

1       **AN ACT** *to renumber* 345.05 (1) (a); *to amend* 32.05 (1) (a), 32.07 (2), 40.02 (28),  
2       59.58 (6) (title) and (a) 1., 66.0301 (1) (a), 67.01 (5), 70.11 (2), 71.26 (1) (b), chapter  
3       77 (title), subchapter V (title) of chapter 77 [precedes 77.70], 77.71 (intro.), 77.71  
4       (1), 77.71 (2), 77.71 (3), 77.71 (4), 77.73, 77.76 (1), 77.76 (2), 77.76 (4), 77.77,  
5       77.78, 345.05 (2) and 611.11 (4) (a); *to repeal and recreate* 40.02 (28); and *to create*  
6       20.566 (1) (gc), 20.835 (4) (gc), 66.1039, 77.54 (9a) (er), 77.708, 77.76 (3r), 77.76  
7       (5) and 345.05 (1) (ag) of the statutes; **relating to:** the creation of regional transit  
8       authorities, requiring a referendum, and making appropriations

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

**JOINT LEGISLATIVE COUNCIL PREFATORY NOTE:** [The following analysis was prepared by the Legislative Reference Bureau for the drafts described in memo no. 1.] This bill allows most cities, towns, villages, and counties (political subdivisions) to create regional transit authorities (RTAs), which are public bodies corporate and politic that are separate governmental entities. The governing bodies of two or more political subdivisions may join together (participating political subdivisions) to jointly create an RTA by adopting identical resolutions (authorizing resolutions), except that, in a county that contains a 1st class city, only the county and not any municipality within the county may be a participating political subdivision of the RTA. If an RTA includes a county other than a county containing a 1st class city, the RTA must also include at least one municipality within that county. If an RTA has already been formed, additional political subdivisions may join the RTA by adopting authorizing resolutions identical to the original authorizing resolutions if all participating political subdivisions of the RTA also adopt resolutions allowing the additional political subdivisions to join the RTA. An RTA may only be formed if the combined population of all participating political subdivisions of the RTA is at least 50,000. Participating political subdivisions may generally amend or modify their authorizing resolutions, including to allow a new political subdivision to join the RTA, if, after any amendment or modification, the authorizing

resolutions of all participating political subdivisions remain identical. Additional requirements apply if the RTA will be authorized to develop, construct, or operate a fixed-route transit system, including that the combined population of all participating political subdivisions of the RTA must be at least 375,000 and that the RTA must include at least five participating political subdivisions having a population of at least 10,000 each. Any RTA authorizing resolution must contain certain information, including all of the following:

1. The name of the RTA and a description or map of its jurisdictional area. "Jurisdictional area" is defined as the geographic area formed by the combined territorial boundaries of all participating political subdivisions except that, for a county other than a county containing a 1st class city, it includes only that portion of the county that is within the territorial boundaries of cities, villages, and towns in the county that are participating political subdivisions.
2. The purpose of the RTA and the functions or services to be provided by the RTA.
3. The powers, duties, and limitations of the RTA.
4. The establishment and organization of a board of directors, in which all powers of the RTA are vested, the voting requirements for action by the board of directors, and the duties of the board of directors.
5. The manner of selection, powers, and duties of the RTA's officers.
6. The method of financing the formation and operation of the RTA.
7. If authorized, the maximum rate of the sales and use tax, not exceeding the statutory limit, that may be imposed by the RTA. The resolution must also include or refer to a transit plan for the RTA and this authorized rate of the sales and use tax may not exceed the rate determined necessary under the transit plan.
8. A procedure by which a participating political subdivision may withdraw from the RTA and provisions for the disposition or distribution of any property, assets, and obligations of the RTA on withdrawal of a participating political subdivision from the RTA or on dissolution of the RTA.
9. Whether the RTA will develop, construct, or operate a fixed-route transit system and, if so, the maximum amount of the sales and use tax rate that may be allocated by the RTA for expenditures related to this fixed-route transit system.
10. Any limitation on, or any approval required prior to, the RTA's exercise of its power of condemnation.

In political subdivisions other than most counties, and in counties containing a 1st class city the governing body of the political subdivision must approve by at least a majority vote the authorizing resolution creating or joining an RTA and, upon such approval, the authorizing resolution must be ratified by the electors at a referendum held in the political subdivision at a spring or general election. The referendum question must reference the maximum rate of the sales and use tax that may be imposed by the RTA, as specified in the authorizing resolution. A county board, other than the board of a county containing a 1st class city, must approve an authorizing resolution creating or joining an RTA by a two-thirds vote of the members of the county board and no referendum is required to ratify the county board's resolution. Also, at least 30 days before approving an authorizing resolution, the governing body of a political subdivision must hold a public hearing on the resolution. If a resolution creating or joining an RTA authorizes the RTA to develop, construct, or operate a fixed-route transit system, the referendum question must also reference this fact and include the maximum amount of the sales and use tax rate that may be allocated by the RTA for expenditures related to this fixed-route transit system, as specified in the authorizing resolution. If an authorizing resolution is amended or modified to change the RTA's authorized maximum rate of sales and use tax or to add authority for the RTA to develop, construct, or operate a fixed-route transit system, the amendment or modification must be approved by referendum. A change to the authorized tax rate requires unanimous approval by all participating political subdivisions of the RTA, while the addition of fixed-route transit system authority requires approval by at least five participating political subdivisions of the RTA having a population of at least 10,000 each.

An RTA may do all of the following:

1. Establish or acquire a comprehensive unified local transportation system, which is a transportation system comprised of bus lines and other public transportation facilities generally within the jurisdictional area of the RTA. "Transportation system" is defined to include land, structures, equipment, and other property for transportation of passengers, including by bus, rail, or other form of mass transportation. The RTA may operate this transportation system or provide for its operation by another. The RTA may contract with a public or private organization to provide transportation services in lieu of directly providing these services and may purchase and lease transportation facilities to public or private transit companies. With an exception, an RTA may not directly or by contract provide service outside the RTA's jurisdictional area.

2. Coordinate specialized transportation services for persons who are disabled or aged 60 or older.
3. Own or lease real or personal property.
4. Acquire property by condemnation.
5. Enter upon highways to install, maintain, and operate the RTA's facilities.
6. Impose, by the adoption of a resolution by the board of directors, a sales and use tax in the RTA's participating political subdivisions at a rate of not more than 0.5 percent of the gross receipts or sales price or, if lower, not to exceed the maximum rate established by the authorizing resolution. Except with respect to a county containing a 1st class city, this sales and use tax may not be imposed in any municipality within a county that is a participating political subdivision of an RTA unless the municipality is also a participating political subdivision of the RTA. In a county that is a participating political subdivision and that contains a 1st class city, the tax is imposed countywide.
7. Incur debts and obligations. An RTA may issue tax-exempt revenue bonds, secured by a pledge of any income or revenues from any operations or other source of moneys for the RTA. The bonds of an RTA are not a debt of its participating political subdivisions and neither the participating political subdivisions nor the state are liable for the payment of the bonds. Bond proceeds, except those derived from refunding bonds, may be used only for capital expenditures related to the acquisition of transit system equipment having a useful life of at least five years.
8. Set fees and charges for functions, facilities, and services provided by the RTA.
9. Adopt bylaws and rules to carry out the powers and purposes of the RTA.
10. Sue and be sued in its own name.
11. Employ agents, consultants, and employees, engage professional services, and purchase furniture, supplies, and materials reasonably necessary to perform its duties and exercise its powers.
12. Invest funds not required for immediate disbursement.
13. Do and perform any authorized acts by means of an agent or by contracts with any person.

14. Exercise any other powers that the board of directors considers necessary and convenient to effectuate the purposes of the RTA, including providing for passenger safety.

The board of directors of an RTA must annually prepare a budget for the RTA. Rates and other charges received by the RTA must be used only for the general expenses and capital expenditures of the RTA, to pay interest, amortization, and retirement charges on the RTA's revenue bonds, and for specific purposes of the RTA and may not be transferred to any political subdivision. The RTA must maintain an accounting system in accordance with generally accepted accounting principles and must have its financial statements and debt covenants audited annually by an independent certified public accountant.

An RTA that acquires a transportation system must assume all of the employer's obligations under any contract between the employees and management of the system to the extent allowed by law. An RTA that acquires, constructs, or operates a transportation system must negotiate an agreement with the representative of the labor organization that covers the employees affected by the acquisition, construction, or operation to protect the interests of employees affected, and that agreement must include specified provisions. Employees of the RTA are participatory employees under the Wisconsin Retirement System (WRS) if the RTA elects to join the WRS.

A participating political subdivision may withdraw from an RTA if: (1) the governing body of the political subdivision adopts a resolution requesting withdrawal from the RTA and the resolution is approved by referendum; (2) the political subdivision has paid, or made provision for the payment of, all obligations of the political subdivision to the RTA; and (3) any authorized sales and use tax that is levied by the RTA within the political subdivision continues to be levied for the period of time for which the tax is authorized. If a political subdivision withdraws from an RTA, the political subdivision continues to receive transportation services from the RTA for so long as the sales and use tax continues to be levied in the political subdivision.

An RTA may be dissolved if a majority of the participating political subdivisions adopt resolutions recommending the dissolution of the RTA. Dissolution of an RTA may not occur until adequate provision has been made for payment of the RTA's outstanding indebtedness, including outstanding revenue bonds. Dissolution of an RTA, and withdrawal of a political subdivision from an RTA, is subject to provisions of the authorizing resolutions relating to, respectively, dissolution or withdrawal.

A participating political subdivision may make an initial contribution of funds to an RTA at the time the RTA is formed or at the time the political subdivision joins an existing RTA. Thereafter, the political subdivision may not use any locally generated revenue, including property taxes or sales taxes other than those authorized for the RTA under its authorizing resolution, for purposes of funding any transit system, including to transfer additional funds to the RTA. However, this prohibition does not apply to transit or program aids that may be available to a participating political subdivision from the federal government or the state Department of Transportation for transfer to, use by, or the benefit of the RTA.

Current law provides limited immunity for cities, villages, towns, counties, and other political corporations and governmental subdivisions, and for officers, officials, agents, and employees of these entities, for acts done in an official capacity or in the course of employment. Claimants must generally follow a specified claims procedure and liability for damages is generally limited to \$50,000 except that no liability may be imposed for performance of a discretionary duty or for punitive damages. If a person suffers damage resulting from the negligent operation of a motor vehicle owned and operated by a county, city, village, town, school district, sewer district, or other political subdivision of the state in the course of its business, the person may file a claim for damages following this claims procedure and the amount of damages recoverable is limited to \$250,000. This bill specifies that this provision related to claims and liability for negligent operation of a motor vehicle by a political subdivision applies to an RTA.

The bill also allows RTAs to participate in organizing municipal insurance mutuals to provide insurance and risk management services.

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

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

2007-08      2008-09

**20.566    Revenue, department of**

**(1)    COLLECTION OF TAXES**

(gc)    Administration of transit authority

taxes

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

20.566 (1) (gc) *Administration of transit authority taxes.* From the moneys received from the appropriation account under s. 20.835 (4) (gc), the amounts in the schedule for the purpose of administering the transit authority taxes imposed under s. 77.708. Notwithstanding s. 20.001 (3) (a), at the end of the fiscal year the unencumbered balance in this appropriation account shall be transferred to the appropriation account under s. 20.835 (4) (gc).

**SECTION 3.** 20.835 (4) (gc) of the statutes is created to read:

20.835 (4) (gc) *Transit authority taxes.* All moneys received from the taxes imposed under s. 77.708, and from the appropriation account under s. 20.566 (1) (gc), for the purpose of distribution to the transit authorities that adopt a resolution imposing taxes under subch. V of ch. 77, except that 1.5 percent of those tax revenues collected under subch. V of ch. 77 shall be credited to the appropriation account under s. 20.566 (1) (gc).

**SECTION 4.** 32.05 (1) (a) of the statutes is amended to read:

32.05 (1) (a) Except as provided under par. (b), a county board of supervisors or a county highway committee when so authorized by the county board of supervisors, a city council, a village board, a town board, a sewerage commission governing a metropolitan sewerage district created by ss. 200.05 or 200.21 to 200.65, the secretary of transportation, a commission created by contract under s. 66.0301, a joint local water authority created by contract under



1 s. 66.0823, a transit authority created under s. 66.1039, a housing authority under ss. 66.1201  
2 to 66.1211, a local exposition district created under subch. II of ch. 229, a local cultural arts  
3 district created under subch. V of ch. 229, a redevelopment authority under s. 66.1333 or a  
4 community development authority under s. 66.1335 shall make an order providing for the  
5 laying out, relocation and improvement of the public highway, street, alley, storm and sanitary  
6 sewers, watercourses, water transmission and distribution facilities, mass transit facilities,  
7 airport, or other transportation facilities, gas or leachate extraction systems to remedy  
8 environmental pollution from a solid waste disposal facility, housing project, redevelopment  
9 project, cultural arts facilities, exposition center or exposition center facilities which shall be  
10 known as the relocation order. This order shall include a map or plat showing the old and new  
11 locations and the lands and interests required. A copy of the order shall, within 20 days after  
12 its issue, be filed with the county clerk of the county wherein the lands are located or, in lieu  
13 of filing a copy of the order, a plat may be filed or recorded in accordance with s. 84.095.

14 **SECTION 5.** 32.07 (2) of the statutes is amended to read:

15 32.07 (2) The petitioner shall determine necessity if application is by the state or any  
16 commission, department, board or other branch of state government or by a city, village, town,  
17 county, school district, board, commission, public officer, commission created by contract  
18 under s. 66.0301, joint local water authority under s. 66.0823, transit authority created under  
19 s. 66.1039, redevelopment authority created under s. 66.1333, local exposition district created  
20 under subch. II of ch. 229, local cultural arts district created under subch. V of ch. 229, housing  
21 authority created under ss. 66.1201 to 66.1211 or for the right-of-way of a railroad up to 100  
22 feet in width, for a telegraph, telephone or other electric line, for the right-of-way for a gas  
23 pipeline, main or service or for easements for the construction of any elevated structure or  
24 subway for railroad purposes.



1           **SECTION 6.** 40.02 (28) of the statutes, as affected by 2007 Wisconsin Act 20, is amended  
2 to read:

3           40.02 (28) “Employer” means the state, including each state agency, any county, city,  
4 village, town, school district, other governmental unit or instrumentality of 2 or more units of  
5 government now existing or hereafter created within the state, any federated public library  
6 system established under s. 43.19 whose territory lies within a single county with a population  
7 of 500,000 or more, a local exposition district created under subch. II of ch. 229, a transit  
8 authority created under s. 66.1039, and a long-term care district created under s. 46.2895,  
9 except as provided under ss. 40.51 (7) and 40.61 (3) and subch. X. “Employer” does not  
10 include a local cultural arts district created under subch. V of ch. 229. Each employer shall  
11 be a separate legal jurisdiction for OASDHI purposes.

12           **SECTION 7.** 40.02 (28) of the statutes, as affected by 1999 Wisconsin Act 65 and 2007  
13 Wisconsin Acts 20 and .... (this act), is repealed and recreated to read:

14           40.02 (28) “Employer” means the state, including each state agency, any county, city,  
15 village, town, school district, other governmental unit or instrumentality of 2 or more units of  
16 government now existing or hereafter created within the state, any federated public library  
17 system established under s. 43.19 whose territory lies within a single county with a population  
18 of 500,000 or more, a local exposition district created under subch. II of ch. 229, a transit  
19 authority created under s. 66.1039, and a long-term care district created under s. 46.2895,  
20 except as provided under ss. 40.51 (7) and 40.61 (3). “Employer” does not include a local  
21 cultural arts district created under subch. V of ch. 229. Each employer shall be a separate legal  
22 jurisdiction for OASDHI purposes.

23           **SECTION 8.** 59.58 (6) (title) and (a) 1. of the statutes are amended to read:

24           59.58 (6) (title) ~~REGIONAL~~ KENOSHA-RACINE-MILWAUKEE REGIONAL TRANSIT AUTHORITY.

1 (a) 1. “Authority” means the Kenosha–Racine–Milwaukee regional transit authority.

2 **SECTION 9.** 66.0301 (1) (a) of the statutes, as affected by 2007 Wisconsin Acts 20 and  
3 43, is amended to read:

4 66.0301 (1) (a) Except as provided in pars. (b) and (c), in this section “municipality”  
5 means the state or any department or agency thereof, or any city, village, town, county, school  
6 district, public library system, public inland lake protection and rehabilitation district, sanitary  
7 district, farm drainage district, metropolitan sewerage district, sewer utility district, solid  
8 waste management system created under s. 59.70 (2), local exposition district created under  
9 subch. II of ch. 229, local professional baseball park district created under subch. III of ch. 229,  
10 local professional football stadium district created under subch. IV of ch. 229, a local cultural  
11 arts district created under subch. V of ch. 229, transit authority created under s. 66.1039,  
12 long-term care district under s. 46.2895, water utility district, mosquito control district,  
13 municipal electric company, county or city transit commission, commission created by  
14 contract under this section, taxation district, regional planning commission, or city-county  
15 health department.

16 **SECTION 10.** 66.1039 of the statutes is created to read:

17 **66.1039 Transit authorities. (1) DEFINITIONS.** In this section:

18 (a) “Authority” means a transit authority created under this section.

19 (b) “Bonds” means any bonds, interim certificates, notes, debentures, or other  
20 obligations of an authority issued under this section.

21 (c) “Common carrier” means any of the following:

22 1. A common motor carrier, as defined in s. 194.01 (1).

23 2. A contract motor carrier, as defined in s. 194.01 (2).

24 3. A railroad subject to ch. 195, as described in s. 195.02 (1) and (3).

1           4. A water carrier, as defined in s. 195.02 (5).

2           (d) “Comprehensive unified local transportation system” means a transportation system  
3 that is comprised of motor bus lines and any other local public transportation facilities, the  
4 major portion of which is located within, or the major portion of the service of which is  
5 supplied to the inhabitants of, the jurisdictional area of the authority.

6           (e) “Fixed-route transit system” means a mass transit system providing passenger rail,  
7 commuter rail, light rail, or trolley service or otherwise providing mass transit service on a  
8 fixed guideway or dedicated right-of-way, but does not include bus service in dedicated  
9 highway lanes.

10          (f) 1. Except as provided in subd. 2., “jurisdictional area” means the geographic area  
11 formed by the combined territorial boundaries of all participating political subdivisions.

12          2. For a participating political subdivision that is a county, “jurisdictional area” includes  
13 only that portion of the county that is within the territorial boundaries of municipalities in the  
14 county that are also participating political subdivisions except that, for a county containing  
15 a 1st class city, “jurisdictional area” includes the entire geographic area formed by the  
16 territorial boundaries of that county.

17          (g) “Municipality” means any city, village, or town except a city, village, or town  
18 located in a county containing a 1st class city.

19          (h) “Participating political subdivision” means a political subdivision that has adopted  
20 a resolution creating an authority or joining an established authority under this section.

21          (i) “Political subdivision” means a municipality or county.

22          (j) “Transportation system” means all land, shops, structures, equipment, property,  
23 franchises, and rights of whatever nature required for transportation of passengers within the  
24 jurisdictional area of the authority and, only to the extent specifically authorized under this

1 section, outside the jurisdictional area of the authority. "Transportation system" includes  
2 elevated railroads, subways, underground railroads, motor vehicles, motor buses, and any  
3 combination thereof, and any other form of mass transportation, but does not include  
4 transportation excluded from the definition of "common motor carrier" under s. 194.01 (1) or  
5 charter or contract operations to, from, or between points that are outside the jurisdictional  
6 area of the authority.

7 (2) CREATION OF TRANSIT AUTHORITIES. (a) Subject to pars. (g) to (i), the governing body  
8 of a political subdivision may, by resolution, declare the need for an authority to function in  
9 the political subdivision and may join together with one or more other political subdivisions  
10 to jointly create, by adopting identical resolutions, a public body corporate and politic in these  
11 political subdivisions. This public body shall be a separate governmental entity and shall be  
12 known as a "regional transit authority." The authority may transact business and exercise any  
13 powers granted to it under this section.

14 (b) Subject to par. (g) and (i), if an authority has been created under par. (a), a political  
15 subdivision may join this authority if the governing body of this political subdivision adopts  
16 a resolution identical to the resolutions creating the authority and all participating political  
17 subdivisions of the authority adopt resolutions allowing this political subdivision to join the  
18 authority.

19 (c) Any resolution under pars. (a) and (b) creating or joining an authority shall specify  
20 all of the following:

- 21 1. The name of the authority and a description or map of its jurisdictional area.
- 22 2. The purpose of the authority and the functions or services to be provided by the  
23 authority.
- 24 3. The powers, duties, and limitations of the authority.

1           4. The establishment and organization of a board of directors, in which all powers of  
2 the authority shall be vested. The resolution may permit the board of directors to create an  
3 executive committee of the board of directors to assist the board of directors in exercising its  
4 powers and duties, but these powers and duties may only be carried out by action of the board  
5 in compliance with subd. 7.

6           5. The number of directors, the manner of their appointment, the terms of their office,  
7 their compensation, if any, and the procedure for filling vacancies on the board of directors.

8           6. The manner of selection of the officers of the authority and their powers, duties, and  
9 limitations.

10          7. The voting requirements for action by the board of directors. At least a majority vote  
11 of the authorized directors is necessary for any action to be taken by the board of directors.

12          8. The duties of the board of directors, including the obligation to comply with this  
13 section and the laws of this state and with the terms of the resolutions adopted under this  
14 section.

15          9. Subject to sub. (14), the method of financing the formation and operation of the  
16 authority.

17          10. If taxes may be imposed by the authority under sub. (3) (s), the maximum rate of  
18 the taxes that may be imposed by the authority under sub. (3) (s), not to exceed the maximum  
19 rate specified in s. 77.708 (1). The rate of the taxes that may be imposed by the authority under  
20 sub. (3) (s) shall be uniform among the participating political subdivisions of the authority.  
21 The resolution shall also include a transit plan, or reference a transit plan set forth in detail  
22 elsewhere, for the authority for at least the following 5-year period, and the maximum rate  
23 of the taxes specified in the resolution as required under this subdivision may not exceed the  
24 rate determined necessary under the transit plan.

1           11. Subject to sub. (12), a procedure by which a participating political subdivision may  
2       withdraw from the authority and provisions for the disposition, division, or distribution of any  
3       property, assets, and obligations of the authority on withdrawal of a participating political  
4       subdivision or on dissolution of the authority.

5           12. Whether the authority will develop, construct, or operate a fixed-route transit  
6       system and, if so, the maximum amount of the tax rate authorized under subd. 10. that may  
7       be allocated by the authority for expenditures related to this fixed-route transit system.

8           13. Any limitation on, or any approval required prior to, the authority's exercise of its  
9       power of condemnation.

10          (d) 1. Subject to par. (e), any resolution of a county board under pars. (a) and (b), except  
11       by the board of a county containing a 1st class city, shall be approved by a two-thirds vote of  
12       the members of the county board. Except for a county containing a 1st class city, a county is  
13       not subject to subd. 2.

14          2. Except as provided in subd. 1. and subject to par. (e), any resolution under pars. (a)  
15       and (b) shall be approved by at least a majority vote of the members of the governing body  
16       of the political subdivision and, upon such approval, shall be ratified by the electors at a  
17       referendum held in the political subdivision. The referendum shall be submitted to the electors  
18       at the next spring or general election, if the election is more than 6 weeks after the date the  
19       political subdivision adopted the resolution or, if there are 6 weeks or less before the election,  
20       at the next election thereafter. The governing body of the political subdivision may not order  
21       a special election for the purpose of voting on the referendum. The referendum question on  
22       the referendum ballot shall include the maximum tax rate under par. (c) 10. specified in the  
23       resolution approved by the governing body of the political subdivision. If the resolution  
24       creating or joining an authority is approved in the referendum, the resolution may take effect.

1 If the resolution creating or joining an authority is not approved in the referendum, the  
2 resolution may not take effect.

3 (e) At least 30 days before approving a resolution under par. (a) or (b), the governing  
4 body of a political subdivision shall hold a public hearing on the resolution. Notice of the  
5 hearing shall be published as a class 3 notice under ch. 985.

6 (f) A political subdivision may not be a participating political subdivision in more than  
7 one authority.

8 (g) If an authority created under par. (a) includes as a participating political subdivision  
9 a county, the authority shall also include at least one municipality within that county. This  
10 paragraph does not apply to a county containing a 1st class city.

11 (h) An authority may not be created under par. (a) unless the combined population of  
12 all participating political subdivisions of the authority is at least 50,000. In calculating the  
13 combined population under this paragraph, the population of a county may not be considered  
14 unless the county contains a 1st class city.

15 (i) An authority may not develop, construct, or operate a fixed-route transit system  
16 unless all of the following apply:

17 1. Any resolution under par. (a) or (b) authorizes the authority to develop, construct, or  
18 operate a fixed-route transit system and each requirement under par. (c) 12. is satisfied.

19 2. The referendum question specified in par. (d) 2. is a single question and, in addition  
20 to including the information specified in par. (d) 2., states that the authority is authorized to  
21 develop, construct, or operate a fixed-route transit system and includes the maximum amount  
22 of the authorized tax rate that may be allocated by the authority for expenditures related to this  
23 fixed-route transit system, as specified in the resolution approved by the governing body of  
24 the political subdivision.



1           3. Notwithstanding par. (h), the combined population of all participating political  
2 subdivisions of the authority is at least 375,000. In calculating the combined population under  
3 this subdivision, the population of a county may not be considered unless the county contains  
4 a 1st class city.

5           4. The authority includes at least 5 participating political subdivisions having a  
6 population of at least 10,000 each.

7           (j) 1. Subject to subd. 2., if an authority has been created under this subsection, the  
8 participating political subdivisions of the authority may amend or modify their original  
9 resolutions creating or joining the authority if, after any amendment or modification, the  
10 resolutions of all participating political subdivisions of the authority remain identical and  
11 continue to satisfy the requirements under this section for the creation of an authority, except  
12 the requirement under par. (e). Any such amendment or modification of the original  
13 resolutions creating or joining the authority does not create a new authority unless specifically  
14 provided otherwise in the amendment or modification, even if the amendment or modification  
15 is undertaken for the purpose of including additional participating political subdivisions in the  
16 authority. No resolution may be amended or modified unless, at the time of the amendment  
17 or modification, the requirements under par. (h) and, if applicable, under par. (i) 3. and 4.,  
18 continue to be satisfied.

19           2. The amendment or modification under subd. 1. of the original resolutions creating  
20 or joining an authority is not subject to ratification by referendum under par. (d) 2. unless the  
21 amendment or modification includes any of the following:

22           a. A change to the tax rate specified in par. (c) 10. The amendment or modification  
23 under this subd. 2. a. may not take effect unless it is approved in the referendum in each  
24 participating political subdivision of the authority.

1           b. If the original resolutions creating or joining the authority did not include the  
2 authorization under par. (i) 1., the addition of authorization to develop, construct, or operate  
3 a fixed-route transit system under par. (i) 1. The amendment or modification under this subd.  
4 2. b. may not take effect unless the requirements under par. (i) are satisfied and the amendment  
5 or modification is approved in the referendum in at least 5 participating political subdivisions  
6 of the authority having a population of at least 10,000 each.

7           **(3) POWERS.** Notwithstanding s. 59.84 (2) and any other provision of this chapter or ch.  
8 59 or 85, but subject to sub. (2) (c) 13. and (i), an authority may do all of the following:

9           (a) Establish, maintain, and operate a comprehensive unified local transportation  
10 system primarily for the transportation of persons.

11           (b) Acquire a comprehensive unified local transportation system by purchase,  
12 condemnation under s. 32.05, or otherwise and provide funds for the operation and  
13 maintenance of the system. Upon the acquisition of a comprehensive unified local  
14 transportation system, the authority may:

15           1. Operate and maintain it or lease it to an operator or contract for its use by an operator.

16           2. Contract for superintendence of the system with an organization that has personnel  
17 with the requisite experience and skill.

18           3. Delegate responsibility for the operation and maintenance of the system to an  
19 appropriate administrative officer, board, or commission of a participating political  
20 subdivision.

21           4. Maintain and improve railroad rights-of-way and improvements on these  
22 rights-of-way for future use.

23           (c) Contract with a public or private organization to provide transportation services in  
24 lieu of directly providing these services.

1 (d) Purchase and lease transportation facilities to public or private transit companies  
2 that operate within and outside the jurisdictional area.

3 (e) Apply for federal aids to purchase transportation facilities considered essential for  
4 the authority's operation.

5 (f) Coordinate specialized transportation services, as defined in s. 85.21 (2) (g), for  
6 residents who reside within the jurisdictional area and who are disabled or aged 60 or older,  
7 including services funded under 42 USC 3001 to 3057n, 42 USC 5001, and 42 USC 5011 (b),  
8 under ss. 49.43 to 49.499 and 85.21, and under other public funds administered by the county.  
9 An authority may contract with a county that is a participating political subdivision for the  
10 authority to provide specialized transportation services, but an authority is not an eligible  
11 applicant under s. 85.21 (2) (e) and may not receive payments directly from the department  
12 of transportation under s. 85.21.

13 (g) Acquire, own, hold, use, lease as lessor or lessee, sell or otherwise dispose of,  
14 mortgage, pledge, or grant a security interest in any real or personal property or service.

15 (h) Acquire property by condemnation using the procedure under s. 32.05 for the  
16 purposes set forth in this section.

17 (i) Enter upon any state, county, or municipal street, road, or alley, or any public  
18 highway for the purpose of installing, maintaining, and operating the authority's facilities.  
19 Whenever the work is to be done in a state, county, or municipal highway, street, road, or alley,  
20 the public authority having control thereof shall be duly notified, and the highway, street, road,  
21 or alley shall be restored to as good a condition as existed before the commencement of the  
22 work with all costs incident to the work to be borne by the authority.

23 (j) Fix, maintain, and revise fees, rates, rents, and charges for functions, facilities, and  
24 services provided by the authority.

1 (k) Make, and from time to time amend and repeal, bylaws, rules, and regulations to  
2 carry into effect the powers and purposes of the authority.

3 (L) Sue and be sued in its own name.

4 (m) Have and use a corporate seal.

5 (n) Employ agents, consultants, and employees, engage professional services, and  
6 purchase such furniture, stationery, and other supplies and materials as are reasonably  
7 necessary to perform its duties and exercise its powers.

8 (o) Incur debts, liabilities, or obligations including the borrowing of money and the  
9 issuance of bonds under subs. (6) and (9).

10 (p) Invest any funds held in reserve or sinking funds, or any funds not required for  
11 immediate disbursement, including the proceeds from the sale of any bonds, in such  
12 obligations, securities, and other investments as the authority deems proper in accordance  
13 with s. 66.0603 (1m).

14 (q) Do and perform any acts and things authorized by this section under, through, or by  
15 means of an agent or by contracts with any person.

16 (r) Exercise any other powers that the board of directors considers necessary and  
17 convenient to effectuate the purposes of the authority, including providing for passenger  
18 safety.

19 (s) Impose, by the adoption of a resolution by the board of directors, the taxes under  
20 subch. V of ch. 77 in the authority's participating political subdivisions. With respect to any  
21 county, other than a county containing a 1st class city, that is a participating political  
22 subdivision, the taxes authorized under this paragraph may not be imposed in any municipality  
23 within the county that is not a participating political subdivision of the authority. If an  
24 authority adopts a resolution to impose the taxes, it shall deliver a certified copy of the

1 resolution to the department of revenue at least 120 days before its effective date. The  
2 authority may, by adoption of a resolution by the board of directors, repeal the imposition of  
3 taxes under subch. V of ch. 77 and shall deliver a certified copy of the repeal resolution to the  
4 department of revenue at least 120 days before its effective date.

5 (4) LIMITATIONS ON AUTHORITY POWERS. (a) Notwithstanding sub. (3) (a), (b), (c), (d),  
6 (q), and (r), no authority, and no public or private organization with which an authority has  
7 contracted for services, may provide service outside the jurisdictional area of the authority  
8 unless the authority receives financial support for the service under a contract with a public  
9 or other private organization for the service.

10 (b) Whenever the proposed operations of an authority would be competitive with the  
11 operations of a common carrier in existence prior to the time the authority commences  
12 operations, the authority shall coordinate proposed operations with the common carrier to  
13 eliminate adverse financial impact for the carrier. This coordination may include route  
14 overlapping, transfers, transfer points, schedule coordination, joint use of facilities, lease of  
15 route service, and acquisition of route and corollary equipment. If this coordination does not  
16 result in mutual agreement, the proposals of the authority and the common carrier shall be  
17 submitted to the department of transportation for arbitration.

18 (c) In exercising its powers under sub. (3), an authority shall consider any plan of a  
19 metropolitan planning organization under 23 USC 134 that covers any portion of the  
20 authority's jurisdictional area.

21 (5) AUTHORITY OBLIGATIONS TO EMPLOYEES OF COUNTY MASS TRANSPORTATION SYSTEMS.

22 (a) An authority acquiring a comprehensive unified local transportation system shall assume  
23 all of the employer's obligations under any contract between the employees and management  
24 of the system to the extent allowed by law.

1 (b) An authority acquiring, constructing, controlling, or operating a comprehensive  
2 unified local transportation system shall negotiate an agreement with the representative of the  
3 labor organization, notwithstanding s. 111.70 (2), (3), and (6), that covers the employees  
4 affected by the acquisition, construction, control, or operation to protect the interests of  
5 employees affected. This agreement shall include all of the provisions identified in s. 59.58  
6 (4) (b) 1. to 8. and may include provisions identified in s. 59.58 (4) (c). An affected employee  
7 has all the rights and the same status under subch. IV of ch. 111 that her or she enjoyed  
8 immediately before the acquisition, construction, control, or operation and may not be  
9 required to serve a probationary period if he or she attained permanent status before the  
10 acquisition, construction, control, or operation.

11 (c) In all negotiations under this subsection, a senior executive officer of the authority  
12 shall be a member of the authority's negotiating body.

13 **(6) BONDS; GENERALLY.** (a) An authority may issue bonds, the principal and interest on  
14 which are payable exclusively from all or a portion of any revenues received by the authority.  
15 The authority may secure its bonds by a pledge of any income or revenues from any  
16 operations, rent, aids, grants, subsidies, contributions, or other source of moneys whatsoever.

17 (b) An authority may issue bonds in such principal amounts as the authority deems  
18 necessary. Except with respect to refunding bonds under sub. (9), bond proceeds may be used  
19 only for capital expenditures related to the acquisition of transit system equipment having a  
20 useful life of at least 5 years.

21 (c) 1. Neither the members of the board of directors of an authority nor any person  
22 executing the bonds is personally liable on the bonds by reason of the issuance of the bonds.

23 2. The bonds of an authority are not a debt of the participating political subdivisions.  
24 Neither the participating political subdivisions nor the state are liable for the payment of the

1 bonds. The bonds of any authority shall be payable only out of funds or properties of the  
2 authority. The bonds of the authority shall state the restrictions contained in this paragraph  
3 on the face of the bonds.

4 (7) ISSUANCE OF BONDS. (a) Bonds of an authority shall be authorized by resolution of  
5 the board of directors. The bonds may be issued under such a resolution or under a trust  
6 indenture or other security instrument. The bonds may be issued in one or more series and  
7 may be in the form of coupon bonds or registered bonds under s. 67.09. The bonds shall bear  
8 the dates, mature at the times, bear interest at the rates, be in the denominations, have the rank  
9 or priority, be executed in the manner, be payable in the medium of payment, at the places, and  
10 be subject to the terms of redemption, with or without premium, as the resolution, trust  
11 indenture, or other security instrument provides. Bonds of an authority are issued for an  
12 essential public and governmental purpose and are public instrumentalities and, together with  
13 interest and income, are exempt from taxes.

14 (b) The authority may sell the bonds at public or private sales at the price or prices  
15 determined by the authority.

16 (c) If an officer whose signatures appear on any bonds or coupons ceases to be an officer  
17 of the authority before the delivery of such obligations, the officer's signature shall,  
18 nevertheless, be valid for all purposes as if the officer had remained in office until delivery  
19 of the bonds.

20 (8) COVENANTS. An authority may do all of the following in connection with the  
21 issuance of bonds:

22 (a) Covenant as to the use of any or all of its property, real or personal.

23 (b) Redeem the bonds, or covenant for the redemption of the bonds, and provide the  
24 terms and conditions of the redemption.



1 (c) Covenant as to charge fees, rates, rents, and charges sufficient to meet operating and  
2 maintenance expenses, renewals, and replacements of any transportation system, principal  
3 and debt service on bonds, creation and maintenance of any reserves required by a bond  
4 resolution, trust indenture, or other security instrument and to provide for any margins or  
5 coverages over and above debt service on the bonds that the board of directors considers  
6 desirable for the marketability of the bonds.

7 (d) Covenant as to the events of default on the bonds and the terms and conditions upon  
8 which the bonds shall become or may be declared due before maturity, as to the terms and  
9 conditions upon which this declaration and its consequences may be waived, and as to the  
10 consequences of default and the remedies of bondholders.

11 (e) Covenant as to the mortgage or pledge of, or the grant of a security interest in, any  
12 real or personal property and all or any part of the revenues of the authority to secure the  
13 payment of bonds, subject to any agreements with the bondholders.

14 (f) Covenant as to the custody, collection, securing, investment, and payment of any  
15 revenues, assets, moneys, funds, or property with respect to which the authority may have any  
16 rights or interest.

17 (g) Subject to sub. (6) (b), covenant as to the purposes to which the proceeds from the  
18 sale of any bonds may be applied, and as to the pledge of such proceeds to secure the payment  
19 of the bonds.

20 (h) Covenant as to limitations on the issuance of any additional bonds, the terms upon  
21 which additional bonds may be issued and secured, and the refunding of outstanding bonds.

22 (i) Covenant as to the rank or priority of any bonds with respect to any lien or security.

1 (j) Covenant as to the procedure by which the terms of any contract with or for the  
2 benefit of the holders of bonds may be amended or abrogated, the amount of bonds, the holders  
3 of which must consent thereto, and the manner in which such consent may be given.

4 (k) Covenant as to the custody and safekeeping of any of its properties or investments,  
5 the insurance to be carried on the property or investments and the use and disposition of  
6 insurance proceeds.

7 (L) Covenant as to the vesting in one or more trustees, within or outside the state, of  
8 those properties, rights, powers, and duties in trust as the authority determines.

9 (m) Covenant as to the appointing of, and providing for the duties and obligations of,  
10 one or more paying agent or other fiduciaries within or outside the state.

11 (n) Make all other covenants and do any act that may be necessary or convenient or  
12 desirable in order to secure its bonds, or in the absolute discretion of the authority, tend to make  
13 the bonds more marketable.

14 (o) Execute all instruments necessary or convenient in the exercise of the powers  
15 granted under this section or in the performance of covenants or duties, which may contain  
16 such covenants and provisions, as a purchaser of the bonds of the authority may reasonably  
17 require.

18 **(9) REFUNDING BONDS.** An authority may issue refunding bonds for the purpose of  
19 paying any of its bonds at or prior to maturity or upon acceleration or redemption. An authority  
20 may issue refunding bonds at such time prior to the maturity or redemption of the refunded  
21 bonds as the authority deems to be in the public interest. The refunding bonds may be issued  
22 in sufficient amounts to pay or provide the principal of the bonds being refunded, together with  
23 any redemption premium on the bonds, any interest accrued or to accrue to the date of payment  
24 of the bonds, the expenses of issue of the refunding bonds, the expenses of redeeming the

1 bonds being refunded, and such reserves for debt service or other capital or current expenses  
2 from the proceeds of such refunding bonds as may be required by the resolution, trust  
3 indenture, or other security instruments. To the extent applicable, refunding bonds are subject  
4 to subs. (7) and (8).

5 **(10) BONDS ELIGIBLE FOR INVESTMENT.** (a) Any of the following may invest funds,  
6 including capital in their control or belonging to them, in bonds of the authority:

7 1. Public officers and agencies of the state.

8 2. Political subdivisions.

9 3. Insurance companies.

10 4. Trust companies.

11 5. Banks.

12 6. Savings banks.

13 7. Savings and loan associations.

14 8. Investment companies.

15 9. Personal representatives.

16 10. Trustees.

17 11. Other fiduciaries not listed in this paragraph.

18 (b) The authority's bonds are securities that may be deposited with and received by any  
19 officer or agency of the state or any political subdivision for any purpose for which the deposit  
20 of bonds or obligations of the state or any political subdivision is authorized by law.

21 **(11) BUDGETS; RATES AND CHARGES; AUDIT.** The board of directors of an authority shall  
22 annually prepare a budget for the authority. Rates and other charges received by the authority  
23 shall be used only for the general expenses and capital expenditures of the authority, to pay  
24 interest, amortization, and retirement charges on bonds, and for specific purposes of the

1 authority and may not be transferred to any political subdivision. The authority shall maintain  
2 an accounting system in accordance with generally accepted accounting principles and shall  
3 have its financial statements and debt covenants audited annually by an independent certified  
4 public accountant.

5 (12) WITHDRAWAL FROM AUTHORITY. (a) A participating political subdivision may  
6 withdraw from an authority if all of the following conditions are met:

7 1. The governing body of the political subdivision adopts a resolution by a majority vote  
8 of the members of the governing body requesting withdrawal of the political subdivision from  
9 the authority and the resolution is ratified by the electors at a referendum held in the political  
10 subdivision following the same procedure specified in sub. (2) (d) 2. except that the  
11 referendum question need not include any tax rate.

12 2. The political subdivision has paid, or made provision for the payment of, all  
13 obligations of the political subdivision to the authority.

14 3. Any tax authorized under sub. (3) (s) that is levied by the authority within the political  
15 subdivision continues to be levied for the period of time for which the authority has authorized  
16 the tax in a resolution imposing the tax under sub. (3) (s) if such a resolution specifies a time  
17 period for the tax or until the effective date of a tax repeal resolution under sub. (3) (s),  
18 whichever occurs first.

19 (b) If a political subdivision has withdrawn from an authority as provided in par. (a),  
20 the political subdivision shall continue to receive transportation services from the authority,  
21 in the same manner and to the same extent as those provided prior to the withdrawal, for so  
22 long as the tax continues to be levied as provided in par. (a) 3.

23 (c) If a political subdivision has withdrawn from an authority as provided in par. (a),  
24 the articles of incorporation of the authority shall be amended to reflect the withdrawal of the

1 political subdivision and this amendment shall be filed and published, in the same manner as  
2 a resolution, by the withdrawing political subdivision and each participating political  
3 subdivision.

4 (d) Withdrawal of a political subdivision from an authority is subject to the resolution  
5 provisions specified in sub. (2) (c) 11.

6 **(13) DISSOLUTION OF AUTHORITY.** An authority may be dissolved if the governing bodies  
7 of a majority of the participating political subdivisions adopt resolutions, by a majority vote  
8 of the members of each governing body, recommending the dissolution of the authority.  
9 Dissolution of an authority is subject to the resolution provisions specified in sub. (2) (c) 11.  
10 Dissolution of an authority may not occur until all outstanding indebtedness of the authority  
11 has been paid and all unexpended funds returned to the participating political subdivisions that  
12 supplied them, or until adequate provision has been made for the outstanding indebtedness or  
13 unexpended funds. An authority may not be dissolved so long as it has bonds outstanding,  
14 unless provision for full payment of such bonds, by escrow or otherwise, has been made  
15 pursuant to the terms of the bonds or the resolution, trust indenture, or security instrument  
16 securing the bonds. The authority shall notify the department of revenue of the authority's  
17 dissolution at least 120 days before the dissolution's effective date.

18 **(14) LIMITATION ON AUTHORITY FUNDING SOURCE.** A political subdivision may make an  
19 initial contribution of funds to an authority at the time the authority is formed or at the time  
20 the political subdivision joins an existing authority. Thereafter, no participating political  
21 subdivision may use any locally generated revenue, including property taxes or sales taxes  
22 other than those authorized under sub. (2) (c) 10., for purposes of funding any transit system,  
23 including to transfer additional funds to the authority. This subsection does not apply to any  
24 transit or program aids that may be available to a participating political subdivision from the

1 federal government or the department of transportation for transfer to, use by, or the benefit  
2 of the authority.

3 (15) OTHER STATUTES. Except as provided in sub. (14), this section does not limit the  
4 powers of political subdivisions to enter into intergovernmental cooperation or contracts or  
5 to establish separate legal entities under s. 66.0301 or 66.1021 or any other applicable law, or  
6 otherwise to carry out their powers under applicable statutory provisions. Section 66.0803 (2)  
7 does not apply to an authority.

8 **SECTION 11.** 67.01 (5) of the statutes is amended to read:

9 67.01 (5) “Municipality” means any of the following which is authorized to levy a tax:  
10 a county, city, village, town, school district, board of park commissioners, technical college  
11 district, metropolitan sewerage district created under ss. 200.01 to 200.15 or 200.21 to 200.65,  
12 town sanitary district under subch. IX of ch. 60, transit authority created under s. 66.1039,  
13 public inland lake protection and rehabilitation district established under s. 33.23, 33.235, or  
14 33.24, and any other public body empowered to borrow money and issue obligations to repay  
15 the money out of public funds or revenues. “Municipality” does not include the state.

16 **SECTION 12.** 70.11 (2) of the statutes, as affected by 2007 Wisconsin Act 20, is amended  
17 to read:

18 70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION. Property  
19 owned by any county, city, village, town, school district, technical college district, public  
20 inland lake protection and rehabilitation district, metropolitan sewerage district, municipal  
21 water district created under s. 198.22, joint local water authority created under s. 66.0823,  
22 transit authority created under s. 66.1039, long-term care district under s. 46.2895 or town  
23 sanitary district; lands belonging to cities of any other state used for public parks; land  
24 tax-deeded to any county or city before January 2; but any residence located upon property

1 owned by the county for park purposes that is rented out by the county for a nonpark purpose  
2 shall not be exempt from taxation. Except as to land acquired under s. 59.84 (2) (d), this  
3 exemption shall not apply to land conveyed after August 17, 1961, to any such governmental  
4 unit or for its benefit while the grantor or others for his or her benefit are permitted to occupy  
5 the land or part thereof in consideration for the conveyance. Leasing the property exempt  
6 under this subsection, regardless of the lessee and the use of the leasehold income, does not  
7 render that property taxable.

8 **SECTION 13.** 71.26 (1) (b) of the statutes, as affected by 2007 Wisconsin Act 20, is  
9 amended to read:

10 71.26 (1) (b) *Political units.* Income received by the United States, the state and all  
11 counties, cities, villages, towns, school districts, technical college districts, joint local water  
12 authorities created under s. 66.0823, transit authorities created under s. 66.1039, long-term  
13 care districts under s. 46.2895 or other political units of this state.

14 **SECTION 14.** Chapter 77 (title) of the statutes is amended to read:

15 **CHAPTER 77**

16 **TAXATION OF FOREST CROPLANDS;**

17 **REAL ESTATE TRANSFER FEES;**

18 **SALES AND USE TAXES;**

19 **COUNTY, TRANSIT AUTHORITY,**

20 **AND SPECIAL DISTRICT SALES AND**

21 **USE TAXES; MANAGED FOREST LAND;**

22 **RECYCLING SURCHARGE;**

23 **LOCAL FOOD AND BEVERAGE TAX;**

24 **LOCAL RENTAL CAR TAX;**



1                   **PREMIER RESORT AREA TAXES;**  
2                   **STATE RENTAL VEHICLE FEE;**  
3                   **DRY CLEANING FEES;**  
4                   **REGIONAL TRANSIT AUTHORITY FEE**

5           **SECTION 15.** 77.54 (9a) (er) of the statutes is created to read:

6           77.54 **(9a)** (er) Any transit authority created under s. 66.1039.

7           **SECTION 16.** Subchapter V (title) of chapter 77 [precedes 77.70] of the statutes is  
8 amended to read:

9                   **CHAPTER 77**  
10                  **SUBCHAPTER V**  
11                  **COUNTY, TRANSIT**  
12                  **AUTHORITY, AND SPECIAL DISTRICT**  
13                  **SALES AND USE TAXES**

14           **SECTION 17.** 77.708 of the statutes is created to read:

15           **77.708 Adoption by resolution; transit authority.** (1) A transit authority created  
16 under s. 66.1039, by resolution under s. 66.1039 (3) (s), may impose a sales tax and a use tax  
17 under this subchapter at a rate not to exceed 0.5 percent of the gross receipts or sales price or,  
18 if lower, not to exceed the maximum rate established by resolution under s. 66.1039 (2) (c)  
19 10. Those taxes may be imposed only in their entirety. The resolution shall be effective on  
20 the first day of the first calendar quarter that begins at least 120 days after the adoption of the  
21 resolution.

22           (2) Retailers and the department of revenue may not collect a tax under sub. (1) for any  
23 transit authority created under s. 66.1039 after the calendar quarter during which the transit  
24 authority adopts a repeal resolution under s. 66.1039 (3) (s) or dissolves as provided under s.

1 66.1039 (13), except that the department of revenue may collect from retailers taxes that  
2 accrued before such calendar quarter and fees, interest, and penalties that relate to those taxes.

3 **SECTION 18.** 77.71 (intro.) of the statutes is amended to read:

4 **77.71 Imposition of county, transit authority, and special district sales and use**  
5 **taxes.** (intro.) Whenever a county sales and use tax ordinance is adopted under s. 77.70, a  
6 transit authority resolution is adopted under s. 77.708, or a special district resolution is adopted  
7 under s. 77.705 or 77.706, the following taxes are imposed:

8 **SECTION 19.** 77.71 (1) of the statutes is amended to read:

9 77.71 (1) For the privilege of selling, leasing, or renting tangible personal property and  
10 for the privilege of selling, performing, or furnishing services a sales tax is imposed upon  
11 retailers at the rate of 0.5% in the case of a county tax, at the rate under s. 77.708 in the case  
12 of a transit authority tax, or at the rate under s. 77.705 or 77.706 in the case of a special district  
13 tax of the gross receipts from the sale, lease, or rental of tangible personal property, except  
14 property taxed under sub. (4), sold, leased, or rented at retail in the county or, special district,  
15 or transit authority's jurisdictional area, or from selling, performing, or furnishing services  
16 described under s. 77.52 (2) in the county or, special district, or transit authority's  
17 jurisdictional area.

18 **SECTION 20.** 77.71 (2) of the statutes is amended to read:

19 77.71 (2) An excise tax is imposed at the rate of 0.5% in the case of a county tax, at the  
20 rate under s. 77.708 in the case of a transit authority tax, or at the rate under s. 77.705 or 77.706  
21 in the case of a special district tax of the sales price upon every person storing, using, or  
22 otherwise consuming in the county or, special district, or transit authority's jurisdictional area  
23 tangible personal property or services if the property or service is subject to the state use tax  
24 under s. 77.53, except that a receipt indicating that the tax under sub. (1), (3), or (4) has been

1 paid relieves the buyer of liability for the tax under this subsection and except that if the buyer  
2 has paid a similar local tax in another state on a purchase of the same property or services that  
3 tax shall be credited against the tax under this subsection and except that for motor vehicles  
4 that are used for a purpose in addition to retention, demonstration, or display while held for  
5 sale in the regular course of business by a dealer the tax under this subsection is imposed not  
6 on the sales price but on the amount under s. 77.53 (1m).

7 **SECTION 21.** 77.71 (3) of the statutes is amended to read:

8 77.71 (3) An excise tax is imposed upon a contractor engaged in construction activities  
9 within the county ~~or~~ special district, or transit authority's jurisdictional area, at the rate of  
10 0.5% in the case of a county tax, at the rate under s. 77.708 in the case of a transit authority  
11 tax, or at the rate under s. 77.705 or 77.706 in the case of a special district tax of the sales price  
12 of tangible personal property that is used in constructing, altering, repairing, or improving real  
13 property and that becomes a component part of real property in that county or special district  
14 or in the transit authority's jurisdictional area, except that if the contractor has paid the sales  
15 tax of a county ~~in the case of a county tax, transit authority, or of a special district in the case~~  
16 ~~of a special district tax~~ in this state on that property, or has paid a similar local sales tax in  
17 another state on a purchase of the same property, that tax shall be credited against the tax under  
18 this subsection.

19 **SECTION 22.** 77.71 (4) of the statutes, as affected by 2007 Wisconsin Act 11, is amended  
20 to read:

21 77.71 (4) An excise tax is imposed at the rate of 0.5 percent in the case of a county tax,  
22 at the rate under s. 77.708 in the case of a transit authority tax, or at the rate under s. 77.705  
23 or 77.706 in the case of a special district tax of the sales price upon every person storing, using  
24 or otherwise consuming a motor vehicle, boat, snowmobile, recreational vehicle, as defined

1 in s. 340.01 (48r), trailer, semitrailer, all-terrain vehicle or aircraft, if that property must be  
2 registered or titled with this state and if that property is to be customarily kept in a county that  
3 has in effect an ordinance under s. 77.70, a political subdivision participating in a transit  
4 authority that has in effect a resolution under s. 66.1039 (3) (s), or in a special district that has  
5 in effect a resolution under s. 77.705 or 77.706, except that if the buyer has paid a similar local  
6 sales tax in another state on a purchase of the same property that tax shall be credited against  
7 the tax under this subsection.

8 **SECTION 23.** 77.73 of the statutes is amended to read:

9 **77.73 Jurisdiction to tax. (1)** Retailers making deliveries in their company-operated  
10 vehicles of tangible personal property, or of property on which taxable services were  
11 performed, to purchasers in a county ~~or~~, special district, or transit authority's jurisdictional  
12 area are doing business in that county ~~or~~, special district, or jurisdictional area, and that county  
13 ~~or~~, special district, or transit authority has jurisdiction to impose the taxes under this  
14 subchapter on them.

15 **(2)** Counties ~~and~~, special districts, and transit authorities do not have jurisdiction to  
16 impose the tax under s. 77.71 (2) in regard to tangible personal property purchased in a sale  
17 that is consummated in another county or special district in this state, or in another transit  
18 authority's jurisdictional area, that does not have in effect an ordinance or resolution imposing  
19 the taxes under this subchapter and later brought by the buyer into the county ~~or~~, special  
20 district, or participating political subdivision of the transit authority that has imposed a tax  
21 under s. 77.71 (2).

22 **SECTION 24.** 77.76 (1) of the statutes is amended to read:

23 **77.76 (1)** The department of revenue shall have full power to levy, enforce, and collect  
24 county, transit authority, and special district sales and use taxes and may take any action,

1 conduct any proceeding, impose interest and penalties, and in all respects proceed as it is  
2 authorized to proceed for the taxes imposed by subch. III. The department of transportation  
3 and the department of natural resources may administer the county, transit authority, and  
4 special district sales and use taxes in regard to items under s. 77.61 (1).

5 **SECTION 25.** 77.76 (2) of the statutes is amended to read:

6 77.76 (2) Judicial and administrative review of departmental determinations shall be  
7 as provided in subch. III for state sales and use taxes, and no county, transit authority, or special  
8 district may intervene in any matter related to the levy, enforcement, and collection of the taxes  
9 under this subchapter.

10 **SECTION 26.** 77.76 (3r) of the statutes is created to read:

11 77.76 (3r) From the appropriation under s. 20.835 (4) (gc) the department of revenue  
12 shall distribute 98.5 percent of the taxes reported for each transit authority that has imposed  
13 taxes under this subchapter, minus the transit authority portion of the retailers' discount, to the  
14 transit authority no later than the end of the 3rd month following the end of the calendar quarter  
15 in which such amounts were reported. At the time of distribution the department of revenue  
16 shall indicate the taxes reported by each taxpayer. In this subsection, the "transit authority  
17 portion of the retailers' discount" is the amount determined by multiplying the total retailers'  
18 discount by a fraction the numerator of which is the gross transit authority sales and use taxes  
19 payable and the denominator of which is the sum of the gross state and transit authority sales  
20 and use taxes payable. The transit authority taxes distributed shall be increased or decreased  
21 to reflect subsequent refunds, audit adjustments, and all other adjustments of the transit  
22 authority taxes previously distributed. Interest paid on refunds of transit authority sales and  
23 use taxes shall be paid from the appropriation under s. 20.835 (4) (gc) at the rate paid by this  
24 state under s. 77.60 (1) (a). Any transit authority receiving a report under this subsection is

1 subject to the duties of confidentiality to which the department of revenue is subject under s.  
2 77.61 (5).

3 **SECTION 27.** 77.76 (4) of the statutes is amended to read:

4 77.76 (4) There shall be retained by the state 1.5% of the taxes collected for taxes  
5 imposed by special districts under ss. 77.705 and 77.706 and transit authorities under s. 77.708  
6 and 1.75% of the taxes collected for taxes imposed by counties under s. 77.70 to cover costs  
7 incurred by the state in administering, enforcing, and collecting the tax. All interest and  
8 penalties collected shall be deposited and retained by this state in the general fund.

9 **SECTION 28.** 77.76 (5) of the statutes is created to read:

10 77.76 (5) If a retailer receives notice from the department of revenue that the retailer  
11 is required to collect and remit the taxes imposed under s. 77.708, but the retailer believes that  
12 the retailer is not required to collect such taxes because the retailer is not doing business within  
13 the transit authority's jurisdiction, the retailer shall notify the department of revenue no later  
14 than 30 days after receiving notice from the department. The department of revenue shall  
15 affirm or revise its original determination no later than 30 days after receiving the retailer's  
16 notice.

17 **SECTION 29.** 77.77 of the statutes is amended to read:

18 **77.77 Transitional provisions.** (1) The gross receipts from services subject to the tax  
19 under s. 77.52 (2) are not subject to the taxes under this subchapter, and the incremental  
20 amount of tax caused by a rate increase applicable to those services is not due, if those services  
21 are billed to the customer and paid for before the effective date of the county ordinance, special  
22 district resolution, transit authority resolution, or rate increase, whether the service is  
23 furnished to the customer before or after that date.

1           (2) Lease or rental receipts from tangible personal property that the lessor is obligated  
2 to furnish at a fixed price under a contract entered into before the effective date of a county  
3 ordinance, transit authority resolution, or special district resolution are subject to the taxes  
4 under this subchapter on the effective date of the ordinance or resolution, as provided for the  
5 state sales tax under s. 77.54 (18).

6           (3) The sale of building materials to contractors engaged in the business of constructing,  
7 altering, repairing or improving real estate for others is not subject to the taxes under this  
8 subchapter, and the incremental amount of tax caused by the rate increase applicable to those  
9 materials is not due, if the materials are affixed and made a structural part of real estate, and  
10 the amount payable to the contractor is fixed without regard to the costs incurred in performing  
11 a written contract that was irrevocably entered into prior to the effective date of the county  
12 ordinance, special district resolution, transit authority resolution, or rate increase or that  
13 resulted from the acceptance of a formal written bid accompanied by a bond or other  
14 performance guaranty that was irrevocably submitted before that date.

15           **SECTION 30.** 77.78 of the statutes, as affected by 2007 Wisconsin Act 11, is amended  
16 to read:

17           **77.78 Registration.** No motor vehicle, boat, snowmobile, recreational vehicle, as  
18 defined in s. 340.01 (48r), trailer, semitrailer, all-terrain vehicle or aircraft that is required to  
19 be registered by this state may be registered or titled by this state unless the registrant files a  
20 sales and use tax report and pays the county tax, transit authority tax, and special district tax  
21 at the time of registering or titling to the state agency that registers or titles the property. That  
22 state agency shall transmit those tax revenues to the department of revenue.

23           **SECTION 31.** 345.05 (1) (a) of the statutes is renumbered 345.05 (1) (am).

24           **SECTION 32.** 345.05 (1) (ag) of the statutes is created to read:



345.05 (1) (ag) “Authority” means a transit authority created under s. 66.1039.

**SECTION 33.** 345.05 (2) of the statutes is amended to read:

345.05 (2) A person suffering any damage proximately resulting from the negligent operation of a motor vehicle owned and operated by a municipality or authority, which damage was occasioned by the operation of the motor vehicle in the course of its business, may file a claim for damages against the municipality or authority concerned and the governing body thereof of the municipality, or the board of directors of the authority, may allow, compromise, settle and pay the claim. In this subsection, a motor vehicle is deemed owned and operated by a municipality or authority if the vehicle is either being rented or leased, or is being purchased under a contract whereby the municipality or authority will acquire title.

**SECTION 34.** 611.11 (4) (a) of the statutes is amended to read:

611.11 (4) (a) In this subsection, “municipality” has the meaning given in s. 345.05 (1) (c), but also includes any transit authority created under s. 66.1039.

**SECTION 35. Effective dates.** This act takes effect on the day after publication, except as follows:

(1) The repeal and recreation of section 40.02 (28) of the statutes takes effect on January 1, 2010.

**(END)**