net number of jobs eliminated,
18 created, or maintained on the project site and elsewhere in this state as a result of
19 the project.

20 **SECTION 85.** 66.1103 (4s) (a) 1. of the statutes is amended to read:

21 66.1103 (4s) (a) 1. "~~Corporation~~" "Department" means the ~~Wisconsin Economic~~
22 ~~Development Corporation~~ department of economic opportunity.

23 **SECTION 86.** 66.1103 (4s) (b) 3. of the statutes is amended to read:

24 66.1103 (4s) (b) 3. The employer shall certify compliance with this subsection
25 to the ~~corporation~~ department, to the governing body of each municipality or county

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1 within which a lost job exists and to any collective bargaining agent in this state with
2 which the employer has a collective bargaining agreement at the project site or at a
3 site where a lost job exists.

4 **SECTION 87.** 66.1103 (4s) (b) 4. of the statutes is amended to read:

5 66.1103 (4s) (b) 4. The employer shall submit a report to the ~~corporation~~
6 department every 3 months during the first year after the construction of the project
7 is completed. The reports shall provide information about new jobs, lost jobs, and
8 offers of employment made to persons who were formerly employed at lost jobs. The
9 4th report shall be the final report. The form and content of the reports shall be
10 prescribed by the ~~corporation~~ department under par. (d).

11 **SECTION 88.** 66.1103 (4s) (d) of the statutes is amended to read:

12 66.1103 (4s) (d) The ~~corporation~~ department shall administer this subsection
13 and shall prescribe forms for certification and reports under par. (b).

14 **SECTION 89.** 66.1103 (10) (c) of the statutes is amended to read:

15 66.1103 (10) (c) A copy of the initial resolution together with a statement
16 indicating when the public notice required under par. (b) was published shall be filed
17 with the ~~Wisconsin Economic Development Corporation~~ department of economic
18 opportunity within 20 days following publication of notice. Prior to the closing of the
19 bond issue, the ~~corporation~~ department may require additional information from the
20 eligible participant or the municipality or county. After the closing of the bond issue,
21 the ~~corporation~~ department shall be notified of the closing date, any substantive
22 changes made to documents previously filed with the ~~corporation~~ department, and
23 the principal amount of the financing.

24 **SECTION 90.** 66.1103 (10) (g) of the statutes is amended to read:

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1 66.1103 (10) (g) Bonds may not be issued unless prior to adoption of an initial
2 resolution a document which provides a good faith estimate of attorney fees which
3 will be paid from bond proceeds is filed with the clerk of the municipality or county
4 and the ~~Wisconsin Economic Development Corporation~~ department of economic
5 opportunity.

6 **SECTION 91.** 70.11 (38r) of the statutes is repealed.

7 **SECTION 92.** 71.07 (2dm) (a) 1. of the statutes is amended to read:

8 71.07 (2dm) (a) 1. “Certified” means entitled under s. 555.395 (3) (a) 4. or s.
9 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits
10 or certified under s. 555.395 (5), 555.398 (5), or 555.3995 (4) or s. 238.395 (5), 2013
11 stats., s. 238.398 (5), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009
12 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

13 **SECTION 93.** 71.07 (2dm) (a) 3. of the statutes is amended to read:

14 71.07 (2dm) (a) 3. “Development zone” means a development opportunity zone
15 under s. 555.395 (1) (e) and (f) or 555.398 or s. 238.395 (1) (e) and (f), 2013 stats., or
16 s. 238.398, 2013 stats., or s. 560.795 (1) (e) and (f), 2009 stats., or s. 560.798, 2009
17 stats., or an airport development zone under s. 555.3995 or s. 238.3995, 2013 stats.,
18 or s. 560.7995, 2009 stats.

19 **SECTION 94.** 71.07 (2dm) (a) 4. of the statutes is amended to read:

20 71.07 (2dm) (a) 4. “Previously owned property” means real property that the
21 claimant or a related person owned during the 2 years prior to the department of
22 commerce or the Wisconsin Economic Development Corporation or the department
23 of economic opportunity designating the place where the property is located as a
24 development zone and for which the claimant may not deduct a loss from the sale of
25 the property to, or an exchange of the property with, the related person under section

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1 267 of the Internal Revenue Code, except that section 267 (b) of the Internal Revenue
2 Code is modified so that if the claimant owns any part of the property, rather than
3 50% ownership, the claimant is subject to section 267 (a) (1) of the Internal Revenue
4 Code for purposes of this subsection.

5 **SECTION 95.** 71.07 (2dm) (f) 1. of the statutes is amended to read:

6 71.07 **(2dm)** (f) 1. A copy of the verification that the claimant may claim tax
7 benefits under s. 555.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795
8 (3) (a) 4., 2009 stats., or is certified under s. 555.395 (5), 555.398 (3), or 555.3995 (4)
9 or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats.,
10 or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

11 **SECTION 96.** 71.07 (2dm) (f) 2. of the statutes is amended to read:

12 71.07 **(2dm)** (f) 2. A statement from the department of commerce or the
13 Wisconsin Economic Development Corporation or the department of economic
14 opportunity verifying the purchase price of the investment and verifying that the
15 investment fulfills the requirements under par. (b).

16 **SECTION 97.** 71.07 (2dm) (i) of the statutes is amended to read:

17 71.07 **(2dm)** (i) Partnerships, limited liability companies, and tax-option
18 corporations may not claim the credit under this subsection, but the eligibility for,
19 and the amount of, that credit shall be determined on the basis of their economic
20 activity, not that of their shareholders, partners, or members. The corporation,
21 partnership, or limited liability company shall compute the amount of credit that
22 may be claimed by each of its shareholders, partners, or members and provide that
23 information to its shareholders, partners, or members. Partners, members of limited
24 liability companies, and shareholders of tax-option corporations may claim the
25 credit based on the partnership's, company's, or corporation's activities in proportion

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1 to their ownership interest and may offset it against the tax attributable to their
2 income from the partnership's, company's, or corporation's business operations in the
3 development zone; except that partners, members, and shareholders in a
4 development zone under s. 555.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s.
5 560.795 (1) (e), 2009 stats., may offset the credit against the amount of the tax
6 attributable to their income.

7 **SECTION 98.** 71.07 (2dm) (j) of the statutes is amended to read:

8 71.07 **(2dm)** (j) If a person who is entitled under s. 555.395 (3) (a) 4. or s. 238.395
9 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits becomes
10 ineligible for such tax benefits, or if a person's certification under s. 555.395 (5),
11 555.398 (3), or 555.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats.,
12 or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
13 or s. 560.7995 (4), 2009 stats., is revoked, that person may claim no credits under this
14 subsection for the taxable year that includes the day on which the person becomes
15 ineligible for tax benefits, the taxable year that includes the day on which the
16 certification is revoked, or succeeding taxable years, and that person may carry over
17 no unused credits from previous years to offset tax under this chapter for the taxable
18 year that includes the day on which the person becomes ineligible for tax benefits,
19 the taxable year that includes the day on which the certification is revoked, or
20 succeeding taxable years.

21 **SECTION 99.** 71.07 (2dm) (k) of the statutes is amended to read:

22 71.07 **(2dm)** (k) If a person who is entitled under s. 555.395 (3) (a) 4. or s.
23 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits
24 or certified under s. 555.395 (5), 555.398 (3), or 555.3995 (4) or s. 238.395 (5), 2013
25 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009

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1 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., ceases business
2 operations in the development zone during any of the taxable years that that zone
3 exists, that person may not carry over to any taxable year following the year during
4 which operations cease any unused credits from the taxable year during which
5 operations cease or from previous taxable years.

6 **SECTION 100.** 71.07 (2dx) (a) 2. of the statutes is amended to read:

7 71.07 (**2dx**) (a) 2. “Development zone” means a development zone under s.
8 555.30 or s. 238.30, 2013 stats., or s. 560.70, 2009 stats., a development opportunity
9 zone under s. 555.395 or s. 238.395, 2013 stats., or s. 560.795, 2009 stats., an
10 enterprise development zone under s. 555.397 or s. 238.397, 2013 stats., or s.
11 560.797, 2009 stats., an agricultural development zone under s. 555.398 or s.
12 238.398, 2013 stats., or s. 560.798, 2009 stats., or an airport development zone under
13 s. 555.3995 or s. 238.3995, 2013 stats., or s. 560.7995, 2009 stats.

14 **SECTION 101.** 71.07 (2dx) (a) 4. of the statutes is amended to read:

15 71.07 (**2dx**) (a) 4. “Full-time job” has the meaning given in s. 238.30 555.30
16 (2m).

17 **SECTION 102.** 71.07 (2dx) (b) (intro.), 2. and 3. of the statutes are amended to
18 read:

19 71.07 (**2dx**) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
20 in s. 73.03 (35), and subject to s. 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009
21 stats., for any taxable year for which the person is entitled under s. 555.395 (3) or s.
22 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified
23 under s. 555.365 (3). 555.397 (4), 555.398 (3), or 555.3995 or s. 238.365 (3), 2013
24 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013
25 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009

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1 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against the
2 taxes otherwise due under this chapter the following amounts:

3 2. The amount determined by multiplying the amount determined under s.
4 555.385 (1) (b) or s. 238.385 (1) (b), 2013 stats., or s. 560.785 (1) (b), 2009 stats., by
5 the number of full-time jobs created in a development zone and filled by a member
6 of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a)
7 for those jobs.

8 3. The amount determined by multiplying the amount determined under s.
9 555.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009 stats., by the
10 number of full-time jobs created in a development zone and not filled by a member
11 of a targeted group and by then subtracting the subsidies paid under s. 49.147 (3) (a)
12 for those jobs.

13 **SECTION 103.** 71.07 (2dx) (b) 4. and 5. of the statutes, as affected by 2015
14 Wisconsin Act 55, are amended to read:

15 71.07 (2dx) (b) 4. The amount determined by multiplying the amount
16 determined under s. 555.385 (1) (bm) or s. 238.385 (1) (bm), 2013 stats., or s. 560.785
17 (1) (bm), 2009 stats., by the number of full-time jobs retained, as provided in the
18 rules under s. 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., in an
19 enterprise development zone under s. 555.397 or s. 238.397, 2013 stats., or s.
20 560.797, 2009 stats., and for which significant capital investment was made and by
21 then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

22 5. The amount determined by multiplying the amount determined under s.
23 555.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009 stats., by the
24 number of full-time jobs retained, as provided in the rules under s. 555.385 or s.
25 238.385, 2013 stats., or s. 560.785, 2009 stats., in a development zone and not filled

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1 by a member of a targeted group and by then subtracting the subsidies paid under
2 s. 49.147 (3) (a) for those jobs.

3 **SECTION 104.** 71.07 (2dx) (be) of the statutes is amended to read:

4 71.07 (2dx) (be) *Offset.* A claimant in a development zone under s. 555.395 (1)
5 (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., may offset any
6 credits claimed under this subsection, including any credits carried over, against the
7 amount of the tax otherwise due under this subchapter attributable to all of the
8 claimant's income and against the tax attributable to income from directly related
9 business operations of the claimant.

10 **SECTION 105.** 71.07 (2dx) (bg) of the statutes is amended to read:

11 71.07 (2dx) (bg) *Other entities.* For claimants in a development zone under s.
12 555.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats.,
13 partnerships, limited liability companies, and tax-option corporations may not
14 claim the credit under this subsection, but the eligibility for, and amount of, that
15 credit shall be determined on the basis of their economic activity, not that of their
16 shareholders, partners, or members. The corporation, partnership, or company shall
17 compute the amount of the credit that may be claimed by each of its shareholders,
18 partners, or members and shall provide that information to each of its shareholders,
19 partners, or members. Partners, members of limited liability companies, and
20 shareholders of tax-option corporations may claim the credit based on the
21 partnership's, company's, or corporation's activities in proportion to their ownership
22 interest and may offset it against the tax attributable to their income.

23 **SECTION 106.** 71.07 (2dx) (c) of the statutes is amended to read:

24 71.07 (2dx) (c) *Credit precluded.* If the certification of a person for tax benefits
25 under s. 555.365 (3), 555.397 (4), 555.398 (3), or 555.3995 (4) or s. 238.365 (3), 2013

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1 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013
2 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009
3 stats., or s. 560.7995 (4), 2009 stats., is revoked, or if the person becomes ineligible
4 for tax benefits under s. 555.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3),
5 2009 stats., that person may not claim credits under this subsection for the taxable
6 year that includes the day on which the certification is revoked; the taxable year that
7 includes the day on which the person becomes ineligible for tax benefits; or
8 succeeding taxable years and that person may not carry over unused credits from
9 previous years to offset tax under this chapter for the taxable year that includes the
10 day on which certification is revoked; the taxable year that includes the day on which
11 the person becomes ineligible for tax benefits; or succeeding taxable years.

12 **SECTION 107.** 71.07 (2dx) (d) of the statutes is amended to read:

13 71.07 **(2dx)** (d) *Carry-over precluded.* If a person who is entitled under s.
14 555.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax
15 benefits or certified under s. 555.365 (3), 555.397 (4), 555.398 (3), or 555.3995 (4) or
16 s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or
17 s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats.,
18 s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for tax benefits ceases
19 business operations in the development zone during any of the taxable years that
20 that zone exists, that person may not carry over to any taxable year following the
21 year during which operations cease any unused credits from the taxable year during
22 which operations cease or from previous taxable years.

23 **SECTION 108.** 71.07 (2dy) (a) of the statutes is amended to read:

24 71.07 **(2dy)** (a) *Definition.* In this subsection, “claimant” means a person who
25 files a claim under this subsection and is certified under s. 555.301 (2) or s. 238.301

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1 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and authorized to claim tax benefits
2 under s. 555.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

3 **SECTION 109.** 71.07 (2dy) (b) of the statutes is amended to read:

4 71.07 (2dy) (b) *Filing claims.* Subject to the limitations under this subsection
5 and ss. 555.301 to 555.306 or ss. 238.301 to 238.306, 2013 stats., or ss. 560.701 to
6 560.706, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
7 may claim as a credit against the tax imposed under s. 71.02 or 71.08, up to the
8 amount of the tax, the amount authorized for the claimant under s. 555.303 or s.
9 238.303, 2013 stats., or s. 560.703, 2009 stats.

10 **SECTION 110.** 71.07 (2dy) (c) 1. of the statutes is amended to read:

11 71.07 (2dy) (c) 1. No credit may be allowed under this subsection unless the
12 claimant includes with the claimant's return a copy of the claimant's certification
13 under s. 555.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and
14 a copy of the claimant's notice of eligibility to receive tax benefits under s. 555.303
15 (3) or s. 238.303 (3), 2013 stats., or s. 560.703 (3), 2009 stats.

16 **SECTION 111.** 71.07 (2dy) (c) 2. of the statutes is amended to read:

17 71.07 (2dy) (c) 2. Partnerships, limited liability companies, and tax-option
18 corporations may not claim the credit under this subsection, but the eligibility for,
19 and the amount of, the credit are based on their authorization to claim tax benefits
20 under s. 555.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats. A partnership,
21 limited liability company, or tax-option corporation shall compute the amount of
22 credit that each of its partners, members, or shareholders may claim and shall
23 provide that information to each of them. Partners, members of limited liability
24 companies, and shareholders of tax-option corporations may claim the credit in
25 proportion to their ownership interests.

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1 **SECTION 112.** 71.07 (2dy) (d) 2. of the statutes is amended to read:

2 71.07 (**2dy**) (d) 2. If a claimant's certification is revoked under s. 555.305 or s.
3 238.305, 2013 stats., or s. 560.705, 2009 stats., or if a claimant becomes ineligible for
4 tax benefits under s. 555.302 or s. 238.302, 2013 stats., or s. 560.702, 2009 stats., the
5 claimant may not claim credits under this subsection for the taxable year that
6 includes the day on which the certification is revoked; the taxable year that includes
7 the day on which the claimant becomes ineligible for tax benefits; or succeeding
8 taxable years and the claimant may not carry over unused credits from previous
9 years to offset the tax imposed under s. 71.02 or 71.08 for the taxable year that
10 includes the day on which certification is revoked; the taxable year that includes the
11 day on which the claimant becomes ineligible for tax benefits; or succeeding taxable
12 years.

13 **SECTION 113.** 71.07 (3g) (a) (intro.) of the statutes is amended to read:

14 71.07 (**3g**) (a) (intro.) Subject to the limitations under this subsection and ss.
15 73.03 (35m) and 555.23 and s. 238.23, 2013 stats., and s. 560.96, 2009 stats., a
16 business that is certified under s. 555.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96
17 (3), 2009 stats., may claim as a credit against the taxes imposed under s. 71.02 an
18 amount equal to the sum of the following, as established under s. 555.23 (3) (c) or s.
19 238.23 (3) (c), 2013 stats., or s. 560.96 (3) (c), 2009 stats.:

20 **SECTION 114.** 71.07 (3g) (b) of the statutes is amended to read:

21 71.07 (**3g**) (b) The department of revenue shall notify the ~~department of~~
22 ~~commerce or the Wisconsin Economic Development Corporation~~ department of
23 economic opportunity of all claims under this subsection.

24 **SECTION 115.** 71.07 (3g) (e) 2. of the statutes is amended to read:

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1 71.07 (3g) (e) 2. The investments that relate to the amount described under par.
2 (a) 2. for which a claimant makes a claim under this subsection must be retained for
3 use in the technology zone for the period during which the claimant's business is
4 certified under s. 555.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats.

5 **SECTION 116.** 71.07 (3g) (f) 1. of the statutes is amended to read:

6 71.07 (3g) (f) 1. A copy of the verification that the claimant's business is
7 certified under s. 555.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats.,
8 and that the business has entered into an agreement under s. 555.23 (3) (d) or s.
9 238.23 (3) (d), 2013 stats., or s. 560.96 (3) (d), 2009 stats.

10 **SECTION 117.** 71.07 (3g) (f) 2. of the statutes is amended to read:

11 71.07 (3g) (f) 2. A statement from the department of commerce or the Wisconsin
12 Economic Development Corporation or the department of economic opportunity
13 verifying the purchase price of the investment described under par. (a) 2. and
14 verifying that the investment fulfills the requirement under par. (e) 2.

15 **SECTION 118.** 71.07 (3q) (a) 1. of the statutes is amended to read:

16 71.07 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits
17 under s. 555.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009 stats.

18 **SECTION 119.** 71.07 (3q) (a) 2. of the statutes is amended to read:

19 71.07 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before
20 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
21 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
22 taxable years beginning after December 31, 2010, an eligible employee under s.
23 ~~238.16~~ 555.16 (1) (b) who satisfies the wage requirements under s. ~~238.16~~ 555.16 (3)
24 (a) or (b).

25 **SECTION 120.** 71.07 (3q) (b) (intro.) of the statutes is amended to read:

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1 71.07 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
2 subsection and s. 555.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats., for
3 taxable years beginning after December 31, 2009, a claimant may claim as a credit
4 against the taxes imposed under ss. 71.02 and 71.08 any of the following:

5 **SECTION 121.** 71.07 (3q) (b) 1. of the statutes is amended to read:

6 71.07 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
7 employee in the taxable year, not to exceed 10 percent of such wages, as determined
8 by the department of economic opportunity under s. 555.16 or the Wisconsin
9 Economic Development Corporation under s. 238.16, 2013 stats., or the department
10 of commerce under s. 560.2055, 2009 stats.

11 **SECTION 122.** 71.07 (3q) (b) 2. of the statutes is amended to read:

12 71.07 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable
13 year, as determined under s. 555.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009
14 stats., to undertake the training activities described under s. 555.16 (3) (c) or s.
15 238.16 (3) (c), 2013 stats., or s. 560.2055 (3) (c), 2009 stats.

16 **SECTION 123.** 71.07 (3q) (c) 2. of the statutes is amended to read:

17 71.07 (3q) (c) 2. No credit may be allowed under this subsection unless the
18 claimant includes with the claimant's return a copy of the claimant's certification for
19 tax benefits under s. 555.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009
20 stats.

21 **SECTION 124.** 71.07 (3q) (c) 3. of the statutes is amended to read:

22 71.07 (3q) (c) 3. The maximum amount of credits that may be awarded under
23 this subsection and ss. 71.28 (3q) and 71.47 (3q) for the period beginning on January
24 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of

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1 any credits reallocated under s. 238.15 (3) (d), 2013 stats., or s. 560.205 (3) (d), 2009
2 stats.

3 **SECTION 125.** 71.07 (3w) (a) 2. of the statutes is amended to read:

4 71.07 (3w) (a) 2. "Claimant" means a person who is certified to claim tax
5 benefits under s. 555.399 (5) or s. 238.399 (5), 2013 stats., or s. 560.799 (5), 2009
6 stats., and who files a claim under this subsection.

7 **SECTION 126.** 71.07 (3w) (a) 3. of the statutes is amended to read:

8 71.07 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
9 in s. 555.399 (1) (am) or s. 238.399 (1) (am), 2013 stats., or s. 560.799 (1) (am), 2009
10 stats.

11 **SECTION 127.** 71.07 (3w) (a) 4. of the statutes is amended to read:

12 71.07 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 555.399
13 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

14 **SECTION 128.** 71.07 (3w) (a) 5d. of the statutes is amended to read:

15 71.07 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or
16 municipality, as determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799,
17 2009 stats.

18 **SECTION 129.** 71.07 (3w) (a) 5e. of the statutes is amended to read:

19 71.07 (3w) (a) 5e. "Tier II county or municipality" means a tier II county or
20 municipality, as determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799,
21 2009 stats.

22 **SECTION 130.** 71.07 (3w) (b) (intro.) of the statutes is amended to read:

23 71.07 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
24 provided in this subsection and s. 555.399 or s. 238.399, 2013 stats., or s. 560.799,

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1 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.02
2 or 71.08 an amount calculated as follows:

3 **SECTION 131.** 71.07 (3w) (b) 5. of the statutes is amended to read:

4 71.07 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
5 percentage determined by under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799,
6 2009 stats., not to exceed 7 percent.

7 **SECTION 132.** 71.07 (3w) (bm) 1. of the statutes is amended to read:

8 71.07 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
9 4., and subject to the limitations provided in this subsection and s. 555.399 or s.
10 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit
11 against the tax imposed under s. 71.02 or 71.08 an amount equal to a percentage, as
12 determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not
13 to exceed 100 percent, of the amount the claimant paid in the taxable year to upgrade
14 or improve the job-related skills of any of the claimant's full-time employees, to train
15 any of the claimant's full-time employees on the use of job-related new technologies,
16 or to provide job-related training to any full-time employee whose employment with
17 the claimant represents the employee's first full-time job. This subdivision does not
18 apply to employees who do not work in an enterprise zone.

19 **SECTION 133.** 71.07 (3w) (bm) 2. of the statutes is amended to read:

20 71.07 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
21 4., and subject to the limitations provided in this subsection and s. 555.399 or s.
22 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit
23 against the tax imposed under s. 71.02 or 71.08 an amount equal to the percentage,
24 as determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.,
25 not to exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all

ASSEMBLY BILL 617**SECTION 133**

1 of the claimant's full-time employees whose annual wages are greater than the
2 amount determined by multiplying 2,080 by 150 percent of the federal minimum
3 wage in a tier I county or municipality, not including the wages paid to the employees
4 determined under par. (b) 1., or greater than \$30,000 in a tier II county or
5 municipality, not including the wages paid to the employees determined under par.
6 (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if
7 the total number of such employees is equal to or greater than the total number of
8 such employees in the base year. A claimant may claim a credit under this
9 subdivision for no more than 5 consecutive taxable years.

10 **SECTION 134.** 71.07 (3w) (bm) 3. of the statutes is amended to read:

11 71.07 (3w) (bm) 3. In addition to the credits under par. (b) and subs. 1., 2., and
12 4., and subject to the limitations provided in this subsection and s. 555.399 or s.
13 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after
14 December 31, 2008, a claimant may claim as a credit against the tax imposed under
15 s. 71.02 or 71.08 up to 10 percent of the claimant's significant capital expenditures,
16 as determined under s. 555.399 (5m) or s. 238.399 (5m), 2013 stats., or s. 560.799
17 (5m), 2009 stats.

18 **SECTION 135.** 71.07 (3w) (bm) 4. of the statutes is amended to read:

19 71.07 (3w) (bm) 4. In addition to the credits under par. (b) and subs. 1., 2., and
20 3., and subject to the limitations provided in this subsection and s. 555.399 or s.
21 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after
22 December 31, 2009, a claimant may claim as a credit against the tax imposed under
23 s. 71.02 or 71.08, up to 1 percent of the amount that the claimant paid in the taxable
24 year to purchase tangible personal property, items, property, or goods under s. 77.52
25 (1) (b), (c), or (d), or services from Wisconsin vendors, as determined under s. 555.399

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1 (5) (e) or s. 238.399 (5) (e), 2013 stats., or s. 560.799 (5) (e), 2009 stats., except that
2 the claimant may not claim the credit under this subdivision and subd. 3. for the
3 same expenditures.

4 **SECTION 136.** 71.07 (3w) (c) 3. of the statutes is amended to read:

5 71.07 (3w) (c) 3. No credit may be allowed under this subsection unless the
6 claimant includes with the claimant's return a copy of the claimant's certification for
7 tax benefits under s. 555.399 (5) or (5m) or s. 238.399 (5) or (5m), 2013 stats., or s.
8 560.799 (5) or (5m), 2009 stats.

9 **SECTION 137.** 71.07 (3w) (d) of the statutes is amended to read:

10 71.07 (3w) (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the
11 credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall
12 include with their returns a copy of their certification for tax benefits, and a copy of
13 the verification of their expenses, from the department of commerce or the Wisconsin
14 Economic Development Corporation or the department of economic opportunity.

15 **SECTION 138.** 71.07 (3y) (a) 1. of the statutes, as created by 2015 Wisconsin Act
16 55, is amended to read:

17 71.07 (3y) (a) 1. "Claimant" means a person certified to receive tax benefits
18 under s. ~~238.308~~ 555.308.

19 **SECTION 139.** 71.07 (3y) (a) 2. of the statutes, as created by 2015 Wisconsin Act
20 55, is amended to read:

21 71.07 (3y) (a) 2. "Eligible employee" has the meaning given in s. ~~238.308~~
22 555.308 (1) (a).

23 **SECTION 140.** 71.07 (3y) (b) (intro.) of the statutes, as created by 2015 Wisconsin
24 Act 55, is amended to read:

ASSEMBLY BILL 617**SECTION 140**

1 71.07 (3y) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
2 subsection and s. ~~238.308~~ 555.308, for taxable years beginning after December 31,
3 2015, a claimant may claim as a credit against the tax imposed under ss. 71.02 and
4 71.08 all of the following:

5 **SECTION 141.** 71.07 (3y) (b) 1. of the statutes, as created by 2015 Wisconsin Act
6 55, is amended to read:

7 71.07 (3y) (b) 1. The amount of wages that the claimant paid to an eligible
8 employee in the taxable year, not to exceed 10 percent of such wages, as determined
9 by the ~~Wisconsin Economic Development Corporation~~ department of economic
10 opportunity under s. ~~238.308~~ 555.308.

11 **SECTION 142.** 71.07 (3y) (b) 2. of the statutes, as created by 2015 Wisconsin Act
12 55, is amended to read:

13 71.07 (3y) (b) 2. In addition to any amount claimed for an eligible employee
14 under subd. 1., the amount of wages that the claimant paid to the eligible employee
15 in the taxable year, not to exceed 5 percent of such wages, if the eligible employee is
16 employed in an economically distressed area, as determined by the ~~Wisconsin~~
17 ~~Economic Development Corporation~~ department of economic opportunity.

18 **SECTION 143.** 71.07 (3y) (b) 3. of the statutes, as created by 2015 Wisconsin Act
19 55, is amended to read:

20 71.07 (3y) (b) 3. The amount of training costs that the claimant incurred under
21 s. ~~238.308~~ 555.308 (4) (a) 3., not to exceed 50 percent of such costs, as determined by
22 the ~~Wisconsin Economic Development Corporation~~ department of economic
23 opportunity.

24 **SECTION 144.** 71.07 (3y) (b) 4. of the statutes, as created by 2015 Wisconsin Act
25 55, is amended to read:

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1 71.07 (3y) (b) 4. The amount of the personal property investment, not to exceed
2 3 percent of such investment, and the amount of the real property investment, not
3 to exceed 5 percent of such investment, in a capital investment project that satisfies
4 s. ~~238.308~~ 555.308 (4) (a) 4., as determined by the ~~Wisconsin Economic Development~~
5 ~~Corporation~~ department of economic opportunity.

6 **SECTION 145.** 71.07 (3y) (b) 5. of the statutes, as created by 2015 Wisconsin Act
7 55, is amended to read:

8 71.07 (3y) (b) 5. An amount, as determined by the ~~Wisconsin Economic~~
9 ~~Development Corporation~~ department of economic opportunity under s. ~~238.308~~
10 555.308 (4) (a) 5., equal to a percentage of the amount of wages that the claimant paid
11 to an eligible employee in the taxable year if the position in which the eligible
12 employee was employed was created or retained in connection with the claimant's
13 location or retention of the claimant's corporate headquarters in Wisconsin and the
14 job duties associated with the eligible employee's position involve the performance
15 of corporate headquarters functions.

16 **SECTION 146.** 71.07 (3y) (c) 2. of the statutes, as created by 2015 Wisconsin Act
17 55, is amended to read:

18 71.07 (3y) (c) 2. No credit may be allowed under this subsection unless the
19 claimant includes with the claimant's return a copy of the claimant's certification for
20 tax benefits under s. ~~238.308~~ 555.308.

21 **SECTION 147.** 71.07 (5b) (a) 2. of the statutes is amended to read:

22 71.07 (5b) (a) 2. "Fund manager" means an investment fund manager certified
23 under s. 555.15 (2) or s. 238.15 (2), 2013 stats., or s. 560.205 (2), 2009 stats.

24 **SECTION 148.** 71.07 (5b) (b) 1. of the statutes is amended to read:

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1 71.07 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject
2 to the limitations provided under this subsection and s. 555.15 or s. 238.15, 2013
3 stats., or s. 560.205, 2009 stats., and except as provided in subd. 2., a claimant may
4 claim as a credit against the tax imposed under ss. 71.02 and 71.08, up to the amount
5 of those taxes, 25 percent of the claimant's investment paid to a fund manager that
6 the fund manager invests in a business certified under s. 555.15 (1) or s. 238.15 (1),
7 2013 stats., or s. 560.205 (1), 2009 stats.

8 **SECTION 149.** 71.07 (5b) (b) 2. of the statutes is amended to read:

9 71.07 (5b) (b) 2. In the case of a partnership, limited liability company, or
10 tax-option corporation, the computation of the 25 percent limitation under subd. 1.
11 shall be determined at the entity level rather than the claimant level and may be
12 allocated among the claimants who make investments in the manner set forth in the
13 entity's organizational documents. The entity shall provide to the department of
14 revenue and to the ~~department of commerce or the Wisconsin Economic~~
15 ~~Development Corporation~~ department of economic opportunity the names and tax
16 identification numbers of the claimants, the amounts of the credits allocated to the
17 claimants, and the computation of the allocations.

18 **SECTION 150.** 71.07 (5b) (d) 3. of the statutes is amended to read:

19 71.07 (5b) (d) 3. Except as provided under s. ~~238.15~~ 555.15 (3) (d) (intro.), for
20 investments made after December 31, 2007, if an investment for which a claimant
21 claims a credit under par. (b) is held by the claimant for less than 3 years, the
22 claimant shall pay to the department, in the manner prescribed by the department,
23 the amount of the credit that the claimant received related to the investment.

24 **SECTION 151.** 71.07 (5d) (a) 1. (intro.) of the statutes is amended to read:

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1 71.07 (5d) (a) 1. (intro.) “Bona fide angel investment” means a purchase of an
2 equity interest, or any other expenditure, as determined by rule under s. 555.15 or
3 s. 238.15, 2013 stats., or s. 560.205, 2009 stats., that is made by any of the following:

4 **SECTION 152.** 71.07 (5d) (a) 2m. of the statutes is amended to read:

5 71.07 (5d) (a) 2m. “Person” means a partnership or limited liability company
6 that is a nonoperating entity, as determined by the ~~department of commerce or the~~
7 ~~Wisconsin Economic Development Corporation~~ department of economic opportunity,
8 a natural person, or fiduciary.

9 **SECTION 153.** 71.07 (5d) (a) 3. of the statutes is amended to read:

10 71.07 (5d) (a) 3. “Qualified new business venture” means a business that is
11 certified under s. 555.15 (1) or s. 238.15 (1), 2013 stats., or s. 560.205 (1), 2009 stats.

12 **SECTION 154.** 71.07 (5d) (b) (intro.) of the statutes is amended to read:

13 71.07 (5d) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
14 subsection and in s. 555.15 or s. 238.15, 2013 stats., or s. 560.205, 2009 stats., a
15 claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08, up
16 to the amount of those taxes, the following:

17 **SECTION 155.** 71.07 (5d) (b) 1. of the statutes is amended to read:

18 71.07 (5d) (b) 1. For taxable years beginning before January 1, 2008, in each
19 taxable year for 2 consecutive years, beginning with the taxable year as certified by
20 the department of commerce ~~or~~, the Wisconsin Economic Development Corporation,
21 or the department of economic opportunity, an amount equal to 12.5 percent of the
22 claimant’s bona fide angel investment made directly in a qualified new business
23 venture.

24 **SECTION 156.** 71.07 (5d) (b) 2. of the statutes is amended to read:

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1 71.07 (5d) (b) 2. For taxable years beginning after December 31, 2007, for the
2 taxable year certified by the department of commerce or, the Wisconsin Economic
3 Development Corporation, or the department of economic opportunity, an amount
4 equal to 25 percent of the claimant's bona fide angel investment made directly in a
5 qualified new business venture.

6 **SECTION 157.** 71.07 (5d) (c) 2. of the statutes is amended to read:

7 71.07 (5d) (c) 2. For taxable years beginning before January 1, 2008, the
8 maximum amount of a claimant's investment that may be used as the basis for a
9 credit under this subsection is \$2,000,000 for each investment made directly in a
10 business certified under s. 555.15 (1) or s. 238.15 (1), 2013 stats., or s. 560.205 (1),
11 2009 stats.

12 **SECTION 158.** 71.07 (5d) (d) 1. of the statutes is amended to read:

13 71.07 (5d) (d) 1. Except as provided under s. ~~238.15~~ 555.15 (3) (d) (intro.), for
14 investments made after December 31, 2007, if an investment for which a claimant
15 claims a credit under par. (b) is held by the claimant for less than 3 years, the
16 claimant shall pay to the department, in the manner prescribed by the department,
17 the amount of the credit that the claimant received related to the investment.

18 **SECTION 159.** 71.07 (9m) (c) (intro.) of the statutes is amended to read:

19 71.07 (9m) (c) (intro.) No person may claim the credit under par. (a) 2m. unless
20 the claimant includes with the claimant's return a copy of the claimant's certification
21 under s. ~~238.17~~ 555.17. For certification purposes under s. ~~238.17~~ 555.17, the
22 claimant shall provide to the ~~Wisconsin Economic Development Corporation~~
23 department of economic opportunity all of the following:

24 **SECTION 160.** 71.26 (1) (be) of the statutes is amended to read:

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1 71.26 (1) (be) *Certain authorities.* Income of the University of Wisconsin
2 Hospitals and Clinics Authority, of the Fox River Navigational System Authority, of
3 ~~the Wisconsin Economic Development Corporation,~~ and of the Wisconsin Aerospace
4 Authority.

5 **SECTION 161.** 71.28 (1dm) (a) 1. of the statutes is amended to read:

6 71.28 (1dm) (a) 1. “Certified” means entitled under s. 555.395 (3) (a) 4. or s.
7 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits
8 or certified under s. 555.395 (5), 555.398 (3), or 555.3995 (4) or s. 238.395 (5), 2013
9 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009
10 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

11 **SECTION 162.** 71.28 (1dm) (a) 3. of the statutes is amended to read:

12 71.28 (1dm) (a) 3. “Development zone” means a development opportunity zone
13 under s. 555.395 (1) (e) and (f) or 555.398 or s. 238.395 (1) (e) and (f), 2013 stats., or
14 s. 238.398, 2013 stats., or s. 560.795 (1) (e) and (f), 2009 stats., or s. 560.798, 2009
15 stats., or an airport development zone under s. 555.3995 or s. 238.3995, 2013 stats.,
16 or s. 560.7995, 2009 stats.

17 **SECTION 163.** 71.28 (1dm) (a) 4. of the statutes is amended to read:

18 71.28 (1dm) (a) 4. “Previously owned property” means real property that the
19 claimant or a related person owned during the 2 years prior to the department of
20 commerce or the Wisconsin Economic Development Corporation or the department
21 of economic opportunity designating the place where the property is located as a
22 development zone and for which the claimant may not deduct a loss from the sale of
23 the property to, or an exchange of the property with, the related person under section
24 267 of the Internal Revenue Code, except that section 267 (b) of the Internal Revenue
25 Code is modified so that if the claimant owns any part of the property, rather than

ASSEMBLY BILL 617**SECTION 163**

1 50% ownership, the claimant is subject to section 267 (a) (1) of the Internal Revenue
2 Code for purposes of this subsection.

3 **SECTION 164.** 71.28 (1dm) (f) 1. of the statutes is amended to read:

4 71.28 **(1dm)** (f) 1. A copy of the verification that the claimant may claim tax
5 benefits under s. 555.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795
6 (3) (a) 4., 2009 stats., or is certified under s. 555.395 (5), 555.398 (3), or 555.3995 (4)
7 or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats.,
8 or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

9 **SECTION 165.** 71.28 (1dm) (f) 2. of the statutes is amended to read:

10 71.28 **(1dm)** (f) 2. A statement from the department of commerce or the
11 Wisconsin Economic Development Corporation or the department of economic
12 opportunity verifying the purchase price of the investment and verifying that the
13 investment fulfills the requirements under par. (b).

14 **SECTION 166.** 71.28 (1dm) (i) of the statutes is amended to read:

15 71.28 **(1dm)** (i) Partnerships, limited liability companies, and tax-option
16 corporations may not claim the credit under this subsection, but the eligibility for,
17 and the amount of, that credit shall be determined on the basis of their economic
18 activity, not that of their shareholders, partners, or members. The corporation,
19 partnership, or limited liability company shall compute the amount of credit that
20 may be claimed by each of its shareholders, partners, or members and provide that
21 information to its shareholders, partners, or members. Partners, members of limited
22 liability companies, and shareholders of tax-option corporations may claim the
23 credit based on the partnership's, company's, or corporation's activities in proportion
24 to their ownership interest and may offset it against the tax attributable to their
25 income from the partnership's, company's, or corporation's business operations in the

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1 development zone; except that partners, members, and shareholders in a
2 development zone under s. 555.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s.
3 560.795 (1) (e), 2009 stats., may offset the credit against the amount of the tax
4 attributable to their income.

5 **SECTION 167.** 71.28 (1dm) (j) of the statutes is amended to read:

6 71.28 **(1dm)** (j) If a person who is entitled under s. 555.395 (3) (a) 4. or s. 238.395
7 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits becomes
8 ineligible for such tax benefits, or if a person's certification under s. 555.395 (5),
9 555.398 (3), or 555.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats.,
10 or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
11 or s. 560.7995 (4), 2009 stats., is revoked, that person may claim no credits under this
12 subsection for the taxable year that includes the day on which the person becomes
13 ineligible for tax benefits, the taxable year that includes the day on which the
14 certification is revoked, or succeeding taxable years, and that person may carry over
15 no unused credits from previous years to offset tax under this chapter for the taxable
16 year that includes the day on which the person becomes ineligible for tax benefits,
17 the taxable year that includes the day on which the certification is revoked, or
18 succeeding taxable years.

19 **SECTION 168.** 71.28 (1dm) (k) of the statutes is amended to read:

20 71.28 **(1dm)** (k) If a person who is entitled under s. 555.395 (3) (a) 4. or s.
21 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits
22 or certified under s. 555.395 (5), 555.398 (3), or 555.3995 (4) or s. 238.395 (5), 2013
23 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009
24 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., ceases business
25 operations in the development zone during any of the taxable years that that zone

ASSEMBLY BILL 617**SECTION 168**

1 exists, that person may not carry over to any taxable year following the year during
2 which operations cease any unused credits from the taxable year during which
3 operations cease or from previous taxable years.

4 **SECTION 169.** 71.28 (1dx) (a) 2. of the statutes is amended to read:

5 71.28 (1dx) (a) 2. "Development zone" means a development zone under s.
6 555.30 or s. 238.30, 2013 stats., or s. 560.70, 2009 stats., a development opportunity
7 zone under s. 555.395 or s. 238.395, 2013 stats., or s. 560.795, 2009 stats., an
8 enterprise development zone under s. 555.397 or s. 238.397, 2013 stats., or s.
9 560.797, 2009 stats., an agricultural development zone under s. 555.398 or s.
10 238.398, 2013 stats., or s. 560.798, 2009 stats., or an airport development zone under
11 s. 555.3995 or s. 238.3995, 2013 stats., or s. 560.7995, 2009 stats.

12 **SECTION 170.** 71.28 (1dx) (a) 4. of the statutes is amended to read:

13 71.28 (1dx) (a) 4. "Full-time job" has the meaning given in s. ~~238.30~~ 555.30
14 (2m).

15 **SECTION 171.** 71.28 (1dx) (b) (intro.) of the statutes is amended to read:

16 71.28 (1dx) (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
17 in s. 73.03 (35), and subject to s. 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009
18 stats., for any taxable year for which the person is entitled under s. 555.395 (3) or s.
19 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified
20 under s. 555.365 (3), 555.397 (4), 555.398 (3), or 555.3995 (4) or s. 238.365 (3), 2013
21 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013
22 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009
23 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against the
24 taxes otherwise due under this chapter the following amounts:

25 **SECTION 172.** 71.28 (1dx) (b) 2. of the statutes is amended to read:

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1 71.28 (1dx) (b) 2. The amount determined by multiplying the amount
2 determined under s. 555.385 (1) (b) or s. 238.385 (1) (b), 2013 stats., or s. 560.785 (1)
3 (b), 2009 stats., by the number of full-time jobs created in a development zone and
4 filled by a member of a targeted group and by then subtracting the subsidies paid
5 under s. 49.147 (3) (a) for those jobs.

6 **SECTION 173.** 71.28 (1dx) (b) 3. of the statutes is amended to read:

7 71.28 (1dx) (b) 3. The amount determined by multiplying the amount
8 determined under s. 555.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1)
9 (c), 2009 stats., by the number of full-time jobs created in a development zone and
10 not filled by a member of a targeted group and by then subtracting the subsidies paid
11 under s. 49.147 (3) (a) for those jobs.

12 **SECTION 174.** 71.28 (1dx) (b) 4. of the statutes, as affected by 2015 Wisconsin
13 Act 55, is amended to read:

14 71.28 (1dx) (b) 4. The amount determined by multiplying the amount
15 determined under s. 555.385 (1) (bm) or s. 238.385 (1) (bm), 2013 stats., or s. 560.785
16 (1) (bm), 2009 stats., by the number of full-time jobs retained, as provided ~~in the~~
17 ~~rules~~ under s. 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., in an
18 enterprise development zone under s. 555.397 or s. 238.397, 2013 stats., or s.
19 560.797, 2009 stats., and for which significant capital investment was made and by
20 then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

21 **SECTION 175.** 71.28 (1dx) (b) 5. of the statutes, as affected by 2015 Wisconsin
22 Act 55, is amended to read:

23 71.28 (1dx) (b) 5. The amount determined by multiplying the amount
24 determined under s. 555.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1)
25 (c), 2009 stats., by the number of full-time jobs retained, as provided ~~in the rules~~

ASSEMBLY BILL 617**SECTION 175**

1 under s. 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., in a
2 development zone and not filled by a member of a targeted group and by then
3 subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

4 **SECTION 176.** 71.28 (1dx) (be) of the statutes is amended to read:

5 71.28 (1dx) (be) *Offset.* A claimant in a development zone under s. 555.395 (1)
6 (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., may offset any
7 credits claimed under this subsection, including any credits carried over, against the
8 amount of the tax otherwise due under this subchapter attributable to all of the
9 claimant's income and against the tax attributable to income from directly related
10 business operations of the claimant.

11 **SECTION 177.** 71.28 (1dx) (bg) of the statutes is amended to read:

12 71.28 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
13 555.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats.,
14 partnerships, limited liability companies, and tax-option corporations may not
15 claim the credit under this subsection, but the eligibility for, and amount of, that
16 credit shall be determined on the basis of their economic activity, not that of their
17 shareholders, partners, or members. The corporation, partnership, or company shall
18 compute the amount of the credit that may be claimed by each of its shareholders,
19 partners, or members and shall provide that information to each of its shareholders,
20 partners, or members. Partners, members of limited liability companies, and
21 shareholders of tax-option corporations may claim the credit based on the
22 partnership's, company's, or corporation's activities in proportion to their ownership
23 interest and may offset it against the tax attributable to their income.

24 **SECTION 178.** 71.28 (1dx) (c) of the statutes is amended to read:

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1 71.28 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
2 under s. 555.365 (3), 555.397 (4), 555.398 (3), or 555.3995 (4) or s. 238.365 (3), 2013
3 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013
4 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009
5 stats., or s. 560.7995 (4), 2009 stats., is revoked, or if the person becomes ineligible
6 for tax benefits under s. 555.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3),
7 2009 stats., that person may not claim credits under this subsection for the taxable
8 year that includes the day on which the certification is revoked; the taxable year that
9 includes the day on which the person becomes ineligible for tax benefits; or
10 succeeding taxable years and that person may not carry over unused credits from
11 previous years to offset tax under this chapter for the taxable year that includes the
12 day on which certification is revoked; the taxable year that includes the day on which
13 the person becomes ineligible for tax benefits; or succeeding taxable years.

14 **SECTION 179.** 71.28 (1dx) (d) of the statutes is amended to read:

15 71.28 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
16 555.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax
17 benefits or certified under s. 555.365 (3), 555.397 (4), 555.398 (3), or 555.3995 (4) or
18 s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or
19 s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats.,
20 s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for tax benefits ceases
21 business operations in the development zone during any of the taxable years that
22 that zone exists, that person may not carry over to any taxable year following the
23 year during which operations cease any unused credits from the taxable year during
24 which operations cease or from previous taxable years.

25 **SECTION 180.** 71.28 (1dy) (a) of the statutes is amended to read:

ASSEMBLY BILL 617**SECTION 180**

1 71.28 (1dy) (a) *Definition*. In this subsection, “claimant” means a person who
2 files a claim under this subsection and is certified under s. 555.301 (2) or s. 238.301
3 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and authorized to claim tax benefits
4 under s. 555.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

5 **SECTION 181.** 71.28 (1dy) (b) of the statutes is amended to read:

6 71.28 (1dy) (b) *Filing claims*. Subject to the limitations under this subsection
7 and ss. 555.301 to 555.306 or ss. 238.301 to 238.306, 2013 stats., or ~~ss.~~ ss. 560.701 to
8 560.706, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
9 may claim as a credit against the tax imposed under s. 71.23, up to the amount of the
10 tax, the amount authorized for the claimant under s. 555.303 or s. 238.303, 2013
11 stats., or s. 560.703, 2009 stats.

12 **SECTION 182.** 71.28 (1dy) (c) 1. of the statutes is amended to read:

13 71.28 (1dy) (c) 1. No credit may be allowed under this subsection unless the
14 claimant includes with the claimant’s return a copy of the claimant’s certification
15 under s. 555.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and
16 a copy of the claimant’s notice of eligibility to receive tax benefits under s. 555.303
17 (3) or s. 238.303 (3), 2013 stats., or s. 560.703 (3), 2009 stats.

18 **SECTION 183.** 71.28 (1dy) (c) 2. of the statutes is amended to read:

19 71.28 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option
20 corporations may not claim the credit under this subsection, but the eligibility for,
21 and the amount of, the credit are based on their authorization to claim tax benefits
22 under s. 555.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats. A partnership,
23 limited liability company, or tax-option corporation shall compute the amount of
24 credit that each of its partners, members, or shareholders may claim and shall
25 provide that information to each of them. Partners, members of limited liability

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1 companies, and shareholders of tax-option corporations may claim the credit in
2 proportion to their ownership interests.

3 **SECTION 184.** 71.28 (1dy) (d) 2. of the statutes is amended to read:

4 71.28 (1dy) (d) 2. If a claimant's certification is revoked under s. 555.305 or s.
5 238.305, 2013 stats., or s. 560.705, 2009 stats., or if a claimant becomes ineligible for
6 tax benefits under s. 555.302 or s. 238.302, 2013 stats., or s. 560.702, 2009 stats., the
7 claimant may not claim credits under this subsection for the taxable year that
8 includes the day on which the certification is revoked; the taxable year that includes
9 the day on which the claimant becomes ineligible for tax benefits; or succeeding
10 taxable years and the claimant may not carry over unused credits from previous
11 years to offset the tax imposed under s. 71.23 for the taxable year that includes the
12 day on which certification is revoked; the taxable year that includes the day on which
13 the claimant becomes ineligible for tax benefits; or succeeding taxable years.

14 **SECTION 185.** 71.28 (3g) (a) (intro.) of the statutes is amended to read:

15 71.28 (3g) (a) (intro.) Subject to the limitations under this subsection and ss.
16 73.03 (35m) and 555.23 and s. 238.23, 2013 stats., and s. 560.96, 2009 stats., a
17 business that is certified under s. 555.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96
18 (3), 2009 stats., may claim as a credit against the taxes imposed under s. 71.23 an
19 amount equal to the sum of the following, as established under s. 555.23 (3) (c) or s.
20 238.23 (3) (c), 2013 stats., or s. 560.96 (3) (c), 2009 stats.:

21 **SECTION 186.** 71.28 (3g) (b) of the statutes is amended to read:

22 71.28 (3g) (b) The department of revenue shall notify the ~~department of~~
23 ~~commerce or the Wisconsin Economic Development Corporation~~ department of
24 economic opportunity of all claims under this subsection.

25 **SECTION 187.** 71.28 (3g) (e) 2. of the statutes is amended to read:

ASSEMBLY BILL 617**SECTION 187**

1 71.28 (3g) (e) 2. The investments that relate to the amount described under par.
2 (a) 2. for which a claimant makes a claim under this subsection must be retained for
3 use in the technology zone for the period during which the claimant's business is
4 certified under s. 555.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats.

5 **SECTION 188.** 71.28 (3g) (f) 1. of the statutes is amended to read:

6 71.28 (3g) (f) 1. A copy of the verification that the claimant's business is
7 certified under s. 555.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats.,
8 and that the business has entered into an agreement under s. 555.23 (3) (d) or s.
9 238.23 (3) (d), 2013 stats., or s. 560.96 (3) (d), 2009 stats.

10 **SECTION 189.** 71.28 (3g) (f) 2. of the statutes is amended to read:

11 71.28 (3g) (f) 2. A statement from the department of commerce or the Wisconsin
12 Economic Development Corporation or the department of economic opportunity
13 verifying the purchase price of the investment described under par. (a) 2. and
14 verifying that the investment fulfills the requirement under par. (e) 2.

15 **SECTION 190.** 71.28 (3q) (a) 1. of the statutes is amended to read:

16 71.28 (3q) (a) 1. "Claimant" means a person certified to receive tax benefits
17 under s. 555.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009 stats.

18 **SECTION 191.** 71.28 (3q) (a) 2. of the statutes is amended to read:

19 71.28 (3q) (a) 2. "Eligible employee" means, for taxable years beginning before
20 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
21 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
22 taxable years beginning after December 31, 2010, an eligible employee under s.
23 555.16 (1) (b) or s. 238.16 (1) (b), 2013 stats., who satisfies the wage requirements
24 under s. 555.16 (3) (a) or (b) or s. 238.16 (3) (a) or (b), 2013 stats.

25 **SECTION 192.** 71.28 (3q) (b) of the statutes is amended to read:

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1 71.28 (3q) (b) *Filing claims.* Subject to the limitations provided in this
2 subsection and s. 555.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats., for
3 taxable years beginning after December 31, 2009, a claimant may claim as a credit
4 against the taxes imposed under s. 71.23 any of the following:

5 1. The amount of wages that the claimant paid to an eligible employee in the
6 taxable year, not to exceed 10 percent of such wages, as determined under s. 555.16
7 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats.

8 2. The amount of the costs incurred by the claimant in the taxable year, as
9 determined under s. 555.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats., to
10 undertake the training activities described under s. 555.16 (3) (c) or s. 238.16 (3) (c),
11 2013 stats., or s. 560.2055 (3) (c), 2009 stats.

12 **SECTION 193.** 71.28 (3q) (c) 2. of the statutes is amended to read:

13 71.28 (3q) (c) 2. No credit may be allowed under this subsection unless the
14 claimant includes with the claimant's return a copy of the claimant's certification for
15 tax benefits under s. 555.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009
16 stats.

17 **SECTION 194.** 71.28 (3q) (c) 3. of the statutes is amended to read:

18 71.28 (3q) (c) 3. The maximum amount of credits that may be awarded under
19 this subsection and ss. 71.07 (3q) and 71.47 (3q) for the period beginning on January
20 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
21 any credits reallocated under 555.15 (3) (d) or s. 238.15 (3) (d), 2013 stats., or s.
22 560.205 (3) (d), 2009 stats.

23 **SECTION 195.** 71.28 (3w) (a) 2. of the statutes is amended to read:

ASSEMBLY BILL 617**SECTION 195**

1 71.28 (3w) (a) 2. “Claimant” means a person who is certified to claim tax
2 benefits under s. 555.399 (5) or s. 238.399 (5), 2013 stats., or s. 560.799 (5), 2009
3 stats., and who files a claim under this subsection.

4 **SECTION 196.** 71.28 (3w) (a) 3. of the statutes is amended to read:

5 71.28 (3w) (a) 3. “Full-time employee” means a full-time employee, as defined
6 in s. 555.399 (1) (am) or s. 238.399 (1) (am), 2013 stats., or s. 560.799 (1) (am), 2009
7 stats.

8 **SECTION 197.** 71.28 (3w) (a) 4. of the statutes is amended to read:

9 71.28 (3w) (a) 4. “Enterprise zone” means a zone designated under s. 555.399
10 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

11 **SECTION 198.** 71.28 (3w) (a) 5d. of the statutes is amended to read:

12 71.28 (3w) (a) 5d. “Tier I county or municipality” means a tier I county or
13 municipality, as determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799,
14 2009 stats.

15 **SECTION 199.** 71.28 (3w) (a) 5e. of the statutes is amended to read:

16 71.28 (3w) (a) 5e. “Tier II county or municipality” means a tier II county or
17 municipality, as determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799,
18 2009 stats.

19 **SECTION 200.** 71.28 (3w) (b) (intro.) of the statutes is amended to read:

20 71.28 (3w) (b) *Filing claims; payroll.* (intro.) Subject to the limitations
21 provided in this subsection and s. 555.399 or s. 238.399, 2013 stats., or s. 560.799,
22 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.23
23 an amount calculated as follows:

24 **SECTION 201.** 71.28 (3w) (b) 5. of the statutes is amended to read:

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1 71.28 (3w) (b) 5. Multiply the amount determined under subd. 4. by the
2 percentage determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799, 2009
3 stats., not to exceed 7 percent.

4 **SECTION 202.** 71.28 (3w) (bm) 1. of the statutes is amended to read:

5 71.28 (3w) (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
6 4., and subject to the limitations provided in this subsection and s. 555.399 or s.
7 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit
8 against the tax imposed under s. 71.23 an amount equal to a percentage, as
9 determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not
10 to exceed 100 percent, of the amount the claimant paid in the taxable year to upgrade
11 or improve the job-related skills of any of the claimant's full-time employees, to train
12 any of the claimant's full-time employees on the use of job-related new technologies,
13 or to provide job-related training to any full-time employee whose employment with
14 the claimant represents the employee's first full-time job. This subdivision does not
15 apply to employees who do not work in an enterprise zone.

16 **SECTION 203.** 71.28 (3w) (bm) 2. of the statutes is amended to read:

17 71.28 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
18 4., and subject to the limitations provided in this subsection and s. 555.399 or s.
19 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit
20 against the tax imposed under s. 71.23 an amount equal to the percentage, as
21 determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not
22 to exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all of
23 the claimant's full-time employees whose annual wages are greater than the amount
24 determined by multiplying 2,080 by 150 percent of the federal minimum wage in a
25 tier I county or municipality, not including the wages paid to the employees

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1 determined under par. (b) 1., or greater than \$30,000 in a tier II county or
2 municipality, not including the wages paid to the employees determined under par.
3 (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if
4 the total number of such employees is equal to or greater than the total number of
5 such employees in the base year. A claimant may claim a credit under this
6 subdivision for no more than 5 consecutive taxable years.

7 **SECTION 204.** 71.28 (3w) (bm) 3. of the statutes is amended to read:

8 71.28 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and
9 4., and subject to the limitations provided in this subsection and s. 555.399 or s.
10 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after
11 December 31, 2008, a claimant may claim as a credit against the tax imposed under
12 s. 71.23 up to 10 percent of the claimant's significant capital expenditures, as
13 determined under s. 555.399 (5m) or s. 238.399 (5m), 2013 stats., or s. 560.799 (5m),
14 2009 stats.

15 **SECTION 205.** 71.28 (3w) (bm) 4. of the statutes is amended to read:

16 71.28 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
17 3., and subject to the limitations provided in this subsection and s. 555.399 or s.
18 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after
19 December 31, 2009, a claimant may claim as a credit against the tax imposed under
20 s. 71.23, up to 1 percent of the amount that the claimant paid in the taxable year to
21 purchase tangible personal property, items, property, or goods under s. 77.52 (1) (b),
22 (c), or (d), or services from Wisconsin vendors, as determined under s. 555.399 (5) (e)
23 or s. 238.399 (5) (e), 2013 stats., or s. 560.799 (5) (e), 2009 stats., except that the
24 claimant may not claim the credit under this subdivision and subd. 3. for the same
25 expenditures.

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1 **SECTION 206.** 71.28 (3w) (c) 3. of the statutes is amended to read:

2 71.28 (3w) (c) 3. No credit may be allowed under this subsection unless the
3 claimant includes with the claimant's return a copy of the claimant's certification for
4 tax benefits under s. 555.399 (5) or (5m) or s. 238.399 (5) or (5m), 2013 stats., or s.
5 560.799 (5) or (5m), 2009 stats.

6 **SECTION 207.** 71.28 (3w) (d) of the statutes is amended to read:

7 71.28 (3w) (d) *Administration.* Subsection (4) (g) and (h), as it applies to the
8 credit under sub. (4), applies to the credit under this subsection. Claimants shall
9 include with their returns a copy of their certification for tax benefits, and a copy of
10 the verification of their expenses, from the department of commerce or the Wisconsin
11 Economic Development Corporation or the department of economic opportunity.

12 **SECTION 208.** 71.28 (3y) (a) 1. of the statutes, as created by 2015 Wisconsin Act
13 55, is amended to read:

14 71.28 (3y) (a) 1. "Claimant" means a person certified to receive tax benefits
15 under s. ~~238.308~~ 555.308.

16 **SECTION 209.** 71.28 (3y) (a) 2. of the statutes, as created by 2015 Wisconsin Act
17 55, is amended to read:

18 71.28 (3y) (a) 2. "Eligible employee" has the meaning given in s. ~~238.308~~
19 555.308 (1) (a).

20 **SECTION 210.** 71.28 (3y) (b) (intro.) of the statutes, as created by 2015 Wisconsin
21 Act 55, is amended to read:

22 71.28 (3y) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
23 subsection and s. ~~238.308~~ 555.308, for taxable years beginning after December 31,
24 2015, a claimant may claim as a credit against the tax imposed under s. 71.23 all of
25 the following:

ASSEMBLY BILL 617**SECTION 211**

1 **SECTION 211.** 71.28 (3y) (b) 1. of the statutes, as created by 2015 Wisconsin Act
2 55, is amended to read:

3 71.28 (3y) (b) 1. The amount of wages that the claimant paid to an eligible
4 employee in the taxable year, not to exceed 10 percent of such wages, as determined
5 by the ~~Wisconsin Economic Development Corporation~~ department of economic
6 opportunity under s. ~~238.308~~ 555.308.

7 **SECTION 212.** 71.28 (3y) (b) 2. of the statutes, as created by 2015 Wisconsin Act
8 55, is amended to read:

9 71.28 (3y) (b) 2. In addition to any amount claimed for an eligible employee
10 under subd. 1., the amount of wages that the claimant paid to the eligible employee
11 in the taxable year, not to exceed 5 percent of such wages, if the eligible employee is
12 employed in an economically distressed area, as determined by the ~~Wisconsin~~
13 ~~Economic Development Corporation~~ department of economic opportunity.

14 **SECTION 213.** 71.28 (3y) (b) 3. of the statutes, as created by 2015 Wisconsin Act
15 55, is amended to read:

16 71.28 (3y) (b) 3. The amount of training costs that the claimant incurred under
17 s. ~~238.308~~ 555.308 (4) (a) 3., not to exceed 50 percent of such costs, as determined by
18 the ~~Wisconsin Economic Development Corporation~~ department of economic
19 opportunity.

20 **SECTION 214.** 71.28 (3y) (b) 4. of the statutes, as created by 2015 Wisconsin Act
21 55, is amended to read:

22 71.28 (3y) (b) 4. The amount of the personal property investment, not to exceed
23 3 percent of such investment, and the amount of the real property investment, not
24 to exceed 5 percent of such investment, in a capital investment project that satisfies

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1 s. ~~238.308~~ 555.308 (4) (a) 4., as determined by the ~~Wisconsin Economic Development~~
2 ~~Corporation~~ department of economic opportunity.

3 **SECTION 215.** 71.28 (3y) (b) 5. of the statutes, as created by 2015 Wisconsin Act
4 55, is amended to read:

5 71.28 (3y) (b) 5. An amount, as determined by the ~~Wisconsin Economic~~
6 ~~Development Corporation~~ department of economic opportunity under s. ~~238.308~~
7 555.308 (4) (a) 5., equal to a percentage of the amount of wages that the claimant paid
8 to an eligible employee in the taxable year if the position in which the eligible
9 employee was employed was created or retained in connection with the claimant's
10 location or retention of the claimant's corporate headquarters in Wisconsin and the
11 job duties associated with the eligible employee's position involve the performance
12 of corporate headquarters functions.

13 **SECTION 216.** 71.28 (3y) (c) 2. of the statutes, as created by 2015 Wisconsin Act
14 55, is amended to read:

15 71.28 (3y) (c) 2. No credit may be allowed under this subsection unless the
16 claimant includes with the claimant's return a copy of the claimant's certification for
17 tax benefits under s. ~~238.308~~ 555.308.

18 **SECTION 217.** 71.28 (4) (am) 1. of the statutes, as affected by 2015 Wisconsin
19 Act 55, is amended to read:

20 71.28 (4) (am) 1. In addition to the credit under par. (ad), any corporation may
21 credit against taxes otherwise due under this chapter an amount equal to 5 percent
22 of the amount obtained by subtracting from the corporation's qualified research
23 expenses, as defined in section 41 of the Internal Revenue Code, except that
24 "qualified research expenses" include only expenses incurred by the claimant in a
25 development zone under subch. II of ch. 555 or subch. II of ch. 238, 2013 stats., or

ASSEMBLY BILL 617**SECTION 217**

1 subch. VI of ch. 560, 2009 stats., except that a taxpayer may elect the alternative
2 computation under section 41 (c) (4) of the Internal Revenue Code and that election
3 applies until the department permits its revocation and except that “qualified
4 research expenses” does not include research expenses incurred before the claimant
5 is certified for tax benefits under s. 555.365 (3) or s. 238.365 (3), 2013 stats., or s.
6 560.765 (3), 2009 stats., or the corporation’s base amount, as defined in section 41 (c)
7 of the Internal Revenue Code, in a development zone, except that gross receipts used
8 in calculating the base amount means gross receipts from sales attributable to
9 Wisconsin under s. 71.25 (9) (b) 1. and 2., (df) 1. and 2., (dh) 1., 2., and 3., (dj), and
10 (dk) and research expenses used in calculating the base amount include research
11 expenses incurred before the claimant is certified for tax benefits under s. 555.365
12 (3) or s. 238.365 (3), 2013 stats., or s. 560.765 (3), 2009 stats., in a development zone,
13 if the claimant submits with the claimant’s return a copy of the claimant’s
14 certification for tax benefits under s. 555.365 (3) or s. 238.365 (3), 2013 stats., or s.
15 560.765 (3), 2009 stats., and a statement from the department of commerce or the
16 Wisconsin Economic Development Corporation or the department of economic
17 opportunity verifying the claimant’s qualified research expenses for research
18 conducted exclusively in a development zone. The rules under s. 73.03 (35) apply to
19 the credit under this subdivision. Section 41 (h) of the Internal Revenue Code does
20 not apply to the credit under this subdivision.

21 **SECTION 218.** 71.28 (4) (am) 2. of the statutes is amended to read:

22 71.28 (4) (am) 2. The development zones credit under subd. 1., as it applies to
23 a person certified under s. 555.365 (3) or s. 238.365 (3), 2013 stats., or s. 560.765 (3),
24 2009 stats., applies to a corporation that conducts economic activity in a development
25 opportunity zone under s. 555.395 (1) or s. 238.395 (1), 2013 stats., or s. 560.795 (1),

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1 2009 stats., and that is entitled to tax benefits under s. 555.395 (3) or s. 238.395 (3),
2 2013 stats., or s. 560.795 (3), 2009 stats., subject to the limits under s. 555.395 (2) or
3 s. 238.395 (2), 2013 stats., or s. 560.795 (2), 2009 stats. A development opportunity
4 zone credit under this subdivision may be calculated using expenses incurred by a
5 claimant beginning on the effective date under s. 555.395 (2) (a) or s. 238.395 (2) (a),
6 2013 stats., or s. 560.795 (2) (a), 2009 stats., of the development opportunity zone
7 designation of the area in which the claimant conducts economic activity.

8 **SECTION 219.** 71.28 (5b) (a) 2. of the statutes is amended to read:

9 71.28 (5b) (a) 2. "Fund manager" means an investment fund manager certified
10 under s. 555.15 (2) or s. 238.15 (2), 2013 stats., or s. 560.205 (2), 2009 stats.

11 **SECTION 220.** 71.28 (5b) (b) 1. of the statutes is amended to read:

12 71.28 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject
13 to the limitations provided under this subsection and s. 555.15 or s. 238.15, 2013
14 stats., or s. 560.205, 2009 stats., and except as provided in subd. 2., a claimant may
15 claim as a credit against the tax imposed under s. 71.23, up to the amount of those
16 taxes, 25 percent of the claimant's investment paid to a fund manager that the fund
17 manager invests in a business certified under s. 555.15 (1) or s. 238.15 (1), 2013
18 stats., or s. 560.205 (1), 2009 stats.

19 **SECTION 221.** 71.28 (5b) (b) 2. of the statutes is amended to read:

20 71.28 (5b) (b) 2. In the case of a partnership, limited liability company, or
21 tax-option corporation, the computation of the 25 percent limitation under subd. 1.
22 shall be determined at the entity level rather than the claimant level and may be
23 allocated among the claimants who make investments in the manner set forth in the
24 entity's organizational documents. The entity shall provide to the department of
25 revenue and to the ~~department of commerce or the Wisconsin Economic~~

ASSEMBLY BILL 617**SECTION 221**

1 ~~Development Corporation~~ department of economic opportunity the names and tax
2 identification numbers of the claimants, the amounts of the credits allocated to the
3 claimants, and the computation of the allocations.

4 **SECTION 222.** 71.28 (5b) (d) 3. of the statutes is amended to read:

5 71.28 **(5b)** (d) 3. Except as provided under s. ~~238.15~~ 555.15 (3) (d) (intro.), for
6 investments made after December 31, 2007, if an investment for which a claimant
7 claims a credit under par. (b) is held by the claimant for less than 3 years, the
8 claimant shall pay to the department, in the manner prescribed by the department,
9 the amount of the credit that the claimant received related to the investment.

10 **SECTION 223.** 71.28 (6) (c) (intro.) of the statutes is amended to read:

11 71.28 **(6)** (c) (intro.) No person may claim the credit under par. (a) 2m. unless
12 the claimant includes with the claimant's return a copy of the claimant's certification
13 under s. ~~238.17~~ 555.17. For certification purposes under s. ~~238.17~~ 555.17, the
14 claimant shall provide to the ~~Wisconsin Economic Development Corporation~~
15 department of economic opportunity all of the following:

16 **SECTION 224.** 71.47 (1dm) (a) 1. of the statutes is amended to read:

17 71.47 **(1dm)** (a) 1. "Certified" means entitled under s. 555.395 (3) (a) 4. or s.
18 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits
19 or certified under s. 555.395 (5), 555.398 (3), or 555.3995 (4) or s. 238.395 (5), 2013
20 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009
21 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

22 **SECTION 225.** 71.47 (1dm) (a) 3. of the statutes is amended to read:

23 71.47 **(1dm)** (a) 3. "Development zone" means a development opportunity zone
24 under s. 555.395 (1) (e) and (f) or 555.398 or s. 238.395 (1) (e) and (f), 2013 stats., or
25 s. 238.398, 2013 stats. or s. 560.795 (1) (e) and (f), 2009 stats., or s. 560.798, 2009

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1 stats., or an airport development zone under s. 555.3995 or s. 238.3995, 2013 stats.,
2 or s. 560.7995, 2009 stats.

3 **SECTION 226.** 71.47 (1dm) (a) 4. of the statutes is amended to read:

4 71.47 (1dm) (a) 4. “Previously owned property” means real property that the
5 claimant or a related person owned during the 2 years prior to the department of
6 commerce or the Wisconsin Economic Development Corporation or the department
7 of economic opportunity designating the place where the property is located as a
8 development zone and for which the claimant may not deduct a loss from the sale of
9 the property to, or an exchange of the property with, the related person under section
10 267 of the Internal Revenue Code, except that section 267 (b) of the Internal Revenue
11 Code is modified so that if the claimant owns any part of the property, rather than
12 50% ownership, the claimant is subject to section 267 (a) (1) of the Internal Revenue
13 Code for purposes of this subsection.

14 **SECTION 227.** 71.47 (1dm) (f) 1. of the statutes is amended to read:

15 71.47 (1dm) (f) 1. A copy of the verification that the claimant may claim tax
16 benefits under s. 555.395 (3) (a) 4. or s. 238.395 (3) (a) 4., 2013 stats., or s. 560.795
17 (3) (a) 4., 2009 stats., or is certified under s. 555.395 (5), 555.398 (3), or 555.3995 (4)
18 or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats.,
19 or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats.

20 **SECTION 228.** 71.47 (1dm) (f) 2. of the statutes is amended to read:

21 71.47 (1dm) (f) 2. A statement from the department of commerce or the
22 Wisconsin Economic Development Corporation or the department of economic
23 opportunity verifying the purchase price of the investment and verifying that the
24 investment fulfills the requirements under par. (b).

25 **SECTION 229.** 71.47 (1dm) (i) of the statutes is amended to read:

ASSEMBLY BILL 617**SECTION 229**

1 71.47 **(1dm)** (i) Partnerships, limited liability companies, and tax-option
2 corporations may not claim the credit under this subsection, but the eligibility for,
3 and the amount of, that credit shall be determined on the basis of their economic
4 activity, not that of their shareholders, partners, or members. The corporation,
5 partnership, or limited liability company shall compute the amount of credit that
6 may be claimed by each of its shareholders, partners, or members and provide that
7 information to its shareholders, partners, or members. Partners, members of limited
8 liability companies, and shareholders of tax-option corporations may claim the
9 credit based on the partnership's, company's, or corporation's activities in proportion
10 to their ownership interest and may offset it against the tax attributable to their
11 income from the partnership's, company's, or corporation's business operations in the
12 development zone; except that partners, members, and shareholders in a
13 development zone under s. 555.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s.
14 560.795 (1) (e), 2009 stats., may offset the credit against the amount of the tax
15 attributable to their income.

16 **SECTION 230.** 71.47 (1dm) (j) of the statutes is amended to read:

17 71.47 **(1dm)** (j) If a person who is entitled under s. 555.395 (3) (a) 4. or s. 238.395
18 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits becomes
19 ineligible for such tax benefits, or if a person's certification under s. 555.395 (5),
20 555.398 (3), or 555.3995 (4) or s. 238.395 (5), 2013 stats., s. 238.398 (3), 2013 stats.,
21 or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009 stats., s. 560.798 (3), 2009 stats.,
22 or s. 560.7995 (4), 2009 stats., is revoked, that person may claim no credits under this
23 subsection for the taxable year that includes the day on which the person becomes
24 ineligible for tax benefits, the taxable year that includes the day on which the
25 certification is revoked, or succeeding taxable years, and that person may carry over

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1 no unused credits from previous years to offset tax under this chapter for the taxable
2 year that includes the day on which the person becomes ineligible for tax benefits,
3 the taxable year that includes the day on which the certification is revoked, or
4 succeeding taxable years.

5 **SECTION 231.** 71.47 (1dm) (k) of the statutes is amended to read:

6 71.47 **(1dm)** (k) If a person who is entitled under s. 555.395 (3) (a) 4. or s.
7 238.395 (3) (a) 4., 2013 stats., or s. 560.795 (3) (a) 4., 2009 stats., to claim tax benefits
8 or certified under s. 555.395 (5), 555.398 (3), or 555.3995 (4) or s. 238.395 (5), 2013
9 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013 stats., or s. 560.795 (5), 2009
10 stats., s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., ceases business
11 operations in the development zone during any of the taxable years that that zone
12 exists, that person may not carry over to any taxable year following the year during
13 which operations cease any unused credits from the taxable year during which
14 operations cease or from previous taxable years.

15 **SECTION 232.** 71.47 (1dx) (a) 2. of the statutes is amended to read:

16 71.47 **(1dx)** (a) 2. “Development zone” means a development zone under s.
17 555.30 or s. 238.30, 2013 stats., or s. 560.70, 2009 stats., a development opportunity
18 zone under s. 555.395 or s. 238.395, 2013 stats., or s. 560.795, 2009 stats., or an
19 enterprise development zone under s. 555.397 or s. 238.397, 2013 stats., or s.
20 560.797, 2009 stats., an agricultural development zone under s. 555.398 or s.
21 238.398, 2013 stats., or s. 560.798, 2009 stats., or an airport development zone under
22 s. 555.3995 or s. 238.3995, 2013 stats., or s. 560.7995, 2009 stats.

23 **SECTION 233.** 71.47 (1dx) (a) 4. of the statutes is amended to read:

24 71.47 **(1dx)** (a) 4. “Full-time job” has the meaning given in s. 238.30 555.30
25 (2m).

ASSEMBLY BILL 617**SECTION 234**

1 **SECTION 234.** 71.47 (1dx) (b) (intro.) of the statutes is amended to read:

2 71.47 **(1dx)** (b) *Credit.* (intro.) Except as provided in pars. (be) and (bg) and
3 in s. 73.03 (35), and subject to s. 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009
4 stats., for any taxable year for which the person is entitled under s. 555.395 (3) or s.
5 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits or certified
6 under s. 555.365 (3), 555.397 (4), 555.398 (3), or 555.3995 (4) or s. 238.365 (3), 2013
7 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013
8 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009
9 stats., or s. 560.7995 (4), 2009 stats., any person may claim as a credit against the
10 taxes otherwise due under this chapter the following amounts:

11 **SECTION 235.** 71.47 (1dx) (b) 2. of the statutes is amended to read:

12 71.47 **(1dx)** (b) 2. The amount determined by multiplying the amount
13 determined under s. 555.385 (1) (b) or s. 238.385 (1) (b), 2013 stats., or s. 560.785 (1)
14 (b), 2009 stats., by the number of full-time jobs created in a development zone and
15 filled by a member of a targeted group and by then subtracting the subsidies paid
16 under s. 49.147 (3) (a) for those jobs.

17 **SECTION 236.** 71.47 (1dx) (b) 3. of the statutes is amended to read:

18 71.47 **(1dx)** (b) 3. The amount determined by multiplying the amount
19 determined under s. 555.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1)
20 (c), 2009 stats., by the number of full-time jobs created in a development zone and
21 not filled by a member of a targeted group and by then subtracting the subsidies paid
22 under s. 49.147 (3) (a) for those jobs.

23 **SECTION 237.** 71.47 (1dx) (b) 4. of the statutes, as affected by 2015 Wisconsin
24 Act 55, is amended to read:

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1 71.47 (1dx) (b) 4. The amount determined by multiplying the amount
2 determined under s. 555.385 (1) (bm) or s. 238.385 (1) (bm), 2013 stats., or s. 560.785
3 (1) (bm), 2009 stats., by the number of full-time jobs retained, as provided in the
4 rules under s. 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., in an
5 enterprise development zone under s. 555.397 or s. 238.397, 2013 stats., or s.
6 560.797, 2009 stats., and for which significant capital investment was made and by
7 then subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

8 **SECTION 238.** 71.47 (1dx) (b) 5. of the statutes, as affected by 2015 Wisconsin
9 Act 55, is amended to read:

10 71.47 (1dx) (b) 5. The amount determined by multiplying the amount
11 determined under s. 555.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1)
12 (c), 2009 stats., by the number of full-time jobs retained, as provided in the rules
13 under s. 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., in a
14 development zone and not filled by a member of a targeted group and by then
15 subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

16 **SECTION 239.** 71.47 (1dx) (be) of the statutes is amended to read:

17 71.47 (1dx) (be) *Offset.* A claimant in a development zone under s. 555.395 (1)
18 (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats., may offset any
19 credits claimed under this subsection, including any credits carried over, against the
20 amount of the tax otherwise due under this subchapter attributable to all of the
21 claimant's income and against the tax attributable to income from directly related
22 business operations of the claimant.

23 **SECTION 240.** 71.47 (1dx) (bg) of the statutes is amended to read:

24 71.47 (1dx) (bg) *Other entities.* For claimants in a development zone under s.
25 555.395 (1) (e) or s. 238.395 (1) (e), 2013 stats., or s. 560.795 (1) (e), 2009 stats.,

ASSEMBLY BILL 617**SECTION 240**

1 partnerships, limited liability companies, and tax-option corporations may not
2 claim the credit under this subsection, but the eligibility for, and amount of, that
3 credit shall be determined on the basis of their economic activity, not that of their
4 shareholders, partners, or members. The corporation, partnership, or company shall
5 compute the amount of the credit that may be claimed by each of its shareholders,
6 partners, or members and shall provide that information to each of its shareholders,
7 partners, or members. Partners, members of limited liability companies, and
8 shareholders of tax-option corporations may claim the credit based on the
9 partnership's, company's, or corporation's activities in proportion to their ownership
10 interest and may offset it against the tax attributable to their income.

11 **SECTION 241.** 71.47 (1dx) (c) of the statutes is amended to read:

12 71.47 (1dx) (c) *Credit precluded.* If the certification of a person for tax benefits
13 under s. 555.365 (3), 555.397 (4), 555.398 (3), or 555.3995 (4) or s. 238.365 (3), 2013
14 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or s. 238.3995 (4), 2013
15 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., s. 560.798 (3), 2009
16 stats., or s. 560.7995 (4), 2009 stats., is revoked, or if the person becomes ineligible
17 for tax benefits under s. 555.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3),
18 2009 stats., that person may not claim credits under this subsection for the taxable
19 year that includes the day on which the certification is revoked; the taxable year that
20 includes the day on which the person becomes ineligible for tax benefits; or
21 succeeding taxable years and that person may not carry over unused credits from
22 previous years to offset tax under this chapter for the taxable year that includes the
23 day on which certification is revoked; the taxable year that includes the day on which
24 the person becomes ineligible for tax benefits; or succeeding taxable years.

25 **SECTION 242.** 71.47 (1dx) (d) of the statutes is amended to read:

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1 71.47 (1dx) (d) *Carry-over precluded.* If a person who is entitled under s.
2 555.395 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax
3 benefits or certified under s. 555.365 (3), 555.397 (4), 555.398 (3), or 555.3995 (4) or
4 s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., s. 238.398 (3), 2013 stats., or
5 s. 238.3995 (4), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats.,
6 s. 560.798 (3), 2009 stats., or s. 560.7995 (4), 2009 stats., for tax benefits ceases
7 business operations in the development zone during any of the taxable years that
8 that zone exists, that person may not carry over to any taxable year following the
9 year during which operations cease any unused credits from the taxable year during
10 which operations cease or from previous taxable years.

11 **SECTION 243.** 71.47 (1dy) (a) of the statutes is amended to read:

12 71.47 (1dy) (a) *Definition.* In this subsection, “claimant” means a person who
13 files a claim under this subsection and is certified under s. 555.301 (2) or s. 238.301
14 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and authorized to claim tax benefits
15 under s. 555.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

16 **SECTION 244.** 71.47 (1dy) (b) of the statutes is amended to read:

17 71.47 (1dy) (b) *Filing claims.* Subject to the limitations under this subsection
18 and ss. 555.301 to 555.306 or ss. 238.301 to 238.306, 2013 stats., or s. 560.701 to
19 560.706, 2009 stats., for taxable years beginning after December 31, 2008, a claimant
20 may claim as a credit against the tax imposed under s. 71.43, up to the amount of the
21 tax, the amount authorized for the claimant under s. 555.303 or s. 238.303, 2013
22 stats., or s. 560.703, 2009 stats.

23 **SECTION 245.** 71.47 (1dy) (c) 1. of the statutes is amended to read:

24 71.47 (1dy) (c) 1. No credit may be allowed under this subsection unless the
25 claimant includes with the claimant’s return a copy of the claimant’s certification

ASSEMBLY BILL 617**SECTION 245**

1 under s. 555.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701 (2), 2009 stats., and
2 a copy of the claimant's notice of eligibility to receive tax benefits under s. 555.303
3 (3) or s. 238.303 (3), 2013 stats., or s. 560.703 (3), 2009 stats.

4 **SECTION 246.** 71.47 (1dy) (c) 2. of the statutes is amended to read:

5 71.47 (1dy) (c) 2. Partnerships, limited liability companies, and tax-option
6 corporations may not claim the credit under this subsection, but the eligibility for,
7 and the amount of, the credit are based on their authorization to claim tax benefits
8 under s. 555.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats. A partnership,
9 limited liability company, or tax-option corporation shall compute the amount of
10 credit that each of its partners, members, or shareholders may claim and shall
11 provide that information to each of them. Partners, members of limited liability
12 companies, and shareholders of tax-option corporations may claim the credit in
13 proportion to their ownership interests.

14 **SECTION 247.** 71.47 (1dy) (d) 2. of the statutes is amended to read:

15 71.47 (1dy) (d) 2. If a claimant's certification is revoked under s. 555.305 or s.
16 238.305, 2013 stats., or s. 560.705, 2009 stats., or if a claimant becomes ineligible for
17 tax benefits under s. 555.302 or s. 238.302, 2013 stats., or s. 560.702, 2009 stats., the
18 claimant may not claim credits under this subsection for the taxable year that
19 includes the day on which the certification is revoked; the taxable year that includes
20 the day on which the claimant becomes ineligible for tax benefits; or succeeding
21 taxable years and the claimant may not carry over unused credits from previous
22 years to offset the tax imposed under s. 71.43 for the taxable year that includes the
23 day on which certification is revoked; the taxable year that includes the day on which
24 the claimant becomes ineligible for tax benefits; or succeeding taxable years.

25 **SECTION 248.** 71.47 (3g) (a) (intro.) of the statutes is amended to read:

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1 71.47 (3g) (a) (intro.) Subject to the limitations under this subsection and ss.
2 73.03 (35m) and 555.23 and s. 238.23, 2013 stats., and s. 560.96, 2009 stats., a
3 business that is certified under s. 555.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96
4 (3), 2009 stats., may claim as a credit against the taxes imposed under s. 71.43 an
5 amount equal to the sum of the following, as established under s. 555.23 (3) (c) or s.
6 238.23 (3) (c), 2013 stats., or s. 560.96 (3) (c), 2009 stats.:

7 **SECTION 249.** 71.47 (3g) (b) of the statutes is amended to read:

8 71.47 (3g) (b) The department of revenue shall notify the ~~department of~~
9 ~~commerce or the Wisconsin Economic Development Corporation~~ department of
10 economic opportunity of all claims under this subsection.

11 **SECTION 250.** 71.47 (3g) (e) 2. of the statutes is amended to read:

12 71.47 (3g) (e) 2. The investments that relate to the amount described under par.
13 (a) 2. for which a claimant makes a claim under this subsection must be retained for
14 use in the technology zone for the period during which the claimant's business is
15 certified under s. 555.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats.

16 **SECTION 251.** 71.47 (3g) (f) 1. of the statutes is amended to read:

17 71.47 (3g) (f) 1. A copy of the verification that the claimant's business is
18 certified under 555.23 (3) or s. 238.23 (3), 2013 stats., or s. 560.96 (3), 2009 stats., and
19 that the business has entered into an agreement under s. 555.23 (3) (d) or s. 238.23
20 (3) (d), 2013 stats., or s. 560.96 (3) (d), 2009 stats.

21 **SECTION 252.** 71.47 (3g) (f) 2. of the statutes is amended to read:

22 71.47 (3g) (f) 2. A statement from the department of commerce or the Wisconsin
23 Economic Development Corporation or the department of economic opportunity
24 verifying the purchase price of the investment described under par. (a) 2. and
25 verifying that the investment fulfills the requirement under par. (e) 2.

ASSEMBLY BILL 617**SECTION 253**

1 **SECTION 253.** 71.47 (3q) (a) 1. of the statutes is amended to read:

2 71.47 (3q) (a) 1. “Claimant” means a person certified to receive tax benefits
3 under s. 555.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009 stats.

4 **SECTION 254.** 71.47 (3q) (a) 2. of the statutes is amended to read:

5 71.47 (3q) (a) 2. “Eligible employee” means, for taxable years beginning before
6 January 1, 2011, an eligible employee under s. 560.2055 (1) (b), 2009 stats., who
7 satisfies the wage requirements under s. 560.2055 (3) (a) or (b), 2009 stats., or, for
8 taxable years beginning after December 31, 2010, an eligible employee under s.
9 555.16 (1) (b) or s. 238.16 (1) (b), 2013 stats., who satisfies the wage requirements
10 under s. 555.16 (3) (a) or (b) or s. 238.16 (3) (a) or (b), 2013 stats.

11 **SECTION 255.** 71.47 (3q) (b) (intro.) of the statutes is amended to read:

12 71.47 (3q) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
13 subsection and s. 555.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats., for
14 taxable years beginning after December 31, 2009, a claimant may claim as a credit
15 against the taxes imposed under s. 71.43 any of the following:

16 **SECTION 256.** 71.47 (3q) (b) 1. of the statutes is amended to read:

17 71.47 (3q) (b) 1. The amount of wages that the claimant paid to an eligible
18 employee in the taxable year, not to exceed 10 percent of such wages, as determined
19 under s. 555.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009 stats.

20 **SECTION 257.** 71.47 (3q) (b) 2. of the statutes is amended to read:

21 71.47 (3q) (b) 2. The amount of the costs incurred by the claimant in the taxable
22 year, as determined under s. 555.16 or s. 238.16, 2013 stats., or s. 560.2055, 2009
23 stats., to undertake the training activities described under s. 555.16 (3) (c) or s.
24 238.16 (3) (c), 2013 stats., or s. 560.2055 (3) (c), 2009 stats.

25 **SECTION 258.** 71.47 (3q) (c) 2. of the statutes is amended to read:

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1 71.47 (3q) (c) 2. No credit may be allowed under this subsection unless the
2 claimant includes with the claimant's return a copy of the claimant's certification for
3 tax benefits under s. 555.16 (2) or s. 238.16 (2), 2013 stats., or s. 560.2055 (2), 2009
4 stats.

5 **SECTION 259.** 71.47 (3q) (c) 3. of the statutes is amended to read:

6 71.47 (3q) (c) 3. The maximum amount of credits that may be awarded under
7 this subsection and ss. 71.07 (3q) and 71.28 (3q) for the period beginning on January
8 1, 2010, and ending on June 30, 2013, is \$14,500,000, not including the amount of
9 any credits reallocated under s. 555.15 (3) (d) or s. 238.15 (3) (d), 2013 stats., or s.
10 560.205 (3) (d), 2009 stats.

11 **SECTION 260.** 71.47 (3w) (a) 2. of the statutes is amended to read:

12 71.47 (3w) (a) 2. "Claimant" means a person who is certified to claim tax
13 benefits under s. 555.399 (5) or s. 238.399 (5), 2013 stats., or s. 560.799 (5), 2009
14 stats., and who files a claim under this subsection.

15 **SECTION 261.** 71.47 (3w) (a) 3. of the statutes is amended to read:

16 71.47 (3w) (a) 3. "Full-time employee" means a full-time employee, as defined
17 in s. 555.399 (1) (am) or s. 238.399 (1) (am), 2013 stats., or s. 560.799 (1) (am), 2009
18 stats.

19 **SECTION 262.** 71.47 (3w) (a) 4. of the statutes is amended to read:

20 71.47 (3w) (a) 4. "Enterprise zone" means a zone designated under s. 555.399
21 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats.

22 **SECTION 263.** 71.47 (3w) (a) 5d. of the statutes is amended to read:

23 71.47 (3w) (a) 5d. "Tier I county or municipality" means a tier I county or
24 municipality, as determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799,
25 2009 stats.

ASSEMBLY BILL 617**SECTION 264**

1 **SECTION 264.** 71.47 (3w) (a) 5e. of the statutes is amended to read:

2 71.47 **(3w)** (a) 5e. “Tier II county or municipality” means a tier II county or
3 municipality, as determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799,
4 2009 stats.

5 **SECTION 265.** 71.47 (3w) (b) (intro.) of the statutes is amended to read:

6 71.47 **(3w)** (b) *Filing claims; payroll.* (intro.) Subject to the limitations
7 provided in this subsection and s. 555.399 or s. 238.399, 2013 stats., or s. 560.799,
8 2009 stats., a claimant may claim as a credit against the tax imposed under s. 71.43
9 an amount calculated as follows:

10 **SECTION 266.** 71.47 (3w) (b) 5. of the statutes is amended to read:

11 71.47 **(3w)** (b) 5. Multiply the amount determined under subd. 4. by the
12 percentage determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799, 2009
13 stats., not to exceed 7 percent.

14 **SECTION 267.** 71.47 (3w) (bm) 1. of the statutes is amended to read:

15 71.47 **(3w)** (bm) 1. In addition to the credits under par. (b) and subds. 2., 3., and
16 4., and subject to the limitations provided in this subsection and s. 555.399 or s.
17 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit
18 against the tax imposed under s. 71.43 an amount equal to a percentage, as
19 determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not
20 to exceed 100 percent, of the amount the claimant paid in the taxable year to upgrade
21 or improve the job-related skills of any of the claimant’s full-time employees, to train
22 any of the claimant’s full-time employees on the use of job-related new technologies,
23 or to provide job-related training to any full-time employee whose employment with
24 the claimant represents the employee’s first full-time job. This subdivision does not
25 apply to employees who do not work in an enterprise zone.

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1 **SECTION 268.** 71.47 (3w) (bm) 2. of the statutes is amended to read:

2 71.47 (3w) (bm) 2. In addition to the credits under par. (b) and subds. 1., 3., and
3 4., and subject to the limitations provided in this subsection and s. 555.399 or s.
4 238.399, 2013 stats., or s. 560.799, 2009 stats., a claimant may claim as a credit
5 against the tax imposed under s. 71.43 an amount equal to the percentage, as
6 determined under s. 555.399 or s. 238.399, 2013 stats., or s. 560.799, 2009 stats., not
7 to exceed 7 percent, of the claimant's zone payroll paid in the taxable year to all of
8 the claimant's full-time employees whose annual wages are greater than the amount
9 determined by multiplying 2,080 by 150 percent of the federal minimum wage in a
10 tier I county or municipality, not including the wages paid to the employees
11 determined under par. (b) 1., or greater than \$30,000 in a tier II county or
12 municipality, not including the wages paid to the employees determined under par.
13 (b) 1., and who the claimant employed in the enterprise zone in the taxable year, if
14 the total number of such employees is equal to or greater than the total number of
15 such employees in the base year. A claimant may claim a credit under this
16 subdivision for no more than 5 consecutive taxable years.

17 **SECTION 269.** 71.47 (3w) (bm) 3. of the statutes is amended to read:

18 71.47 (3w) (bm) 3. In addition to the credits under par. (b) and subds. 1., 2., and
19 4., and subject to the limitations provided in this subsection and s. 555.399 or s.
20 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after
21 December 31, 2008, a claimant may claim as a credit against the tax imposed under
22 s. 71.43 up to 10 percent of the claimant's significant capital expenditures, as
23 determined under s. 555.399 (5m) or s. 238.399 (5m), 2013 stats., or s. 560.799 (5m),
24 2009 stats.

25 **SECTION 270.** 71.47 (3w) (bm) 4. of the statutes is amended to read:

ASSEMBLY BILL 617**SECTION 270**

1 71.47 (3w) (bm) 4. In addition to the credits under par. (b) and subds. 1., 2., and
2 3., and subject to the limitations provided in this subsection and s. 555.399 or s.
3 238.399, 2013 stats., or s. 560.799, 2009 stats., for taxable years beginning after
4 December 31, 2009, a claimant may claim as a credit against the tax imposed under
5 s. 71.43, up to 1 percent of the amount that the claimant paid in the taxable year to
6 purchase tangible personal property, items, property, or goods under s. 77.52 (1) (b),
7 (c), or (d), or services from Wisconsin vendors, as determined under s. 555.399 (5) (e)
8 or s. 238.399 (5) (e), 2013 stats., or s. 560.799 (5) (e), 2009 stats., except that the
9 claimant may not claim the credit under this subdivision and subd. 3. for the same
10 expenditures.

11 **SECTION 271.** 71.47 (3w) (c) 3. of the statutes is amended to read:

12 71.47 (3w) (c) 3. No credit may be allowed under this subsection unless the
13 claimant includes with the claimant's return a copy of the claimant's certification for
14 tax benefits under s. 555.399 (5) or (5m) or s. 238.399 (5) or (5m), 2013 stats., or s.
15 560.799 (5) or (5m), 2009 stats.

16 **SECTION 272.** 71.47 (3w) (d) of the statutes is amended to read:

17 71.47 (3w) (d) *Administration.* Section 71.28 (4) (g) and (h), as it applies to the
18 credit under s. 71.28 (4), applies to the credit under this subsection. Claimants shall
19 include with their returns a copy of their certification for tax benefits, and a copy of
20 the verification of their expenses, from the department of commerce or the Wisconsin
21 Economic Development Corporation or the department of economic opportunity.

22 **SECTION 273.** 71.47 (3y) (a) 1. of the statutes, as created by 2015 Wisconsin Act
23 55, is amended to read:

24 71.47 (3y) (a) 1. "Claimant" means a person certified to receive tax benefits
25 under s. ~~238.308~~ 555.308.

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1 **SECTION 274.** 71.47 (3y) (a) 2. of the statutes, as created by 2015 Wisconsin Act
2 55, is amended to read:

3 71.47 **(3y)** (a) 2. “Eligible employee” has the meaning given in s. ~~238.308~~
4 555.308 (1) (a).

5 **SECTION 275.** 71.47 (3y) (b) (intro.) of the statutes, as created by 2015 Wisconsin
6 Act 55, is amended to read:

7 71.47 **(3y)** (b) *Filing claims.* (intro.) Subject to the limitations provided in this
8 subsection and s. ~~238.308~~ 555.308, for taxable years beginning after December 31,
9 2015, a claimant may claim as a credit against the tax imposed under s. 71.43 all of
10 the following:

11 **SECTION 276.** 71.47 (3y) (b) 1. of the statutes, as created by 2015 Wisconsin Act
12 55, is amended to read:

13 71.47 **(3y)** (b) 1. The amount of wages that the claimant paid to an eligible
14 employee in the taxable year, not to exceed 10 percent of such wages, as determined
15 by the ~~Wisconsin Economic Development Corporation~~ department of economic
16 opportunity under s. ~~238.308~~ 555.308.

17 **SECTION 277.** 71.47 (3y) (b) 2. of the statutes, as created by 2015 Wisconsin Act
18 55, is amended to read:

19 71.47 **(3y)** (b) 2. In addition to any amount claimed for an eligible employee
20 under subd. 1., the amount of wages that the claimant paid to the eligible employee
21 in the taxable year, not to exceed 5 percent of such wages, if the eligible employee is
22 employed in an economically distressed area, as determined by the ~~Wisconsin~~
23 ~~Economic Development Corporation~~ department of economic opportunity.

24 **SECTION 278.** 71.47 (3y) (b) 3. of the statutes, as created by 2015 Wisconsin Act
25 55, is amended to read:

ASSEMBLY BILL 617**SECTION 278**

1 71.47 (3y) (b) 3. The amount of training costs that the claimant incurred under
2 s. ~~238.308~~ 555.308 (4) (a) 3., not to exceed 50 percent of such costs, as determined by
3 the ~~Wisconsin Economic Development Corporation~~ department of economic
4 opportunity.

5 **SECTION 279.** 71.47 (3y) (b) 4. of the statutes, as created by 2015 Wisconsin Act
6 55, is amended to read:

7 71.47 (3y) (b) 4. The amount of the personal property investment, not to exceed
8 3 percent of such investment, and the amount of the real property investment, not
9 to exceed 5 percent of such investment, in a capital investment project that satisfies
10 s. ~~238.308~~ 555.308 (4) (a) 4., as determined by the ~~Wisconsin Economic Development~~
11 ~~Corporation~~ department of economic opportunity.

12 **SECTION 280.** 71.47 (3y) (b) 5. of the statutes, as created by 2015 Wisconsin Act
13 55, is amended to read:

14 71.47 (3y) (b) 5. An amount, as determined by the ~~Wisconsin Economic~~
15 ~~Development Corporation~~ department of economic opportunity under s. ~~238.308~~
16 555.308 (4) (a) 5., equal to a percentage of the amount of wages that the claimant paid
17 to an eligible employee in the taxable year if the position in which the eligible
18 employee was employed was created or retained in connection with the claimant's
19 location or retention of the claimant's corporate headquarters in Wisconsin and the
20 job duties associated with the eligible employee's position involve the performance
21 of corporate headquarters functions.

22 **SECTION 281.** 71.47 (3y) (c) 2. of the statutes, as created by 2015 Wisconsin Act
23 55, is amended to read:

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1 71.47 (3y) (c) 2. No credit may be allowed under this subsection unless the
2 claimant includes with the claimant's return a copy of the claimant's certification for
3 tax benefits under s. ~~238.308~~ 555.308.

4 **SECTION 282.** 71.47 (4) (am) of the statutes, as affected by 2015 Wisconsin Act
5 55, is amended to read:

6 71.47 (4) (am) *Development zone additional research credit.* In addition to the
7 credit under par. (ad), any corporation may credit against taxes otherwise due under
8 this chapter an amount equal to 5 percent of the amount obtained by subtracting
9 from the corporation's qualified research expenses, as defined in section 41 of the
10 Internal Revenue Code, except that "qualified research expenses" include only
11 expenses incurred by the claimant in a development zone under subch. III of ch. 555
12 or subch. II of ch. 238, 2013 stats., or subch. VI of ch. 560, 2009 stats., except that a
13 taxpayer may elect the alternative computation under section 41 (c) (4) of the
14 Internal Revenue Code and that election applies until the department permits its
15 revocation and except that "qualified research expenses" does not include research
16 expenses incurred before the claimant is certified for tax benefits under s. 555.365
17 (3) or s. 238.365 (3), 2013 stats., or s. 560.765 (3), 2009 stats., or the corporation's base
18 amount, as defined in section 41 (c) of the Internal Revenue Code, in a development
19 zone, except that gross receipts used in calculating the base amount means gross
20 receipts from sales attributable to Wisconsin under s. 71.25 (9) (b) 1. and 2., (df) 1.
21 and 2., (dh) 1., 2., and 3., (dj), and (dk) and research expenses used in calculating the
22 base amount include research expenses incurred before the claimant is certified for
23 tax benefits under s. 555.365 (3) or s. 238.365 (3), 2013 stats., or s. 560.765 (3), 2009
24 stats., in a development zone, if the claimant submits with the claimant's return a
25 copy of the claimant's certification for tax benefits under s. 555.365 (3) or s. 238.365

ASSEMBLY BILL 617**SECTION 282**

1 (3), 2013 stats., or s. 560.765 (3), 2009 stats., and a statement from the department
2 of commerce or the Wisconsin Economic Development Corporation or the
3 department of economic opportunity verifying the claimant's qualified research
4 expenses for research conducted exclusively in a development zone. The rules under
5 s. 73.03 (35) apply to the credit under this paragraph. Section 41 (h) of the Internal
6 Revenue Code does not apply to the credit under this paragraph. No credit may be
7 claimed under this paragraph for taxable years that begin on January 1, 1998, or
8 thereafter. Credits under this paragraph for taxable years that begin before January
9 1, 1998, may be carried forward to taxable years that begin on January 1, 1998, or
10 thereafter.

11 **SECTION 283.** 71.47 (5b) (a) 2. of the statutes is amended to read:

12 71.47 (5b) (a) 2. "Fund manager" means an investment fund manager certified
13 under s. 555.15 (2) or s. 238.15 (2), 2013 stats., or s. 560.205 (2), 2009 stats.

14 **SECTION 284.** 71.47 (5b) (b) 1. of the statutes is amended to read:

15 71.47 (5b) (b) 1. For taxable years beginning after December 31, 2004, subject
16 to the limitations provided under this subsection and s. 555.15 or s. 238.15, 2013
17 stats., or s. 560.205, 2009 stats., and except as provided in subd. 2., a claimant may
18 claim as a credit against the tax imposed under s. 71.43, up to the amount of those
19 taxes, 25 percent of the claimant's investment paid to a fund manager that the fund
20 manager invests in a business certified under s. 555.15 (1) or s. 238.15 (1), 2013
21 stats., or s. 560.205 (1), 2009 stats.

22 **SECTION 285.** 71.47 (5b) (b) 2. of the statutes is amended to read:

23 71.47 (5b) (b) 2. In the case of a partnership, limited liability company, or
24 tax-option corporation, the computation of the 25 percent limitation under subd. 1.
25 shall be determined at the entity level rather than the claimant level and may be

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1 allocated among the claimants who make investments in the manner set forth in the
2 entity's organizational documents. The entity shall provide to the department of
3 revenue and to the ~~department of commerce or the Wisconsin Economic~~
4 ~~Development Corporation~~ department of economic opportunity the names and tax
5 identification numbers of the claimants, the amounts of the credits allocated to the
6 claimants, and the computation of the allocations.

7 **SECTION 286.** 71.47 (5b) (d) 3. of the statutes is amended to read:

8 71.47 (5b) (d) 3. Except as provided under s. ~~238.15~~ 555.15 (3) (d) (intro.), for
9 investments made after December 31, 2007, if an investment for which a claimant
10 claims a credit under par. (b) is held by the claimant for less than 3 years, the
11 claimant shall pay to the department, in the manner prescribed by the department,
12 the amount of the credit that the claimant received related to the investment.

13 **SECTION 287.** 71.47 (6) (c) (intro.) of the statutes is amended to read:

14 71.47 (6) (c) (intro.) No person may claim the credit under par. (a) 2m. unless
15 the claimant includes with the claimant's return a copy of the claimant's certification
16 under s. ~~238.17~~ 555.17. For certification purposes under s. ~~238.17~~ 555.17, the
17 claimant shall provide to the ~~Wisconsin Economic Development Corporation~~
18 department of economic opportunity all of the following:

19 **SECTION 288.** 71.78 (4) (m) of the statutes is amended to read:

20 71.78 (4) (m) The ~~chief executive officer~~ secretary of the ~~Wisconsin Economic~~
21 ~~Development Corporation~~ economic opportunity and employees of the ~~corporation~~
22 department of economic opportunity to the extent necessary to administer the
23 development zone program under subch. II of ch. ~~238~~ 555.

24 **SECTION 289.** 73.03 (35) of the statutes, as affected by 2015 Wisconsin Act 55,
25 is amended to read:

ASSEMBLY BILL 617**SECTION 289**

1 73.03 (35) To deny a portion of a credit claimed under s. 71.07 (2dm) or (2dx),
2 71.28 (1dm), (1dx), or (4) (am), 71.47 (1dm), (1dx), or (4) (am), or 76.636 if granting
3 the full amount claimed would violate a requirement under s. 555.385 or s. 238.385,
4 2013 stats., or s. 560.785, 2009 stats., or would bring the total of the credits granted
5 to that claimant under all of those subsections over the limit for that claimant under
6 s. 555.368, 555.395 (2) (b), or 555.397 (5) (b) or s. 238.368, 2013 stats., 238.395 (2) (b),
7 2013 stats., or 238.397 (5) (b), 2013 stats., or s. 560.768, 2009 stats., s. 560.795 (2) (b),
8 2009 stats., or s. 560.797 (5) (b), 2009 stats.

9 **SECTION 290.** 73.03 (35m) of the statutes is amended to read:

10 73.03 (35m) To deny a portion of a credit claimed under s. 71.07 (3g), 71.28 (3g),
11 or 71.47 (3g), if granting the full amount claimed would violate a requirement under
12 s. 555.23 or s. 238.23, 2013 stats., or s. 560.96, 2009 stats., or would bring the total
13 of the credits claimed under ss. 71.07 (3g), 71.28 (3g), and 71.47 (3g) over the limit
14 for all claimants under s. 555.23 (2) or s. 238.23 (2), 2013 stats., or s. 560.96 (2), 2009
15 stats.

16 **SECTION 291.** 75.106 (1) (a) of the statutes is amended to read:

17 75.106 (1) (a) “Brownfield” has the meaning given in s. ~~238.13~~ 555.13 (1) (a),
18 except that, for purposes of this section, “brownfield” also means abandoned, idle, or
19 underused residential facilities or sites, the expansion or redevelopment of which is
20 adversely affected by actual or perceived environmental contamination.

21 **SECTION 292.** 76.636 (1) (b) 1. of the statutes is amended to read:

22 76.636 (1) (b) 1. A development zone under s. 555.30 or s. 238.30, 2013 stats.,
23 or s. 560.70, 2009 stats.

24 **SECTION 293.** 76.636 (1) (b) 2. of the statutes is amended to read:

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1 76.636 (1) (b) 2. A development opportunity zone under s. 555.395 or s. 238.395,
2 2013 stats., or s. 560.795, 2009 stats.

3 **SECTION 294.** 76.636 (1) (b) 3. of the statutes is amended to read:

4 76.636 (1) (b) 3. An enterprise development zone under s. 555.397 or s. 238.397,
5 2013 stats., or s. 560.797, 2009 stats.

6 **SECTION 295.** 76.636 (1) (b) 4. of the statutes is amended to read:

7 76.636 (1) (b) 4. An agricultural development zone under s. 555.398 or s.
8 238.398, 2013 stats., or s. 560.798, 2009 stats.

9 **SECTION 296.** 76.636 (1) (d) of the statutes is amended to read:

10 76.636 (1) (d) "Full-time job" has the meaning given in s. ~~238.30~~ 555.30 (2m).

11 **SECTION 297.** 76.636 (2) (intro.) of the statutes is amended to read:

12 76.636 (2) CREDITS. (intro.) Except as provided in s. 73.03 (35), and subject to
13 s. 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., for any taxable year
14 for which an insurer is entitled under s. 555.395 or s. 238.395, 2013 stats., or s.
15 560.795 (3), 2009 stats., to claim tax benefits or certified under s. 555.365 (3), 555.397
16 (4), or 555.398 (3) or s. 238.365 (3), 2013 stats., s. 238.397 (4), 2013 stats., or s. 238.398
17 (3), 2013 stats., or s. 560.765 (3), 2009 stats., s. 560.797 (4), 2009 stats., or s. 560.798
18 (3), 2009 stats., the insurer may claim as a credit against the fees due under s. 76.60,
19 76.63, 76.65, 76.66, or 76.67 the following amounts:

20 **SECTION 298.** 76.636 (2) (b) of the statutes is amended to read:

21 76.636 (2) (b) The amount determined by multiplying the amount determined
22 under s. 555.385 (1) (b) or s. 238.385 (1) (b), 2013 stats., or s. 560.785 (1) (b), 2009
23 stats., by the number of full-time jobs created in a development zone and filled by
24 a member of a targeted group and by then subtracting the subsidies paid under s.
25 49.147 (3) (a) for those jobs.

ASSEMBLY BILL 617**SECTION 299**

1 **SECTION 299.** 76.636 (2) (c) of the statutes is amended to read:

2 76.636 (2) (c) The amount determined by multiplying the amount determined
3 under s. 555.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009
4 stats., by the number of full-time jobs created in a development zone and not filled
5 by a member of a targeted group and by then subtracting the subsidies paid under
6 s. 49.147 (3) (a) for those jobs.

7 **SECTION 300.** 76.636 (2) (d) of the statutes, as affected by 2015 Wisconsin Act
8 55, is amended to read:

9 76.636 (2) (d) The amount determined by multiplying the amount determined
10 under s. 555.385 (1) (bm) or s. 238.385 (1) (bm), 2013 stats., or s. 560.785 (1) (bm),
11 2009 stats., by the number of full-time jobs retained, as provided ~~in the rules~~ under
12 s. 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., in an enterprise
13 development zone under s. 555.397 or s. 238.397, 2013 stats., or s. 560.797, 2009
14 stats., and for which significant capital investment was made and by then
15 subtracting the subsidies paid under s. 49.147 (3) (a) for those jobs.

16 **SECTION 301.** 76.636 (2) (e) of the statutes, as affected by 2015 Wisconsin Act
17 55, is amended to read:

18 76.636 (2) (e) The amount determined by multiplying the amount determined
19 under s. 555.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009
20 stats., by the number of full-time jobs retained, as provided ~~in the rules~~ under s.
21 555.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., in a development zone
22 and not filled by a member of a targeted group and by then subtracting the subsidies
23 paid under s. 49.147 (3) (a) for those jobs.

24 **SECTION 302.** 76.636 (4) (intro.) of the statutes is amended to read:

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1 76.636 (4) CREDIT PRECLUDED. (intro.) If the certification of a person for tax
2 benefits under s. 555.365 (3), 555.397 (4), or 555.398 (3) or s. 238.365 (3), 2013 stats.,
3 s. 238.397 (4), 2013 stats., or s. 238.398 (3), 2013 stats., or s. 560.765 (3), 2009 stats.,
4 s. 560.797 (4), 2009 stats., or s. 560.798 (3), 2009 stats., is revoked, or if the person
5 becomes ineligible for tax benefits under s. 555.395 (3) or s. 238.395 (3), 2013 stats.,
6 or s. 560.795 (3), 2009 stats., that person may not do any of the following:

7 **SECTION 303.** 76.636 (5) of the statutes is amended to read:

8 76.636 (5) CARRY-OVER PRECLUDED. If a person who is entitled under s. 555.395
9 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits
10 or certified under s. 555.365 (3), 555.397 (4), or 555.398 (3) or s. 238.365 (3), 2013
11 stats., s. 238.397 (4), 2013 stats., or s. 238.398 (3), 2013 stats., or s. 560.765 (3), 2009
12 stats., s. 560.797 (4), 2009 stats., or s. 560.798 (3), 2009 stats., for tax benefits ceases
13 business operations in the development zone during any of the taxable years that
14 that zone exists, that person may not carry over to any taxable year following the
15 year during which operations cease any unused credits from the taxable year during
16 which operations cease or from previous taxable years.

17 **SECTION 304.** 76.636 (6) of the statutes is amended to read:

18 76.636 (6) ADMINISTRATION. Any insurer who claims a credit under sub. (2) shall
19 include with the insurer's annual return under s. 76.64 a copy of its certification for
20 tax benefits and a copy of its verification of expenses from the department of
21 commerce or the Wisconsin Economic Development Corporation or the department
22 of economic opportunity.

23 **SECTION 305.** 76.637 (1) of the statutes is amended to read:

24 76.637 (1) DEFINITION. In this section, "claimant" means an insurer who files
25 a claim under this section and is certified under s. 555.301 (2) or s. 238.301 (2), 2013

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1 stats., or s. 560.701 (2), 2009 stats., and authorized to claim tax benefits under s.
2 555.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

3 **SECTION 306.** 76.637 (2) of the statutes is amended to read:

4 76.637 (2) FILING CLAIMS. Subject to the limitations under this section, ss.
5 555.301 to 555.306, ss. 238.301 to 238.306, 2013 stats., and ss. 560.701 to 560.706,
6 2009 stats., for taxable years beginning after December 31, 2008, a claimant may
7 claim as a credit against the fees due under s. 76.60, 76.63, 76.65, 76.66, or 76.67 the
8 amount authorized for the claimant under s. 555.303 or s. 238.303, 2013 stats., or s.
9 560.703, 2009 stats.

10 **SECTION 307.** 76.637 (3) of the statutes is amended to read:

11 76.637 (3) LIMITATIONS. No credit may be allowed under this section unless the
12 insurer includes with the insurer's annual return under s. 76.64 a copy of the
13 claimant's certification under s. 555.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701
14 (2), 2009 stats., and a copy of the claimant's notice of eligibility to receive tax benefits
15 under s. 555.303 (3) or s. 238.303 (3), 2013 stats., or s. 560.703 (3), 2009 stats.

16 **SECTION 308.** 76.637 (4) of the statutes is amended to read:

17 76.637 (4) ADMINISTRATION. If an insurer's certification is revoked under s.
18 555.305 or s. 238.305, 2013 stats., or s. 560.705, 2009 stats., or if an insurer becomes
19 ineligible for tax benefits under s. 555.302 or s. 238.302, 2013 stats., or s. 560.702,
20 2009 stats., the insurer may not claim credits under this section for the taxable year
21 that includes the day on which the certification is revoked; the taxable year that
22 includes the day on which the insurer becomes ineligible for tax benefits; or
23 succeeding taxable years and the insurer may not carry over unused credits from
24 previous years to offset the fees imposed under ss. 76.60, 76.63, 76.65, 76.66, or 76.67
25 for the taxable year that includes the day on which certification is revoked; the

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1 taxable year that includes the day on which the insurer becomes ineligible for tax
2 benefits; or succeeding taxable years.

3 **SECTION 309.** 76.638 (1) of the statutes is amended to read:

4 76.638 (1) DEFINITIONS. In this section, “fund manager” means an investment
5 fund manager certified under s. 555.15 (2) or s. 238.15 (2), 2013 stats., or s. 560.205
6 (2), 2009 stats.

7 **SECTION 310.** 76.638 (2) of the statutes is amended to read:

8 76.638 (2) FILING CLAIMS. For taxable years beginning after December 31, 2008,
9 subject to the limitations provided under this subsection and s. 555.15 or s. 238.15,
10 2013 stats., or s. 560.205, 2009 stats., an insurer may claim as a credit against the
11 fees imposed under s. 76.60, 76.63, 76.65, 76.66, or 76.67, 25 percent of the insurer’s
12 investment paid to a fund manager that the fund manager invests in a business
13 certified under s. 555.15 or s. 238.15, 2013 stats., or s. 560.205 (1), 2009 stats.

14 **SECTION 311.** 77.54 (9a) (a) of the statutes is amended to read:

15 77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin
16 Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, ~~the Wisconsin~~
17 ~~Economic Development Corporation,~~ and the Fox River Navigational System
18 Authority.

19 **SECTION 312.** 79.04 (7) (a) of the statutes is amended to read:

20 79.04 (7) (a) Beginning with payments in 2005, if a production plant, as
21 described in sub. (6) (a), other than a nuclear-powered production plant, is built on
22 the site of, or on a site adjacent to, an existing or decommissioned production plant;
23 or is built on a site purchased by a public utility before January 1, 1980, that was
24 identified in an advance plan as a proposed site for a production plant; or is built on,
25 or on a site adjacent to, brownfields, as defined in s. ~~238.13~~ 555.13 (1) (a) or s. 560.13

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1 (1) (a), 2009 stats., after December 31, 2003, and has a name-plate capacity of at
2 least one megawatt, each municipality and county in which such a production plant
3 is located shall receive annually from the public utility account a payment in an
4 amount that is equal to the number of megawatts that represents the production
5 plant's name-plate capacity, multiplied by \$600.

6 **SECTION 313.** 84.01 (6m) (b) (intro.) of the statutes is amended to read:

7 84.01 (6m) (b) (intro.) The department, in consultation with the ~~Wisconsin~~
8 ~~Economic Development Corporation~~ department of economic opportunity, shall do
9 all of the following for each economic development program administered by the
10 department:

11 **SECTION 314.** 84.01 (11m) (a) of the statutes is amended to read:

12 84.01 (11m) (a) The department shall coordinate any economic development
13 assistance with the ~~Wisconsin Economic Development Corporation~~ department of
14 economic opportunity.

15 **SECTION 315.** 84.01 (11m) (b) of the statutes is amended to read:

16 84.01 (11m) (b) Annually, no later than October 1, the department shall submit
17 to the joint legislative audit committee and to the appropriate standing committees
18 of the legislature under s. 13.172 (3) a comprehensive report assessing economic
19 development programs, as defined in sub. (6m) (a), administered by the department.
20 The report shall include all of the information required under s. ~~238.07~~ 555.07 (2).
21 The department shall collaborate with the ~~Wisconsin Economic Development~~
22 ~~Corporation~~ department of economic opportunity to make readily accessible to the
23 public on an Internet-based system the information required under this subsection.

24 **SECTION 316.** 93.07 (3) of the statutes is amended to read:

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1 93.07 (3) PROMOTION OF AGRICULTURE. To promote the interests of agriculture,
2 dairying, horticulture, manufacturing, commercial fishing and the domestic arts and
3 to advertise Wisconsin and its dairy, food, and agricultural products by conducting
4 campaigns of education throughout the United States and in foreign markets. Such
5 campaigns shall include the distribution of educational and advertising material
6 concerning Wisconsin and its plant, animal, food, and dairy products. The
7 department shall coordinate efforts by the state to advertise and promote
8 agricultural products of this state, with the ~~Wisconsin Economic Development~~
9 ~~Corporation~~ department of economic opportunity where appropriate. The
10 department shall submit its request and plan for market development program
11 expenditures for each biennium with its biennial budget request. The plan shall
12 include the identification and priority of expenditures for each market development
13 program activity.

14 **SECTION 317.** 93.07 (18) (b) (intro.) of the statutes is amended to read:

15 93.07 (18) (b) (intro.) In consultation with the ~~Wisconsin Economic~~
16 ~~Development Corporation~~ department of economic opportunity, to do all of the
17 following for each economic development program administered by the department
18 of agriculture, trade and consumer protection:

19 **SECTION 318.** 93.07 (20) (a) of the statutes is amended to read:

20 93.07 (20) (a) The department shall coordinate any economic development
21 assistance with the ~~Wisconsin Economic Development Corporation~~ department of
22 economic opportunity.

23 **SECTION 319.** 93.07 (20) (b) of the statutes is amended to read:

24 93.07 (20) (b) Annually, no later than October 1, to submit to the joint
25 legislative audit committee and to the appropriate standing committees of the

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1 legislature under s. 13.172 (3) a comprehensive report assessing economic
2 development programs, as defined in sub. (18) (a), administered by the department.
3 The report shall include all of the information required under s. ~~238.07~~ 555.07 (2).
4 The department shall collaborate with the ~~Wisconsin Economic Development~~
5 ~~Corporation~~ department of economic opportunity to make readily accessible to the
6 public on an Internet-based system the information required under this subsection.

7 **SECTION 320.** 93.33 (5) (intro.) of the statutes is amended to read:

8 93.33 (5) ANNUAL REPORT. (intro.) In September of each year, the council shall
9 submit a report to the appropriate standing committees of the legislature as
10 determined by the speaker of the assembly and the president of the senate, under s.
11 13.172 (3), the governor, the secretary of agriculture, trade and consumer protection,
12 the state superintendent of public instruction, the secretary of workforce
13 development, the secretary of natural resources, the ~~chief executive officer~~ secretary
14 ~~of the Wisconsin Economic Development Corporation~~ economic opportunity, the
15 president of the University of Wisconsin System, the director of the technical college
16 system, the chancellor of the University of Wisconsin-Extension, the chancellor of
17 the University of Wisconsin-Madison, the chancellor of the University of
18 Wisconsin-Platteville, the chancellor of the University of Wisconsin-River Falls,
19 and the chancellor of the University of Wisconsin-Stevens Point. The council shall
20 include all of the following in the report:

21 **SECTION 321.** 93.42 (5) of the statutes is amended to read:

22 93.42 (5) Cooperating with the ~~Wisconsin Economic Development Corporation~~
23 department of economic opportunity in promoting the state's products through the
24 state's foreign trade offices.

25 **SECTION 322.** 100.45 (1) (dm) of the statutes is amended to read:

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1 100.45 (1) (dm) “State agency” means any office, department, agency,
2 institution of higher education, association, society, or other body in state
3 government created or authorized to be created by the constitution or any law which
4 is entitled to expend moneys appropriated by law, including the legislature and the
5 courts, the Wisconsin Housing and Economic Development Authority, the Bradley
6 Center Sports and Entertainment Corporation, the University of Wisconsin
7 Hospitals and Clinics Authority, the Wisconsin Health and Educational Facilities
8 Authority, the Wisconsin Aerospace Authority, ~~the Wisconsin Economic~~
9 ~~Development Corporation,~~ and the Fox River Navigational System Authority.

10 **SECTION 323.** 106.16 (3) of the statutes is amended to read:

11 106.16 (3) A state agency or an authority under ch. 231 or 234 shall notify the
12 ~~Wisconsin Economic Development Corporation~~ department of economic opportunity
13 if it makes a loan or grant to a company.

14 **SECTION 324.** 106.27 (2m) of the statutes is amended to read:

15 106.27 (2m) CONSULTATION. The department shall consult with the technical
16 college system board and the ~~Wisconsin Economic Development Corporation~~
17 department of economic opportunity in implementing this section.

18 **SECTION 325.** 114.31 (6) of the statutes is amended to read:

19 114.31 (6) TECHNICAL SERVICES TO MUNICIPALITIES. The secretary may, insofar
20 as is reasonably possible, offer the engineering or other technical service of the
21 department, to any municipality desiring them in connection with the construction,
22 maintenance or operation or proposed construction, maintenance or operation of an
23 airport. The secretary may assess reasonable costs for services including services
24 performed while acting as agent for a municipality. Such assessment shall include
25 properly allocated administrative costs. Municipalities are authorized to cooperate

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1 with the secretary in the development of aeronautics and aeronautical facilities in
2 this state. ~~The Wisconsin Economic Development Corporation and all~~ All agencies
3 are authorized and directed to make available such facilities and services, and to
4 cooperate as far as possible to promote the best interests of aeronautics of the state.

5 **SECTION 326.** 196.49 (4) of the statutes is amended to read:

6 196.49 (4) The commission may not issue a certificate under sub. (1), (2), or (3)
7 for the construction of electric generating equipment and associated facilities unless
8 the commission determines that brownfields, as defined in s. ~~238.13~~ 555.13 (1) (a) or
9 s. 560.13 (1) (a), 2009 stats., are used to the extent practicable.

10 **SECTION 327.** 196.491 (3) (a) 2m. b. of the statutes is amended to read:

11 196.491 (3) (a) 2m. b. The applicant proposes alternative construction sites for
12 the facility that are contiguous or proximate, provided that at least one of the
13 proposed sites is a brownfield, as defined in s. ~~238.13~~ 555.13 (1) (a), or the site of a
14 former or existing large electric generating facility.

15 **SECTION 328.** 196.491 (3) (d) 8. of the statutes is amended to read:

16 196.491 (3) (d) 8. For a large electric generating facility, brownfields, as defined
17 in s. ~~238.13~~ 555.13 (1) (a), are used to the extent practicable.

18 **SECTION 329.** 230.03 (3) of the statutes, as affected by 2013 Wisconsin Act 20,
19 is amended to read:

20 230.03 (3) "Agency" means any board, commission, committee, council, or
21 department in state government or a unit thereof created by the constitution or
22 statutes if such board, commission, committee, council, department, unit, or the
23 head thereof, is authorized to appoint subordinate staff by the constitution or
24 statute, except the Board of Regents of the University of Wisconsin System, a
25 legislative or judicial board, commission, committee, council, department, or unit

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1 thereof or an authority created under subch. II of ch. 114 or under ch. 231, 232, 233,
2 234, 237, 238, or 279. "Agency" does not mean any local unit of government or body
3 within one or more local units of government that is created by law or by action of
4 one or more local units of government.

5 **SECTION 330.** 230.81 (2) of the statutes is amended to read:

6 230.81 (2) Nothing in this section prohibits an employee from disclosing
7 information to an appropriate law enforcement agency, a state or federal district
8 attorney in whose jurisdiction the crime is alleged to have occurred, a state or federal
9 grand jury or a judge in a proceeding commenced under s. 968.26, or disclosing
10 information pursuant to any subpoena issued by any person authorized to issue
11 subpoenas under s. 885.01. Any such disclosure of information, or a report under
12 sub. (4), is a lawful disclosure under this section and is protected under s. 230.83.

13 **SECTION 331.** 230.81 (4) of the statutes is created to read:

14 230.81 (4) Any employee of the department of economic opportunity who is
15 aware that a fraud has been perpetrated against that department shall report or
16 cause that fraud to be reported to the department of justice or the appropriate district
17 attorney.

18 **SECTION 332.** 234.02 (1) of the statutes is amended to read:

19 234.02 (1) There is created a public body corporate and politic to be known as
20 the "Wisconsin Housing and Economic Development Authority." The members of the
21 authority shall be the ~~chief executive officer of the Wisconsin Economic Development~~
22 ~~Corporation~~ secretary of economic opportunity or his or her designee and the
23 secretary of administration or his or her designee, and 6 public members nominated
24 by the governor, and with the advice and consent of the senate appointed, for
25 staggered 4-year terms commencing on the dates their predecessors' terms expire.

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1 In addition, one senator of each party and one representative to the assembly of each
2 party appointed as are the members of standing committees in their respective
3 houses shall serve as members of the authority. A member of the authority shall
4 receive no compensation for services but shall be reimbursed for necessary expenses,
5 including travel expenses, incurred in the discharge of duties. Subject to the bylaws
6 of the authority respecting resignations, each member shall hold office until a
7 successor has been appointed and has qualified. A certificate of appointment or
8 reappointment of any member shall be filed with the authority and the certificate
9 shall be conclusive evidence of the due and proper appointment.

10 **SECTION 333.** 234.032 (2) (intro.) of the statutes is amended to read:

11 234.032 (2) (intro.) The authority, in consultation with the ~~Wisconsin Economic~~
12 ~~Development Corporation~~ department of economic opportunity, shall do all of the
13 following for each economic development program administered by the authority:

14 **SECTION 334.** 234.08 (5) of the statutes is amended to read:

15 234.08 (5) This section does not supersede or impair the power of the ~~Wisconsin~~
16 ~~Economic Development Corporation~~ department of economic opportunity to carry
17 out its program responsibilities relating to economic development which are funded
18 by bonds or notes issued under this section.

19 **SECTION 335.** 234.08 (6) of the statutes is amended to read:

20 234.08 (6) The authority may reimburse the ~~Wisconsin Economic Development~~
21 ~~Corporation~~ department of economic opportunity its operating costs to carry out its
22 program responsibilities relating to economic development which are funded by
23 bonds or notes issued under this section.

24 **SECTION 336.** 234.255 (1) of the statutes is amended to read:

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1 234.255 (1) The authority shall coordinate any economic development
2 assistance with the ~~Wisconsin Economic Development Corporation~~ department of
3 economic opportunity.

4 **SECTION 337.** 234.255 (2) of the statutes is amended to read:

5 234.255 (2) Annually, no later than October 1, the authority shall submit to the
6 joint legislative audit committee and to the appropriate standing committees of the
7 legislature under s. 13.172 (3) a comprehensive report assessing economic
8 development programs, as defined in s. 234.032 (1), administered by the authority.
9 The report shall include all of the information required under s. ~~238.07~~ 555.07 (2).
10 The authority shall collaborate with the ~~Wisconsin Economic Development~~
11 ~~Corporation~~ department of economic opportunity to make readily accessible to the
12 public on an Internet-based system the information required under this section.

13 **SECTION 338.** 234.84 (1) of the statutes is amended to read:

14 234.84 (1) DEFINITION. In this section, “~~corporation~~” “department” means the
15 ~~Wisconsin Economic Development Corporation~~ department of economic opportunity.

16 **SECTION 339.** 234.84 (3) (c) of the statutes is amended to read:

17 234.84 (3) (c) The interest rate on the loan, including any origination fees or
18 other charges, is approved by the ~~corporation~~ department.

19 **SECTION 340.** 234.84 (4) (a) of the statutes is amended to read:

20 234.84 (4) (a) Subject to par. (b), the authority shall guarantee collection of a
21 percentage of the principal of, and all interest and any other amounts outstanding
22 on, any loan eligible for a guarantee under sub. (2). The ~~corporation~~ department
23 shall establish the percentage of the principal of an eligible loan that will be
24 guaranteed, using the procedures described in the agreement under s. 234.932 (3)
25 (a). The ~~corporation~~ department may establish a single percentage for all

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1 guaranteed loans or establish different percentages for eligible loans on an
2 individual basis.

3 **SECTION 341.** 234.84 (5) (a) of the statutes is amended to read:

4 234.84 (5) (a) The program under this section shall be administered by the
5 ~~corporation~~ department with the cooperation of the authority. The ~~corporation~~
6 department shall enter into a memorandum of understanding with the authority
7 setting forth the respective responsibilities of the ~~corporation~~ department and the
8 authority with regard to the administration of the program, including the functions
9 and responsibilities specified in s. 234.932. The memorandum of understanding
10 shall provide for reimbursement to the ~~corporation~~ department by the authority for
11 costs incurred by the ~~corporation~~ department in the administration of the program.

12 **SECTION 342.** 234.84 (5) (b) of the statutes is amended to read:

13 234.84 (5) (b) The ~~corporation~~ department may charge a premium, fee, or other
14 charge to a borrower of a guaranteed loan under this section for the administration
15 of the loan guarantee.

16 **SECTION 343.** 234.932 (3) (c) of the statutes is amended to read:

17 234.932 (3) (c) The ~~Wisconsin Economic Development Corporation~~ department
18 of economic opportunity may establish an eligibility criteria review panel, consisting
19 of experts in finance and in the subject area of the job training loan guarantee
20 program, to provide advice about lending requirements and issues related to the job
21 training loan guarantee program.

22 **SECTION 344.** Chapter 238 (title) of the statutes is repealed.

23 **SECTION 345.** Subchapter I (title) of chapter 238 [precedes 238.01] of the
24 statutes is renumbered Subchapter I (title) of chapter 555 [precedes 555.01].

25 **SECTION 346.** 238.01 (intro.) of the statutes is renumbered 555.01 (intro.).

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1 **SECTION 347.** 238.01 (1) of the statutes is repealed.

2 **SECTION 348.** 238.01 (2) of the statutes is repealed.

3 **SECTION 349.** 238.01 (3) of the statutes is renumbered 555.01 (2).

4 **SECTION 350.** 238.02 of the statutes, as affected by 2015 Wisconsin Act 55, is
5 repealed.

6 **SECTION 351.** 238.03 (title) and (1) to (3) of the statutes are renumbered 555.03
7 (title) and (1) to (3), and 555.03 (title), (1), (2) (intro.) and (c) and (3) (intro.), (a) and
8 (b) (intro.), as renumbered, are amended to read:

9 **555.03 (title) Duties of ~~board~~ the department.**

10 **(1)** The ~~board~~ department shall develop and implement economic programs to
11 promote family-supporting jobs, to provide business support and expertise and
12 financial assistance to companies that are investing and creating jobs in Wisconsin,
13 and to support new business start-ups and business expansion and growth in
14 Wisconsin. The ~~board~~ department may also develop and implement any other
15 programs related to economic development in Wisconsin. The department shall
16 emphasize programs that encourage entrepreneurship, new business start-ups, and
17 woman-owned, disabled-veteran owned, and minority businesses.

18 **(2)** (intro.) For each program developed and implemented by the ~~board~~
19 department, the ~~board~~ department shall do all of the following:

20 (c) Require that each recipient of a grant or loan under the program submit a
21 report to the ~~corporation~~ department. Each contract with a recipient of a grant or
22 loan under the program must specify the frequency and format of the report to be
23 submitted to the ~~corporation~~ department and the performance measures to be
24 included in the report.

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1 **(3)** (intro.) The ~~board~~ department shall require for each program developed and
2 implemented by the ~~board~~ department all of the following:

3 (a) That each recipient of a grant or loan under the program of at least \$100,000
4 submit to the ~~corporation~~ department, within 120 days after the end of the recipient's
5 fiscal year in which any grant or loan funds were expended, a schedule of
6 expenditures of the grant or loan funds, including expenditures of any matching cash
7 or in-kind match, signed by the director or principal officer of the recipient to attest
8 to the accuracy of the schedule of expenditures. The recipient shall engage an
9 independent certified public accountant to perform procedures, approved by the
10 ~~corporation~~ department and consistent with applicable professional standards of the
11 American Institute of Certified Public Accountants, to determine whether the grant
12 or loan funds and any matching cash or in-kind match were expended in accordance
13 with the grant or loan contract. The ~~board~~ department shall also require the
14 recipient of such a grant or loan to make available for inspection the documents
15 supporting the schedule of expenditures. The ~~board~~ department shall include the
16 requirements under this paragraph in the contract with grant or loan recipients.

17 (b) (intro.) That the ~~board~~ department, if a recipient of a grant or loan under
18 the program submits false or misleading information to the ~~corporation~~ department
19 or fails to comply with the terms of a contract entered into with the ~~corporation~~
20 department, without providing satisfactory explanation for the noncompliance, do
21 all of the following:

22 **SECTION 352.** 238.03 (4) of the statutes, as created by 2015 Wisconsin Act 55,
23 is repealed.

24 **SECTION 353.** 238.04 of the statutes is repealed.

25 **SECTION 354.** 238.045 of the statutes is repealed.

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1 **SECTION 355.** 238.046 of the statutes is repealed.

2 **SECTION 356.** 238.05 of the statutes is repealed.

3 **SECTION 357.** 238.06 of the statutes is repealed.

4 **SECTION 358.** 238.07 (1) of the statutes is renumbered 555.07 (1) and amended
5 to read:

6 555.07 (1) Annually, by January 1, the board department shall submit to the
7 chief clerk of each house of the legislature, for distribution to the legislature under
8 s. 13.172 (2), a report identifying the economic development projects that the board
9 department intends to develop and implement during the current calendar year.

10 **SECTION 359.** 238.07 (2) of the statutes is renumbered 555.07 (2), and 555.07
11 (2) (intro.), (ag) and (ar), as renumbered, are amended to read:

12 555.07 (2) (intro.) Annually, no later than October 1, the board department shall
13 submit to the joint legislative audit committee and the chief clerk of each house of
14 the legislature, for distribution to the legislature under s. 13.172 (2), a report for the
15 previous fiscal year on each of the economic development programs of the ~~corporation~~
16 department that contains all of the following:

17 (ag) An accounting of the location, by municipality, of each job created or
18 retained in the state in the previous fiscal year as a result of the program. The
19 department may not rely on aggregate jobs impact numbers for its report under this
20 paragraph.

21 (ar) An accounting of the industry classification, by municipality, of each job
22 created or retained in the state as a result of the program. The department may not
23 rely on aggregate jobs impact numbers for its report under this paragraph.

24 **SECTION 360.** 238.07 (3) of the statutes is renumbered 555.07 (3) and amended
25 to read:

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1 555.07 (3) The ~~board~~ department shall make readily accessible to the public
2 on an ~~Internet-based system~~ Internet site the information required under sub. (2).
3 The department's Internet site shall also contain the department's job creation and
4 retention goals; all amendments to contracts executed under an economic
5 development program of the department; and all agendas, meeting minutes, and
6 materials discussed for meetings of the economic development policy board and the
7 board of directors of the Badger Innovation Corporation.

8 **SECTION 361.** 238.07 (4) of the statutes is repealed.

9 **SECTION 362.** 238.08 of the statutes is repealed.

10 **SECTION 363.** 238.09 of the statutes is repealed.

11 **SECTION 364.** 238.10 of the statutes is renumbered 555.10 and amended to
12 read:

13 555.10 (1) ALLOCATION. The ~~corporation~~ department shall establish under 26
14 USC 146 and administer a system for the allocation of the volume cap on the issuance
15 of private activity bonds, as defined under 26 USC 141 (a), among all municipalities,
16 as defined in s. 67.01 (5), and any corporation formed on behalf of those
17 municipalities, and among this state, the Wisconsin Health and Educational
18 Facilities Authority, the Wisconsin Aerospace Authority, and the Wisconsin Housing
19 and Economic Development Authority.

20 (2) AMENDMENT TO ALLOCATION. At any time prior to December 31 in any year,
21 the ~~corporation~~ department may adopt rules to revise the allocation system
22 established for that year under sub. (1), except that any revision under this
23 subsection does not apply to any allocation under which the recipient of that
24 allocation has adopted a resolution authorizing the issuance of a private activity
25 bond, as defined in 26 USC 141 (a).

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1 **(3) CONDITIONS.** The ~~corporation~~ department may establish any procedure for,
2 and place any condition upon, the granting of an allocation under this section which
3 the ~~corporation~~ department deems to be in the best interest of the state including a
4 requirement that a cash deposit, at a rate established by the ~~corporation~~ department,
5 be a condition for an allocation.

6 **(4) CERTIFICATION.** If the ~~corporation~~ department receives notice of the issuance
7 of a bond under an allocation under subs. (1) to (3), the ~~corporation~~ department shall
8 certify that that bond meets the requirements of 26 USC 146.

9 **SECTION 365.** 238.11 of the statutes is renumbered 555.11 and amended to
10 read:

11 555.11 **(1)** The ~~corporation~~ department shall prescribe the notice forms to be
12 used under s. 66.1103 (4m) (a) 1. The ~~corporation~~ department shall include on the
13 forms a requirement for information on the number of jobs the person submitting the
14 notice expects to be eliminated, created, or maintained on the project site and
15 elsewhere in this state by the project which is the subject of the notice. The
16 ~~corporation~~ department shall prescribe the forms to be used under s. 66.1103 (4m)
17 (b).

18 **(2)** If the ~~corporation~~ department receives a notice under s. 66.1103 (4m) (a),
19 the ~~corporation~~ department shall estimate, no later than 20 days after receipt of the
20 notice, whether the project that is the subject of the notice is expected to eliminate,
21 create, or maintain jobs on the project site and elsewhere in this state and the net
22 number of jobs expected to be eliminated, created, or maintained as a result of the
23 project.

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1 (5) The ~~corporation~~ department shall issue an estimate made under sub. (2) to
2 the city, village, town, or county which will issue the bonds to finance the project
3 which is the subject of the estimate.

4 **SECTION 366.** 238.115 of the statutes, as created by 2015 Wisconsin Act 55, is
5 renumbered 555.115, and 555.115 (1) (intro.), (a), (b), (e) and (g), (2) and (3), as
6 renumbered, are amended to read:

7 555.115 (1) ~~CORPORATION~~ DEPARTMENT OBLIGATIONS. (intro.) No later than the
8 end of the first month following each quarter, the ~~corporation~~ department shall
9 provide to the department of revenue all of the following information for the previous
10 quarter:

11 (a) The identity of each person the ~~corporation~~ department certified for tax
12 credits under this chapter and, for each person, the amount certified.

13 (b) The identity of each person the ~~corporation~~ department verified to claim tax
14 credits under this chapter based on the person's satisfaction of all applicable
15 requirements to be eligible to claim the tax credits and, for each person, the amount
16 verified.

17 (e) The identity of each person for whom the ~~corporation~~ department revoked
18 a certification for tax credits and, for each person, the amount revoked.

19 (g) Any other information the department of revenue and the ~~corporation~~
20 department agree is necessary to accurately track certification, verification,
21 transfer, and usage of tax credits under this chapter.

22 (2) Each person the ~~corporation~~ department certifies for tax credits under this
23 chapter shall provide all information necessary for the ~~corporation~~ department to
24 comply with the reporting requirements under sub. (1).

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1 **(3)** The department of revenue shall track the amount of all tax credits
2 administered by the ~~corporation~~ department under this chapter that have been
3 claimed or used to offset tax liability and the amount of all available unused tax
4 credits under this chapter.

5 **SECTION 367.** 238.12 of the statutes, as affected by 2015 Wisconsin Act 55, is
6 renumbered 555.12 and amended to read:

7 **555.12 Repayment of grants, loans, and tax benefits. (1)** (intro.) In this
8 section, ~~“tax:~~

9 **(b)** “Tax benefits” means the credits under ss. 71.07 (2dm), (2dx), (3g), and (3t),
10 71.28 (1dm), (1dx), (3g), and (3t), 71.47 (1dm), (1dx), (3g), and (3t), and 76.636.

11 **555.12 (2)** The corporation may not award a grant or loan under this chapter
12 to a person or certify a person to receive tax benefits unless the corporation enters
13 into an agreement with the person that ~~requires~~ does all of the following:

14 **(a)** Requires the person to repay the grant, loan, or tax benefits if, within 5 years
15 after receiving the grant or loan or being certified to receive tax benefits, the person
16 ceases to conduct in this state the economic activity for which the person received the
17 grant or loan or for which the person was certified to receive tax benefits and
18 commences substantially the same economic activity outside this state.

19 **SECTION 368.** 238.123 of the statutes, as created by 2015 Wisconsin Act 55, is
20 repealed.

21 **SECTION 369.** 238.125 of the statutes is renumbered 555.125 and amended to
22 read:

23 **555.125 Notification of position openings; compliance.** The ~~corporation~~
24 department shall monitor compliance with the position-opening notification
25 requirements under ss. 66.1103 (6m) and 106.16.

ASSEMBLY BILL 617**SECTION 370**

1 **SECTION 370.** 238.127 of the statutes is renumbered 555.127, and 555.127 (2)
2 (intro.), (c) (intro.), (e), (h) and (j), as renumbered, are amended to read:

3 555.127 (2) (intro.) The ~~corporation~~ department shall establish and administer
4 a state main street program to coordinate state and local participation in programs
5 offered by the national main street center, created by the national trust for historic
6 preservation, to assist municipalities in planning, managing and implementing
7 programs for the revitalization of business areas. The ~~corporation~~ department shall
8 do all of the following:

9 (c) (intro.) With help from interested individuals and organizations, develop a
10 plan describing the objectives of the state main street program and the methods by
11 which the ~~corporation~~ department shall:

12 (e) Annually select, upon application, up to 5 municipalities to participate in
13 the state main street program. The program for each municipality shall conclude
14 after 3 years, except that the program for each municipality selected after July 29,
15 1995, shall conclude after 5 years. The ~~corporation~~ department shall select program
16 participants representing various geographical regions and populations. A
17 municipality may apply to participate, and the ~~corporation~~ department may select
18 a municipality for participation, more than one time. In selecting a municipality,
19 however, the ~~corporation~~ department may give priority to those municipalities that
20 have not previously participated.

21 (h) Provide training, technical assistance and information on the revitalization
22 of business areas to municipalities which do not participate in the state main street
23 program. The ~~corporation~~ department may charge reasonable fees for the services
24 and information provided under this paragraph.

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1 (j) The ~~corporation~~ department shall expend at least \$250,000 annually on the
2 state main street program.

3 **SECTION 371.** 238.13 of the statutes, as affected by 2015 Wisconsin Act 55, is
4 renumbered 555.13, and 555.13 (2) (a) (intro.), (3) (intro.) and (f) and (5), as
5 renumbered, are amended to read:

6 555.13 (2) (a) (intro.) The ~~corporation~~ department may make a grant to a
7 person if all of the following apply:

8 (3) (intro.) The ~~corporation~~ department may consider the following criteria in
9 making awards under this section:

10 (f) Any other factors considered by the ~~corporation~~ department to be relevant
11 to assessing the viability and feasibility of the project.

12 (5) Before the ~~corporation~~ department awards a grant under this section, the
13 ~~corporation~~ department shall consider the recommendations of the department of
14 natural resources.

15 **SECTION 372.** 238.133 of the statutes is renumbered 555.133, and 555.133 (2)
16 (title), (a), (b), (c) and (d), (3) (intro.), (4), (5) (intro.) and (c) and (7), as renumbered,
17 are amended to read:

18 555.133 (2) (title) DUTIES OF THE CORPORATION DEPARTMENT.

19 (a) The ~~corporation~~ department shall administer a program to award
20 brownfield site assessment grants from the appropriation under s. ~~20.192~~ 20.143 (1)
21 (s) to local governmental units for the purposes of conducting any of the eligible
22 activities under sub. (3).

23 (b) The ~~corporation~~ department may not award a grant to a local governmental
24 unit under this section if that local governmental unit caused the environmental
25 contamination that is the basis for the grant request.

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1 (c) The ~~corporation~~ department may only award grants under this section if the
2 person that caused the environmental contamination that is the basis for the grant
3 request is unknown, cannot be located or is financially unable to pay the cost of the
4 eligible activities.

5 (d) The ~~corporation~~ department shall establish criteria as necessary to
6 administer the program. The ~~corporation~~ department may limit the total amount of
7 funds that may be used to cover the costs of each category of eligible activity
8 described in sub. (3).

9 **(3)** (intro.) The ~~corporation~~ department may award grants to local
10 governmental units to cover the costs of the following activities:

11 **(4)** The applicant shall submit an application on a form prescribed by the
12 ~~corporation~~ department and shall include any information that the ~~corporation~~
13 department finds necessary to calculate the amount of a grant.

14 **(5)** (intro.) The ~~corporation~~ department shall consider the following criteria
15 when determining whether to award a grant:

16 (c) Other criteria that the ~~corporation~~ department finds necessary to calculate
17 the amount of a grant.

18 **(7)** The ~~corporation~~ department may not distribute a grant unless the
19 applicant contributes matching funds equal to 20% of the grant. Matching funds
20 may be in the form of cash or in-kind contribution or both.

21 **SECTION 373.** 238.135 of the statutes is renumbered 555.135 and amended to
22 read:

23 **555.135 Grants to regional economic development organizations.** The
24 ~~corporation~~ department shall award annual grants to regional economic
25 development organizations to fund marketing activities. The amount of each grant

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1 may not exceed \$100,000 or the amount of matching funds the organization obtains
2 from sources other than ~~the corporation or~~ the state, whichever is less.

3 **SECTION 374.** 238.14 of the statutes, as created by 2015 Wisconsin Act 55, is
4 renumbered 555.14 and amended to read:

5 **555.14 St. Croix Valley Business Incubator.** From the appropriation under
6 s. ~~20.192~~ 20.143 (1) (a), the ~~corporation~~ department shall make a grant of \$250,000
7 to the River Falls Economic Development Corporation to construct the St. Croix
8 Valley Business Incubator. The ~~corporation~~ department may award the grant under
9 this section only if federal moneys are secured for the same purpose.

10 **SECTION 375.** 238.145 of the statutes, as created by 2015 Wisconsin Act 55, is
11 renumbered 555.145, and 555.145 (1) (a), (2) (a), (b) and (c), (3) (a) and (b), (5) (a) and
12 (b) (intro.), 1., 2. and 3. and (6), as renumbered, are amended to read:

13 555.145 (1) (a) "Eligible recipient" means a person the ~~corporation~~ department
14 certifies under sub. (2) (b) as eligible to receive grants under this section.

15 (2) (a) The ~~corporation~~ department shall implement an economic development
16 program to award grants under this section.

17 (b) The ~~corporation~~ department may certify a person as eligible to receive
18 grants under this section as provided in ~~policies and procedures~~ rules adopted by the
19 ~~corporation~~ department under sub. (6).

20 (c) The ~~corporation~~ department may not certify a person under par. (b) after
21 June 30, 2017.

22 (3) (a) From the appropriation under s. ~~20.192~~ 20.143 (1) (a), the ~~corporation~~
23 department may award up to a total of \$500,000 in grants to eligible recipients.

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1 (b) The ~~corporation~~ department may not award grants totaling more than
2 \$75,000 to each eligible recipient, and the ~~corporation~~ department may not award a
3 grant of more than \$25,000 to an eligible recipient in any year.

4 (5) (a) The ~~corporation~~ department shall award grants under this section
5 annually, on a competitive basis, based on an eligible recipient's financial need; and,
6 subject to the limitations under par. (b), the ~~corporation~~ department may not take
7 into account whether an eligible recipient was previously awarded a grant under this
8 section in determining whether to award a grant to the eligible recipient.

9 (b) (intro.) The ~~corporation~~ department may award no more than 3 annual
10 grants to each eligible recipient, as follows:

11 1. In the first grant year, the ~~corporation~~ department may contribute up to 75
12 percent of the eligible recipient's equipment expenditures under sub. (4).

13 2. In the 2nd grant year, the ~~corporation~~ department may contribute up to 50
14 percent of the eligible recipient's equipment expenditures under sub. (4).

15 3. In the 3rd grant year, the ~~corporation~~ department may contribute up to 25
16 percent of the eligible recipient's equipment expenditures under sub. (4).

17 (6) The ~~corporation~~ department shall ~~adopt policies and procedures~~
18 promulgate rules to implement the grant program under this section.

19 **SECTION 376.** 238.15 of the statutes, as affected by 2015 Wisconsin Act 55, is
20 renumbered 555.15, and 555.15 (1) (intro.) and (m) 1. (intro.) and c. and 3., (2) and
21 (3) (a), (d) (intro.), 1. and 2. a. and b., (dm), (e) and (f) 1., as renumbered, are amended
22 to read:

23 555.15 (1) ANGEL INVESTMENT TAX CREDITS. (intro.) The ~~corporation~~ department
24 shall implement a program to certify businesses for purposes of s. 71.07 (5d). A
25 business desiring certification shall submit an application to the ~~corporation~~

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1 department in each taxable year for which the business desires certification. The
2 business shall specify in its application the investment amount it wishes to raise and
3 the ~~corporation~~ department may certify the business and determine the amount that
4 qualifies for purposes of s. 71.07 (5d). The ~~corporation~~ department may certify or
5 recertify a business for purposes of s. 71.07 (5d) only if the business satisfies all of
6 the following conditions:

7 (m) 1. (intro.) It agrees that it will not relocate outside of this state during the
8 3 years after it receives an investment for which a person may claim a tax credit
9 under s. 71.07 (5d) and agrees to pay the ~~corporation~~ department a penalty, in an
10 amount determined under subd. 2., if the business relocates outside of this state
11 during that 3-year period. For the purposes of this paragraph, except as provided
12 in ~~policies and procedures~~ rules under sub. (3) (dm), a business relocates outside of
13 this state when the business locates more than 51 percent of any of the following
14 outside of this state:

15 c. The activities of the business's headquarters, as determined by the
16 ~~corporation~~ department.

17 3. Subdivision 1. does not apply to a business that the ~~corporation~~ department
18 certified for purposes of s. 71.07 (5d) before April 20, 2012, and that, in reliance on
19 that certification, executed a note or bond that is convertible to an equity interest.

20 **(2) EARLY STAGE SEED INVESTMENT TAX CREDITS.** The ~~corporation~~ department
21 shall implement a program to certify investment fund managers for purposes of ss.
22 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638. An investment fund manager desiring
23 certification shall submit an application to the ~~corporation~~ department. The
24 investment fund manager shall specify in the application the investment amount
25 that the manager wishes to raise and the ~~corporation~~ department may certify the

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1 manager and determine the amount that qualifies for purposes of ss. 71.07 (5b),
2 71.28 (5b), 71.47 (5b), and 76.638. In determining whether to certify an investment
3 fund manager, the ~~corporation~~ department shall consider the investment fund
4 manager's experience in managing venture capital funds, the past performance of
5 investment funds managed by the applicant, the expected level of investment in the
6 investment fund to be managed by the applicant, and any other relevant factors. The
7 ~~corporation~~ department may certify only investment fund managers that commit to
8 consider placing investments in businesses certified under sub. (1).

9 (3) (a) *List of certified businesses and investment fund managers.* The
10 ~~corporation~~ department shall maintain a list of businesses certified under sub. (1)
11 and investment fund managers certified under sub. (2) and shall permit public access
12 to the lists through the ~~corporation's~~ department's Internet Web site.

13 (d) *Administration.* (intro.) The ~~corporation~~ department, in consultation with
14 the department of revenue, shall ~~establish policies and procedures~~ promulgate rules
15 to administer this section and shall further define "bona fide angel investment" for
16 purposes of s. 71.07 (5d) (a) 1. The aggregate amount of tax credits under s. 71.07
17 (5d) that may be claimed for investments in businesses certified under sub. (1) and
18 of tax credits under ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638 that may be
19 claimed for investments paid to fund managers certified under sub. (2) is
20 \$30,000,000 per calendar year. The ~~policies and procedures~~ rules shall provide that
21 a person who receives a credit under s. 71.07 (5b) or (5d), 71.28 (5b), 71.47 (5b), or
22 76.638 must keep the investment in a certified business, or with a certified fund
23 manager, for no less than 3 years, unless the person's investment becomes worthless,
24 as determined by the ~~corporation~~ department, during the 3-year period or the person
25 has kept the investment for no less than 12 months and a bona fide liquidity event,

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1 as determined by the ~~corporation~~ department, occurs during the 3-year period. The
2 ~~policies and procedures~~ rules shall permit the ~~corporation~~ department to reallocate
3 credits under this section in any calendar year that are unused in that calendar year
4 to a person eligible for tax benefits, as defined under s. ~~238.30~~ 555.30 (7) (e), if all of
5 the following apply:

6 1. The ~~corporation~~ department notifies the joint committee on finance in
7 writing of its proposed reallocation.

8 2. a. The cochairpersons of the joint committee on finance fail to notify the
9 ~~corporation~~ department, within 14 working days after the date of the ~~corporation's~~
10 department's notification under subd. 1., that the committee has scheduled a
11 meeting for the purpose of reviewing the proposed reallocation.

12 b. The cochairpersons of the joint committee on finance notify the ~~corporation~~
13 department that the committee has approved the proposed reallocation.

14 (dm) The ~~corporation's policies and procedures~~ department's rules under this
15 subsection shall provide that a business is considered to have not relocated outside
16 of this state under sub. (1) (m) 1., regardless of whether the business satisfies sub.
17 (1) (m) 1. a. and b., if the ~~corporation~~ department determines that the business's
18 investment and employment levels in this state have not diminished.

19 (e) *Transfer.* A person who is eligible to claim a credit under s. 71.07 (5b), 71.28
20 (5b), 71.47 (5b), or 76.638 may sell or otherwise transfer the credit to another person
21 who is subject to the taxes or fees imposed under s. 71.02, 71.23, 71.47, or subch. III
22 of ch. 76, if the person receives prior authorization from the investment fund
23 manager and the manager then notifies the ~~corporation~~ department and the
24 department of revenue of the transfer and submits with the notification a copy of the
25 transfer documents. No person may sell or otherwise transfer a credit as provided

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1 in this paragraph more than once in a 12-month period. The ~~corporation~~ department
2 may charge any person selling or otherwise transferring a credit under this
3 paragraph a fee of up to 5 percent of the credit amount sold or transferred.

4 (f) 1. Beginning with December 31, 2014, tax credits that the ~~corporation~~
5 department has not allocated under this section on or before December 31 of each
6 year may not be allocated after that date.

7 **SECTION 377.** 238.16 of the statutes, as affected by 2015 Wisconsin Act 55, is
8 renumbered 555.16, and 555.16 (1) (c) 2. (intro.), (2) (intro.) and (b), (3), (4) (b) 1.
9 (intro.) and 2. and (c), (5) (title), (c), (e) and (f) (intro.) and 1. (intro.) and (6), as
10 renumbered, are amended to read:

11 555.16 (1) (c) 2. (intro.) The ~~corporation~~ department may grant exceptions to
12 the requirement under subd. 1. that a full-time job means a position in which an
13 individual, as a condition of employment, is required to work at least 2,080 hours per
14 year if all of the following apply:

15 (2) (intro.) The ~~corporation~~ department may certify a person to receive tax
16 benefits under this section if all of the following apply:

17 (b) The person applies under this section and enters into a contract with the
18 ~~corporation~~ department.

19 (3) ELIGIBILITY FOR TAX BENEFITS. (intro.) A person certified under sub. (2) may
20 receive tax benefits under this section if, in each year for which the person claims tax
21 benefits under this section, the person increases net employment in this state in the
22 person's business above the net employment in this state in the person's business
23 during the year before the person was certified under sub. (2), as determined by the
24 ~~corporation~~ department under its ~~policies and procedures~~ rules, and one of the
25 following applies:

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1 (4) (b) 1. (intro.) The ~~corporation~~ department may award to a person certified
2 under sub. (2) tax benefits for each eligible employee in an amount equal to up to 10
3 percent of the wages paid by the person to that employee or \$10,000, whichever is
4 less, if that employee earned wages in the year for which the tax benefit is claimed
5 equal to one of the following:

6 2. The ~~corporation~~ department may award to a person certified under sub. (2)
7 tax benefits in an amount to be determined by the ~~corporation~~ department for costs
8 incurred by the person to undertake the training activities described in sub. (3) (c).

9 (c) Subject to a reallocation by the ~~corporation~~ department pursuant to ~~policies~~
10 ~~and procedures~~ rules adopted under s. ~~238.15~~ 555.15 (3) (d), the ~~corporation~~
11 department may allocate up to \$10,000,000 in tax benefits under this section in any
12 calendar year.

13 (5) (title) DUTIES OF THE ~~CORPORATION~~ DEPARTMENT.

14 (c) The ~~corporation~~ department may require a person to repay any tax benefits
15 the person claims for a year in which the person failed to maintain employment
16 required by an agreement under sub. (2) (b).

17 (e) The ~~corporation~~ department shall annually verify the information
18 submitted to the ~~corporation~~ department by the person claiming tax benefits under
19 ss. 71.07 (3q), 71.28 (3q), and 71.47 (3q).

20 (f) (intro.) The ~~corporation~~ department shall ~~adopt policies and procedures~~
21 promulgate rules for the implementation and operation of this section, including
22 ~~policies and procedures~~ rules relating to the following:

23 1. (intro.) The definitions of a tier I county or municipality and a tier II county
24 or municipality. The ~~corporation~~ department may consider all of the following
25 information when establishing the definitions required under this subdivision:

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1 **(6) SUNSET.** No tax benefits may be awarded under this section after December
2 31, 2015, unless the tax benefits were allocated to a taxpayer by the ~~corporation~~
3 Wisconsin Economic Development Corporation under s. 238.16, 2013 stats., in a
4 contract that the ~~corporation~~ Wisconsin Economic Development Corporation
5 executed before that date or in a letter of intent to enter into such a contract that the
6 corporation issued before that date.

7 **SECTION 378.** 238.17 of the statutes, as affected by 2015 Wisconsin Act 55, is
8 renumbered 555.17 and amended to read:

9 **555.17 Historic rehabilitation tax credit.** For taxable years beginning
10 after December 31, 2013, the ~~corporation~~ department may certify a person to claim
11 a tax credit under s. 71.07 (9m), 71.28 (6), or 71.47 (6), if the ~~corporation~~ department
12 determines that the person is conducting an eligible activity under s. 71.07 (9m),
13 71.28 (6), or 71.47 (6). No person may claim a tax credit under s. 71.07 (9m), 71.28
14 (6), or 71.47 (6) without first being certified under this section.

15 **SECTION 379.** 238.23 of the statutes, as affected by 2015 Wisconsin Act 55, is
16 renumbered 555.23, and 555.23 (2) (a) and (b), (3) (a) (intro.), (b) (intro.), (c) and (d),
17 (4) (a) (intro.) and (b) and (5) (intro.), (e) and (g), as renumbered, are amended to read:

18 555.23 **(2)** (a) Except as provided in par. (c), the ~~corporation~~ department may
19 designate up to 8 areas in the state as technology zones. A business that is located
20 in a technology zone and that is certified by the ~~corporation~~ department under sub.
21 (3) is eligible for a tax credit as provided in sub. (3).

22 (b) The designation of an area as a technology zone shall be in effect for 10 years
23 from the time that the ~~corporation~~ department first designates the area. Not more
24 than \$5,000,000 in tax credits may be claimed in a technology zone, except that the
25 ~~corporation~~ department may allocate the amount of unallocated airport

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1 development zone tax credits, as provided under s. ~~238.3995~~ 555.3995 (3) (b), to
2 technology zones for which the \$5,000,000 maximum allocation is insufficient. The
3 ~~corporation~~ department may change the boundaries of a technology zone during the
4 time that its designation is in effect. A change in the boundaries of a technology zone
5 does not affect the duration of the designation of the area or the maximum tax credit
6 amount that may be claimed in the technology zone.

7 (3) (a) (intro.) Except as provided in par. (e), the ~~corporation~~ department may
8 certify for tax credits in a technology zone a business that satisfies all of the following
9 requirements:

10 (b) (intro.) In determining whether to certify a business under this subsection,
11 the ~~corporation~~ department shall consider all of the following:

12 (c) When the ~~corporation~~ department certifies a business under this
13 subsection, the ~~corporation~~ department shall establish a limit on the amount of tax
14 credits that the business may claim. Unless its certification is revoked, and subject
15 to the limit on the tax credit amount established by the ~~corporation~~ department
16 under this paragraph, a business that is certified may claim a tax credit for 3 years,
17 except that a business that experiences growth, as determined for that business by
18 the ~~corporation~~ department under par. (d) and sub. (5) (e), may claim a tax credit for
19 up to 5 years.

20 (d) The ~~corporation~~ department shall enter into an agreement with a business
21 that is certified under this subsection. The agreement shall specify the limit on the
22 amount of tax credits that the business may claim, the extent and type of growth,
23 which shall be specific to the business, that the business must experience to extend
24 its eligibility for a tax credit, the business' baseline against which that growth will
25 be measured, any other conditions that the business must satisfy to extend its

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1 eligibility for a tax credit, and reporting requirements with which the business must
2 comply.

3 (4) (a) (intro.) The ~~corporation~~ department shall notify the department of
4 revenue of all the following:

5 (b) The ~~corporation~~ department shall annually verify information submitted
6 to the ~~corporation~~ department under ss. 71.07 (2dm), (2dx), and (3g), 71.28 (1dm),
7 (1dx), and (3g), and 71.47 (1dm), (1dx), and (3g).

8 (5) (intro.) The ~~corporation~~ department shall adopt rules for the operation of
9 this section, including rules related to all the following:

10 (e) Standards for extending a business's certification, including what
11 measures, in addition to job creation, the ~~corporation~~ department will use to
12 determine the growth of a specific business and how the ~~corporation~~ department will
13 establish baselines against which to measure growth.

14 (g) The exchange of information between the ~~corporation~~ department and the
15 department of revenue.

16 **SECTION 380.** 238.25 of the statutes is renumbered 555.25 and amended to
17 read:

18 **555.25 Assistance to loan recipients.** The ~~corporation~~ department shall
19 assist new businesses and small businesses receiving the assistance of the Wisconsin
20 Housing and Economic Development Authority in locating sources of venture capital
21 and in obtaining the state and federal licenses and permits necessary for business
22 operations.

23 **SECTION 381.** 238.26 of the statutes is renumbered 555.26 and amended to
24 read:

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1 **555.26 Report to investment board.** No later than September 30 of each
2 even-numbered year, the ~~corporation~~ department shall submit to the investment
3 board a report describing the types of investments in businesses in this state that will
4 have the greatest likelihood of enhancing economic development in this state.

5 **SECTION 382.** Subchapter II (title) of chapter 238 [precedes 238.30] of the
6 statutes is renumbered Subchapter II (title) of chapter 555 [precedes 555.30].

7 **SECTION 383.** 238.30 of the statutes, as affected by 2015 Wisconsin Act 55, is
8 renumbered 555.30, and 555.30 (intro.), (2g), (2m) (b) (intro.) and (7) (b) 1. and 2., (c),
9 (d) and (e), as renumbered, are amended to read:

10 **555.30 Definitions.** (intro.) In this section and ss. ~~238.301~~ 555.301 to ~~238.395~~
11 555.395 and ~~238.398~~ 555.398:

12 **(2g)** “Eligible activity” means an activity described under s. ~~238.302~~ 555.302.

13 **(2m)** (b) (intro.) The ~~corporation~~ department may grant exceptions to the
14 requirement under par. (a) that a full-time job means a position in which an
15 individual, as a condition of employment, is required to work at least 2,080 hours per
16 year if all of the following apply:

17 **(7) (b) 1.** Except as provided in subd. 2., in s. ~~238.395~~ 555.395, “tax benefits”
18 means the development zones credit under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx),
19 and 76.636. With respect to the development opportunity zones under s. ~~238.395~~
20 555.395 (1) (e) and (f), “tax benefits” also means the development zones capital
21 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

22 2. With respect to the development opportunity zones under s. ~~238.395~~ 555.395
23 (1) (g), (h), and (i), “tax benefits” means the development zone credits under ss. 71.07
24 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636 and the development zones capital
25 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm).

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1 (c) In s. ~~238.398~~ 555.398, “tax benefits” means the development zones capital
2 investment credit under ss. 71.07 (2dm), 71.28 (1dm), and 71.47 (1dm) and the
3 development zones credits under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), and 76.636.

4 (d) In ss. ~~238.301~~ 555.301 to ~~238.306~~ 555.306, “tax benefits” means the
5 economic development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and
6 76.637.

7 (e) In s. ~~238.308~~ 555.308, “tax benefits” means the business development tax
8 credit under ss. 71.07 (3y), 71.28 (3y), and 71.47 (3y).

9 **SECTION 384.** 238.301 of the statutes, as affected by 2015 Wisconsin Act 55, is
10 renumbered 555.301, and 555.301 (1) (intro.) and (e), (2) (a) and (b) and (3) (intro.),
11 (b), (c), (d) and (f), as renumbered, are amended to read:

12 555.301 (1) APPLICATION. (intro.) Any person may apply to the ~~corporation~~
13 department on a form prepared by the ~~corporation~~ department for certification under
14 this section. The application shall include all of the following:

15 (e) Other information required by the ~~corporation~~ department or the
16 department of revenue.

17 (2) (a) The ~~corporation~~ department may certify a person who submits an
18 application under sub. (1) if, after conducting an investigation, the ~~corporation~~
19 department determines that the person is conducting or intends to conduct at least
20 one eligible activity.

21 (b) The ~~corporation~~ department shall provide a person certified under this
22 section with a copy of the certification.

23 (3) CONTRACT. (intro.) A person certified under this section shall enter into a
24 written contract with the ~~corporation~~ department. The contract shall include
25 provisions that detail all of the following:

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1 (b) Whether any of the eligible activities will occur in an economically
2 distressed area, as designated by the ~~corporation~~ department under s. ~~238.304~~
3 555.304 (1).

4 (c) Whether any of the eligible activities will benefit members of a targeted
5 group, as determined by the ~~corporation~~ department under s. ~~238.304~~ 555.304 (2).

6 (d) A compliance schedule that includes a sequence of anticipated actions to be
7 taken or goals to be achieved by the person before the person may receive tax benefits
8 under s. ~~238.303~~ 555.303.

9 (f) If feasible, a determination of the tax benefits the person will be authorized
10 to claim under s. ~~238.303~~ 555.303 (2) if the person fulfills the terms of the contract.

11 **SECTION 385.** 238.302 of the statutes is renumbered 555.302, and 555.302
12 (intro.), (1), (2) and (3), as renumbered, are amended to read:

13 **555.302 Eligible activities.** (intro.) A person who conducts or proposes to
14 conduct any of the following may be certified under s. ~~238.301~~ 555.301 (2):

15 **(1) JOB CREATION PROJECT.** A project that creates and maintains for a period of
16 time established by the ~~corporation~~ department by rule full-time jobs in addition to
17 any existing full-time jobs provided by the person.

18 **(2) CAPITAL INVESTMENT PROJECT.** A project that involves a significant
19 investment of capital, as defined by the ~~corporation~~ department by rule under s.
20 ~~238.306~~ 555.306 (2) (b), by the person in new equipment, machinery, real property,
21 or depreciable personal property.

22 **(3) EMPLOYEE TRAINING PROJECT.** A project that involves significant investments
23 in the training or reeducation of employees, as defined by the ~~corporation~~
24 department by rule under s. ~~238.306~~ 555.306 (2) (c), by the person for the purpose
25 of improving the productivity or competitiveness of the business of the person.

ASSEMBLY BILL 617**SECTION 386**

1 **SECTION 386.** 238.303 of the statutes, as affected by 2015 Wisconsin Act 55, is
2 renumbered 555.303, and 555.303 (1) (a), (am) and (b), (2), (3) and (4), as
3 renumbered, are amended to read:

4 555.303 (1) (a) Except as provided in pars. (am) and (b), the total tax benefits
5 available to be allocated by the ~~corporation~~ department under ss. ~~238.301~~ 555.301
6 to ~~238.306~~ 555.306 may not exceed the sum of the tax benefits remaining to be
7 allocated under s. 560.71 to 560.785, 2009 stats., s. 560.797, 2009 stats., s. 560.798,
8 2009 stats., s. 560.7995, 2009 stats., and s. 560.96, 2009 stats., on March 6, 2009, plus
9 \$100,000,000.

10 (am) The ~~corporation~~ department may initially allocate only \$61,000,000 of the
11 additional \$100,000,000 in tax benefits specified in par. (a). Before the ~~corporation~~
12 department allocates the remaining \$39,000,000 in tax benefits specified in par. (a),
13 the ~~corporation~~ department shall submit its plan for such allocation, including a
14 report that describes the intended use of the tax benefits, to the joint committee on
15 finance. If the cochairpersons of the committee do not notify the ~~corporation~~
16 department within 14 working days after the date of the ~~corporation's~~ department's
17 submittal that the committee has scheduled a meeting for the purpose of reviewing
18 the plan, the plan may be implemented and the remaining amount may be allocated
19 as proposed by the ~~corporation~~ department. If, within 14 working days after the date
20 of the ~~corporation's~~ department's submittal, the cochairpersons of the committee
21 notify the ~~corporation~~ department that the committee has scheduled a meeting for
22 the purpose of reviewing the proposed plan, the plan may be implemented and the
23 remaining amount allocated only upon approval of the committee.

24 (b) The ~~corporation~~ department may submit to the joint committee on finance
25 a request in writing to exceed the total tax benefits specified in par. (a). The

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1 ~~corporation~~ department shall submit with its request a justification for seeking an
2 increase under this paragraph. The joint committee on finance, following its review,
3 may approve or disapprove an increase in the total tax benefits available to be
4 allocated under ss. ~~238.301 555.301~~ to ~~238.306 555.306~~.

5 (2) AUTHORITY TO CLAIM TAX BENEFITS. The ~~corporation~~ department may
6 authorize a person certified under s. ~~238.301 555.301~~ (2) to claim tax benefits only
7 after the person has submitted a report to the ~~corporation~~ department that
8 documents to the satisfaction of the ~~corporation~~ department that the person has
9 complied with the terms of the contract under s. ~~238.301 555.301~~ (3) and the
10 requirements of any applicable rules adopted under s. ~~238.306 555.306~~ (2).

11 (3) NOTICE OF ELIGIBILITY. The ~~corporation~~ department shall provide to the
12 person a notice of eligibility to receive tax benefits that reports the amount of tax
13 benefits for which the person is eligible.

14 (4) SUNSET. No tax benefits may be awarded under ss. ~~238.301 555.301~~ to
15 ~~238.306 555.306~~ after December 31, 2015, unless the tax benefits were allocated to
16 a taxpayer by the ~~corporation~~ Wisconsin Economic Development Corporation under
17 ss. 238.301 to 238.306, 2013 stats., in a contract that the ~~corporation~~ Wisconsin
18 Economic Development Corporation executed before that date or in a letter of intent
19 to enter into such a contract that the ~~corporation~~ Wisconsin Economic Development
20 Corporation issued before that date.

21 **SECTION 387.** 238.304 of the statutes is renumbered 555.304, and 555.304
22 (intro.) and (1), as renumbered, are amended to read:

23 **555.304 Eligible activities in economically distressed areas and**
24 **benefiting members of targeted groups.** (intro.) The ~~corporation~~ department
25 may authorize a person certified under s. ~~238.301 555.301~~ (2) to claim additional tax

ASSEMBLY BILL 617**SECTION 387**

1 benefits under s. ~~238.303~~ 555.303 if, after conducting an investigation, the
2 ~~corporation~~ department determines any of the following:

3 (1) The person conducts at least one eligible activity in an area designated by
4 the ~~corporation~~ department as economically distressed. In designating an area as
5 economically distressed under this subsection, the ~~corporation~~ department shall
6 follow the methodology established by rule under s. ~~238.306~~ 555.306 (2) (e).

7 **SECTION 388.** ~~238.3045~~ of the statutes, as affected by 2015 Wisconsin Act 55,
8 is renumbered ~~555.3045~~, and ~~555.3045~~ (1) (title), (a), (b) (intro.) and 4. and (c) 1., (2)
9 (a), (3) and (4) (a) and (b), as renumbered, are amended to read:

10 ~~555.3045~~ (1) (title) APPLICATION AND ~~CORPORATION~~ DEPARTMENT APPROVAL. (a) An
11 applicant for certification for tax benefits under s. ~~238.301~~ 555.301 may submit with
12 its application under s. ~~238.301~~ 555.301 (1) an application to the ~~corporation~~
13 department on a form prescribed by the ~~corporation~~ department to transfer those tax
14 benefits to another person under this section. The application shall include the
15 name, address, and tax identification number of the person to whom the applicant
16 intends to transfer the tax benefits and any other information the ~~corporation~~
17 department requires. The ~~corporation~~ department shall notify the applicant of the
18 ~~corporation's~~ department's determination concerning the transfer of tax benefits
19 when the ~~corporation~~ department notifies the applicant of the ~~corporation's~~
20 department's certification determination under s. ~~238.301~~ 555.301.

21 (b) (intro.) The ~~corporation~~ department may approve the transfer of tax
22 benefits under this section if the ~~corporation~~ department certifies the applicant
23 under par. (a) for tax benefits under s. ~~238.301~~ 555.301 and finds that the applicant
24 meets at least one of the following conditions:

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1 4. Intends to expand its operations in this state, and that expansion will result
2 in the applicant making a significant capital investment in property located in this
3 state, as determined by the ~~corporation~~ department.

4 (c) 1. Subject to subd. 2., a person that receives an approval under par. (b) shall
5 transfer tax benefits in accordance with the terms of the application under par. (a)
6 after the ~~corporation~~ department authorizes the person to claim tax benefits under
7 s. ~~238.303~~ 555.303 (2) and provides the notice of eligibility under s. ~~238.303~~ 555.303
8 (3). The notice of eligibility shall contain all relevant information concerning a
9 transfer of tax benefits under this section. The person to whom tax benefits are
10 transferred may carry forward, beginning on the date of the notice of eligibility, any
11 unused amount of the value of those tax benefits as provided under the appropriate
12 provision in ch. 71 or in s. 76.636.

13 (2) (a) If the ~~corporation~~ department revokes a person's certification for tax
14 benefits under s. ~~238.305~~ 555.305, and, at the time of revocation, that person has
15 transferred those tax benefits under this section, that person shall be liable for the
16 full value of the tax benefits, and the person to whom the tax benefits were
17 transferred may not claim any tax benefits that were not claimed prior to revocation.

18 (3) ANNUAL REPORT. Annually, the ~~corporation~~ department shall submit a report
19 to the joint committee on finance that provides a detailed assessment of the progress
20 to date of the program under this section.

21 (4) (a) Except as provided in par. (b), the ~~corporation~~ department may not
22 authorize the transfer of tax benefits under this section that total more than
23 \$15,000,000, and the ~~corporation~~ department may not authorize the transfer of tax
24 benefits after 36 months after April 4, 2014.

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1 (b) Upon expiration of the 36-month period under par. (a), the ~~corporation~~
2 department may continue to authorize the transfer of tax benefits under this section
3 for up to an additional 36 months, and the ~~corporation~~ department may authorize
4 the transfer of up to an additional \$15,000,000 in tax benefits, if the ~~corporation~~
5 department determines that a continuation of the program under this section will
6 promote significant economic development in this state. Before the ~~corporation~~
7 department authorizes the transfer of tax benefits under this paragraph, the chief
8 ~~executive officer of the corporation~~ secretary shall notify the joint committee on
9 finance in writing that the ~~corporation~~ department intends to continue authorizing
10 the transfer of tax benefits under this section. That notice shall state the reasons
11 supporting the ~~corporation's~~ department's determination that the transfer of
12 additional tax benefits will promote significant economic development in this state.
13 If, within 14 working days after the date of that notice, the cochairpersons of the
14 committee do not notify the ~~corporation~~ department that the committee has
15 scheduled a meeting to review the ~~corporation's~~ department's proposed continuation
16 of the program, the ~~corporation~~ department may proceed to authorize the transfer
17 of additional tax benefits under this section. If, within 14 working days after the date
18 of that notice, the cochairpersons of the committee notify the ~~corporation~~ department
19 that the committee has scheduled a meeting to review the proposed continuation of
20 the program, the ~~corporation~~ department may proceed to authorize the transfer of
21 additional tax benefits only upon approval of the committee.

22 **SECTION 389.** 238.305 of the statutes is renumbered 555.305, and 555.305
23 (intro.), (1) and (2), as renumbered, are amended to read:

24 **555.305 Revocation of certification.** (intro.) The ~~corporation~~ department
25 shall revoke the certification of a person who does any of the following:

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1 (1) Supplies false or misleading information to obtain certification under s.
2 ~~238.301~~ 555.301 (2).

3 (2) Supplies false or misleading information to obtain tax benefits under s.
4 ~~238.303~~ 555.303.

5 **SECTION 390.** 238.306 of the statutes is renumbered 555.306, and 555.306
6 (intro.), (1) (a) and (b), (2) (a), (b), (c), (d), (e) (intro.), (f), (g), (h), (i) and (k) and (3),
7 as renumbered, are amended to read:

8 **555.306 Responsibilities of the ~~corporation~~ department.** (intro.) The
9 ~~corporation~~ department shall do all of the following:

10 (1) (a) Annually verify information submitted to the department of revenue
11 under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637 by persons certified under
12 s. ~~238.301~~ 555.301 (2) and eligible to receive tax benefits under s. ~~238.303~~ 555.303.

13 (b) Notify and obtain written approval from the ~~chief executive officer of the~~
14 ~~corporation~~ secretary for any certification under sub. (2) (j).

15 (2) (a) A schedule of hourly wage ranges to be paid, and health insurance
16 benefits to be provided, to an employee by a person certified under s. ~~238.301~~ 555.301
17 (2) and the corresponding per employee tax benefit for which a person certified under
18 s. ~~238.301~~ 555.301 (2) may be eligible.

19 (b) A definition of “significant investment of capital” for purposes of s. ~~238.302~~
20 555.302 (2), together with a corresponding schedule of tax benefits for which a person
21 who is certified under s. ~~238.301~~ 555.301 (2) and who conducts a project described
22 in s. ~~238.302~~ 555.302 (2) may be eligible. The ~~corporation~~ department shall include
23 in the definition required under this paragraph a schedule of investments that takes
24 into consideration the size or nature of the business.

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1 (c) A definition of “significant investments in the training or reeducation of
2 employees” for purposes of s. ~~238.302~~ 555.302 (3), together with a corresponding
3 schedule of tax benefits for which a person who is certified under s. ~~238.301~~ 555.301
4 (2) and who conducts a project under s. ~~238.302~~ 555.302 (3) may be eligible.

5 (d) A schedule of tax benefits for which a person who is certified under s.
6 ~~238.301~~ 555.301 (2) and who conducts a project that will result in the location or
7 retention of a person’s corporate headquarters in Wisconsin may be eligible.

8 (e) (intro.) The methodology for designating an area as economically distressed
9 under s. ~~238.304~~ 555.304 (1). The methodology under this paragraph shall require
10 the ~~corporation~~ department to consider the most current data available for the area
11 and for the state on the following indicators:

12 (f) A schedule of additional tax benefits for which a person who is certified
13 under s. ~~238.301~~ 555.301 (2) and who conducts an eligible activity described under
14 s. ~~238.304~~ 555.304 may be eligible.

15 (g) Reporting requirements, minimum benchmarks, and outcomes expected of
16 a person certified under s. ~~238.301~~ 555.301 (2) before that person may receive tax
17 benefits under s. ~~238.303~~ 555.303.

18 (h) Policies, criteria, and methodology for allocating a portion of the tax benefits
19 available under s. ~~238.303~~ 555.303 to rural areas.

20 (i) Policies, criteria, and methodology for allocating a portion of the tax benefits
21 available under s. ~~238.303~~ 555.303 to small businesses.

22 (k) Procedures for implementing ss. ~~238.301~~ 555.301 to ~~238.306~~ 555.306.

23 **(3) REPORTING.** Annually, 6 months after the report has been submitted under
24 s. ~~238.07~~ 555.07 (2), submit to the joint legislative audit committee and to the
25 appropriate standing committees of the legislature under s. 13.172 (3) a

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1 comprehensive report assessing the program under ss. ~~238.301~~ 555.301 to ~~238.306~~
2 555.306. The report under this subsection shall update the applicable information
3 provided in the report under s. ~~238.07~~ 555.07 (2).

4 **SECTION 391.** 238.308 of the statutes, as created by 2015 Wisconsin Act 55, is
5 renumbered 555.308, and 555.308 (2) (a) (intro.) and 2., (3), (4) (a) (intro.), 2. and 5.
6 and (b) and (5) (a), (b) and (c), as renumbered, are amended to read:

7 555.308 (2) (a) (intro.) The ~~corporation~~ department may certify a person to
8 receive tax benefits under this section if all of the following apply:

9 2. The person applies under this section and enters into a contract with the
10 ~~corporation~~ department.

11 (3) ELIGIBILITY FOR TAX BENEFITS. A person is eligible to receive tax benefits if,
12 in each year for which the person claims tax benefits under this section, the person
13 increases net employment in this state in the person's business above the net
14 employment in this state in the person's business during the year before the person
15 was certified under sub. (2), as determined by the ~~corporation~~ department under its
16 ~~policies and procedures~~ rules.

17 (4) (a) (intro.) The ~~corporation~~ department may award all of the following tax
18 benefits to a person certified under sub. (2):

19 2. In addition to any tax benefits awarded for an eligible employee under subd.
20 1., an amount equal to up to 5 percent of the amount of wages that the person paid
21 to the eligible employee in the taxable year, if the eligible employee is employed in
22 an economically distressed area, as determined by the ~~corporation~~ department.

23 5. An amount, as determined by the ~~corporation~~ department, equal to a
24 percentage of the amount of wages that the person paid to an eligible employee in the
25 taxable year, if the position in which the eligible employee was employed was created

ASSEMBLY BILL 617**SECTION 391**

1 or retained in connection with the person's location or retention of the person's
2 corporate headquarters in Wisconsin and the job duties associated with the eligible
3 employee's position involve the performance of corporate headquarters functions.

4 (b) Subject to a reallocation by the ~~corporation~~ department under s. ~~238.15~~
5 555.15 (3) (d), the ~~corporation~~ department may allocate up to \$17,000,000 in tax
6 benefits under this section in 2016 and up to \$22,000,000 per year thereafter. Any
7 unused allocation may be carried forward.

8 (5) (a) The ~~corporation~~ department may require a person to repay any tax
9 benefits the person claims for a year in which the person failed to employ an eligible
10 employee required by an agreement under sub. (2) (b).

11 (b) The ~~corporation~~ department shall annually verify the information
12 submitted to it by the person claiming tax benefits under ss. 71.07 (3y), 71.28 (3y),
13 and 71.47 (3y).

14 (c) The ~~corporation~~ department shall ~~adopt policies and procedures~~ promulgate
15 rules for the implementation and operation of this section.

16 **SECTION 392.** 238.31 of the statutes is renumbered 555.31, and 555.31 (1)
17 (intro.), (ac), (am), (b), (d) and (e) (intro.), 3. and 4. a. and d., (1m) (intro.) and (h), (2)
18 and (3) (intro.), as renumbered, are amended to read:

19 555.31 (1) (intro.) The ~~corporation~~ department may designate an area as a
20 development zone if all of the following apply:

21 (ac) The ~~corporation~~ department has invited a local governing body to nominate
22 the area under s. ~~238.315~~ 555.315.

23 (am) A local governing body nominates the area as described in s. ~~238.32~~
24 555.32.

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1 (b) The ~~corporation~~ department has evaluated the local governing body's
2 application as described in s. ~~238.325~~ 555.325.

3 (d) The area meets the applicable requirements under s. ~~238.335~~ 555.335.

4 (e) (intro.) The ~~corporation~~ department determines all of the following:

5 3. That economic development in the area is not likely to occur or continue
6 without the ~~corporation's~~ department's designation of the area as a development
7 zone.

8 4. a. The unemployment rate in the area is higher than the state average for
9 the 18 months immediately preceding the date on which the application under s.
10 ~~238.32~~ 555.32 (2) or (3) was submitted to the ~~corporation~~ department.

11 d. In the 36 months immediately preceding the date on which the application
12 under s. ~~238.32~~ 555.32 (2) or (3) was submitted to the ~~corporation~~ department, a
13 number of workers in the area were permanently laid off by their employer or became
14 unemployed as a result of a business action subject to s. 109.07 (1m).

15 **(1m)** (intro.) In making a determination under sub. (1) (e), the ~~corporation~~
16 department shall consider all of the following:

17 (h) Any other factors that the ~~corporation~~ department considers relevant.

18 **(2)** In determining whether an area meets the requirements under sub. (1) (e)
19 or s. ~~238.335~~ 555.335, the ~~corporation~~ department may rely on any data provided by
20 the local governing body that the ~~corporation~~ department determines is relevant.

21 **(3)** (intro.) The ~~corporation~~ department shall do all of the following:

22 **SECTION 393.** 238.315 of the statutes is renumbered 555.315 and amended to
23 read:

24 **555.315 Invitation to nominate area.** If the ~~corporation~~ department
25 determines that an area has experienced or is about to experience economic distress,

ASSEMBLY BILL 617**SECTION 393**

1 the ~~corporation~~ department may invite local governing bodies in the area to
2 nominate the area as a development zone.

3 **SECTION 394.** 238.32 of the statutes is renumbered 555.32, and 555.32 (1)
4 (intro.), (2) (intro.), (c), (d) and (i), (3) and (5), as renumbered, are amended to read:

5 555.32 (1) (intro.) A local governing body may nominate an area as a
6 development zone, if the ~~corporation~~ department has invited the governing body to
7 nominate the area under s. ~~238.315~~ 555.315 and if the governing body does all of the
8 following:

9 (2) (intro.) A local governing body may nominate the area as a development
10 zone by submitting an application to the ~~corporation~~ department in a form prescribed
11 by the ~~corporation~~ department. The application shall include all of the following:

12 (c) Evidence that the area meets at least 3 of the criteria under s. ~~238.31~~ 555.31
13 (1) (e) 4.

14 (d) Evidence that the area meets the applicable requirements of s. ~~238.335~~
15 555.335.

16 (i) Any other information required by the ~~corporation~~ department.

17 (3) Two or more local governing bodies may submit a joint application
18 nominating an area as a development zone, subject to s. ~~238.335~~ 555.335 (2), if each
19 local governing body complies with subs. (1) and (2).

20 (5) The ~~corporation~~ department may permit a local governing body to revise an
21 application that the ~~corporation~~ department determines is inadequate or
22 incomplete.

23 **SECTION 395.** 238.325 of the statutes is renumbered 555.325 and amended to
24 read:

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1 **555.325** (title) **Evaluation by ~~corporation~~ department.** (1) The
2 ~~corporation~~ department shall evaluate applications received under s. ~~238.32~~ 555.32
3 (2) and (3).

4 (2) Subject to s. ~~238.335~~ 555.335 (5), the ~~corporation~~ department may reduce
5 the size of an area nominated as a development zone, if the ~~corporation~~ department
6 determines the boundaries as proposed by the local governing body in an application
7 under s. ~~238.32~~ 555.32 (2) or (3) are inconsistent with the purpose of the development
8 zone program. Any nominated area which is reduced under this subsection need not
9 comply with s. ~~238.335~~ 555.335 (1) and (4).

10 (3) After evaluating an application submitted under s. ~~238.32~~ 555.32 (2) or (3),
11 the ~~corporation~~ department may approve the application, subject to any reduction
12 in the size of the nominated area under sub. (2). If the ~~corporation~~ department
13 approves the application, the ~~corporation~~ department shall designate the area as a
14 development zone, subject to s. ~~238.31~~ 555.31, and notify the local governing body.

15 **SECTION 396.** 238.335 of the statutes is renumbered 555.335, and 555.335 (6)
16 (a) 2. and (c) and (7), as renumbered, are amended to read:

17 555.335 (6) (a) 2. Each area meets at least 3 of the criteria listed in s. ~~238.31~~
18 555.31 (1) (e) 4.

19 (c) If an application is submitted by the governing body of a county under s.
20 ~~238.32~~ 555.32 (2) or (3), up to 4 separate areas may be nominated or designated as
21 one development zone, if par. (a) 1. to 3. applies.

22 (7) The ~~corporation~~ department may waive the requirements of this section in
23 a particular case, if the ~~corporation~~ department determines that application of the
24 requirement is impractical with respect to a particular development zone.

ASSEMBLY BILL 617**SECTION 397**

1 **SECTION 397.** 238.34 of the statutes is renumbered 555.34, and 555.34 (1), (2),
2 (3) (intro.) and (a), (4), (5) and (6), as renumbered, are amended to read:

3 555.34 (1) Except as provided under sub. (6), at any time after a development
4 zone is designated by the ~~corporation~~ department, a local governing body may submit
5 an application to change the boundaries of the development zone. If the boundary
6 change reduces the size of a development zone, the local governing body shall explain
7 why the area excluded should no longer be in a development zone. The ~~corporation~~
8 department may require the local governing body to submit additional information.

9 (2) The ~~corporation~~ department may approve an application for a boundary
10 change if the development zone, as affected by the boundary changes, meets the
11 applicable requirements of s. ~~238.335~~ 555.335 and 3 of the criteria under s. ~~238.31~~
12 555.31 (1) (e) 4.

13 (3) (intro.) If the ~~corporation~~ department approves an application for a
14 boundary change under sub. (2), it shall do all of the following:

15 (a) Redetermine the limit on the tax benefits for the development zone
16 established under s. ~~238.345~~ 555.345 (2) (a).

17 (4) The change in the boundaries or tax benefits limit of a development zone
18 shall be effective on the day the ~~corporation~~ department notifies the local governing
19 body under sub. (3) (b).

20 (5) No change in the boundaries of a development zone may affect the duration
21 of an area as a development zone under s. ~~238.345~~ 555.345 (1) (a). The ~~corporation~~
22 department may consider a change in the boundary of a development zone when
23 evaluating an application for an extension of the designation of an area as a
24 development zone under s. ~~238.345~~ 555.345 (1) (b).

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1 **(6)** The ~~corporation~~ department may not accept any applications under sub. (1)
2 to change the boundaries of a development zone designated under s. ~~238.31~~ 555.31
3 on or after March 6, 2009.

4 **SECTION 398.** 238.345 of the statutes is renumbered 555.345, and 555.345 (1)
5 (a) and (b), (2) (a), (am), (b), (c) 1. and 2. and (d) and (3) (intro.), (a) and (b), as
6 renumbered, are amended to read:

7 555.345 **(1)** (a) The designation of an area as a development zone shall be
8 effective for 240 months, beginning on the day the ~~corporation~~ department notifies
9 the local governing body under s. ~~238.325~~ 555.325 (3) of the designation.

10 (b) The local governing body may apply to the ~~corporation~~ department for one
11 60-month extension of the designation. The ~~corporation~~ department shall adopt
12 rules establishing criteria for approving an extension of a designation of an area as
13 a development zone under this subsection. No applications may be accepted by the
14 ~~corporation~~ department under this paragraph on or after March 6, 2009.

15 **(2)** (a) When the ~~corporation~~ department designates a development zone under
16 s. ~~238.31~~ 555.31, it shall establish a limit for tax benefits for the development zone
17 determined by allocating to the development zone a portion of \$38,155,000.

18 (am) Notwithstanding par. (a), the ~~corporation~~ department may increase the
19 established limit for tax benefits for a development zone. The ~~corporation~~
20 department may not increase the limit for tax benefits established for any
21 development zone designated under s. ~~238.31~~ 555.31 on or after March 6, 2009.

22 (b) Annually the ~~corporation~~ department shall estimate the amount of forgone
23 state revenue because of tax benefits claimed by persons in each development zone.

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1 (c) 1. Ninety days after the day on which the ~~corporation~~ department
2 determines that the forgone tax revenues under par. (b) will equal or exceed the limit
3 for the development zone established under par. (a) or (am).

4 2. The day that the ~~corporation~~ department withdraws its designation of an
5 area as a development zone under sub. (3).

6 (d) The ~~corporation~~ department shall immediately notify the local governing
7 body of a change in the expiration date of the development zone under par. (c).

8 **(3)** (intro.) The ~~corporation~~ department may withdraw the designation of an
9 area as a development zone if any of the following applies:

10 (a) No person is certified as eligible to receive tax benefits under s. ~~238.365~~
11 555.365 (3) during the 12-month period beginning on the day the area is designated
12 as a development zone and the ~~corporation~~ department determines that the local
13 governing body that nominated the zone is not in compliance with s. ~~238.363~~ 555.363.

14 (b) No person is certified as eligible to receive tax benefits under s. ~~238.365~~
15 555.365 (3) during the 24-month period beginning on the day the area is designated
16 a development zone.

17 **SECTION 399.** 238.35 of the statutes is renumbered 555.35, and 555.35 (intro.),
18 (6), (7), (8) and (10), as renumbered, are amended to read:

19 **555.35 Additional duties of the ~~corporation~~ department.** (intro.) The
20 ~~corporation~~ department shall do all of the following:

21 **(6)** Notify University of Wisconsin small business development centers, the
22 Wisconsin housing and development centers, the central administration of all
23 University of Wisconsin campuses and regional planning commissions about the
24 development zone program and encourage those entities to provide advice to the

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1 ~~corporation~~ department or local governing bodies on ways to improve the
2 development zone program.

3 (7) Prepare forms for the certification described under s. ~~238.365~~ 555.365 (5).

4 (8) Annually verify information submitted to the ~~corporation~~ department
5 under s. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), or 76.636.

6 (10) Enter into an agreement with the local governing body of a 1st class city
7 where a development zone is designated under s. ~~238.31~~ 555.31 (3) (c) 1. to provide
8 efficient administration of the development zone program within the development
9 zone.

10 **SECTION 400.** 238.363 of the statutes is renumbered 555.363, and 555.363 (1)
11 (intro.) and (c) and (4), as renumbered, are amended to read:

12 555.363 (1) (intro.) If an area nominated by a local governing body is designated
13 as a development zone under s. ~~238.31~~ 555.31, the local governing body shall do all
14 of the following:

15 (c) Assist the ~~corporation~~ department in the administration of the development
16 zone program.

17 (4) The local governing body of a 1st class city where a development zone is
18 designated under s. ~~238.31~~ 555.31 (3) (c) 1. shall enter into an agreement with the
19 ~~corporation~~ department to provide efficient administration of the development zone
20 program within the development zone.

21 **SECTION 401.** 238.365 of the statutes is renumbered 555.365, and 555.365
22 (intro.), (2), (3) (intro.), (b) and (j) and (5) (g) and (h), as renumbered, are amended
23 to read:

24 **555.365 Certification for tax benefits.** (intro.) The ~~corporation~~ department
25 shall do all of the following:

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1 (2) Determine whether a person applying for tax benefits engages or will
2 engage in economic activity that violates s. ~~238.38~~ 555.38 (1).

3 (3) (intro.) Subject to s. ~~238.38~~ 555.38, certify persons who are eligible to claim
4 tax benefits while an area is designated as a development zone, according to the
5 following criteria:

6 (b) The person's commitment not to engage in economic activity that violates
7 s. ~~238.38~~ 555.38 (1).

8 (j) Any other criteria established under rules adopted by the ~~corporation~~
9 department.

10 (5) (g) The limit under s. ~~238.368~~ 555.368 on tax benefits the person may claim
11 while an area is designated as a development zone.

12 (h) Other information required by the ~~corporation~~ department or the
13 department of revenue.

14 **SECTION 402.** 238.368 of the statutes is renumbered 555.368, and 555.368 (1)
15 (a) and (b) (intro.), 1. and 2., (2) (intro.) and (b) and (3) (a) (intro.) and 1. and (b), as
16 renumbered, are amended to read:

17 555.368 (1) (a) The ~~corporation~~ department shall establish a limit on the
18 maximum amount of tax benefits a person certified under s. ~~238.365~~ 555.365 (3) may
19 claim while an area is designated as a development zone.

20 (b) (intro.) When establishing a limit on tax benefits under par. (a), the
21 ~~corporation~~ department shall do all of the following:

22 1. Consider all of the criteria described in s. ~~238.365~~ 555.365 (3) (a) to (e).

23 2. Establish a limit which does not greatly exceed a recommended limit,
24 established under rules adopted by the ~~corporation~~ department based on the cost,
25 number and types of full-time jobs that will be created, retained, or upgraded,

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1 including full-time jobs available to members of the targeted population, as a result
2 of the economic activity of the person certified under s. ~~238.365~~ 555.365 (3).

3 (2) (intro.) The ~~corporation~~ department may, upon request, increase a limit on
4 tax benefits established under sub. (1) if the ~~corporation~~ department does all of the
5 following:

6 (b) Revises the certification required under s. ~~238.365~~ 555.365 (5) and provides
7 a copy of the revised form to the department of revenue and the person whose limit
8 is increased under this subsection.

9 (3) (a) (intro.) The ~~corporation~~ department may reduce a limit established
10 under sub. (1) or (2) if the ~~corporation~~ department determines that any of the
11 following applies:

12 1. The limit is not consistent with the criteria listed under s. ~~238.365~~ 555.365
13 (3) (a) to (e).

14 (b) The ~~corporation~~ department shall notify the department of revenue and the
15 person whose limit on tax benefits is reduced under par. (a) and provide a written
16 explanation to the person of the reasons for reducing the limit.

17 **SECTION 403.** 238.37 of the statutes is renumbered 555.37, and 555.37 (1)
18 (intro.) and (b) and (2), as renumbered, are amended to read:

19 555.37 (1) (intro.) The ~~corporation~~ department shall revoke the certification of
20 a person certified under s. ~~238.365~~ 555.365 (3) if the person does any of the following:

21 (b) Becomes subject to revocation under s. ~~238.38~~ 555.38 (1).

22 (2) The ~~corporation~~ department shall notify the department of revenue within
23 30 days of revoking a certification under sub. (1).

ASSEMBLY BILL 617**SECTION 404**

1 **SECTION 404.** 238.38 of the statutes is renumbered 555.38, and 555.38 (1)
2 (intro.), (1m), (2) (intro.) and (a) and (3) (a) and (b), as renumbered, are amended to
3 read:

4 555.38 (1) (intro.) Except as provided in subs. (2) and (3), no person may be
5 certified under s. ~~238.365~~ 555.365 (3), or a person's certification may be revoked
6 under s. ~~238.37~~ 555.37, if the proposed new business, expansion of an existing
7 business, or other proposed economic activity in a development zone would do or does
8 any of the following:

9 **(1m)** No person may be certified under s. ~~238.365~~ 555.365 (3) on or after March
10 6, 2009.

11 **(2)** (intro.) Subsection (1) does not apply if, after a hearing, the ~~corporation~~
12 department, or the local governing body under sub. (3) (a), determines that any of the
13 following applies:

14 (a) The total number of full-time jobs provided by the person in this state would
15 be reduced if the person were not certified under s. ~~238.365~~ 555.365 (3) or if the
16 person's certification were revoked.

17 **(3)** (a) Except as provided in pars. (b) and (c), if the economic activity for which
18 a person is seeking certification under s. ~~238.365~~ 555.365 (3) is the relocation of a
19 business into a development zone from a location that is outside the development
20 zone but within the limits of a city, village, town, or federally recognized American
21 Indian reservation in which that development zone is located, the local governing
22 body that nominated that area as a development zone under s. ~~238.32~~ 555.32 shall
23 determine whether sub. (2) (a) or (b) applies.

24 (b) Only the ~~corporation~~ department may determine whether sub. (2) (a) or (b)
25 applies to a business relocation described in par. (a) if the business relocation would

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1 likely result in the loss of full-time jobs at or transfer of employees from a business
2 location that is in this state but outside the limits of any city, village, town, or
3 federally recognized American Indian reservation in which the development zone is
4 located.

5 **SECTION 405.** 238.385 of the statutes is renumbered 555.385, and 555.385 (1)
6 (intro.) and (bm) and (2) (intro.), (b) and (c), as renumbered, are amended to read:

7 555.385 (1) (intro.) For the development zone program under ss. ~~238.30~~ 555.30
8 and ~~238.31~~ 555.31 to ~~238.38~~ 555.38, the development opportunity zone program
9 under s. ~~238.395~~ 555.395, and the enterprise development zone program under s.
10 ~~238.397~~ 555.397, the ~~corporation~~ department shall adopt rules that further define
11 a person's eligibility for tax benefits. The rules shall do at least all of the following:

12 (bm) Allow a person to claim up to \$8,000 in tax benefits during the time that
13 an area is designated as an enterprise development zone for retaining a full-time job
14 if the ~~corporation~~ department determines that the person made a significant capital
15 investment to retain the full-time job.

16 (2) (intro.) The ~~corporation~~ department may by rule specify circumstances
17 under which the ~~corporation~~ department may grant exceptions to any of the
18 following:

19 (b) The requirement under ss. ~~238.30~~ 555.30 (2m) and ~~238.397~~ 555.397 (1) (am)
20 that an individual's pay must equal at least 150% of the federal minimum wage.

21 (c) The requirement under ss. ~~238.30~~ 555.30 (2m) and ~~238.397~~ 555.397 (1) (am)
22 that an individual's position must be regular, nonseasonal, and full-time and that
23 the individual must be required to work at least 2,080 hours per year, including paid
24 leave and holidays.

ASSEMBLY BILL 617**SECTION 406**

1 **SECTION 406.** 238.395 of the statutes, as affected by 2015 Wisconsin Act 55, is
2 renumbered 555.395, and 555.395 (1) (a), (b), (c), (d), (e), (f), (g), (h) and (i), (2) (c), (d)
3 1. and 2. and (e) 1., 2. and 3., (3) (a) 1., 2., 3. and 4., (b) 9. and (d), (4) (intro.) and (5)
4 (a) (intro.), 2. and 3., (b), (c), (d), (e) (intro.) and 3. and (f), as renumbered, are
5 amended to read:

6 555.395 (1) (a) An area in the city of Beloit, the legal description of which is
7 provided to the ~~corporation~~ department by the local governing body of the city of
8 Beloit.

9 (b) An area in the city of West Allis, the legal description of which is provided
10 to the ~~corporation~~ department by the local governing body of the city of West Allis.

11 (c) An area in the city of Eau Claire, the legal description of which is provided
12 to the ~~corporation~~ department by the local governing body of the city of Eau Claire.

13 (d) An area in the city of Kenosha, the legal description of which is provided to
14 the ~~corporation~~ department by the local governing body of the city of Kenosha.

15 (e) An area in the city of Milwaukee, the legal description of which is provided
16 to the ~~corporation~~ department by the local governing body of the city of Milwaukee.

17 (f) For the Gateway Project, an area in the city of Beloit, the legal description
18 of which is provided to the ~~corporation~~ department by the local governing body of the
19 city of Beloit.

20 (g) An area in the city of Janesville, the legal description of which is provided
21 to the ~~corporation~~ department by the local governing body of the city of Janesville.

22 (h) An area in the city of Kenosha, the legal description of which is provided to
23 the ~~corporation~~ department by the local governing body of the city of Kenosha.

24 (i) An area in the city of Beloit, the legal description of which is provided to the
25 ~~corporation~~ department by the local governing body of the city of Beloit.

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1 (2) (c) Annually, the ~~corporation~~ department shall estimate the amount of
2 forgone state revenue because of tax benefits claimed by persons in each
3 development opportunity zone.

4 (d) 1. Notwithstanding pars. (a) and (e), the designation of an area as a
5 development opportunity zone shall expire 90 days after the day on which the
6 ~~corporation~~ department determines that the forgone tax revenues under par. (c) will
7 equal or exceed the limit for the development opportunity zone.

8 2. The ~~corporation~~ department shall immediately notify the local governing
9 body of the city in which the development opportunity zone is located of a change in
10 the expiration date of the development opportunity zone under this paragraph.

11 (e) 1. The ~~corporation~~ department may extend the designation of an area under
12 sub. (1) (g) as a development opportunity zone for an additional 60 months if the
13 ~~corporation~~ department determines that an extension under this subdivision would
14 support economic development within the city. If the ~~corporation~~ department
15 extends the designation of the area as a development opportunity zone, the limit for
16 tax benefits for the development opportunity zone under sub. (1) (g) is increased by
17 \$5,000,000.

18 2. The ~~corporation~~ department may extend the designation of an area under
19 sub. (1) (h) as a development opportunity zone for an additional 60 months if the
20 ~~corporation~~ department determines that an extension under this subdivision would
21 support economic development within the city. If the ~~corporation~~ department
22 extends the designation of the area as a development opportunity zone, the limit for
23 tax benefits for the development opportunity zone under sub. (1) (h) is increased by
24 \$5,000,000.

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1 3. The ~~corporation~~ department may extend the designation of an area under
2 sub. (1) (i) as a development opportunity zone for an additional 60 months if the
3 ~~corporation~~ department determines that an extension will support economic
4 development within the city. If the ~~corporation~~ department grants an extension
5 under this subdivision, the limit for tax benefits for the development opportunity
6 zone under sub. (1) (i) is increased by \$5,000,000.

7 **(3)** (a) 1. Any person that is conducting or that intends to conduct economic
8 activity in a development opportunity zone under sub. (1) (a) or (b) and that, in
9 conjunction with the local governing body of the city in which the development
10 opportunity zone is located, submits a project plan as described in par. (b) to the
11 ~~corporation~~ department no later than 6 months after April 23, 1994, shall be entitled
12 to claim tax benefits while the area is designated as a development opportunity zone.

13 2. Any person that is conducting or that intends to conduct economic activity
14 in a development opportunity zone under sub. (1) (c) and that, in conjunction with
15 the local governing body of the city in which the development opportunity zone is
16 located, submits a project plan as described in par. (b) to the ~~corporation~~ department
17 no later than 6 months after April 28, 1995, shall be entitled to claim tax benefits
18 while the area is designated as a development opportunity zone.

19 3. Any person that is conducting or that intends to conduct economic activity
20 in a development opportunity zone under sub. (1) (d) and that, in conjunction with
21 the local governing body of the city in which the development opportunity zone is
22 located, submits a project plan as described in par. (b) to the ~~corporation~~ department
23 no later than July 1, 2000, shall be entitled to claim tax benefits while the area is
24 designated as a development opportunity zone.

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1 4. Any person that is conducting or that intends to conduct economic activity
2 in a development opportunity zone under sub. (1) (e), (f), (g), (h), or (i) and that, in
3 conjunction with the local governing body of the city in which the development
4 opportunity zone is located, submits a project plan as described in par. (b) to the
5 ~~corporation~~ department shall be entitled to claim tax benefits while the area is
6 designated as a development opportunity zone.

7 (b) 9. Other information required by the ~~corporation~~ department or the
8 department of revenue.

9 (d) The ~~corporation~~ department annually shall verify information submitted
10 to the ~~corporation~~ department under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx),
11 71.47 (1dm) or (1dx), or 76.636.

12 (4) (intro.) The ~~corporation~~ department shall revoke the entitlement of a
13 person to claim tax benefits under sub. (3) if the person does any of the following:

14 (5) (a) (intro.) The ~~corporation~~ department may certify for tax benefits a person
15 that is conducting economic activity in the development opportunity zone under sub.
16 (1) (e) or (f) and that is not otherwise entitled to claim tax benefits if all of the
17 following apply:

18 2. The ~~corporation~~ department determines that the economic activity of the
19 other person under subd. 1. would not have occurred but for the involvement of the
20 person to be certified for tax benefits under this subsection.

21 3. The person to be certified for tax benefits under this subsection will pass the
22 benefits through to the other person conducting the economic activity under subd.
23 1., as determined by the ~~corporation~~ department.

24 (b) A person intending to claim tax benefits under this subsection shall submit
25 to the ~~corporation~~ department an application, in the form required by the ~~corporation~~

ASSEMBLY BILL 617**SECTION 406**

1 department, containing information required by the ~~corporation~~ department and by
2 the department of revenue.

3 (c) The ~~corporation~~ department shall notify the department of revenue of all
4 persons certified to claim tax benefits under this subsection.

5 (d) The ~~corporation~~ department annually shall verify information submitted
6 to the ~~corporation~~ department under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx),
7 71.47 (1dm) or (1dx), or 76.636.

8 (e) (intro.) The ~~corporation~~ department shall revoke the entitlement of a person
9 to claim tax benefits under this subsection if the person does any of the following:

10 3. Does not pass the benefits through to the other person conducting the
11 economic activity under par. (a) 1., as determined by the ~~corporation~~ department.

12 (f) The ~~corporation~~ department shall notify the department of revenue within
13 30 days after revoking an entitlement under par. (e).

14 **SECTION 407.** 238.397 of the statutes is renumbered 555.397, and 555.397 (1)
15 (am), (c) and (d), (2) (a) (intro.), 3. and 4. a. and d., (b) (intro.) and 8., (bg) (intro.) and
16 2. and (br) (intro.), (c), (d) and (e), (3) (a), (b) 11. and (c), (4) (a), (c), (d) and (g), (5) (a),
17 (b), (c) and (d) 1. and 2. and (6) (a) (intro.) and (b), as renumbered, are amended to
18 read:

19 555.397 (1) (am) "Full-time job" has the meaning given in s. ~~238.30~~ 555.30
20 (2m).

21 (c) "Target population" has the meaning given in s. ~~238.30~~ 555.30 (6).

22 (d) "Tax benefits" has the meaning given in s. ~~238.30~~ 555.30 (7).

23 (2) (a) (intro.) Subject to pars. (c), (d), and (e), the ~~corporation~~ department may
24 designate an area as an enterprise development zone for a project if the ~~corporation~~
25 department determines all of the following:

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1 3. That the project is not likely to occur or continue without the ~~corporation's~~
2 department's designation of the area as an enterprise development zone.

3 4. a. The unemployment rate in the area is higher than the state average for
4 the 18 months immediately preceding the date on which the application under sub.
5 (3) was submitted to the ~~corporation~~ department.

6 d. In the 36 months immediately preceding the date on which the application
7 under sub. (3) was submitted to the ~~corporation~~ department, a number of workers
8 in the area were permanently laid off by their employer or became unemployed as
9 a result of a business action subject to s. 109.07 (1m).

10 (b) (intro.) In making a determination under par. (a), the ~~corporation~~
11 department shall consider all of the following:

12 8. Any other factors that the ~~corporation~~ department considers relevant.

13 (bg) (intro.) Notwithstanding par. (a) and subject to pars. (c), (d), and (e), the
14 ~~corporation~~ department may designate an area as an enterprise development zone
15 for a project if the ~~corporation~~ department determines all of the following:

16 2. That the project is not likely to occur or continue without the ~~corporation's~~
17 department's designation of the area as an enterprise development zone.

18 (br) (intro.) In making a determination under par. (bg), the ~~corporation~~
19 department shall consider all of the following:

20 (c) The ~~corporation~~ department may not designate as an enterprise
21 development zone, or as any part of an enterprise development zone, an area that is
22 located within the boundaries of an area that is designated as a development
23 opportunity zone under s. ~~238.395~~ 555.395, the designation of which is in effect.

24 (d) The ~~corporation~~ department may not designate more than 98 enterprise
25 development zones unless the ~~corporation~~ department obtains the approval of the

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1 joint committee on finance to do so. Of the enterprise development zones that the
2 ~~corporation~~ department designates, at least 10 shall be designated under par. (bg).

3 (e) The ~~corporation~~ department may not designate any area as an enterprise
4 development zone on or after March 6, 2009.

5 (3) (a) A person that conducts or that intends to conduct a project and that
6 desires to have the area in which the project is or is to be conducted designated as
7 an enterprise development zone for the purpose of claiming tax benefits may submit
8 to the ~~corporation~~ department an application and a project plan.

9 (b) 11. Any other information required by the ~~corporation~~ department or the
10 department of revenue.

11 (c) The ~~corporation~~ department may not accept or approve any applications or
12 project plans submitted under par. (a) on or after March 6, 2009.

13 (4) (a) Except as provided in par. (h), if the ~~corporation~~ department approves
14 a project plan under sub. (3) and designates the area in which the person submitting
15 the project plan conducts or intends to conduct the project as an enterprise
16 development zone under the criteria under sub. (2), the ~~corporation~~ department shall
17 certify the person as eligible for tax benefits.

18 (c) When the ~~corporation~~ department designates an area as an enterprise
19 development zone for a project, the ~~corporation~~ department shall notify the
20 governing body of any city, village, town, or federally recognized American Indian
21 tribe or band in which the area is located of the area's designation.

22 (d) The ~~corporation~~ department shall notify the department of revenue of all
23 persons entitled to claim tax benefits under this section, except that the ~~corporation~~
24 department shall notify the office of the commissioner of insurance of all persons
25 entitled to claim the credit under s. 76.636.

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1 (g) The ~~corporation~~ department annually shall verify information submitted
2 to the ~~corporation~~ department under s. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx), or
3 76.636.

4 (5) (a) When the ~~corporation~~ department designates an area as an enterprise
5 development zone under this section, the ~~corporation~~ department shall specify the
6 length of time, not to exceed 84 months, that the designation is effective, subject to
7 par. (d) and sub. (6).

8 (b) When the ~~corporation~~ department designates an area as an enterprise
9 development zone under this section, the ~~corporation~~ department shall establish a
10 limit, not to exceed \$3,000,000, for tax benefits for the enterprise development zone.

11 (c) Annually, the ~~corporation~~ department shall estimate the amount of forgone
12 state revenue because of tax benefits claimed by persons in each enterprise
13 development zone.

14 (d) 1. Notwithstanding the length of time specified by the ~~corporation~~
15 department under par. (a), the designation of an area as an enterprise development
16 zone shall expire 90 days after the day on which the ~~corporation~~ department
17 determines that the forgone tax revenues under par. (c) will equal or exceed the limit
18 established for the enterprise development zone.

19 2. The ~~corporation~~ department shall immediately notify the department of
20 revenue and the governing body of any city, village, town, or federally recognized
21 American Indian tribe or band in which the enterprise development zone is located
22 of a change in the expiration date of the enterprise development zone under this
23 paragraph.

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1 **(6)** (a) (intro.) The ~~corporation~~ department shall revoke the entitlement of a
2 person to claim tax benefits under this section, and the designation of the area as an
3 enterprise development zone shall expire, if the person does any of the following:

4 (b) The ~~corporation~~ department shall notify the department of revenue within
5 30 days after revoking an entitlement under par. (a).

6 **SECTION 408.** 238.398 of the statutes is renumbered 555.398, and 555.398 (2)
7 (a) and (b), (3) (a) and (b), (4) (a) (intro.) and (b) and (5) (intro.) and (e), as renumbered,
8 are amended to read:

9 555.398 **(2)** (a) Except as provided under par. (c), the ~~corporation~~ department
10 may designate one area in the state as an agricultural development zone. The area
11 must be located in a rural municipality. An agricultural business that is located in
12 an agricultural development zone and that is certified by the ~~corporation~~ department
13 under sub. (3) is eligible for tax benefits as provided in sub. (3).

14 (b) The designation of an area as an agricultural development zone shall be in
15 effect for 10 years from the time that the ~~corporation~~ department first designates the
16 area. Not more than \$5,000,000 in tax benefits may be claimed in an agricultural
17 development zone, except that the ~~corporation~~ department may allocate the amount
18 of unallocated airport development zone tax credits, as provided under s. ~~238.3995~~
19 555.3995 (3) (b), to agricultural development zones for which the \$5,000,000
20 maximum allocation is insufficient. The ~~corporation~~ department may change the
21 boundaries of an agricultural development zone during the time that its designation
22 is in effect. A change in the boundaries of an agricultural development zone does not
23 affect the duration of the designation of the area or the maximum tax benefit amount
24 that may be claimed in the agricultural development zone.

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1 **(3)** (a) Except as provided under par. (c), the ~~corporation~~ department may
2 certify for tax benefits in an agricultural development zone a new or expanding
3 agricultural business that is located in the agricultural development zone. In
4 determining whether to certify a business under this subsection, the ~~corporation~~
5 department shall consider, among other things, the number of jobs that will be
6 created or retained by the business.

7 (b) When the ~~corporation~~ department certifies an agricultural business under
8 this subsection, the ~~corporation~~ department shall establish a limit on the amount of
9 tax benefits that the business may claim. The ~~corporation~~ department shall enter
10 into an agreement with the business that specifies the limit on the amount of tax
11 benefits that the business may claim and reporting requirements with which the
12 business must comply.

13 **(4)** (a) (intro.) The ~~corporation~~ department shall notify the department of
14 revenue of all the following:

15 (b) The ~~corporation~~ department shall annually verify information submitted
16 to the ~~corporation~~ department under s. 71.07 (2dm) or (2dx), 71.28 (1dm) or (1dx),
17 71.47 (1dm) or (1dx), or 76.636.

18 **(5)** (intro.) The ~~corporation~~ department shall adopt rules for the operation of
19 this section, including rules related to all the following:

20 (e) The exchange of information between the ~~corporation~~ department and the
21 department of revenue.

22 **SECTION 409.** 238.399 of the statutes, as affected by 2015 Wisconsin Act 55, is
23 renumbered 555.399, and 555.399 (1) (am) 2. (intro.), (3) (a), (b) (intro.), (bm), (c) and
24 (d), (5) (intro.), (b), (c) 1. a. and b. and 2. b. and c., (d) 1. and (e), (5m) and (6) (b) (intro.),
25 (d), (e), (f) and (g) (intro.) and 1. (intro.), as renumbered, are amended to read:

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1 555.399 (1) (am) 2. (intro.) The ~~corporation~~ department may grant exceptions
2 to the requirement under subd. 1. that a full-time employee means an individual
3 who, as a condition of employment, is required to work at least 2,080 hours per year
4 if all of the following apply:

5 (3) (a) The ~~corporation~~ department may designate not more than 30 enterprise
6 zones.

7 (b) (intro.) In determining whether to designate an area under par. (a), the
8 ~~corporation~~ department shall consider all of the following:

9 (bm) The ~~corporation~~ department shall specify whether an enterprise zone
10 designated under par. (a) is located in a tier I county or municipality or a tier II county
11 or municipality.

12 (c) The ~~corporation~~ department shall, to the extent possible, give preference to
13 the greatest economic need.

14 (d) Notwithstanding pars. (b) and (c), the ~~corporation~~ department shall
15 designate as enterprise zones at least 3 areas comprising political subdivisions
16 whose populations total less than 5,000 and at least 2 areas comprising political
17 subdivisions whose populations total 5,000 or more but less than 30,000. In
18 designating an enterprise zone under this paragraph, the ~~corporation~~ department
19 may consider indicators of an area's economic need and the effect of designation on
20 other economic development activities.

21 (5) CERTIFICATION. (intro.) The ~~corporation~~ department may certify for tax
22 benefits any of the following:

23 (b) A business that relocates to an enterprise zone from outside this state, if the
24 business offers compensation and benefits to its employees working in the zone for

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1 the same type of work that are at least as favorable as those offered to its employees
2 working outside the zone, as determined by the ~~corporation~~ department.

3 (c) 1. a. The business enters into an agreement with the ~~corporation~~
4 department to claim tax benefits only for years during which the business maintains
5 the increased level of personnel.

6 b. The business offers compensation and benefits for the same type of work to
7 its employees working in the enterprise zone that are at least as favorable as those
8 offered to its employees working in this state but outside the zone, as determined by
9 the ~~corporation~~ department.

10 2. b. The business enters into an agreement with the ~~corporation~~ department
11 to claim tax benefits only for years during which the business maintains the capital
12 investment.

13 c. The business offers compensation and benefits for the same type of work to
14 its employees working in the zone that are at least as favorable as those offered to
15 its employees working in this state but outside the zone, as determined by the
16 ~~corporation~~ department.

17 (d) 1. The business is a manufacturer with a significant supply chain in the
18 state, as determined by the ~~corporation~~ department.

19 (e) A business located in an enterprise zone if the business purchases tangible
20 personal property, items, property, or goods under s. 77.52 (1) (b), (c), or (d), or
21 services from Wisconsin vendors, as determined by the ~~corporation~~ department.

22 **(5m)** ADDITIONAL TAX BENEFITS FOR SIGNIFICANT CAPITAL EXPENDITURES. If the
23 ~~corporation~~ department determines that a business certified under sub. (5) makes
24 a significant capital expenditure in the enterprise zone, the ~~corporation~~ department
25 may certify the business to receive additional tax benefits in an amount to be

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1 determined by the ~~corporation~~ department, but not exceeding 10 percent of the
2 business' capital expenditures. The ~~corporation~~ department shall, in a manner
3 determined by the ~~corporation~~ department, allocate the tax benefits a business is
4 certified to receive under this subsection over the remainder of the time limit of the
5 enterprise zone under sub. (4).

6 **(6)** (b) (intro.) The ~~corporation~~ department shall revoke a certification under
7 sub. (5) if the business does any of the following:

8 (d) The ~~corporation~~ department may require a business to repay any tax
9 benefits the business claims for a year in which the business failed to maintain
10 employment levels or a significant capital investment in property required by an
11 agreement under sub. (5) (c).

12 (e) The ~~corporation~~ department shall determine the maximum amount of the
13 tax credits under ss. 71.07 (3w), 71.28 (3w), and 71.47 (3w) that a certified business
14 may claim and shall notify the department of revenue of this amount.

15 (f) The ~~corporation~~ department shall annually verify the information
16 submitted to the ~~corporation~~ department under ss. 71.07 (3w), 71.28 (3w), or 71.47
17 (3w).

18 (g) (intro.) The ~~corporation~~ department shall ~~adopt policies and procedures~~
19 promulgate rules specifying all of the following:

20 1. (intro.) The definitions of a tier I county or municipality and a tier II county
21 or municipality. The ~~corporation~~ department may consider all of the following
22 information when establishing the definitions required under this subdivision:

23 **SECTION 410.** 238.3995 of the statutes is renumbered 555.3995, and 555.3995
24 (1) (b) and (c), (2) (a) (intro.) and 4., (b) (intro.) and 8., (c) 1. and 2. and (d), (3) (a), (b),

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1 (c) and (d) 1. and 2., (4) (a) (intro.) and 10., (am), (ar), (b) 1., (c) (intro.) and (d) and
2 (5), as renumbered, are amended to read:

3 555.3995 (1) (b) "Full-time job" has the meaning given in s. ~~238.30~~ 555.30 (2m).

4 (c) "Target population" has the meaning given in s. ~~238.30~~ 555.30 (6).

5 (2) (a) (intro.) Subject to pars. (c) and (e), the ~~corporation~~ department may
6 designate an area as an airport development zone if the ~~corporation~~ department
7 determines all of the following:

8 4. That the airport development project is not likely to occur or continue
9 without the ~~corporation~~ department designation of the area as an airport
10 development zone.

11 (b) (intro.) In making a determination under par. (a), the ~~corporation~~
12 department shall consider all of the following:

13 8. Any other factors that the ~~corporation~~ department considers relevant.

14 (c) 1. The ~~corporation~~ department may not designate as an airport development
15 zone, or as any part of an airport development zone, an area that is located within
16 the boundaries of an area that is designated as a development zone under s. ~~238.31~~
17 555.31, as a development opportunity zone under s. ~~238.395~~ 555.395, or as an
18 enterprise development zone under s. ~~238.397~~ 555.397.

19 2. The ~~corporation~~ department shall give the department of transportation the
20 opportunity to review and comment on any proposed designation under this
21 subsection and the department of transportation may deny any such designation if
22 the department of transportation determines that the designation would
23 compromise the airport's safety or utility. The department of transportation may
24 also review and comment on any land use or compatibility issues related to any
25 proposed designation under this subsection.

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1 (d) Notwithstanding pars. (a) to (c), and except as provided in par. (e), the
2 ~~corporation~~ department shall designate as an airport development zone the area
3 within the boundaries of Adams, Fond du Lac, Green Lake, Juneau, Langlade,
4 Lincoln, Marathon, Marquette, Menominee, Oneida, Portage, Price, Shawano,
5 Taylor, Waupaca, Waushara, Winnebago, Wood, and Vilas counties.

6 (3) (a) When the ~~corporation~~ department designates an area as an airport
7 development zone, the ~~corporation~~ department shall specify the length of time, not
8 to exceed 84 months, that the designation is effective, subject to par. (d). The
9 ~~corporation~~ department shall notify each person certified for tax benefits in an
10 airport development zone, the department of revenue, the department of
11 transportation, the Wisconsin Housing and Economic Development Authority, and
12 the governing body of each county, city, village, town, and federally recognized
13 American Indian tribe or band in which territory of the airport development zone is
14 located of the designation of and expiration date of the airport development zone.

15 (b) When the ~~corporation~~ department designates an area as an airport
16 development zone, the ~~corporation~~ department shall establish a limit, not to exceed
17 \$3,000,000, for tax benefits applicable to the airport development zone, except that
18 the ~~corporation~~ department shall limit the amount of tax benefits applicable to the
19 airport development zone designated under sub. (2) (d) to \$750,000. The total tax
20 benefits applicable to all airport development zones may not exceed \$9,000,000, less
21 any amount allocated to technology zones under s. ~~238.23~~ 555.23 (2) (b) and to
22 agricultural development zones under s. ~~238.398~~ 555.398 (2) (b), and except that the
23 total amount allocated to all technology zones under s. ~~238.23~~ 555.23 (2) (b) and to
24 all agricultural development zones under s. ~~238.398~~ 555.398 (2) (b), may not exceed
25 \$6,000,000. The ~~corporation~~ department may not reallocate amounts as provided

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1 under this paragraph on or after January 1, 2010, except that the ~~corporation~~
2 department may, after 48 months from the month of any designation under this
3 section, evaluate the area designated as an airport development zone and reallocate
4 the amount of available tax benefits.

5 (c) Annually, the ~~corporation~~ department shall estimate the amount of forgone
6 state revenue because of tax benefits claimed by persons in each airport development
7 zone.

8 (d) 1. Notwithstanding the length of time specified by the ~~corporation~~
9 department under par. (a), the designation of an area as an airport development zone
10 shall expire 90 days after the day on which the ~~corporation~~ department determines
11 that the forgone tax revenues estimated under par. (c) will equal or exceed the limit
12 established for the airport development zone.

13 2. The ~~corporation~~ department shall immediately notify each person certified
14 for tax benefits in an airport development zone, the department of revenue, the
15 department of transportation, the Wisconsin Housing and Economic Development
16 Authority, and the governing body of each county, city, village, town, and federally
17 recognized American Indian tribe or band in which territory of the airport
18 development zone is located of a change in the expiration date of the airport
19 development zone under this paragraph.

20 (4) (a) (intro.) A person that intends to operate a place of business in an airport
21 development zone may submit to the ~~corporation~~ department an application and a
22 business plan. The business plan shall include all of the following:

23 10. Any other information required by the ~~corporation~~ department or the
24 department of revenue.

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1 (am) A person that intends to operate a business in the airport development
2 zone designated under sub. (2) (d) may submit to the ~~corporation~~ department an
3 application and a business plan that includes all of the information required under
4 par. (a). In approving business plans submitted under this paragraph, the
5 ~~corporation~~ department shall give higher priority to airport development projects
6 located or proposed to be located in areas that have a low median household income,
7 as determined by the ~~corporation~~ department.

8 (ar) The ~~corporation~~ department may not accept or approve any applications
9 or business plans submitted under par. (a) on or after March 6, 2009.

10 (b) 1. Except as provided in subd. 2., if the ~~corporation~~ department approves
11 a business plan under par. (a) or (am), the ~~corporation~~ department shall certify the
12 person as eligible for tax benefits. The ~~corporation~~ department shall notify the
13 department of revenue within 30 days of certifying a person under this paragraph.

14 (c) (intro.) The ~~corporation~~ department shall revoke a person's certification
15 under par. (b) when the designation of the applicable airport development zone
16 expires or if the person does any of the following:

17 (d) The ~~corporation~~ department shall notify the department of revenue within
18 30 days after revoking a certification under par. (c).

19 **(5) VERIFICATION OF INFORMATION.** The ~~corporation~~ department annually shall
20 verify information submitted to the ~~corporation~~ department under ss. 71.07 (2dm)
21 and (2dx), 71.28 (1dm) and (1dx), and 71.47 (1dm) and (1dx) as it relates to airport
22 development zones.

23 **SECTION 411.** 281.60 (6) of the statutes is amended to read:

24 281.60 **(6) PRIORITY LIST.** The department shall establish a priority list that
25 ranks each land recycling loan program project. The department shall promulgate

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1 rules for determining project rankings based on the potential of projects to reduce
2 environmental pollution and threats to human health and, for sites and facilities
3 that are not landfills, the extent to which projects will prevent the development of
4 undeveloped land by making land available for redevelopment after a cleanup is
5 conducted. Before the department establishes the priority list, the department shall
6 consider the recommendations of the department of administration and the
7 ~~Wisconsin Economic Development Corporation~~ department of economic opportunity.

8 **SECTION 412.** 281.75 (4) (b) 3. of the statutes is amended to read:

9 281.75 (4) (b) 3. An authority created under subch. II of ch. 114 or ch. 231, 233,
10 234, or 237, ~~or 238.~~

11 **SECTION 413.** 285.59 (1) (b) of the statutes is amended to read:

12 285.59 (1) (b) "State agency" means any office, department, agency, institution
13 of higher education, association, society, or other body in state government created
14 or authorized to be created by the constitution or any law which is entitled to expend
15 moneys appropriated by law, including the legislature and the courts, the Wisconsin
16 Housing and Economic Development Authority, the Bradley Center Sports and
17 Entertainment Corporation, the University of Wisconsin Hospitals and Clinics
18 Authority, the Fox River Navigational System Authority, the Wisconsin Aerospace
19 Authority, ~~the Wisconsin Economic Development Corporation,~~ and the Wisconsin
20 Health and Educational Facilities Authority.

21 **SECTION 414.** 292.11 (7) (d) 1m. b. of the statutes is amended to read:

22 292.11 (7) (d) 1m. b. An area designated by the local governmental unit if the
23 area consists of 2 or more properties affected by a contiguous region of groundwater
24 contamination or contains 2 or more properties that are brownfields, as defined in
25 s. ~~238.13~~ 555.13 (1) (a).

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1 **SECTION 421.** 555.095 of the statutes is created to read:

2 **555.095 Contract terms.** All terms of each contract the department executes
3 shall be in compliance with state law at the time the contract is executed.

4 **SECTION 422.** 555.12 (1) (a) of the statutes is created to read:

5 555.12 (1) (a) "Full-time job" has the meaning given in s. 555.30 (2m).

6 **SECTION 423.** 555.12 (2) (b) of the statutes is created to read:

7 555.12 (2) (b) Requires the person to repay all or a portion of, as specified in
8 the agreement, the grant, loan, or tax benefits if, within 5 years after receiving the
9 grant or loan or being certified to receive tax benefits, the total number of employees
10 the person employs in full-time jobs in this state falls below the average number of
11 employees the person employed in full-time jobs in this state during the 2 years
12 immediately prior to the person receiving the grant or loan or certification to receive
13 tax benefits. The department shall refer any claim for damages under this
14 paragraph to the department of justice for collection.

15 **SECTION 424.** 555.12 (2) (c) of the statutes is created to read:

16 555.12 (2) (c) Requires the person to repay all or a portion of, as specified in the
17 agreement, the grant, loan, or tax benefits if, within 5 years after the contract terms
18 related to the grant, loan, or tax benefits have been completed, the person eliminates
19 any full-time job in this state that was created as a result of the grant, loan, or tax
20 benefits. The department shall refer any claim for damages under this paragraph
21 to the department of justice for collection.

22 **SECTION 425.** 555.121 of the statutes is created to read:

23 **555.121 Verification of information.** If the department is required under
24 this chapter to verify information submitted to it by a person who has been awarded
25 a grant, loan, or tax credit, the department shall independently review the person's

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1 relevant records, including, if applicable, payroll records and audited statements of
2 capital expenditures.

3 **SECTION 426.** 555.122 of the statutes is created to read:

4 **555.122 Background checks. (1)** Before the department executes a contract
5 awarding a grant or loan or tax benefits to a person under this chapter, the
6 department shall conduct a background check of the person that includes
7 information concerning the person's business performance and a review of any legal
8 proceedings in which the person is or was a party.

9 **(2)** If within 90 days after completing the background check under sub. (1) the
10 department has not executed the contract awarding a grant or loan or tax benefits
11 to the person, the department shall conduct another background check of the person
12 under sub. (1) before executing that contract.

13 **SECTION 427.** Subchapter III of chapter 555 [precedes 555.40] of the statutes
14 is created to read:

15 **CHAPTER 555**

16 **SUBCHAPTER III**

17 **BADGER INNOVATION CORPORATION**

18 **555.40 Definitions.** In this subchapter:

19 **(1)** "Badger Innovation Corporation" or, unless the context requires otherwise,
20 "corporation," means the corporation specified in 16.35 (3).

21 **(2)** "Board" means the board of directors of the Badger Innovation Corporation.

22 **555.41 Department duties.** The department shall cooperate with the Badger
23 Innovation Corporation to carry out the corporation's duties under s. 555.43.

24 **555.42 Board of directors. (1)** The members of the board shall consist of the
25 following:

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1 (a) The secretary, who shall act as chairperson.

2 (b) One representative to the assembly appointed by the speaker of the
3 assembly.

4 (c) One representative to the assembly appointed by the minority leader of the
5 assembly.

6 (d) One senator appointed by the majority leader of the senate.

7 (e) One senator appointed by the minority leader of the senate.

8 (f) Nine members nominated by the governor and, with the advice and consent
9 of the senate, appointed for staggered 3-year terms. The members appointed under
10 this subsection shall represent regional and local economic development agencies,
11 private business, and other related stakeholder groups.

12 (g) The secretaries of administration, revenue, and workforce development,
13 who shall serve as nonvoting members.

14 (2) The board shall select a chief executive officer subject to the approval of the
15 governor. The chief executive officer shall serve at the pleasure of the board and shall
16 receive such compensation as may be determined by the board. The chief executive
17 officer shall select a chief operating officer and chief financial officer who shall serve
18 at the pleasure of the chief executive officer.

19 **555.43 Corporation duties.** The Badger Innovation Corporation shall, as a
20 condition of receiving the payments under s. 555.44 (2), contract with the
21 department to do all of the following:

22 (1) Develop and implement economic programs to provide business support
23 and expertise and financial assistance to companies that are investing and creating
24 jobs in Wisconsin and to support new business start-ups and business expansion and
25 growth in Wisconsin.

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1 **(2)** Conduct foreign trade missions, business siting promotion, international
2 business development, and marketing.

3 **(3)** Create industry cluster development strategies.

4 **555.44 State aid. (1)** The Badger Innovation Corporation may receive the
5 payments under sub. (2) if each of the following is satisfied:

6 (a) The articles of incorporation state that the purpose of the corporation is to
7 carry out the economic development activities specified under s. 555.43 and that, if
8 the corporation dissolves or discontinues economic development activities in this
9 state, the corporation shall in good faith take all reasonable measures to transfer or
10 assign the corporation's assets to an entity whose purpose is to advance economic
11 development in this state.

12 (b) The corporation initially adopts the bylaws drafted under s. 16.35 (3) (b) and
13 maintains the method of selection and composition of the board of directors required
14 under s. 555.42.

15 (c) The requirements under sections 555.42 and 555.43 are met.

16 (d) The corporation permits public inspection and copying of any record of the
17 corporation, as defined in s. 19.32 (2), to the same extent as is required of, and subject
18 to the same terms and enforcement provisions that apply to, an authority under
19 subch. II of ch. 19.

20 (e) The corporation provides public access to its meetings to the same extent
21 as is required of, and subject to the same terms and enforcement provisions that
22 apply to, a governmental body under subch. V of ch. 19.

23 (f) The corporation fully cooperates with the legislative audit bureau for
24 purposes of the audits under s. 13.94 (1) (ds), including by providing the employees
25 of the legislative audit bureau with access to all of the corporation's records.

