

## Exhibit A

### 2009 Regional Transit Authority Legislation—Section 59.58 (7) Wisconsin Statutes

**(7) SOUTHEASTERN REGIONAL TRANSIT AUTHORITY.** (a) In this subsection:

1. “Authority” means the southeastern regional transit authority created under this subsection.

2. “Bonds” means any bonds, interim certificates, notes, debentures, or other obligations of the authority issued under this subsection.

3. “KRM commuter rail line” means a commuter rail transit system connecting the cities of Kenosha, Racine, and Milwaukee.

(b) There is created the southeastern regional transit authority, a public body corporate and politic and a separate governmental entity, consisting of the counties of Kenosha, Racine, and Milwaukee. This authority may transact business and exercise any powers granted to it under this subsection. The jurisdictional area of this authority is the geographic area formed by the combined territorial boundaries of the counties of Kenosha, Racine, and Milwaukee.

(c) 1. The powers of the authority shall be vested in its board of directors, consisting of the following members:

a. Two members from Milwaukee County, appointed by the Milwaukee County board chairperson.

b. Two members from the city of Milwaukee, appointed by the mayor of the city of Milwaukee.

c. One member from Racine County, appointed by the Racine County board chairperson.

d. One member from the city of Racine, appointed by the mayor of the city of Racine.

e. One member from Kenosha County, appointed by the Kenosha County board chairperson.

f. One member from the city of Kenosha, appointed by the mayor of the city of Kenosha.

g. One member from the authority’s jurisdictional area, appointed by the governor.

2. A majority of the board of directors’ full authorized membership constitutes a quorum for the purpose of conducting the authority’s business and exercising its powers. Action may be taken by the board of directors upon a vote of a majority of the directors present and voting, unless the bylaws of the authority require a larger number.

(d) The authority shall have all powers necessary and convenient to create, construct, and manage a KRM commuter rail line.

(e) The authority may impose the fees under subch. XIII of ch. 7. From the fees, the authority may do all of the following:

1. Retain not more than \$2 for each transaction for administration of the authority.

2. Retain the difference between the amount of the fees imposed under subch. XIII of ch. 77 and the amount of those fees retained under subd. 1. for expenditures related to the KRM commuter rail line, including planning, construction, maintenance, operations, and engineering expenditures.

(f) 1. The authority may issue bonds, the principal and interest on which are payable exclusively from all or a portion of any revenues received by the authority. The authority may secure its bonds by a pledge of any income or revenues from any operations, rent, aids, grants, subsidies, contributions, or other source of moneys whatsoever.

2. The authority may issue bonds in an aggregate principal amount not to exceed \$50,000,000, excluding bonds issued to refund outstanding bonds issued under this subdivision, for the purpose of providing funds for the anticipated local funding share

required for initiating KRM commuter rail line service.

3. Neither the authority’s board of directors nor any person executing the bonds is personally liable on the bonds by reason of the issuance of the bonds.

4. The bonds of the authority are not a debt of the counties that comprise the authority. Neither these counties nor the state are liable for the payment of the bonds. The bonds of the authority shall be payable only out of funds or properties of the authority. The bonds of the authority shall state the restrictions contained in this subdivision on the face of the bonds.

5. Bonds of the authority shall be authorized by resolution of the authority’s board of directors. The bonds may be issued under such a resolution or under a trust indenture or other security instrument. The bonds may be issued in one or more series and may be in the form of coupon bonds or registered bonds under s. 67.09. The bonds shall bear the dates, mature at the times, bear interest at the rates, be in the denominations, have the rank or priority, be executed in the manner, be payable in the medium of payment and at the places, and be subject to the terms of redemption, with or without premium, as the resolution, trust indenture, or other security instrument provides. Bonds of the authority are issued for an essential public and governmental purpose and are public instrumentalities and, together with interest and income, are exempt from taxes. The authority may sell the bonds at public or private sales at the price or prices determined by the authority. If a member of the authority’s board of directors whose signature appears on any bonds or coupons ceases to be a member of the authority’s board of directors before the delivery of such obligations, the member’s signature shall, nevertheless, be valid for all purposes as if the member had remained a member until delivery of the bonds.

6. The authority may issue refunding bonds for the purpose of paying any of its bonds at or prior to maturity or upon acceleration or redemption. The authority may issue refunding bonds at such time prior to the maturity or redemption of the refunded bonds as the authority deems to be in the public interest. The refunding bonds may be issued in sufficient amounts to pay or provide the principal of the bonds being refunded, together with any redemption premium on the bonds, any interest accrued or to accrue to the date of payment of the bonds, the expenses of issue of the refunding bonds, the expenses of redeeming the bonds being refunded, and such reserves for debt service or other capital or current expenses from the proceeds of such refunding bonds as may be required by the resolution, trust indenture, or other security instruments. To the extent applicable, refunding bonds are subject to subd. 5.

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

(h) The authority’s powers shall be limited to those specified in this subsection.

(i) The authority is the only entity in the counties of Milwaukee, Racine, and Kenosha that may submit an application to the federal transit administration in the U.S. department of transportation under the federal new starts grant program for funding for the KRM commuter rail line.

(j) The operator of any transit system in Kenosha County or Racine County receiving funding under s. 85.20, shall provide copies of all of their annual and long-term transit plans to the southeastern regional transit authority as these plans become available.

## Exhibit A (continued)

### 2009 Regional Transit Authority Legislation—Vehicle Rental Fee

#### SUBCHAPTER XIII

##### SOUTHEASTERN REGIONAL TRANSIT AUTHORITY FEE

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

**(2) (a)** The southeastern regional transit authority's board of directors may provide for the annual adjustment of the fee specified in sub. (1) to reflect the average annual percentage change in the U.S. consumer price index for all urban consumers, U.S. city average, as determined by the U.S. department of labor, for the 12 months ending on September 30 of the year before the adjustment. If the fee is adjusted under this subsection and the adjusted fee is not evenly divisible by \$0.25, the adjusted fee shall be rounded to the next highest quarter-dollar amount.

**(b)** If the fee is adjusted under this subsection, the southeastern regional transit authority shall provide notice to the department of revenue of the fee adjustment at least 90 days before the adjustment becomes effective.

**History:** 2005 a. 25; 2009 a. 28.

**77.9972 Administration. (1)** The department of revenue shall administer the fee under this subchapter and may take any action, conduct any proceeding, and impose interest and penalties.

**(2)** Sections 77.51 (12m), (14), (14g), (15a), and (15b), 77.52 (1b), (3), (4), (13), (14), (18), and (19), 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m), (5), (8), (9), and (12) to (15), and 77.62, as they apply to the taxes under subch. III, apply to the fee under this subchapter. Section 77.73, as it applies to the taxes under subch. V, applies to the fee under this subchapter. The renter shall collect the fee under this subchapter from the person to whom the passenger car is rented.

**NOTE:** Sub. (2) is shown as repealed and recreated eff. 10-1-09 by 2009 Wis. Act 2. Prior to 10-1-09 it reads:

**(2)** Sections 77.51 (4) (a), (b) 1., 2., and 4., (c) 1. to 3. and (d) and (14) (a) to (f), (j), and (k), 77.52 (1b) (4), (6), (13), (14), and (18), 77.53 (1b), 77.58 (1) to (5) and (7), 77.59, 77.60, 77.61 (2), (5), (8), (9), and (12) to (14), and 77.62, as they apply to the taxes under subch. III, apply to the fee under this subchapter. Sections 77.72 (1) and (2) (a) and 77.73, as they apply to the taxes under subch. V, apply to the fee under this subchapter. The renter shall collect the fee under this subchapter from the person to whom the passenger car is rented.

**(3)** From the appropriation under s. 20.835 (4) (gh), the department of revenue shall distribute 97.45% of the fees collected under this subchapter to the southeastern regional

transit authority and shall indicate to the authority the fees reported by each fee payer in the authority's jurisdiction, no later than the end of the month following the end of the calendar quarter in which the amounts were collected. The fees distributed shall be increased or decreased to reflect subsequent refunds, audit adjustments, and all other adjustments. Interest paid on refunds of the fee under this subchapter shall be paid from the appropriation under s. 20.835 (4) (gh) at the rate under s. 77.60 (1) (a). If the southeastern regional transit authority receives a report along with a payment under this subsection, the southeastern regional transit authority is subject to the duties of confidentiality to which the department of revenue is subject under s. 77.61 (5).

**(4)** Persons who are subject to the fee under this subchapter shall register with the department of revenue. Any person who is required to register; including any person authorized to act on behalf of a corporation, partnership, or other person who is required to register; who fails to do so is guilty of a misdemeanor.

**(5)** A retailer who collects a fee under this subchapter shall identify the fee as a separate item on a receipt the retailer provides to a rental customer.

**(6)** If the department of revenue receives notice of a fee adjustment under s. 77.9971 (2) (b), the department shall publish the new adjusted fee at least 30 days before the adjustment becomes effective.

**History:** 2005 a. 25; 2007 a. 20; 2009 a. 2, 28.

**77.9973 Discontinuation.** Retailers and the department of revenue may not collect fees under this subchapter for the southeastern regional transit authority after the calendar quarter during which the southeastern regional transit authority ceases to exist, except that the department may collect from retailers fees that accrued before that calendar quarter and interest and penalties that relate to those fees. If fees are collected, the authority may use the revenue for any lawful purpose.

**History:** 2005 a. 25; 2009 a. 28.