



**PRELIMINARY DRAFT – NOT READY FOR INTRODUCTION**

1        **AN ACT** *to repeal* 59.58 (6); *to renumber* 66.0615 (1) (a); *to amend* 20.395 (5)  
2            (iv), 59.58 (7) (a) 1., 59.58 (7) (b), 59.58 (7) (c) 1. (intro.), 59.58 (7) (d), 59.58 (7)  
3            (e) 2., 59.58 (7) (f) 2., 59.58 (7) (f) 4., 59.58 (7) (g), 59.58 (7) (i), 66.0615 (1m) (a),  
4            77.708 (1), 77.708 (2), 77.9971 (1), 79.03 (3) (b) 4. a., 85.11 (1) (a), 85.20 (4m) (a)  
5            6. e., 341.35 (title), 341.35 (1), 341.35 (2) (intro.), 341.35 (3m), 341.35 (4), 341.35  
6            (5), 341.35 (6), 341.35 (6r) and 341.35 (7); and *to create* 59.58 (7) (a) 2m., 59.58  
7            (7) (a) 4., 5. and 6., 59.58 (7) (c) 1. h. and i., 59.58 (7) (e) 3., 59.58 (7) (k), 59.58  
8            (7) (L), 59.58 (7) (m), 59.58 (7) (n), 66.0615 (1) (ad), 66.0615 (1) (ge), 66.0615 (1m)  
9            (ee), 66.0615 (1m) (em), 66.1041 and 341.35 (9) of the statutes; **relating to:** the  
10            southeastern regional transit authority, the creation of interim regional transit  
11            authorities in southeast Wisconsin, and requiring the exercise of rule-making  
12            authority.

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***Analysis by the Legislative Reference Bureau***

This is a preliminary draft. An analysis will be provided in a later version.

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

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

1           **SECTION 1.** 20.395 (5) (iv) of the statutes is amended to read:

2           20.395 (5) (iv) ~~Municipal and county~~ Local vehicle registration fee, local funds.

3 All moneys received under s. 341.35, less the portion of the fee attributable to the  
4 department's administrative costs, for the purpose of remitting the ~~municipal or~~  
5 ~~county~~ local vehicle registration fee to the municipality ~~or~~ county, or transit  
6 authority under s. 341.35 (6).

7           **SECTION 2.** 59.58 (6) of the statutes, as affected by 2009 Wisconsin Act 28, is  
8 repealed.

9           **SECTION 3.** 59.58 (7) (a) 1. of the statutes, as created by 2009 Wisconsin Act 28,  
10 is amended to read:

11           59.58 (7) (a) 1. ~~“Authority”~~ Except as used in subd. 2m., “authority” means the  
12 southeastern regional transit authority created under this subsection.

13           **SECTION 4.** 59.58 (7) (a) 2m. of the statutes is created to read:

14           59.58 (7) (a) 2m. “Interim regional transit authority” means an authority  
15 created under s. 66.1041.

16           **SECTION 5.** 59.58 (7) (a) 4., 5. and 6. of the statutes are created to read:

17           59.58 (7) (a) 4. “Participating political subdivision” means a political  
18 subdivision that has adopted a resolution creating an interim regional transit  
19 authority or joining an established interim regional transit authority.

20           5. “Political subdivision” has the meaning given in s. 66.1041 (1) (f).

21           6. “Southeast Wisconsin” has the meaning given in s. 66.1041 (1) (h).

1           **SECTION 6.** 59.58 (7) (b) of the statutes, as created by 2009 Wisconsin Act 28,  
2 is amended to read:

3           59.58 (7) (b) There is created the southeastern regional transit authority, a  
4 public body corporate and politic and a separate governmental entity, ~~consisting~~  
5 that, except as provided in par. (n) 4., consists of the counties and cities of Kenosha,  
6 Racine, and Milwaukee. This authority may transact business and exercise any  
7 powers granted to it under this subsection. ~~The Except as provided in par. (n) 3., the~~  
8 jurisdictional area of this authority is the geographic area formed by the combined  
9 territorial boundaries of the counties of Kenosha, Racine, and Milwaukee.

10           **SECTION 7.** 59.58 (7) (c) 1. (intro.) of the statutes, as created by 2009 Wisconsin  
11 Act 28, is amended to read:

12           59.58 (7) (c) 1. (intro.) The powers of the authority shall be vested in its board  
13 of directors, ~~consisting~~ which, except as provided in par. (n) 5., shall consist of the  
14 following members:

15           **SECTION 8.** 59.58 (7) (c) 1. h. and i. of the statutes are created to read:

16           59.58 (7) (c) 1. h. One member from any city with a population of more than  
17 60,000, other than a city identified in subd. 1. b., 1. d., or 1. f., that is a participating  
18 political subdivision in an interim regional transit authority, appointed by the mayor  
19 of the city.

20           i. One member from any county, other than a county identified in subd. 1. a.,  
21 1. c., or 1. e., that is a participating political subdivision in an interim regional transit  
22 authority, appointed by the chairperson of the county board.

23           **SECTION 9.** 59.58 (7) (d) of the statutes, as created by 2009 Wisconsin Act 28,  
24 is amended to read:

1           59.58 (7) (d) The authority shall have all powers necessary and convenient to  
2 plan, create, construct, operate, and manage a KRM commuter rail line. The  
3 authority may operate the KRM commuter rail line itself or may contract for a rail  
4 service to operate the KRM commuter rail line.

5           **SECTION 10.** 59.58 (7) (e) 2. of the statutes, as created by 2009 Wisconsin Act  
6 28, is amended to read:

7           59.58 (7) (e) 2. ~~Retain~~ Except as provided in subd. 3., retain the difference  
8 between the amount of the fees imposed under subch. XIII of ch. 77 and the amount  
9 of those fees retained under subd. 1. for expenditures related to the KRM commuter  
10 rail line, including planning, construction, maintenance, operations, and  
11 engineering expenditures.

12           **SECTION 11.** 59.58 (7) (e) 3. of the statutes is created to read:

13           59.58 (7) (e) 3. Provide incentive funds to any interim regional transit authority  
14 in compliance with the requirements specified in par. (L). No incentive funds may  
15 be provided under this subdivision after December 31, 2011.

16           **SECTION 12.** 59.58 (7) (f) 2. of the statutes, as created by 2009 Wisconsin Act  
17 28, is amended to read:

18           59.58 (7) (f) 2. The Except as provided in par. (n) 6., the authority may issue  
19 bonds in an aggregate principal amount not to exceed \$50,000,000, excluding bonds  
20 issued to refund outstanding bonds issued under this subdivision, for the purpose of  
21 providing funds for the anticipated local funding share required for initiating KRM  
22 commuter rail line service.

23           **SECTION 13.** 59.58 (7) (f) 4. of the statutes, as created by 2009 Wisconsin Act  
24 28, is amended to read:

1           59.58 (7) (f) 4. The bonds of the authority are not a debt of the counties or cities  
2 that comprise the authority. Neither these counties, nor cities, nor the state are  
3 liable for the payment of the bonds. The bonds of the authority shall be payable only  
4 out of funds or properties of the authority. The bonds of the authority shall state the  
5 restrictions contained in this subdivision on the face of the bonds.

6           **SECTION 14.** 59.58 (7) (g) of the statutes, as created by 2009 Wisconsin Act 28,  
7 is amended to read:

8           59.58 (7) (g) All moneys transferred under s. 59.58 (6) (cg), 2007 stats., shall  
9 be used by the authority to assist in the planning of the KRM commuter rail line  
10 project.

11           **SECTION 15.** 59.58 (7) (i) of the statutes, as created by 2009 Wisconsin Act 28,  
12 is amended to read:

13           59.58 (7) (i) The authority is the only entity in ~~the counties of Milwaukee,~~  
14 ~~Racine, and Kenosha~~ southeast Wisconsin that may submit an application for  
15 funding to the federal transit administration in the U.S. department of  
16 transportation under the federal new starts grant program ~~for funding for the KRM~~  
17 ~~commuter rail line.~~ Upon receiving any application for federal funds described in s.  
18 66.1041 (5), the authority shall promptly submit the application to the appropriate  
19 federal agency for consideration.

20           **SECTION 16.** 59.58 (7) (k) of the statutes is created to read:

21           59.58 (7) (k) 1. The authority may provide nonfinancial transit assistance to  
22 any interim regional transit authority, including reviewing the transit plans of the  
23 interim regional transit authority.

1           2. If the authority receives federal or state funding intended to ultimately be  
2 received by any interim regional transit authority, the authority shall forward this  
3 funding to the intended recipient.

4           3. Upon request from any municipality or county considering the creation of an  
5 interim regional transit authority, the authority shall assist the municipality or  
6 county in determining the amount of incentive funds under par. (L) that the interim  
7 regional transit authority would likely receive after its creation.

8           **SECTION 17.** 59.58 (7) (L) of the statutes is created to read:

9           59.58 (7) (L) 1. From the fees identified in par. (e), the authority may provide  
10 incentive funds to interim regional transit authorities. Upon application for  
11 incentive funds by an interim regional transit authority, the board of directors of the  
12 authority shall evaluate the application and provide incentive funding in compliance  
13 with the provisions of this subsection and the bylaws of the authority.

14           2. The board of directors of the authority may not provide incentive funds to  
15 an interim regional transit authority in an amount in excess of the total amount of  
16 revenue generated by the interim regional transit authority from all sources  
17 identified in s. 66.1041 (2) (c) 2. or \$5,000,000, whichever is less.

18           3. In evaluating and awarding incentive funding under this paragraph, the  
19 board of directors of the authority shall apply uniform criteria to all applicants. The  
20 board shall consider all of the following factors in evaluating applications by interim  
21 regional transit authorities for incentive funds:

22           a. The number of participating political subdivisions in the interim regional  
23 transit authority.

24           b. All funding sources providing revenue to the interim regional transit  
25 authority.

1 c. The long-term transit goals for the interim regional transit authority.

2 d. Whether the interim regional transit authority has satisfied any of the  
3 requirements under s. 66.1041 (6) (c) and (d) ahead of schedule.

4 4. The bylaws of the authority shall specify a minimum amount of revenue that  
5 must be generated by an interim regional transit authority from all sources  
6 identified in s. 66.1041 (2) (c) 2. in order to obtain incentive funding under this  
7 paragraph.

8 **SECTION 18.** 59.58 (7) (m) of the statutes is created to read:

9 59.58 (7) (m) 1. Beginning on July 1, 2011, from the aids received by the  
10 authority under s. 85.20 (4m) (a) 6. e., the authority shall provide incentive funds to  
11 interim regional transit authorities to assist interim regional transit authorities in  
12 meeting the minimum revenue requirement specified in par. (L) 4.

13 2. The bylaws of the authority shall specify a method, which must be uniformly  
14 applicable to all interim regional transit authorities, for determining the amount of  
15 incentive funding provided under this paragraph. For each interim regional transit  
16 authority receiving incentive funding under both this paragraph and par. (L), the  
17 proportion of incentive funding under this paragraph to the incentive funding under  
18 par. (L) must be uniform in comparison to all other interim regional transit  
19 authorities receiving such incentive funding.

20 **SECTION 19.** 59.58 (7) (n) of the statutes is created to read:

21 59.58 (7) (n) 1. After the department of transportation provides the notice  
22 specified in s. 66.1041 (7) (a), the authority shall assist each interim regional transit  
23 authority in the winding down process described in s. 66.1041 (7) (b), including  
24 assisting in the orderly transfer of assets and property to the southeastern regional  
25 transit authority.

1           2. a. Within 120 days after the department of transportation provides the notice  
2 specified in s. 66.1041 (7) (a), the authority shall assume responsibility for providing  
3 transit service and transit planning within the jurisdictional area of every interim  
4 regional transit authority. In assuming this responsibility, the authority shall have  
5 available all options for providing transit service that were formerly available to the  
6 interim regional transit authority, including those described in s. 66.1041 (4) (a) 1.  
7 and (b) 1., and shall impose the taxes under s. 77.708 (1), if any interim regional  
8 transit authority imposed the taxes and if the authority adopts a resolution to  
9 establish the tax rate. The authority shall have all powers necessary and convenient  
10 to carry out its responsibilities under this subdivision.

11           b. If an authority adopts a resolution to establish the tax rate, as described in  
12 subd. 2. a., it shall deliver a certified copy of the resolution to the department of  
13 revenue at least 120 days before its effective date. The authority may, by adoption  
14 of a resolution by the board of directors, repeal the imposition of the taxes under s.  
15 77.708 and shall deliver a certified copy of the repeal resolution to the department  
16 of revenue at least 120 days before its effective date.

17           c. If the authority adopts a resolution as provided in subd. 2. a., it shall specify  
18 to the department of revenue the exact boundaries of the authority's jurisdictional  
19 area. If the boundaries are other than a county line on any side of the authority's  
20 jurisdictional area, the authority shall provide the department with a complete list  
21 of all of the 9-digit zip codes that are entirely within the authority's jurisdictional  
22 area and a complete list of all the street addresses that are within the authority's  
23 jurisdictional area and not included in any 9-digit zip code that is entirely within the  
24 authority's jurisdictional area. The authority shall provide a certified copy of the  
25 information required under this subd. 2. c. to the department, in the manner, format,



1 and layout prescribed by the department, at least 120 days prior to the resolution's  
2 effective date. If the boundaries of the authority's jurisdictional area subsequently  
3 change, the authority shall submit a certified copy of the information required under  
4 this subd. 2. c. to the department, in the manner, format, and layout prescribed by  
5 the department, at least 120 days prior to the change's effective date.

6 3. a. For all purposes except those specified in subds. 3. b. and c., upon assuming  
7 responsibility for transit as provided in subd. 2., the jurisdictional area of the  
8 authority shall be the combined jurisdictional areas of all interim regional transit  
9 authorities.

10 b. For purposes of s. 77.9971 (1), if part but not all of Racine County is included  
11 in the jurisdictional area described in subd. 3. a., the authority's jurisdictional area  
12 shall include, in addition to the area in subd. 3. a., all of Racine County unless the  
13 board of the authority votes to not impose the fees under subch. XIII of ch. 77 in the  
14 part of Racine County that did not become a participating political subdivision in an  
15 interim regional transit authority.

16 c. For purposes of imposing the taxes under s. 77.708 (1), the authority's  
17 jurisdictional area shall not include the jurisdictional area of any interim regional  
18 transit authority that did not impose the taxes under s. 77.708 (1) before the  
19 department of transportation provided the notice specified in s. 66.1041 (7) (a).

20 4. After the department of transportation provides the notice specified in s.  
21 66.1041 (7) (a), the authority consists of the participating political subdivisions of all  
22 interim regional transit authorities. If Racine County was not a participating  
23 political subdivision of an interim regional transit authority at the time that the  
24 department of transportation provided the notice specified in s. 66.1041 (7) (a),  
25 Racine County may subsequently join the southeastern regional transit authority if

1 the governing body of Racine County adopts a resolution to join the authority and the  
2 board of directors of the authority approves. The bylaws of the authority shall specify  
3 the necessary contents of such a resolution.

4 5. After the department of transportation provides the notice specified in s.  
5 66.1041 (7) (a), all of the following apply with respect to the authority's board of  
6 directors:

7 a. The political subdivisions that are members of the authority may adopt  
8 identical resolutions providing for representation on the board of directors in  
9 proportion to each political subdivision's population.

10 b. If any member of the board of directors described in par. (c) 1. a. to g. is from  
11 a political subdivision that is not a participating political subdivision in an interim  
12 regional transit authority, the board of directors may vote to remove that member.

13 c. Any member of the board of directors described in par. (c) 1. a. to g. that is  
14 from a political subdivision which is not a participating political subdivision in an  
15 interim regional transit authority, and that has not been removed under subd. 5. b.,  
16 is limited to voting on issues directly related to the KRM commuter rail line.

17 6. After the department of transportation provides the notice specified in s.  
18 66.1041 (7) (a), in addition to the authorization under par. (f) 2., the authority may  
19 use bond proceeds from the bonds issued under par. (f) for the construction of new  
20 capital improvements to the authority's transit system or for the acquisition of  
21 existing transit systems.

22 **SECTION 20.** 66.0615 (1) (a) of the statutes is renumbered 66.0615 (1) (ah).

23 **SECTION 21.** 66.0615 (1) (ad) of the statutes is created to read:

24 66.0615 (1) (ad) "Authority" has the meaning given in s. 66.1041 (1) (a) for an  
25 interim regional transit authority.

1           **SECTION 22.** 66.0615 (1) (ge) of the statutes is created to read:

2           66.0615 (1) (ge) “Transit authority” has the meaning given in s. 59.58 (7) (a)  
3 1. for the southeastern regional transit authority.

4           **SECTION 23.** 66.0615 (1m) (a) of the statutes is amended to read:

5           66.0615 (1m) (a) The governing body of a municipality may enact an  
6 ordinance,; and a district, under par. (e), an authority under par. (ee), and a transit  
7 authority under par. (em), may adopt a resolution,; imposing a tax on the privilege  
8 of furnishing, at retail, except sales for resale, rooms or lodging to transients by  
9 hotelkeepers, motel operators and other persons furnishing accommodations that  
10 are available to the public, irrespective of whether membership is required for use  
11 of the accommodations. A tax imposed under this paragraph is not subject to the  
12 selective sales tax imposed by s. 77.52 (2) (a) 1. and may not be imposed on sales to  
13 the federal government and persons listed under s. 77.54 (9a). A tax imposed under  
14 this paragraph by a municipality shall be paid to the municipality and may be  
15 forwarded to a commission if one is created under par. (c), as provided in par. (d).  
16 Except as provided in par. (am), a tax imposed under this paragraph by a  
17 municipality may not exceed 8% 8 percent. Except as provided in par. (am), if a tax  
18 greater than 8% 8 percent under this paragraph is in effect on May 13, 1994, the  
19 municipality imposing the tax shall reduce the tax to 8% 8 percent, effective on  
20 June 1, 1994.

21           **SECTION 24.** 66.0615 (1m) (ee) of the statutes is created to read:

22           66.0615 (1m) (ee) 1. An authority may adopt a resolution imposing a room tax  
23 under par. (a) in an amount not to exceed 8 percent of total room charges. A room  
24 tax imposed by an authority under this subdivision applies within the authority’s

1 jurisdiction, as specified in s. 66.1041 (2) (d), and the proceeds of the tax may be used  
2 for any lawful purpose of the authority.

3 2. An authority adopting a resolution to impose the taxes under subd. 1. shall  
4 deliver a certified copy of the resolution to the secretary of revenue at least 120 days  
5 before its effective date.

6 3. The department of revenue shall administer the tax that is imposed under  
7 par. (a) by an authority and may take any action, conduct any proceeding, and impose  
8 interest and penalties. Sections 77.51 (12m), (14), (14g), (15a), and (15b), 77.52 (3),  
9 (4), (13), (14), (18), and (19), 77.522, 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60,  
10 77.61 (2), (3m), (5), (8), (9), and (12) to (15), and 77.62, as they apply to the taxes under  
11 subch. III of ch. 77, apply to the tax described under subd. 1.

12 4. From the appropriation under s. 20.835 (4) (gg), the department of revenue  
13 shall distribute 97.45 percent of the taxes collected under this paragraph for each  
14 authority to that authority and shall indicate to the authority the taxes reported by  
15 each taxpayer in that authority, no later than the end of the month following the end  
16 of the calendar quarter in which the amounts were collected. The taxes distributed  
17 shall be increased or decreased to reflect subsequent refunds, audit adjustments,  
18 and all other adjustments. Interest paid on refunds of the tax under this paragraph  
19 shall be paid from the appropriation under s. 20.835 (4) (gg) at the rate under s. 77.60  
20 (1) (a). Any authority that receives a report along with a payment under this  
21 subdivision or subd. 3. is subject to the duties of confidentiality to which the  
22 department of revenue is subject under s. 77.61 (5).

23 **SECTION 25.** 66.0615 (1m) (em) of the statutes is created to read:

24 66.0615 (1m) (em) 1. Following the completion of a winding down, dissolution,  
25 and transition process described in s. 66.1041 (7), and a transit authority becoming

1 the successor to the authorities created under s. 66.1041 and assuming responsibility  
2 for providing transit service and transit planning as described in s. 59.58 (7) (n) 2.,  
3 a transit authority may adopt a resolution imposing a room tax under par. (a) in an  
4 amount not to exceed 8 percent of total room charges. A room tax imposed by a transit  
5 authority under this subdivision applies within the authority's jurisdiction, as  
6 specified in subd. 2., and the proceeds of the tax may be used for any lawful purpose  
7 of the transit authority.

8 2. a. For all purposes except those specified in subds. 2. b. and c., upon assuming  
9 responsibility for transit service and transit planning as described in subd. 1., the  
10 jurisdictional area of the transit authority shall be the combined jurisdictional areas  
11 of all authorities.

12 b. For purposes of par. (ee), if part but not all of Racine County is included in  
13 the jurisdictional area described in subd. 2. a., the transit authority's jurisdictional  
14 area shall include, in addition to the area in subd. 2. a., all of Racine County unless  
15 the board of the transit authority votes to not impose the tax under this paragraph  
16 in the part of Racine County that did not become a participating political subdivision  
17 in an authority.

18 c. For purposes of imposing the taxes under this paragraph, the transit  
19 authority's jurisdictional area shall not include the jurisdictional area of any  
20 authority that did not impose the taxes under par. (ee) before the department of  
21 transportation provided the notice specified in s. 66.1041 (7) (a).

22 3. A transit authority adopting a resolution to impose the taxes under subd. 1.  
23 shall deliver a certified copy of the resolution to the secretary of revenue at least 120  
24 days before its effective date. If the transit authority adopts a resolution as provided  
25 in subd. 1., it shall specify to the department of revenue the exact boundaries of the

1 transit authority’s jurisdictional area. If the boundaries are other than a county line  
2 on any side of the transit authority’s jurisdictional area, the transit authority shall  
3 provide the department with a complete list of all of the 9–digit zip codes that are  
4 entirely within the transit authority’s jurisdictional area and a complete list of all the  
5 street addresses that are within the transit authority’s jurisdictional area and not  
6 included in any 9–digit zip code that is entirely within the transit authority’s  
7 jurisdictional area. The transit authority shall provide a certified copy of the  
8 information required under this subdivision to the department, in the manner,  
9 format, and layout prescribed by the department, at least 120 days prior to the  
10 resolution’s effective date. If the boundaries of the transit authority’s jurisdictional  
11 area subsequently change, the transit authority shall submit a certified copy of the  
12 information required under this subdivision to the department, in the manner,  
13 format, and layout prescribed by the department, at least 120 days prior to the  
14 change’s effective date.

15 4. Paragraph (ee) 3. and 4., to the extent that it applies to the tax under that  
16 paragraph, applies to the tax under this paragraph.

17 **SECTION 26.** 66.1041 of the statutes is created to read:

18 **66.1041 Interim regional transit authorities. (1) DEFINITIONS.** In this  
19 section:

20 (a) Except as used in par. (g), “authority” means an interim regional transit  
21 authority created under this section.

22 (b) “Comprehensive unified local transit system” means a transit system that  
23 is comprised of motor bus lines and any other local public transit facilities, the major  
24 portion of which is located within, or the major portion of the service of which is  
25 supplied to the inhabitants of, the jurisdictional area of the authority.

1 (c) “Department” means the department of transportation.

2 (d) “Municipality” means any city, village, or town.

3 (e) “Participating political subdivision” means a political subdivision that has  
4 adopted a resolution creating an authority or joining an established authority under  
5 this section.

6 (f) “Political subdivision” means a municipality or county.

7 (g) “Southeastern regional transit authority” means the southeastern regional  
8 transit authority created under s. 59.58 (7).

9 (h) “Southeast Wisconsin” means the geographical area comprising the  
10 counties of Kenosha, Milwaukee, Ozaukee, Washington, Racine, and Waukesha.

11 (i) “Transit system” means all land, shops, structures, equipment, property,  
12 franchises, and rights of whatever nature required for transit of passengers within  
13 the jurisdictional area of the authority and outside the jurisdictional area of the  
14 authority. “Transit system” includes motor buses, fixed guideway transit,  
15 ridesharing, specialized transportation, motor vehicles, elevated railroads,  
16 subways, underground railroads, and any combination thereof, and any other form  
17 of mass transit, but does not include transportation excluded from the definition of  
18 “common motor carrier” under s. 194.01 (1), charter or contract operations to, from,  
19 or between points that are outside the jurisdictional area of the authority, or travel  
20 by aircraft flight.

21 **(2) CREATION OF AUTHORITY.** (a) Subject to pars. (e) and (f), the governing body  
22 of a political subdivision in southeast Wisconsin may, by resolution, create an  
23 authority consisting of the political subdivision or may join together with one or more  
24 other political subdivisions to jointly create, by adopting identical resolutions, an  
25 authority. An authority created under this section is a public body corporate and

1 politic and shall be known as an “interim regional transit authority.” The authority  
2 may transact business and exercise any powers granted to it under this section.

3 (b) 1. Subject to pars. (e) and (f), and except as provided in subd. 2., if an  
4 authority has been created under par. (a), a political subdivision may join the  
5 authority if the governing body of the political subdivision adopts a resolution  
6 identical to the existing resolutions of the authority’s participating political  
7 subdivisions or, if the authority is created by a single political subdivision, identical  
8 to the existing resolution of the authority’s participating political subdivision, and  
9 if the authority’s board of directors adopts a resolution allowing the political  
10 subdivision to join the authority. For purposes of determining whether a resolution  
11 adopted under this subdivision is identical to an existing resolution of the authority,  
12 both the resolutions adopted under par. (a) to create the authority under par. (a) and  
13 any modifications to those resolutions under par. (g) shall be considered.

14 2. The resolution of a political subdivision adopted under subd. 1. may differ  
15 from each existing resolution by specifying what the composition of the authority’s  
16 board of directors will be after the political subdivision has joined the authority, but  
17 this resolution must be consistent with the authority’s bylaws as described in sub.

18 (3) (b) 3. If the authority’s board of directors thereafter adopts a resolution allowing  
19 the political subdivision to join the authority, the board of directors thereby agrees  
20 to the new composition of the authority’s board of directors specified in the resolution  
21 of the joining political subdivision and any existing resolution is considered modified  
22 under par. (g) 2. to reflect this new board composition.

23 (c) Any resolution creating an authority under par. (a) or joining an authority  
24 under par. (b) shall specify all of the following:



1           1. Subject to sub. (3) (b), the composition of the authority's board of directors  
2 and other matters relating to the selection, terms, and duties of the board of  
3 directors.

4           2. All revenue sources on which the authority will rely for funding and the  
5 minimum amount of revenue that the authority will commit to satisfy the revenue  
6 requirements for the authority specified in this section.

7           (d) 1. Except as provided in subd. 2., the jurisdictional area of an authority is  
8 the geographic area formed by the combined territorial boundaries of all  
9 participating political subdivisions of the authority.

10          2. If the authority includes a county as a participating political subdivision, the  
11 jurisdictional area of the authority includes only that portion of the county that is  
12 within the territorial boundaries of municipalities in the county that are also  
13 participating political subdivisions except that, for Milwaukee County, the  
14 jurisdictional area includes all of Milwaukee County.

15          (e) An authority may be created under par. (a) only if all of the following apply:

16          1. At least one of the political subdivisions creating the authority operated a  
17 transit system receiving funding under s. 85.20 on the effective date of this  
18 subdivision .... [LRB inserts date].

19          2. The political subdivision or political subdivisions creating the authority  
20 commit to providing funding for the authority, upon creation, in an amount of at least  
21 the political subdivision's property tax levy contribution to transit as of one year prior  
22 to the effective date of this subdivision .... [LRB inserts date], and also make a  
23 commitment that the authority, after creation, will meet the revenue requirements  
24 specified in sub. (6) through one or more of the revenue sources identified in par. (c)

25          2.

1 (f) An authority may not include more than one county. An authority may not  
2 include municipalities located in different counties.

3 (g) 1. Subject to subds. 2. and 3., if an authority has been created under this  
4 subsection, the participating political subdivisions of the authority may amend or  
5 modify their resolutions creating or joining the authority if, after any amendment or  
6 modification, the resolutions of all participating political subdivisions of the  
7 authority remain identical and continue to satisfy the requirements under this  
8 subsection.

9 2. If a political subdivision joins an authority under par. (b), the participating  
10 political subdivisions of the authority may amend or modify their existing  
11 resolutions to accomplish any changes necessary to reflect the addition of the new  
12 political subdivision to the authority, including any changes to the composition of the  
13 authority's board of directors. In lieu of expressly amending or modifying their  
14 existing resolutions, the participating political subdivisions of the authority may  
15 also effect changes to the composition of the authority's board of directors, in  
16 connection with the addition of a new political subdivision to the authority, by means  
17 of the approval process specified in par. (b) 2., in which case the existing resolutions  
18 of the participating political subdivisions are considered modified to reflect the new  
19 composition of the authority's board of directors.

20 3. In lieu of expressly amending or modifying the existing resolutions of the  
21 participating political subdivisions of an authority to reflect changes to the revenue  
22 sources specified in par. (c) 2., these changes to the revenue sources relied upon may  
23 be made by a vote of the authority's board of directors if, after the changes, the  
24 authority continues to satisfy the revenue requirements specified in sub. (6). After

1 such a vote, the existing resolutions of the participating political subdivisions are  
2 considered modified to reflect the change in revenue sources.

3 **(3) GOVERNANCE OF AUTHORITY.** (a) The powers of an authority shall be vested  
4 in its board of directors. A majority of the board of directors' full authorized  
5 membership constitutes a quorum for the purpose of conducting the authority's  
6 business and exercising its powers. Action may be taken by the board of directors  
7 upon a vote of a majority of the directors present and voting, unless the bylaws of the  
8 authority require a larger number.

9 (b) The board of directors of an authority shall be determined as provided in  
10 resolutions creating the authority under sub. (2) (a) or joining an existing authority  
11 under sub. (2) (b) except that all of the following shall apply:

12 1. The board of directors shall consist of at least 5 members and not more than  
13 9 members.

14 2. The board of directors shall include at least one member from the authority's  
15 jurisdictional area, appointed by the governor.

16 3. Subject to subds. 1. and 2., the bylaws of the authority shall specify a  
17 procedure and guidelines for changing board membership upon the joinder of a  
18 political subdivision under sub. (2) (b).

19 4. Notwithstanding subds. 1. to 3., the board of directors of an authority that  
20 includes Milwaukee County shall consist of the following members:

21 a. Two members from the authority's jurisdictional area, appointed by the  
22 Milwaukee County board chairperson.

23 b. One member from that portion of the authority's jurisdictional area that is  
24 outside the city of Milwaukee, appointed by the Milwaukee County board  
25 chairperson.

1 c. One member, appointed by the mayor of the city of Milwaukee.

2 d. One member from the authority's jurisdictional area, appointed by the  
3 governor.

4 **(4) AUTHORITY POWERS AND DUTIES.** (a) Notwithstanding s. 59.84 (2) and any  
5 other provision of this chapter or ch. 59 or 85, an authority shall do all of the  
6 following:

7 1. Provide, or contract with existing transit providers for the provision of,  
8 transit service within the authority's jurisdictional area, except that an authority  
9 that includes Milwaukee County shall contract with the Milwaukee County board  
10 for the authority to provide transit service in Milwaukee County.

11 2. Provide transit planning within the authority's jurisdictional area. Each  
12 transit plan of the authority shall be submitted to the southeastern regional transit  
13 authority.

14 (b) Notwithstanding s. 59.84 (2) and any other provision of this chapter or ch.  
15 59 or 85, in addition to the duties specified in par. (a), an authority may do any of the  
16 following:

17 1. Acquire a comprehensive unified local transit system by entering into a  
18 transfer agreement with the owner of the system.

19 2. Subject to sub. (5), apply for and utilize state and federal funds.

20 **(5) FEDERAL AND STATE AID; INCENTIVE FUNDS.** Any application by an authority  
21 for federal or state funding shall first be submitted to the southeastern regional  
22 transit authority, which shall then provide the application to the appropriate federal  
23 or state agency. If the application results in the receipt of any federal or state funds,  
24 those federal or state funds shall first be received by the southeastern regional

1 transit authority, which shall then forward the funds to the authority that provided  
2 the application.

3 **(6) AUTHORITY REVENUE REQUIREMENTS.** (a) An authority may generate revenue  
4 by doing any of the following:

5 1. Imposing a local vehicle registration fee under s. 341.35.

6 2. Levying a hotel tax.

7 3. a. Imposing, by the adoption of a resolution by the board of directors, the  
8 taxes under s. 77.708, except that no authority may adopt such a resolution until a  
9 referendum is held in the authority's jurisdictional area on the question of whether  
10 the authority may impose the taxes under s. 77.708 and the referendum is decided  
11 in the affirmative. For purposes of an authority that has Milwaukee County as the  
12 boundaries of its jurisdictional area, the referendum for imposing sales and use taxes  
13 for transit purposes that was approved in 2009 in Milwaukee County satisfies the  
14 referendum requirement of this subd. 3. a. If an authority adopts a resolution to  
15 impose the taxes, it shall deliver a certified copy of the resolution to the department  
16 of revenue at least 120 days before its effective date. The authority may, by adoption  
17 of a resolution by the board of directors, repeal the imposition of the taxes under s.  
18 77.708 and shall deliver a certified copy of the repeal resolution to the department  
19 of revenue at least 120 days before its effective date.

20 b. If the authority adopts a resolution as provided in subd. 3. a., it shall specify  
21 to the department of revenue the exact boundaries of the authority's jurisdictional  
22 area. If the boundaries are the same as the county lines on all sides of the authority's  
23 jurisdictional area, the resolution shall specify the county or counties that comprise  
24 the authority's entire jurisdictional area. If the boundaries are other than a county  
25 line on any side of the authority's jurisdictional area, the authority shall provide the

1 department with a complete list of all the 9–digit zip codes that are entirely within  
2 the authority’s jurisdictional area and a complete list of all the street addresses that  
3 are within the authority’s jurisdictional area and not included in any 9–digit zip code  
4 that is entirely within the authority’s jurisdictional area. The authority shall  
5 provide a certified copy of the information required under this subd. 3. b. to the  
6 department, in the manner, format, and layout prescribed by the department, at  
7 least 120 days prior to the resolution’s effective date. If the boundaries of the  
8 authority’s jurisdictional area subsequently change, the authority shall submit a  
9 certified copy of the information required under this subd. 3. b. to the department,  
10 in the manner, format, and layout prescribed by the department, at least 120 days  
11 prior to the change’s effective date.

12 4. Charging a membership fee to the participating political subdivisions of the  
13 authority in an amount not to exceed the amount of property taxes that each political  
14 subdivision levied for transit purposes in the year before the year the authority is  
15 created.

16 (b) An authority shall generate revenue equal to the amount required by pars.  
17 (c) and (d). This minimum revenue requirement may be met through funding from  
18 one or a combination of revenue sources identified by resolution under sub. (2) (c) 2.,  
19 including any revenue option under par. (a).

20 (c) 1. Within 2 years after the creation of an authority, the authority shall  
21 generate revenue sufficient to offset a 30 percent reduction in passenger fare  
22 revenues resulting from transit operations or to provide a 2 percent increase in  
23 transit service, or a combination of both, as compared with passenger fare revenues  
24 and transit service as of the time that the authority was created.

1           2. Within 4 years after the creation of an authority, the authority shall generate  
2 revenue sufficient to offset a 60 percent reduction in passenger fare revenues  
3 resulting from transit operations or to provide a 4 percent increase in transit service,  
4 or a combination of both, as compared with passenger fare revenues and transit  
5 service as of the time that the authority was created.

6           3. For purposes of this paragraph, a 15 percent reduction in passenger fare  
7 revenues is equivalent to a 1 percent increase in transit service, and increases in  
8 transit service may be calculated by the increase in either transit service miles or  
9 transit service hours.

10          4. Every 2 years after an authority is created under this section, the  
11 department shall determine and certify whether the authority has met the  
12 requirements specified in this paragraph. In making this determination, the  
13 department shall calculate, and make publicly available, the dollar amount of the  
14 passenger fare revenue reductions and the transit service mile or hour increases that  
15 would be necessary for the authority to satisfy the requirements under subds. 1. and  
16 2. In making its calculation and determination under this subdivision, the  
17 department shall consider whether, and make allowances for the fact that, any  
18 municipality or county joined the authority under sub. (2) (a) after its initial creation.

19           (d) 1. Within 6 years after the creation of an authority, in addition to continuing  
20 to satisfy the requirements specified in par. (c), the authority shall improve the  
21 interconnectivity of its transit system by linking with other modes of transportation  
22 and improving cross-county links.

23           2. The department shall, by rule, establish criteria for determining whether an  
24 authority has satisfied the requirement under subd. 1.

1           3. The department shall determine and certify whether an authority has  
2 satisfied the requirement specified in subd. 1.

3           (e) 1. Subject to subd. 3., if an authority does not meet the requirements  
4 specified in pars. (c) 1. and 2. and (d) within the time limits specified in those  
5 provisions, the authority is not eligible for incentive funding provided under s. 59.58  
6 (7) (L) or (m).

7           2. Subject to subd. 3., if an authority does not meet the requirements specified  
8 in pars. (c) 1. and 2. and (d) within 2 years after the time limits specified in those  
9 provisions, the authority shall be dissolved and responsibility for providing transit  
10 service and transit planning, as well as all assets, liabilities, rights, and obligations  
11 of the authority, shall revert to the participating political subdivisions of the  
12 authority.

13           3. If any municipality or county joins an authority under sub. (2) (b) after its  
14 initial creation, the department may make allowances for this fact, including  
15 delaying or suspending the penalties under subds. 1. and 2. for failure to meet the  
16 requirements specified in pars. (c) 1. and 2. and (d).

17           **(7) SUNSET AND TRANSITION.** (a) When every authority created under this  
18 section has been certified by the department under sub. (6) (d) 3. as having satisfied  
19 the requirement specified in sub. (6) (d) 1., the department shall provide notice of this  
20 fact to every such authority.

21           (b) Upon receiving the notice specified in par. (a), each authority created under  
22 this section shall begin the process of winding down and dissolving, including taking  
23 those actions specified in this subsection, and shall complete this process no later  
24 than 120 days after receiving the notice specified in par. (a). Notwithstanding sub.  
25 (4), upon receiving the notice specified in par. (a), the duties of the authority shall be



1 limited to winding down and dissolving the authority and facilitating the transition  
2 described in this paragraph. The board of directors of each authority created under  
3 this section shall assist in good faith in the transition from the authority created  
4 under this section to the southeastern regional transit authority. The southeastern  
5 regional transit authority shall be considered the successor to an authority created  
6 under this section, except one that is dissolved as provided in sub. (6) (e) 2. As part  
7 of the winding down process for an authority created under this section, all of the  
8 following shall occur:

9 1. The assets and liabilities of the authority shall become the assets and  
10 liabilities of the southeastern regional transit authority.

11 2. All tangible personal property, including records, of the authority shall be  
12 transferred to the southeastern regional transit authority.

13 3. All contracts entered into by the authority, in effect at the time of winding  
14 down the authority, remain in effect and are transferred to the southeastern regional  
15 transit authority. The southeastern regional transit authority shall carry out any  
16 obligations under such a contract until the contract is modified or rescinded by the  
17 southeastern regional transit authority to the extent allowed under the contract.

18 (c) Any authority created under this section terminates on the 120th day after  
19 the authority receives the notice specified in par. (a).

20 **SECTION 27.** 77.708 (1) of the statutes, as affected by 2009 Wisconsin Act 28,  
21 is amended to read:

22 77.708 (1) A transit authority created under s. 59.58, 66.1039, or 66.1041, by  
23 resolution under s. 59.58 (7) (n) 2., 66.1039 (4) (s), or 66.1041 (6) (a) 3., respectively,  
24 may impose a sales tax and a use tax under this subchapter at a rate not to exceed  
25 0.5 percent of the sales price or purchase price. Those taxes may be imposed only in

1 their entirety. The resolution shall be effective on the first day of the first calendar  
2 quarter that begins at least 120 days after the adoption of the resolution.

3 **SECTION 28.** 77.708 (2) of the statutes, as created by 2009 Wisconsin Act 28, is  
4 amended to read:

5 77.708 (2) Retailers and the department of revenue may not collect a tax under  
6 sub. (1) for any transit authority created under s. 59.58, 66.1039, or 66.1041, after  
7 the calendar quarter during which the transit authority adopts a repeal resolution  
8 under s. 59.58 (7) (n) 2., 66.1039 (4) (s), or 66.1041 (6) (a) 3., respectively, except that  
9 the department of revenue may collect from retailers taxes that accrued before such  
10 calendar quarter and fees, interest, and penalties that relate to those taxes.

11 **SECTION 29.** 77.9971 (1) of the statutes, as affected by 2009 Wisconsin Act 28,  
12 is amended to read:

13 77.9971 (1) The southeastern regional transit authority under s. 59.58 (7) may  
14 impose a fee at a rate not to exceed \$18, as adjusted under sub. (2), for each  
15 transaction in the authority's jurisdictional area, as described in s. 59.58 (7) (b) and  
16 (n) 3., on the rental, but not for reregal and not for rental as a service or repair  
17 replacement vehicle, of Type 1 automobiles, as defined in s. 340.01 (4) (a), by  
18 establishments primarily engaged in short-term rental of passenger cars without  
19 drivers, for a period of 30 days or less, unless the sale is exempt from the sales tax  
20 under s. 77.54 (1), (4), (7) (a), (7m), (9), or (9a). The fee imposed under this subchapter  
21 shall be effective on the first day of the first month that begins at least 90 days after  
22 the board of directors of the southeastern regional transit authority approves the  
23 imposition of the fee and notifies the department of revenue. The board of directors  
24 shall notify the department of a repeal of the fee imposed under this subchapter at  
25 least 60 days before the effective date of the repeal.

1           **SECTION 30.** 79.03 (3) (b) 4. a. of the statutes is amended to read:

2           79.03 **(3)** (b) 4. a. “Local general purpose taxes” means the portion of tax  
3 increments collected for payment to a municipality under s. 66.1105 which is  
4 attributable to that municipality’s own levy, the portion of environmental  
5 remediation tax increments collected for payment to a municipality or county under  
6 s. 66.1106 that is attributable to that municipality’s or county’s own levy, general  
7 property taxes, excluding taxes for a county children with disabilities education  
8 board, collected to finance the general purpose government unit, property taxes  
9 collected for sewage and sanitary districts, monthly municipal permit fees under s.  
10 66.0435 (3), the proceeds of county sales and use taxes, ~~and municipal and county~~  
11 local vehicle registration fees under s. 341.35 (1).

12           **SECTION 31.** 85.11 (1) (a) of the statutes, as created by 2009 Wisconsin Act 28,  
13 is amended to read:

14           85.11 **(1)** (a) “Eligible applicant” means the southeastern regional transit  
15 authority under s. 59.58 (7) or an interim regional transit authority created under  
16 s. 66.1041.

17           **SECTION 32.** 85.20 (4m) (a) 6. e. of the statutes, as created by 2009 Wisconsin  
18 Act 28, is amended to read:

19           85.20 **(4m)** (a) 6. e. From the appropriation under s. 20.395 (1) (hw), the  
20 department may pay the uniform percentage for each eligible applicant for a planned  
21 commuter or light rail system that has been enumerated under s. 85.062 (3) and for  
22 making payments under s. 59.58 (7) (m). An eligible applicant may not receive aid  
23 under subd. 6. cm. or d., 7., or 8. for a commuter rail or light rail transit system.

24           **SECTION 33.** 341.35 (title) of the statutes is amended to read:

25           **341.35** (title) ~~Municipal or county~~ Local vehicle registration fee.

1           **SECTION 34.** 341.35 (1) of the statutes is amended to read:

2           341.35 (1) ANNUAL REGISTRATION FEE. In this section “municipality” means a  
3 town, village or city and “motor vehicle” means an automobile or motor truck  
4 registered under s. 341.25 (1) (c) at a gross weight of not more than 8,000 pounds.  
5 Subject to sub. (9), in this section “authority” means an interim regional transit  
6 authority created under s. 66.1041. The governing body of a municipality or county  
7 may enact an ordinance imposing an annual flat municipal or county registration fee  
8 on all motor vehicles registered in this state which are customarily kept in the  
9 municipality or county. The board of directors of an authority may adopt a resolution  
10 imposing an annual flat registration fee on all motor vehicles registered in this state  
11 which are customarily kept in the jurisdictional area of the authority, but the  
12 resolution may only be given effect if the resolution is ratified by the electors at a  
13 referendum held in the authority’s jurisdictional area. A registration fee imposed  
14 under this section shall be in addition to state registration fees.

15           **SECTION 35.** 341.35 (2) (intro.) of the statutes is amended to read:

16           341.35 (2) EXEMPTIONS. (intro.) The following vehicles are exempt from any  
17 ~~municipal or county~~ local vehicle registration fee under this section:

18           **SECTION 36.** 341.35 (3m) of the statutes is amended to read:

19           341.35 (3m) ~~COUNTY AND MUNICIPAL~~ MULTIPLE LOCAL FEES. If a municipality and  
20 the county in which the municipality is located enact ordinances under this section,  
21 a motor vehicle customarily kept in the municipality shall be subject to a municipal  
22 registration fee and a county registration fee. If an authority imposes a local  
23 registration fee under this section, this fee is in addition to any local registration fee  
24 imposed by a municipality or county under this section.

25           **SECTION 37.** 341.35 (4) of the statutes is amended to read:

1           341.35 (4) NOTICE OF FEES. The governing body of a municipality or county  
2           ~~which enacts a municipal or county, and the board of directors of an authority, that~~  
3           imposes a local vehicle registration fee under this section shall notify the department  
4           that it has so elected and report the amount of such fee. The municipality ~~or~~ county,  
5           or authority shall report any change in such amount to the department. The  
6           notification shall be made at the time and in the form prescribed by the department.

7           **SECTION 38.** 341.35 (5) of the statutes is amended to read:

8           341.35 (5) PAYMENT OF FEES. At the time a motor vehicle is first registered or  
9           at the time of registration renewal, the applicant shall pay to the department any fee  
10          imposed by a county ~~or~~ municipality, or authority under this section in addition to  
11          fees required under this chapter.

12          **SECTION 39.** 341.35 (6) of the statutes is amended to read:

13          341.35 (6) DEPARTMENT TO REMIT FEES TO ~~MUNICIPALITIES AND COUNTIES.~~  
14          Beginning July 1, 1984, and annually thereafter, the department shall remit those  
15          moneys collected under this section, less administrative costs under sub. (6m), to any  
16          municipality ~~or~~ county ~~which~~, or authority that has imposed a fee under this section.  
17          The department may by rule provide that the moneys be remitted at more frequent  
18          intervals if the department deems it advisable.

19          **SECTION 40.** 341.35 (6r) of the statutes is amended to read:

20          341.35 (6r) USE OF FEE PROCEEDS. Any municipality ~~or~~ county, or authority  
21          receiving moneys under sub. (6) shall use the moneys only for transportation related  
22          purposes.

23          **SECTION 41.** 341.35 (7) of the statutes is amended to read:

