

2001 DRAFTING REQUEST

Senate Amendment (SA-SB296)

Received: **11/05/2001**

Received By: **champra**

Wanted: **Today**

Identical to LRB:

For: **Charles Chvala (608) 266-9170**

By/Representing: **Doug**

This file may be shown to any legislator: **NO**

Drafter: **champra**

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Subject: **State Finance - investment board**
State Finance - miscellaneous

Extra Copies:

Submit via email: **NO**

Pre Topic:

No specific pre topic given

Topic:

Investments in venture capital firms

Instructions:

See Attached.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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FE Sent For:

<END>

Champagne, Rick

From: Burnett, Douglas
Sent: Monday, November 05, 2001 9:49 AM
To: Champagne, Rick; Kahler, Pam
Subject: Simple amendment to SB 296

Our sub on 296 isn't getting us Commerce's support, so I'd like a simple amendment drafted to SB 296 that is just Section 6 of Irbs0234/3. JFC meets at 2:00 today. Is it possible to get the simple prior to then?



State of Wisconsin
2001 - 2002 LEGISLATURE

LRBa0928/1

RAC:.....

Today noon

93

SENATE AMENDMENT,
TO 2001 SENATE BILL 296

1 At the locations indicated, amend the bill as follows:

2 1. Page 3, line 8: delete the material beginning with that line and ending with

3 page 4, line 11 and substitute:

4

(END)

Insert
1-4

1-4

1 ... (this act), section 7 (1). Of the amounts in the schedule, \$500,000 shall be allocated
2 in each fiscal year for the grants under s. 560.137 (3m). All moneys transferred from
3 the appropriation account under s. 20.505 (8) (hm) 6j. shall be credited to this
4 appropriation account. Notwithstanding s. 20.001 (3) (b), the unencumbered
5 balance on June 30 of each odd-numbered year shall revert to the appropriation
6 account under s. 20.505 (8) (hm).

7 SECTION 4. 20.143 (1) (kL) of the statutes is created to read:

8 20.143 (1) (kL) *High-technology corporation grant*. Biennially, the amounts in
9 the schedule for the grant under 2001 Wisconsin Act ... (this act), section 7 (1). All
10 moneys transferred from the appropriation account under s. 20.505 (8) (hm) 6L. shall
11 be credited to this appropriation account. Notwithstanding s. 20.001 (3) (b), the
12 unencumbered balance on June 30 of each odd-numbered year shall revert to the
13 appropriation account under s. 20.505 (8) (hm).

14 SECTION 5. 20.505 (8) (hm) 6L. of the statutes is created to read:

15 20.505 (8) (hm) 6L. The amount transferred to s. 20.143 (1) (kL) shall be the
16 amount in the schedule under s. 20.143 (1) (kL).

17 SECTION 6. 25.17 (71) of the statutes is created to read:

18 25.17 (71) (a) Before June 30, 2004, make an effort to commit to invest an
19 amount not less than \$50,000,000 in venture capital investment firms. The amount
20 that is committed to be invested under this paragraph shall be in addition to any
21 amount that is invested in venture capital investment firms before the effective date
22 of this paragraph [revisor inserts date]. In selecting the venture capital
23 investment firms in which to make investments, the board is subject to the standard
24 of responsibility under s. 25.15 (2) and shall consider all of the following factors:

↓

1 1. The experience of the venture capital investment firms in making
2 investments.

3 2. The commitment of the venture capital investment firms to making venture
4 capital investments in health care, biotechnology, and other technological
5 industries.

6 3. The willingness of the venture capital investment firms to make at least 75%
7 of the investments in businesses headquartered in this state.

8 4. Whether the venture capital investment firms have a place of business in this
9 state.

10 5. The overall experience of the venture capital investment firms in making
11 investments in businesses that are in the venture capital stage.

12 6. The relationships that the venture capital investment firms have with
13 technology transfer organizations, such as the Wisconsin Alumni Research
14 Foundation, Inc.

15 7. The ability of the venture capital investment firms to do lead and follow-on
16 investments.

17 (b) Any venture capital investment firm in which the investment board makes
18 an investment under par. (a) shall make an effort to invest in businesses located in
19 the areas of Green Bay, Eau Claire, Madison, Janesville–Beloit, La Crosse, Stevens
20 Point–Marshfield, Racine–Kenosha, Milwaukee, Sheboygan–Manitowoc, Superior,
21 the Fox River Valley, and Wausau and within the boundaries of any federally
22 recognized Indian reservation. The investment board shall determine the
23 geographic boundaries of each area.

24 (c) Nothing in this subsection limits the authority of the board to make any
25 other investments that are otherwise authorized by law or restricts the authority of

1 the board or any venture capital investment firm to make investments in any area
2 of this state. *2/0*

3 **SECTION 7. Nonstatutory provisions.**

4 (1) GRANTS TO HIGH-TECHNOLOGY CORPORATION.

5 (a) In this subsection:

6 1. "Department" means the department of commerce.

7 2. "High-technology corporation" means the high-technology business
8 development corporation under section 560.27 of the statutes.

9 3. "Secretary" means the secretary of commerce.

10 (b) Notwithstanding section 560.27 (3) (c) of the statutes and subject to
11 paragraph (d), the department may make grants in the 2001-03 fiscal biennium of
12 up to \$2,425,000 in the aggregate from the appropriation under section 20.143 (1)
13 (kL) of the statutes, as created by this act, the appropriation under section 20.143
14 (1) (kj) of the statutes, as affected by this act, and the appropriation under section
15 20.143 (1) (c) of the statutes, as affected by this act, to the high-technology
16 corporation if all of the following apply:

17 1. The high-technology corporation uses the proceeds of the grants for a media
18 campaign that identifies Wisconsin as the leader in biotechnology and to recruit
19 biotechnology businesses for start-up in, or expansion to, this state.

20 2. The high-technology corporation submits to the department a plan for the
21 use of the proceeds, and the secretary approves the plan.

22 3. The high-technology corporation contributes matching funds equal to the
23 amount of the grant proceeds.

24 4. The high-technology business agrees in writing to submit to the department
25 the report required under paragraph (c) by the time required under paragraph (c).

Emery, Lynn

From: Emery, Lynn
Sent: Monday, November 05, 2001 12:31 PM
To: Sen.Chvala
Subject: LRBa0928/1 (attached as requested)

Lynn Emery

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11/5/2001