

WISCONSIN STATE
LEGISLATURE
COMMITTEE HEARING
RECORDS

2005-06

(session year)

Senate

(Assembly, Senate or Joint)

**Committee on
Agriculture and
Insurance
(SC-AI)**

File Naming Example:

Record of Comm. Proceedings ... RCP

- > 05hr_AC-Ed_RCP_pt01a
- > 05hr_AC-Ed_RCP_pt01b
- > 05hr_AC-Ed_RCP_pt02

Published Documents

> Committee Hearings ... CH (Public Hearing Announcements)

> **

> Committee Reports ... CR

> **

> Executive Sessions ... ES

> **

> Record of Comm. Proceedings ... RCP

> **

*Information Collected For Or
Against Proposal*

> Appointments ... Appt

> **

> Clearinghouse Rules ... CRule

**

> Hearing Records ... HR (bills and resolutions)

> **95hr_sb0602_SC-AI_pt01**

> Miscellaneous ... Misc

> **

Vote Record Committee on Agriculture and Insurance

Date: _____

Moved by: Kedzie

Seconded by: Erpenbach

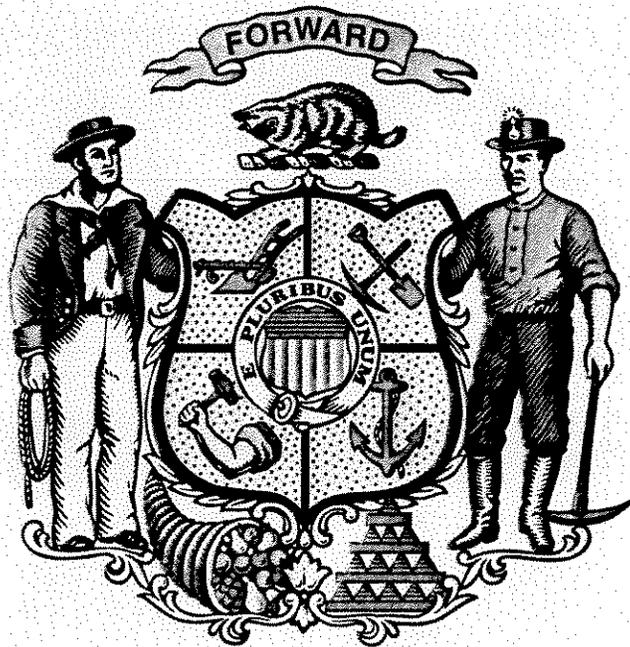
AB _____ SB 602 Clearinghouse Rule _____
 AJR _____ SJR _____ Appointment _____
 AR _____ SR _____ Other _____

A/S Amdt _____
 A/S Amdt _____ to A/S Amdt _____
 A/S Sub Amdt _____
 A/S Amdt _____ to A/S Sub Amdt _____
 A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

Be recommended for:
 Passage Adoption Confirmation Concurrence Indefinite Postponement
 Introduction Rejection Tabling Nonconcurrence

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Senator Dan Kapanke, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Neal Kedzie	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Ronald Brown	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Luther Olsen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Jon Erpenbach	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator David Hansen	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Senator Mark Miller	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	_____	_____	_____	_____

Motion Carried Motion Failed





P. O. Box 7970
Madison, Wisconsin 53707
(608) 266-1018
TDD #: (608) 264-8777

Jim Doyle, Governor
Mary P. Burke, Secretary

February 13th, 2006

Honorable Dan Kapanke
Wisconsin State Senate
104 South State Capitol
Madison, WI 53707-7882

Dear Senator Kapanke;

On behalf of the Wisconsin Department of Commerce, I am writing in support of LRB 4554/2 and the changes it makes to the Enterprise Development Zone (EDZ) program.

Wisconsin's EDZ program is one of the state's most important economic development tools for attracting and maintaining high paying, full-time jobs. The program provides tax credits to new or expanding businesses whose jobs will affect economically distressed areas. Projects supported by the EDZ program have created more than 20,000 new jobs, retained nearly 39,000 high paying jobs and generated over \$1.89 billion in private investment in the State of Wisconsin.

However one sector of the Wisconsin economy is currently not eligible for the EDZ program and that is putting our state at a competitive disadvantage with other states for attracting and retaining high paying jobs.

Certain insurers, non-Wisconsin domiciled fire, marine and casualty insurers, as well as all life insurers pay their primary taxes to the state through a premium tax which is not eligible for EDZ credits. LRB 4554/2 will allow these specific insurers who pay premium taxes to utilize these EDZ credits.

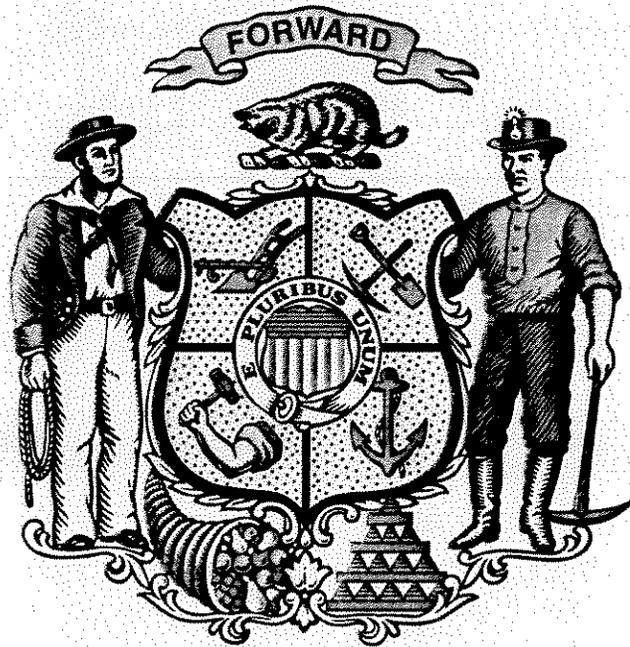
Through this expansion of the EDZ program the Department of Commerce will have another tool available to compete with neighboring states to attract and maintaining high paying insurance jobs here in Wisconsin.

I appreciate your consideration of this legislation and I look forward to working with you and the members of your Committee to make this important change to the EDZ program.

Sincerely,

A handwritten signature in black ink that reads "Mary P. Burke". The signature is written in a cursive style.

Mary Burke
Secretary



WISCONSIN INSURANCE ALLIANCE

44 EAST MIFFLIN STREET • SUITE 201
MADISON, WISCONSIN 53703
(608) 255-1749 FAX (608) 255-2178
wial@tds.net / www.wisinsal.org

MEMORANDUM

To: Senate Insurance Committee
Assembly Insurance Committee

From: Eric Englund

Date: February 15, 2006

Re: SB 602
Enterprise Development Zone Tax Credit

We strongly solicit your support to the captioned legislation.

Our state continues to organically grow its insurance industry. From Madison to Green Bay and Merrill to Milwaukee, Wisconsin based insurance companies are building new buildings, hiring new employees, and playing a larger part in the vitality of our state's economy.

Wisconsin domiciled companies import insurance premium from throughout the country as they continue to grow. Last year those companies collected almost fifty billion dollars in premium, over twice the amount that Wisconsin consumers spent for insurance products.

The substance of the captioned legislation provides to life insurers the type of benefit available to other Wisconsin corporations as they grow to build a stronger Wisconsin economy.

Eric Englund
President

Ed Felchner
Chairperson
ACUITY

Dave Diercks
Vice-Chairperson
Rural Mutual Insurance

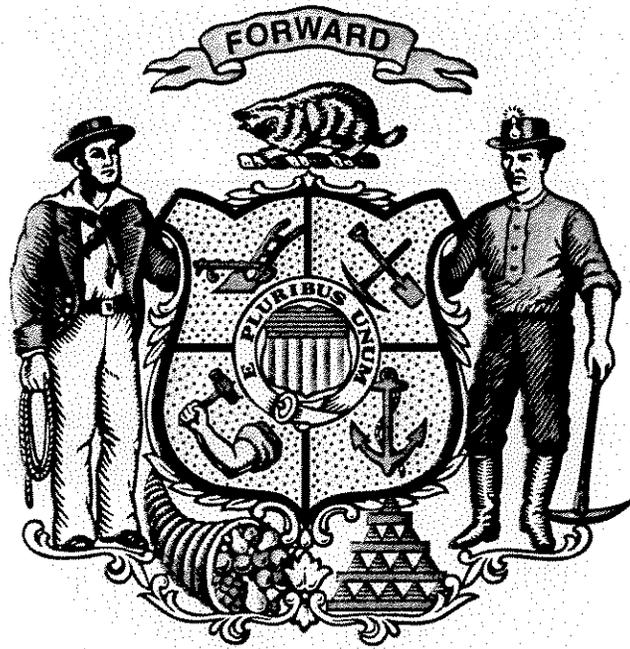
Dan Ferris
Secretary/Treasurer
SECURA Insurance

Members:

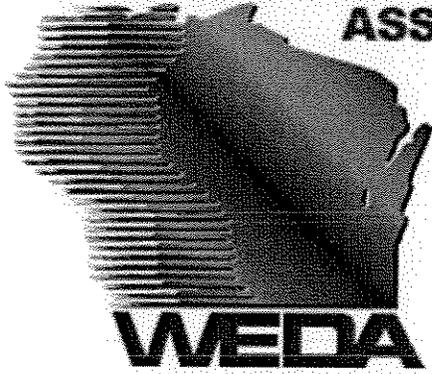
ACUITY
American Express P&C
American Family Insurance
Badger Mutual Insurance
Capitol Indemnity Corp
Church Mutual Insurance
CUNA Mutual Insurance Group
1st Auto & Casualty Insurance Co
General Casualty Insurance
Germantown Mutual Insurance
Homestead Mutual Insurance Co
Integrity Mutual Insurance
Jewelers Mutual Insurance
Kemper Auto & Home
League of Wisc Mutual
Manitowoc Mutual Insurance
Maple Valley Mutual Insurance
McMillan/Warner Mutual Ins
Mount Morris Mutual
Old Republic Surety Co
Partners Mutual Insurance Co
PIC Wisconsin
Progressive Northern Insurance Cos
Rural Mutual Insurance Co
SECURA Insurance
Sentry Insurance
Sheboygan Falls Insurance
Society Insurance
Unitrin Business Insurance
Waukesha Cty Mutual Insurance
Wausau Insurance Cos
WEA Property & Casualty Ins Co
West Bend Mutual Insurance
Wilson Mutual Insurance
Wisc American Mutual Insurance Co
Wisc Assn of Mutual Insurance Cos
Wisc County Mutual Insurance Co
Wisc Mutual Insurance Co
Wisc Reinsurance Corp

Associate Members:

Allstate Insurance
Auto Club Insurance Assn
C N A
Farmers Insurance
Liberty Mutual
MEEMIC Insurance
Nationwide Indemnity
State Auto Insurance Cos
State Farm Insurance
St Paul Companies
Western National Mutual Ins Co



**WISCONSIN ECONOMIC
DEVELOPMENT
ASSOCIATION**



TO: Members, Senate Committee on Agriculture & Insurance

FROM: Jim Hough, Legislative Director, on behalf of the WEDA Board of Directors

DATE: February 15, 2006

RE: Support for Senate Bill 602

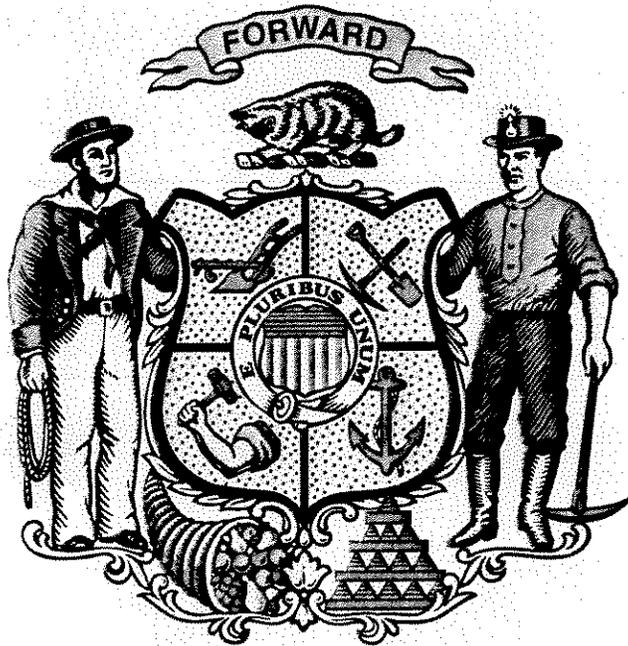
The Wisconsin Economic Development Association (WEDA), a statewide association of economic development professionals, strongly supports and respectfully urges favorable consideration of SB 602 relating to expanding the development zone tax credit eligibility to certain insurance companies.

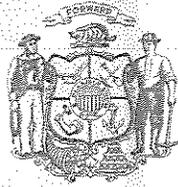
The various zone and tax credit programs in Wisconsin are critical to economic development in our state. We compete for expansion and location of businesses with other states that have, broader, not necessarily better, authority to grant tax breaks to businesses considering expansion in or location to their respective states. We do, in fact, believe that our constitutional restraints in that regard have served us well. It is imperative, however, that we provide and utilize the tools that are legitimately available to Wisconsin to encourage businesses to locate and expand in Wisconsin.

The insurance industry has been and is a significant and vital part of Wisconsin's economy. It is important that the insurance industry be encouraged to continue to grow and expand in our state. In conjunction with the many other positive factors that make Wisconsin attractive, the tax credit eligibility provided in SB 602 can play a major role in Wisconsin's ability to compete for that growth and expansion.

We respectfully urge your support in advancing this important piece of legislation.

Thank you.





WISCONSIN STATE SENATE
MAJORITY LEADER
DALE W. SCHULTZ

Sen. Schultz Testimony: Economic Development Bill SB 602

First and foremost, my thanks to you Chairman Kapanke for scheduling this bill promptly for a hearing.

As the Committee is aware, Wisconsin boasts a long and successful tradition in its ability to encourage businesses to locate and grow in this state. With our impressive infrastructure, our terrific schools and pristine lakes, Wisconsin is home to many fortune 500 companies and working families. In keeping with this fine tradition and best business practice, it is imperative to update economic development models to reflect the needs of our community businesses.

I commend the efforts of the business community and the Department of Commerce to put together such a model. SB 602 is the type of legislation necessary to continue economic development and community growth. This bill allows companies who pay premium taxes, such as life insurance companies, to utilize the Enterprise Development Zone (EDZ) program. The program currently provides non-refundable tax credits that can be used to offset income or franchise taxes of the new or expanding business.

By permitting a wider range of businesses to participate in Wisconsin's development zone initiatives, we will foster growth in our neighborhoods and communities. These high paying jobs for working families add to the already successful mix of what makes Wisconsin a great state.

Thank you again for placing this important economic development bill on your hearing notice today.