



2013 SENATE BILL 205

June 3, 2013 - Introduced by Senators COWLES, VINEHOUT, HARSDORF, PETROWSKI, SCHULTZ, T. CULLEN, CARPENTER, KEDZIE and MILLER, cosponsored by Representatives KERKMAN, TITTL, A. OTT, PETRYK, RIPP, MURSAU, BERNIER and WEININGER. Referred to Joint Legislative Audit Committee.

1 **AN ACT** *to renumber and amend* 13.94 (1) (dr); *to amend* 1.14 (1) (b), 13.92 (1)
2 (b) 1. b., 13.94 (1s) (c) 5., 16.004 (17), 16.52 (6) (a), 16.53 (13) (a), 16.545 (9), 16.70
3 (1e), 16.765 (1), 16.765 (2), 16.765 (5), 16.765 (6), 16.765 (7) (intro.), 16.765 (7)
4 (d), 16.765 (8), 16.84 (14), 16.847 (2) (a), 16.855 (16) (b) 1., 16.891 (1) (a), 16.967
5 (1) (a), 16.97 (1m), 19.42 (10) (sm), 19.42 (13) (om), 20.505 (5) (ke), 20.866 (2)
6 (ws), 20.867 (3) (kd), 238.02 (1), 238.03 (2) (c), 238.03 (2) (e) and 250.20 (1) (k);
7 and *to create* 13.94 (1) (dr) 1., 13.94 (1) (dr) 2., 238.02 (1g), 238.02 (1r), 238.045,
8 238.07 (2) (am), 238.07 (2) (dm), 238.07 (2) (fm) and 238.07 (2) (gm) of the
9 statutes; **relating to:** board of directors, powers and duties, including
10 reporting requirements, and financial audits of the Wisconsin Economic
11 Development Corporation.

Analysis by the Legislative Reference Bureau

This bill makes a number of changes to the laws governing the Wisconsin Economic Development Corporation (WEDC), including the following:

1. WEDC administers, develops, and implements economic development programs that have the purpose of encouraging the establishment and growth of

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businesses in this state. Each year, WEDC submits a report by October 1 to the Joint Legislative Audit Committee and each house of the legislature that provides information about the progress of WEDC's economic development programs during the previous fiscal year. That report must contain a description of each program, a comparison of expected and actual program outcomes, the number of grants or loans made under each program, the amount of each grant or loan, the recipient of each grant or loan, the sum total of all grants and loans awarded by WEDC under an economic development program, and any recommended changes to each program.

The bill requires WEDC to include all of the following additional information in its annual report:

a. Quantifiable performance measures directly related to the purpose of each economic development program, including an accounting of the location and industry classification, by municipality, of each job created or retained in the state in the previous fiscal year as a result of the program.

b. The amount of tax benefits that WEDC allocated, or verified to the Department of Revenue (DOR), under each program in the previous fiscal year.

c. An identification of each recipient of a tax benefit that WEDC allocated, or verified to DOR, during the previous fiscal year.

d. The total number of recipients of a grant, loan, or tax benefit that satisfied the certain reporting obligations to WEDC and a list identifying each recipient of a grant, loan, or tax benefit that failed to satisfy those obligations.

2. Currently, the board of directors of WEDC includes six members who are nominated by the governor and appointed with the advice and consent of the senate and who serve at the pleasure of the governor; three members appointed by the speaker of the assembly, consisting of one majority and one minority party representative to the assembly and one person employed in the private sector; and three members appointed by the senate majority leader, consisting of one majority and one minority party senator and one person employed in the private sector.

Under the bill, the members of the board nominated by the governor no longer serve at the pleasure of the governor but serve six-year, staggered terms. In addition, the members of the board employed in the private sector and appointed by the speaker of the assembly and senate majority leader no longer serve at the pleasure of the speaker or majority leader but serve six-year terms.

3. Under current law, the governor serves as the chairperson of WEDC's board. Under the bill, the board must also elect one of its public members to serve as the board's lead director for a two-year term. The lead director must have significant corporate management experience. Under the bill, the lead director is to chair meetings of the board in the chairperson's absence, chair the governance committee, described below, serve as a liaison between the chairperson and the other board members, work with the chairperson to ensure adequate committee structure for any committees the board establishes, and carry out other duties as assigned by the board or the governance committee.

4. The bill further requires WEDC's board to establish a governance committee. In addition to the lead director, who serves as chair of the governance committee, the governance committee must include two of the board's public members. The bill

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directs the governance committee to develop principles for the board's oversight of WEDC, oversee the board's operations, recommend membership for committees the board establishes, assist the chairperson to identify qualified candidates to fill vacancies on the board, and facilitate communication between the members of the board and the chief executive officer of WEDC.

5. Under current law, the Legislative Audit Bureau is required to conduct a financial audit of WEDC every two years and a program evaluation audit of the economic development programs administered by WEDC every two years. The bill requires that the financial audit be conducted annually until June 30, 2019, after which point, the financial audit reverts to being conducted every two years.

6. In addition to other powers specifically enumerated in the statutes, current law grants WEDC all the powers necessary or convenient to carry out its purposes. The bill limits WEDC's power to establish a nonprofit organization by requiring WEDC to submit any plan to establish a nonprofit organization to the Joint Committee on Finance under passive review.

7. Under current law, with certain exceptions, the Department of Administration (DOA) must purchase, or may delegate the authority to purchase, all necessary materials, supplies, equipment, all other permanent personal property and miscellaneous capital, and contractual services for all agencies. DOA, or its delegated agents, may contract for services that can be performed more economically or efficiently by contract. With exceptions, DOA must award orders and contracts to the lowest responsible bidders or most competitive proposal. If the estimated cost of an expenditure exceeds \$50,000, DOA must solicit bids or competitive sealed proposals. This bill adds WEDC to the definition of agency for purposes of state procurement so that WEDC is subject to the same laws regulating agency purchasing.

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

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

1 **SECTION 1.** 1.14 (1) (b) of the statutes is amended to read:

2 1.14 (1) (b) "State agency" has the meaning given for "agency" under s. 16.70
3 ~~(1e)~~ 16.97 (1m).

4 **SECTION 2.** 13.92 (1) (b) 1. b. of the statutes is amended to read:

5 13.92 (1) (b) 1. b. Any agency, as defined in s. 16.70 ~~(1e)~~ 16.97 (1m), created
6 under ch. 13, 14, 15, or 758.

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1 **SECTION 3.** 13.94 (1) (dr) of the statutes is renumbered 13.94 (1) (dr) 3. and
2 amended to read:

3 13.94 (1) (dr) 3. Biennially, ~~beginning in 2013,~~ conduct a financial audit of the
4 ~~Wisconsin Economic Development Corporation~~ and a program evaluation audit of
5 the economic development programs administered by the Wisconsin Economic
6 Development Corporation under ch. 238.

7 4. The legislative audit bureau shall file a copy of each audit report under this
8 paragraph with the distributees specified in par. (b).

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

10 13.94 (1) (dr) 1. Annually, conduct a financial audit of the Wisconsin Economic
11 Development Corporation. This subdivision does not apply after June 30, 2019.

12 **SECTION 5.** 13.94 (1) (dr) 2. of the statutes is created to read:

13 13.94 (1) (dr) 2. Biennially, conduct a financial audit of the Wisconsin Economic
14 Development Corporation. This subdivision applies after June 30, 2019.

15 **SECTION 6.** 13.94 (1s) (c) 5. of the statutes is amended to read:

16 13.94 (1s) (c) 5. The Wisconsin Economic Development Corporation for the cost
17 of the ~~audit~~ audits required to be performed under sub. (1) (dr).

18 **SECTION 7.** 16.004 (17) of the statutes is amended to read:

19 16.004 (17) BUSINESS INTELLIGENCE AND DATA WAREHOUSING SYSTEM. The
20 department may implement an enterprise-wide reporting, data warehousing, and
21 data analysis system applicable to every agency, as defined in s. ~~16.70 (1e)~~ 16.97 (1m),
22 other than the legislative and judicial branches of state government.

23 **SECTION 8.** 16.52 (6) (a) of the statutes is amended to read:

24 16.52 (6) (a) Except as authorized in s. 16.74, all purchase orders, contracts,
25 or printing orders for any agency, as defined in s. ~~16.70 (1e)~~ 16.97 (1m), shall, before

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1 any liability is incurred thereon, be submitted to the secretary for his or her approval
2 as to legality of purpose and sufficiency of appropriated and allotted funds therefor.
3 In all cases the date of the contract or order governs the fiscal year to which the
4 contract or order is chargeable, unless the secretary determines that the purpose of
5 the contract or order is to prevent lapsing of appropriations or to otherwise
6 circumvent budgetary intent. Upon such approval, the secretary shall immediately
7 encumber all contracts or orders, and indicate the fiscal year to which they are
8 chargeable.

9 **SECTION 9.** 16.53 (13) (a) of the statutes is amended to read:

10 16.53 (13) (a) In this subsection, “agency” has the meaning given in s. ~~16.70 (1e)~~
11 16.97 (1m).

12 **SECTION 10.** 16.545 (9) of the statutes is amended to read:

13 16.545 (9) To initiate contacts with the federal government for the purpose of
14 facilitating participation by agencies, as defined in s. ~~16.70 (1e)~~ 16.97 (1m), in federal
15 aid programs, to assist those agencies in applying for such aid, and to facilitate
16 influencing the federal government to make policy changes that will be beneficial to
17 this state. The department may assess an agency to which it provides services under
18 this subsection a fee for the expenses incurred by the department in providing those
19 services.

20 **SECTION 11.** 16.70 (1e) of the statutes is amended to read:

21 16.70 (1e) “Agency” means an office, department, agency, institution of higher
22 education, association, society or other body in state government created or
23 authorized to be created by the constitution or any law, which is entitled to expend
24 moneys appropriated by law, including the Wisconsin Economic Development
25 Corporation, the legislature, and the courts, but not including an authority.

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1 **SECTION 12.** 16.765 (1) of the statutes is amended to read:

2 16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and
3 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
4 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
5 Fox River Remediation Authority, ~~the Wisconsin Economic Development~~
6 ~~Corporation~~, and the Bradley Center Sports and Entertainment Corporation shall
7 include in all contracts executed by them a provision obligating the contractor not
8 to discriminate against any employee or applicant for employment because of age,
9 race, religion, color, handicap, sex, physical condition, developmental disability as
10 defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national
11 origin and, except with respect to sexual orientation, obligating the contractor to take
12 affirmative action to ensure equal employment opportunities.

13 **SECTION 13.** 16.765 (2) of the statutes is amended to read:

14 16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and
15 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
16 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
17 Fox River Remediation Authority, ~~the Wisconsin Economic Development~~
18 ~~Corporation~~, and the Bradley Center Sports and Entertainment Corporation shall
19 include the following provision in every contract executed by them: "In connection
20 with the performance of work under this contract, the contractor agrees not to
21 discriminate against any employee or applicant for employment because of age, race,
22 religion, color, handicap, sex, physical condition, developmental disability as defined
23 in s. 51.01 (5), sexual orientation or national origin. This provision shall include, but
24 not be limited to, the following: employment, upgrading, demotion or transfer;
25 recruitment or recruitment advertising; layoff or termination; rates of pay or other

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1 forms of compensation; and selection for training, including apprenticeship. Except
2 with respect to sexual orientation, the contractor further agrees to take affirmative
3 action to ensure equal employment opportunities. The contractor agrees to post in
4 conspicuous places, available for employees and applicants for employment, notices
5 to be provided by the contracting officer setting forth the provisions of the
6 nondiscrimination clause”.

7 **SECTION 14.** 16.765 (5) of the statutes is amended to read:

8 16.765 (5) The head of each contracting agency and the boards of directors of
9 the University of Wisconsin Hospitals and Clinics Authority, the Fox River
10 Navigational System Authority, the Wisconsin Aerospace Authority, the Health
11 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
12 Authority, ~~the Wisconsin Economic Development Corporation,~~ and the Bradley
13 Center Sports and Entertainment Corporation shall be primarily responsible for
14 obtaining compliance by any contractor with the nondiscrimination and affirmative
15 action provisions prescribed by this section, according to procedures recommended
16 by the department. The department shall make recommendations to the contracting
17 agencies and the boards of directors of the University of Wisconsin Hospitals and
18 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
19 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
20 Fox River Remediation Authority, ~~the Wisconsin Economic Development~~
21 ~~Corporation,~~ and the Bradley Center Sports and Entertainment Corporation for
22 improving and making more effective the nondiscrimination and affirmative action
23 provisions of contracts. The department shall promulgate such rules as may be
24 necessary for the performance of its functions under this section.

25 **SECTION 15.** 16.765 (6) of the statutes is amended to read:

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1 16.765 (6) The department may receive complaints of alleged violations of the
2 nondiscrimination provisions of such contracts. The department shall investigate
3 and determine whether a violation of this section has occurred. The department may
4 delegate this authority to the contracting agency, the University of Wisconsin
5 Hospitals and Clinics Authority, the Fox River Navigational System Authority, the
6 Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority,
7 the Lower Fox River Remediation Authority, ~~the Wisconsin Economic Development~~
8 ~~Corporation~~, or the Bradley Center Sports and Entertainment Corporation for
9 processing in accordance with the department's procedures.

10 **SECTION 16.** 16.765 (7) (intro.) of the statutes is amended to read:

11 16.765 (7) (intro.) When a violation of this section has been determined by the
12 department, the contracting agency, the University of Wisconsin Hospitals and
13 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
14 Aerospace Authority, the Health Insurance Risk-Sharing Plan Authority, the Lower
15 Fox River Remediation Authority, ~~the Wisconsin Economic Development~~
16 ~~Corporation~~, or the Bradley Center Sports and Entertainment Corporation, the
17 contracting agency, the University of Wisconsin Hospitals and Clinics Authority, the
18 Fox River Navigational System Authority, the Wisconsin Aerospace Authority, the
19 Health Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
20 Authority, the Wisconsin Economic Development Corporation, or the Bradley Center
21 Sports and Entertainment Corporation shall:

22 **SECTION 17.** 16.765 (7) (d) of the statutes is amended to read:

23 16.765 (7) (d) Direct the violating party to take immediate steps to prevent
24 further violations of this section and to report its corrective action to the contracting
25 agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River

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1 Navigational System Authority, the Wisconsin Aerospace Authority, the Health
2 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
3 Authority, ~~the Wisconsin Economic Development Corporation~~, or the Bradley Center
4 Sports and Entertainment Corporation.

5 **SECTION 18.** 16.765 (8) of the statutes is amended to read:

6 16.765 (8) If further violations of this section are committed during the term
7 of the contract, the contracting agency, the Fox River Navigational System Authority,
8 the Wisconsin Aerospace Authority, the Health Insurance Risk-Sharing Plan
9 Authority, the Lower Fox River Remediation Authority, ~~the Wisconsin Economic~~
10 ~~Development Corporation~~, or the Bradley Center Sports and Entertainment
11 Corporation may permit the violating party to complete the contract, after complying
12 with this section, but thereafter the contracting agency, the Fox River Navigational
13 System Authority, the Wisconsin Aerospace Authority, the Health Insurance
14 Risk-Sharing Plan Authority, the Lower Fox River Remediation Authority, ~~the~~
15 ~~Wisconsin Economic Development Corporation~~, or the Bradley Center Sports and
16 Entertainment Corporation shall request the department to place the name of the
17 party on the ineligible list for state contracts, or the contracting agency, the Fox River
18 Navigational System Authority, the Wisconsin Aerospace Authority, the Health
19 Insurance Risk-Sharing Plan Authority, the Lower Fox River Remediation
20 Authority, ~~the Wisconsin Economic Development Corporation~~, or the Bradley Center
21 Sports and Entertainment Corporation may terminate the contract without liability
22 for the uncompleted portion or any materials or services purchased or paid for by the
23 contracting party for use in completing the contract.

24 **SECTION 19.** 16.84 (14) of the statutes is amended to read:

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1 16.84 (14) Provide interagency mail delivery service for agencies, as defined
2 in s. ~~16.70 (1e)~~ 16.97 (1m). The department may charge agencies for this service. Any
3 moneys collected shall be credited to the appropriation account under s. 20.505 (1)
4 (kb).

5 **SECTION 20.** 16.847 (2) (a) of the statutes is amended to read:

6 16.847 (2) (a) The department may provide funding to agencies, as defined in
7 s. ~~16.70 (1e)~~ 16.97 (1m), for energy conservation construction projects at state
8 facilities under the jurisdiction of the agencies to enhance the energy efficiency of the
9 facilities. The department shall prescribe standards for evaluation of proposed
10 projects and allocation of available moneys for those projects under this subsection.

11 **SECTION 21.** 16.855 (16) (b) 1. of the statutes is amended to read:

12 16.855 (16) (b) 1. In this paragraph, “agency” has the meaning given in s. ~~16.70~~
13 ~~(1e)~~ 16.97 (1m).

14 **SECTION 22.** 16.891 (1) (a) of the statutes is amended to read:

15 16.891 (1) (a) “Agency” has the meaning given in s. ~~16.70 (1e)~~ 16.97 (1m).

16 **SECTION 23.** 16.967 (1) (a) of the statutes is amended to read:

17 16.967 (1) (a) “Agency” has the meaning given in s. ~~16.70 (1e)~~ 16.97 (1m).

18 **SECTION 24.** 16.97 (1m) of the statutes is amended to read:

19 16.97 (1m) “Agency” ~~has the meaning given in s. 16.70 (1e)~~ means an office,
20 department, agency, institution of higher education, association, society, or other
21 body in state government created or authorized to be created by the constitution or
22 any law, which is entitled to expend moneys appropriated by law, including the
23 legislature and the courts, but not including an authority.

24 **SECTION 25.** 19.42 (10) (sm) of the statutes is amended to read:

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1 19.42 (10) (sm) The non-clerical employees of the Wisconsin Economic
2 Development Corporation and the members of the board of directors of the Wisconsin
3 Economic Development Corporation employed in the private sector who are
4 appointed by the speaker of the assembly and the senate majority leader.

5 **SECTION 26.** 19.42 (13) (om) of the statutes is amended to read:

6 19.42 (13) (om) The non-clerical employees of the Wisconsin Economic
7 Development Corporation and the members of the board of directors of the Wisconsin
8 Economic Development Corporation employed in the private sector who are
9 appointed by the speaker of the assembly and the senate majority leader.

10 **SECTION 27.** 20.505 (5) (ke) of the statutes is amended to read:

11 20.505 (5) (ke) *Additional energy conservation construction projects.* All
12 moneys received by the department from agencies, as defined in s. ~~16.70 (1e)~~ 16.97
13 (1m), in payment of assessments under s. 16.847 (3) for energy cost savings at state
14 facilities, for the purpose of providing additional funding to those agencies for energy
15 conservation construction projects at state facilities under the jurisdiction of the
16 agencies as provided in s. 16.847 (2).

17 **SECTION 28.** 20.866 (2) (ws) of the statutes is amended to read:

18 20.866 (2) (ws) *Administration; energy conservation projects; capital*
19 *improvement fund.* From the capital improvement fund, a sum sufficient for the
20 department of administration to provide funding to agencies, as defined in s. ~~16.70~~
21 ~~(1e)~~ 16.97 (1m), for energy conservation construction projects at state facilities under
22 the jurisdiction of the agencies pursuant to s. 16.847 (2). The state may contract
23 public debt in an amount not exceeding \$180,000,000 for this purpose.

24 **SECTION 29.** 20.867 (3) (kd) of the statutes is amended to read:

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1 20.867 (3) (kd) *Energy conservation construction projects; principal repayment,*
2 *interest and rebates.* All moneys received by the building commission from agencies,
3 as defined in s. ~~16.70 (1e)~~ 16.97 (1m), in payment of assessments under s. 16.847 (3),
4 for the purpose of reimbursing s. 20.866 (1) (u) for the payment of principal and
5 interest costs incurred in financing energy conservation construction projects at
6 state facilities, to make the payments determined by the building commission under
7 s. 13.488 (1) (m) that are attributable to the proceeds of obligations incurred in
8 financing energy conservation construction projects at state facilities, and to make
9 payments under an agreement or ancillary arrangement entered into under s. 18.06
10 (8) (a).

11 **SECTION 30.** 238.02 (1) of the statutes is amended to read:

12 238.02 (1) There is created an authority, which is a public body corporate and
13 politic, to be known as the “Wisconsin Economic Development Corporation.” The
14 members of the board shall consist of the governor, who shall serve as chairperson
15 of the board, and 6 members nominated by the governor, and with the advice and
16 consent of the senate appointed, to serve ~~at the pleasure of the governor~~ for 6-year
17 terms; 3 members appointed by the speaker of the assembly, consisting of one
18 majority and one minority party representative to the assembly, appointed as are the
19 members of standing committees in the assembly, and one person employed in the
20 private sector, to serve ~~at the speaker’s pleasure~~ for a 6-year term; and 3 members
21 appointed by the senate majority leader, consisting of one majority and one minority
22 party senator, appointed as are members of standing committees in the senate, and
23 one person employed in the private sector, to serve ~~at the majority leader’s pleasure~~
24 for a 6-year term. The secretary of administration and the secretary of revenue shall
25 also serve on the board as nonvoting members.

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1 **SECTION 31.** 238.02 (1g) of the statutes is created to read:

2 238.02 (1g) (a) The board shall elect a lead director to serve for a 2-year term.
3 The lead director shall have significant corporate management experience and shall
4 be one of the members of the board nominated by the governor or one of the members
5 appointed by the speaker of the assembly or senate majority leader who is employed
6 in the private sector.

7 (b) The lead director shall do all of the following:

- 8 1. Chair meetings of the board in the chairperson's absence.
- 9 2. Chair the governance committee under sub. (1r).
- 10 3. Serve as a liaison between the chairperson of the board and the other
11 members of the board.
- 12 4. Work with the chairperson to ensure an adequate committee structure for
13 any committee the board establishes.
- 14 5. Carry out any other duties assigned to the lead director by the board or the
15 governance committee.

16 **SECTION 32.** 238.02 (1r) of the statutes is created to read:

17 238.02 (1r) (a) The board shall establish a governance committee. The
18 governance committee shall consist of the lead director and two other members who
19 shall be elected by the board from the members of the board nominated by the
20 governor or the members appointed by the speaker of the assembly and senate
21 majority leader who are employed in the private sector, or both.

22 (b) The governance committee shall do all of the following:

- 23 1. Develop governance principles for the board's oversight of the corporation.
- 24 2. Oversee the board's operations.
- 25 3. Recommend membership for committees the board establishes.

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1 4. Assist the chairperson to identify qualified candidates to fill vacancies on the
2 board.

3 5. Facilitate communication between the members of the board and the chief
4 executive officer of the corporation.

5 **SECTION 33.** 238.03 (2) (c) of the statutes is amended to read:

6 238.03 (2) (c) Require that each recipient of a grant ~~or~~, loan, or allocation of a
7 tax benefit under the program submit a report to the corporation. Each contract with
8 a recipient of a grant ~~or~~, loan, or allocation of a tax benefit under the program must
9 specify the frequency and format of the report to be submitted to the corporation and
10 the performance measures to be included in the report.

11 **SECTION 34.** 238.03 (2) (e) of the statutes is amended to read:

12 238.03 (2) (e) Annually and independently verify, from a sample of grants ~~and~~,
13 loans, and allocated tax benefits the accuracy of the information required to be
14 reported under par. (c).

15 **SECTION 35.** 238.045 of the statutes is created to read:

16 **238.045 Establishment of nonprofit organization. (1) DEFINITION.** In this
17 section, “nonprofit organization” means a nonprofit corporation, as defined in s.
18 181.0103 (17), and any organization described in section 501 (c) (3) of the Internal
19 Revenue Code that is exempt from federal income tax under section 501 (a) of the
20 Internal Revenue Code.

21 **(2) REQUIREMENTS.** (a) The corporation may not establish a nonprofit
22 organization except as provided in par. (b).

23 (b) 1. The chief executive officer of the corporation shall submit any plan for the
24 corporation to establish a nonprofit organization to the joint committee on finance.

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1 That plan shall describe in detail the corporation's proposal to establish the nonprofit
2 organization.

3 2. If, within 14 working days after the date the joint committee on finance
4 receives the plan under subd. 1., the cochairpersons of the committee do not notify
5 the chief executive officer of the corporation that the committee has scheduled a
6 meeting to review the plan, the corporation may implement the plan. If, within 14
7 working days after the date the committee receives the plan, the cochairpersons of
8 the committee notify the chief executive officer that the committee has scheduled a
9 meeting to review the plan, the corporation may implement the plan only upon
10 approval by the committee.

11 **SECTION 36.** 238.07 (2) (am) of the statutes is created to read:

12 238.07 (2) (am) Quantifiable performance measures directly related to the
13 purpose of the program including, when applicable, all of the following information:

14 1. An accounting of the location, by municipality, of each job created or retained
15 in the state in the previous fiscal year as a result of the program.

16 2. An accounting of the industry classification, by municipality, of each job
17 created or retained in the state as a result of the program.

18 **SECTION 37.** 238.07 (2) (dm) of the statutes is created to read:

19 238.07 (2) (dm) The total amount of tax benefits that the corporation allocated,
20 and the total amount of tax benefits that the corporation verified to the department
21 of revenue, under the program.

22 **SECTION 38.** 238.07 (2) (fm) of the statutes is created to read:

23 238.07 (2) (fm) An identification of each recipient of a tax benefit that was
24 allocated by the corporation, and each recipient of a tax benefit that was verified by
25 the corporation to the department of revenue, under the program.

