



PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** relating to:the budget; relating to:the budget; the budget;
2 relating to:the budget; relating to:the budget

Analysis by the Legislative Reference Bureau

*** ANALYSIS FROM -1465/P4 ***

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Currently, the Department of Commerce (Commerce) administers, or assists in administering, programs intended to promote economic development in this state. Generally, the programs provide assistance in the form of grants, loans, or tax benefits to persons who meet specified eligibility requirements, subject to limitations including caps and matching requirements imposed under individual programs or resulting from levels of funding allocated for each program. With certain exceptions, the bill eliminates current programs that provide grants and loans, and transfers Commerce's duties under programs that provide tax benefits to the Wisconsin Economic Development Corporation (WEDC) created in 2011 Wisconsin Act 7.

Grant and loan programs

The bill eliminates all of the following current economic development grant and loan programs: grants to Wisconsin Business Development Finance Corporation for a capital access program; grants and loans to a business or researcher for projects generally related to renewable energy; loans to manufacturing businesses for projects generally related to energy efficiency and renewable energy; grants and loans to businesses for diversifying a local economy; grants and loans for improving

the profitability of businesses negatively impacted by a casino; grants to the city of Milwaukee to fund remediation and redevelopment projects in the Menomonee Valley; grants to the Center for Advanced Technology and Innovation; grants to businesses for employee skills training or other education; grants to businesses for expenses in hiring students as paid interns; reimbursements for business expenses related to attending trade shows; grants and loans to businesses for professional services or management assistance in starting or expanding in rural municipalities; microloans for creating new businesses; grants to Wisconsin Angel Network; grants to support a manufacturing extension center; grants to a high-technology business development corporation for promoting science-based and technology-based businesses and for hiring a grant writer to assist businesses to apply for certain federal grants; grants and loans to assist in obtaining research and development funding; grants and loans for commercializing technologically innovative products; grants and loans to research institutions for research and development related to job creation or retention and for improving business innovativeness; grants to institutions for projects related to improving businesses' access to capital; grants to match funds raised for new businesses; grants for rehabilitating and recycling manufactured housing; grants and loans to businesses, municipalities, and other entities for encouraging minority businesses and businesses in economically distressed areas, and for strengthening urban and rural communities; grants and loans for business development to increase productivity, capital investment, and job creation and retention through capital financing, worker training, entrepreneurial development, and other activities; and grants for a program to provide technical assistance for economic development on Indian reservations.

Commerce also currently awards grants to businesses for innovation and research assistance and awards grants to the Women's Business Initiative Corporation. The bill transfers administration of innovation and research grants to WHEDA, and transfers administration of grants to the Women's Business Initiative Corporation to the Department of Safety and Professional Services (DPS).

Tax incentives

Current law provides tax incentives for conducting certain business activities anywhere in this state; Commerce's role is generally to certify that a business meets specified eligibility requirements. The bill transfers Commerce's role in administering the following tax incentives to WEDC: electronic medical records credit; angel investment tax credits; early stage seed investment credit; jobs credit; food processing plant and food warehouse investment credit; meat processing facility investment credit; capital gains deferral for investors in certain new business ventures; woody biomass harvesting and processing credit; and manufacturing investment credit. The bill transfers Commerce's duties under the film production credit to the Department of Tourism and transfers Commerce's duties under the dairy manufacturing facility investment credit to DATCP.

Currently, Commerce may generally certify a person as eligible for the jobs tax credit if the person increases net employment in the person's business and one of the following applies: 1) an employee for whom the person claims the credit earns at least \$20,000 or \$30,000 (depending on the classification under Commerce rules of the

community where the employee is located) but not more than \$100,000 per year; or 2) the person improves employee skills, trains an employee in new technologies, or provides training to an employee in his or her first full-time job. In addition to transferring Commerce's administrative responsibilities to WEDC, the bill provides that WEDC may certify a person as eligible for the jobs tax credit if the person conducts training as described above, or if the person increases net employment in the person's business, without regard to salary or to the classification of the community where the employee is located.

Current law also provides tax incentives for projects that create jobs, make capital investments, train employees, or establish or retain corporate headquarters in areas of the state that meet specified criteria and Commerce has designated, or that have been designated, by law. Under current law, Commerce may designate development zones, enterprise development zones, agricultural development zones, enterprise zones, and airport development zones. Current law also specifies eight enterprise development zones. The bill transfers Commerce's duties under these programs to WEDC and deletes a current provision authorizing the designation of a business incubator as a development zone.

The bill directs WEDC to award annual grants up to \$100,000 to regional economic development agencies to fund marketing activities.

Other economic development duties

Currently, Commerce's Office of Regulatory Assistance must generally help businesses to obtain permits, licenses, and approvals necessary to operate a business in this state. The Office of Regulatory Assistance must provide applicants for such permits, licenses, and approvals with information, advocacy before issuing agencies, and dispute resolution; issuing agencies must cooperate with the office and must offer informal preapplication meetings. The bill eliminates the Office of Regulatory Assistance.

Current law requires Commerce to arrange programs to introduce members of industry, trade, and professional organizations to procedures for investment of venture capital and to opportunities for assisting entrepreneurs to obtain venture capital. Commerce must also help develop programs in metropolitan areas for supporting persons who arrange venture capital for entrepreneurs, and must coordinate its efforts with other agencies. The bill repeals these requirements.

Current law requires Commerce to enter into an agreement with a recipient of a grant, loan, or specified tax incentives that requires the recipient to repay the grant, loan, or tax incentive if, within five years, the recipient ceases to conduct in this state the economic activity for which the grant, loan, or tax incentive was provided and commences substantially the same economic activity outside the state. The bill transfers this requirement to apply to grants, loans, and specified tax incentives provided by WEDC.

The bill deletes the current State Main Street Program, which generally requires Commerce to assist municipalities in planning, managing, and implementing programs to revitalize business areas.

The bill eliminates the Small Business Environmental Council, which generally assists small businesses in complying with federal and state laws regulating air and water pollution.

***** ANALYSIS FROM -1465/P4 *****

Under current law, Commerce administers disabled veteran-owned business certifications, woman-owned business certifications, and minority business certifications that are designed to encourage the creation and foster the growth of Wisconsin businesses owned by women, disabled veterans, or minorities. A business that qualifies for and maintains one of those certifications may be eligible to receive certain advantages bidding on public projects and other benefits. This bill transfers the administration of those certifications to DSPS.

Under current law, Commerce also administers grants to the Women's Business Initiative Corporation, an economic development corporation that focuses on assisting women, minority, and low-income entrepreneurs and small business owners; and Commerce administers grants to small businesses for innovation and research assistance. The bill transfers the administration of those grants to DSPS.

***** ANALYSIS FROM -0807/P2 *****

Under current law, WHEFA may issue a bond to finance a qualifying project undertaken by a participating health or research institution, finance any project undertaken for an educational facility, or refinance the debt of a participating institution. WHEFA may also engage in other contractual relations with participating institutions incident to its project financing or debt refinancing. This bill specifies that the entities with which WHEFA contracts may include an affiliate entity that controls, is controlled by, or is under common control with, an entity organized under the laws of Wisconsin or authorized by Wisconsin law to provide or operate certain facilities. The bill also authorizes WHEFA to issue a bond for a project located outside of Wisconsin if that project includes a substantial component located in Wisconsin, as determined by WHEFA's executive director.

***** ANALYSIS FROM -1465/P4 *****

BUILDINGS AND SAFETY

Under current law, Commerce administers various laws, including building codes, that protect the health, safety, and welfare of the public. Among the laws administered by Commerce are those that promote safety in public and private buildings and in the subsystems of those buildings. To that end, Commerce also issues various licenses, permits, registrations, and other credentials (licenses) to persons engaged in occupations regulated by Commerce such as electricians and plumbers. Commerce also administers and issues licenses in connection with the administration of other laws relating to public health and safety such as those regulating private sewage systems, fireworks, and the storage of flammable liquids.

This bill transfers these functions to DRL, renamed the DSPS under this bill.

***** ANALYSIS FROM -0721/7 *****

FINANCIAL INSTITUTIONS

Under current law, a person may file an application to be a notary public with the Office of the Secretary of State (SOS). If the SOS determines that the applicant is qualified, the SOS issues a certificate of appointment and the person's commission

as a notary public is valid for four years. However, for a person licensed to practice law, the commission as a notary public is permanent.

This bill transfers notary public functions from the Office of the SOS to DFI.

Under current law, a person may file for state trademark or service mark registration with the Office of the SOS. If applicable requirements are met, the SOS issues a certificate of registration of the mark. The SOS must also keep a record of brands used on beverage containers for which the SOS has received an application to record the brand. A lodge, fraternal society, or similar organization may also register with the SOS its identifying information, including its name, motto, emblem, or other insignia, and the SOS must keep a properly indexed file of these registrations.

This bill transfers these trademark and similar functions from the Office of the SOS to DFI.

Under current law, \$200,000 is transferred annually from a DFI appropriation for general program operations to an appropriation of the Office of the SOS for general program operations. This bill increases the amount of the transfer to \$325,000 annually.

***** ANALYSIS FROM -0194/3 *****

Under current law, a person cannot transact business in this state as an investment adviser unless the person is registered with DFI's Division of Securities as an investment adviser or is exempt from registration.

The various registration exemptions include persons that have only certain types of clients in this state, such as institutional investors and accredited investors.

This bill eliminates the "institutional investor" registration exemption for private business development companies, qualified institutional buyers, and other entities of institutional character with assets of more than \$10,000,000. The bill also eliminates the "accredited investor" registration exemption for private business development companies, trusts with assets of more than \$5,000,000, and entities in which all of the equity owners are accredited investors.

***** ANALYSIS FROM -0664/2 *****

Under current law, DFI's general program operations, including those of the Division of Banking and the Division of Securities, are funded from an annual program revenue (PR) appropriation. However, program operations of DFI's office of credit unions are funded from a different annual PR appropriation.

This bill consolidates the PR appropriation for the office of credit unions' program operations with the general PR appropriation for program operations.

***** ANALYSIS FROM -1465/P4 *****

HOUSING

Under current law, Commerce makes grants and loans to defray housing costs for persons and families of low and moderate income; awards grants to local housing organizations; awards grants to facilitate the movement of homeless persons to independent living; awards grants to municipalities and organizations to provide shelter for homeless persons; awards grants to supplement the operating budgets of agencies and shelters; administers housing programs funded by federal block grants and other federal moneys; administers a program to transfer surplus state-owned

real estate to applicant for use as specified in an agreement with Commerce; and awards grants for providing mental health services to homeless persons. The bill transfers Commerce's duties under these programs to WHEDA, except that the bill eliminates the program for the transfer of surplus state-owned real estate.

Also under current law, Commerce must prepare and annually update a state housing strategy plan. The plan must include a statement of housing policies and recommendations, an evaluation of housing conditions and trends, a discussion of major housing issues, and other housing-related information. The plan currently informs review of bills and rules affecting housing and generally guides WHEDA's housing-related activities. The bill transfers Commerce's duties related to the plan to WHEDA.

OTHER COMMERCE

Commerce currently may contract with the Board of Regents of the UW System for services to assess and educate businesses regarding hazardous substances and waste, and must work with DNR to promote pollution prevention among businesses in the state. The bill deletes these provisions.

Commerce must currently prepare a report on any introduced bill that directly or substantially affects the development, construction, cost, or availability of housing in the state; Commerce's report is printed as an appendix to the bill. Commerce must prepare a similar report on any proposed rule that directly or substantially affects the development, construction, cost, or availability of housing in the state. The bill transfers Commerce's duties with respect to bills to WHEDA and repeals Commerce's duties with respect to proposed rules.

Because this bill directly or substantially affects the development, construction, cost or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

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

2011 DRAFTING REQUEST

Bill

Received: **02/22/2011**

Received By: **chanaman**

Wanted: **As time permits**

Companion to LRB:

For: **Legislative Reference Bureau**

By/Representing:

May Contact:

Drafter: **chanaman**

Subject: **State Govt - miscellaneous**

Addl. Drafters:

Extra Copies:

Submit via email: **NO**

Pre Topic:

No specific pre topic given

Topic:

Analysis compile for commerce

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:

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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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AN ACT ...; relating to: relating to:the budget; relating to:the budget; the budget;
relating to:the budget; relating to:the budget

Analysis by the Legislative Reference Bureau

*** ANALYSIS FROM -1465/P4 ***

COPY BURNING
DOTS

COMMERCE AND ECONOMIC DEVELOPMENT

BUILDINGS AND SAFETY

Under current law, ~~the Department of~~ Commerce ~~administers~~ administers various laws, including building codes, that protect the health, safety, and welfare of the public. Among the laws administered by Commerce are those that promote safety in public and private buildings and in the subsystems of those buildings. To that end, Commerce also issues various licenses, permits, registrations, and other credentials (licenses) to persons engaged in occupations regulated by Commerce such as electricians and plumbers. Commerce also administers and issues licenses in connection with the administration of other laws relating to public health and safety such as those regulating private sewage systems, fireworks, and the storage of flammable liquids.

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This bill transfers these functions to DRL, renamed ~~the Department of Safety~~ ^{DSPS} ~~and Professional Services~~ under this bill.

~~ECONOMIC DEVELOPMENT~~ *** ANALYSIS FROM -1465/P4 ***

Under current law, Commerce administers disabled veteran-owned business certifications, woman-owned business certifications, and minority business certifications that are designed to encourage the creation and foster the growth of

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Wisconsin businesses owned by women, disabled veterans, or minorities. A business that qualifies for and maintains one of those certifications may be eligible to receive certain advantages bidding on public projects and other benefits. This bill transfers the administration of those certifications to DRL, renamed the Department of Safety and Professional Services (DSPS) under this bill.

Under current law, Commerce also administers grants to the women's business initiative corporation, an economic development corporation that focuses on assisting women, minority, and low-income entrepreneurs and small business owners; and Commerce administers grants to small businesses for innovation and research assistance. The bill transfers the administration of those grants to DSPS.

Also, under current law, Commerce administers diesel truck idling reduction grants. A diesel truck idling reduction grant may be awarded to an eligible applicant for the purchase and testing of one or more idling reduction units. Idling reduction units are devices that have the potential to reduce the long-duration idling of a diesel truck. The bill transfers the administration of those grants to DSPS, except as follows:

1. Currently, Commerce must require that applicants receiving grants covering more than one unit purchase units of more than one type and from more than one manufacturer. The bill deletes the requirement to purchase units of more than one type and from more than one manufacturer.

2. Currently, Commerce must also withhold payment of at least 20 percent of a grant until the recipient has complied with certain grant conditions, including providing Commerce with information relating to the operation and performance of each idling reduction unit covered by the grant. The bill deletes that withholding requirement.

*** ANALYSIS FROM -0807/P2 ***

Under current law, WHEFA may issue a bond to finance a qualifying project undertaken by a participating health or research institution, finance any project undertaken for an educational facility, or refinance the debt of a participating institution. WHEFA may also engage in other contractual relations with participating institutions incident to its project financing or debt refinancing. This bill specifies that the entities with which WHEFA contracts may include an affiliate entity that controls, is controlled by, or is under common control with, an entity organized under the laws of Wisconsin or authorized by Wisconsin law to provide or operate certain facilities.

Current law also authorizes WHEFA to acquire property within Wisconsin for the construction or operation of a project. The bill authorizes WHEFA to acquire property in connection with a project whether or not the property is located in Wisconsin, and the bill authorizes WHEFA to issue a bond for a project located outside of Wisconsin if that project includes a substantial component located in Wisconsin, as determined by WHEFA's executive director.

*** ANALYSIS FROM -0721/7 ***

FINANCIAL INSTITUTIONS

Under current law, a person may file an application to be a notary public with the Office of the Secretary of State (SOS). If the SOS determines that the applicant

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is qualified, the SOS issues a certificate of appointment and the person's commission as a notary public is valid for four years. However, for a person licensed to practice law, the commission as a notary public is permanent.

This bill transfers notary public functions from the Office of the SOS to DFI.

Under current law, a person may file for state trademark or service mark registration with the Office of the SOS. If applicable requirements are met, the SOS issues a certificate of registration of the mark. The SOS must also keep a record of brands used on beverage containers for which the SOS has received an application to record the brand. A lodge, fraternal society, or similar organization may also register with the SOS its identifying information, including its name, motto, emblem, or other insignia, and the SOS must keep a properly indexed file of these registrations.

This bill transfers these trademark and similar functions from the Office of the SOS to DFI.

Under current law, \$200,000 is transferred annually from a DFI appropriation for general program operations to an appropriation of the Office of the SOS for general program operations. This bill increases the amount of the transfer to \$325,000 annually.

*** ANALYSIS FROM -0664/2 ***

Under current law, DFI's general program operations, including those of the Division of Banking and the Division of Securities, are funded from an annual program revenue (PR) appropriation. However, program operations of DFI's office of credit unions are funded from a different annual PR appropriation.

This bill consolidates the PR appropriation for the office of credit unions' program operations with the general PR appropriation for program operations.

*** ANALYSIS FROM -0194/3 ***

~~Under current law, a person cannot transact business in this state as an investment adviser unless the person is registered with DFI's division of securities as an investment adviser or is exempt from registration. An investment adviser is a person that, for compensation, engages in the business of advising others, either directly or through various forms of media, as to the value of securities or the advisability of investing in, purchasing, or selling securities or that, for compensation and as a part of a regular business, issues reports or analyses concerning securities. However, the term "investment adviser" excludes investment adviser employees, certain professionals such as lawyers and accountants, certain broker-dealers, financial institutions, and newspapers and magazines of general circulation.~~

~~Current law provides an investment adviser registration exemption for persons that have only certain types of clients in this state, these clients include federal government investment advisers, investment advisers registered with the Division of Securities, institutional investors, and accredited investors. Current law defines "institutional investor" to include, among others, banks and other financial institutions; insurance companies; investment companies;~~

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~~federally-registered broker-dealers; private business development companies meeting certain standards; certain qualified institutional buyers, as defined under federal law, and other entities of institutional character with assets of more than \$10,000,000. The term "accredited investor" is defined to include banks or other financial institutions; federally-registered broker-dealers; insurance companies; investment companies; private business development companies; certain trusts with assets of more than \$5,000,000; and entities in which all of the equity owners are accredited investors.~~

This bill eliminates the "institutional investor" registration exemption for private business development companies, qualified institutional buyers, and other entities of institutional character with assets of more than \$10,000,000. The bill also eliminates the "accredited investor" registration exemption for private business development companies, trusts with assets of more than \$5,000,000, and entities in which all of the equity owners are accredited investors. (end ins B)

Because this bill directly or substantially affects the development, construction, cost or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

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

LPS-
HOUSING TAG
component

INSERT CS-2 ✓

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CS-1

the Department of Commerce

ECONOMIC DEVELOPMENT ✓

Currently, (Commerce) administers, or assists in administering, programs intended to promote economic development in this state. Generally, the programs provide assistance in the form of grants, loans, or tax benefits to persons who meet specified eligibility requirements, subject to limitations including caps and matching requirements imposed under individual programs or resulting from levels of funding allocated for each program. With certain exceptions, the bill eliminates current programs that provide grants and loans, ^{and} transfers Commerce's duties under programs that provide tax benefits to the Wisconsin Economic Development Corporation (WEDC) created in 2011 Wisconsin Act 7. ✓

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The bill eliminates all of the following current economic development grant and loan programs: grants to Wisconsin Business Development Finance Corporation for a capital access program; grants and loans to a business or researcher for projects generally related to renewable energy; loans to manufacturing businesses for projects generally related to energy efficiency and renewable energy; grants and loans to businesses for diversifying a local economy; grants and loans for improving the profitability of businesses negatively impacted by a casino; grants to the City of Milwaukee to fund remediation and redevelopment projects in the Menomonee valley; grants to the Center for Advanced Technology and Innovation; grants to businesses for employee skills training or other education; grants to businesses for expenses in hiring students as paid interns; reimbursements for businesses' expenses related to attending trade shows; grants and loans to businesses for professional services or management assistance in starting or expanding in rural municipalities; microloans for creating new businesses; grants to Wisconsin Angel Network; grants to support a manufacturing extension center; grants to a high-technology business development corporation for promoting science-based and technology-based businesses and for hiring a grant writer to assist businesses to apply for certain federal grants; grants and loans to assist in obtaining research and development funding; grants and loans for commercializing technologically innovative products; grants and loans to research institutions for research and development related to job creation or retention and for improving business innovativeness; grants to institutions for projects related to improving businesses' access to capital; grants to match funds raised for new businesses; grants for rehabilitating and recycling manufactured housing; grants and loans to businesses, municipalities, and other entities for encouraging minority businesses and businesses in economically distressed areas, and for strengthening urban and rural communities; grants and loans for business development to increase productivity, capital investment, and job creation and retention through capital financing, worker training, entrepreneurial development, and other activities; and grants for a program to provide technical assistance for economic development on Indian reservations.



INSERT CS-1

Commerce also currently awards grants to businesses for innovation and research assistance and awards grants to the women's business initiative corporation. The bill transfers administration of innovation and research grants to ~~the Wisconsin Housing and Economic Development Authority (WHEDA)~~, and transfers administration of grants to the women's business initiative corporation to ~~(DSPS)~~

Tax incentives

Current law provides tax incentives for conducting certain business activities anywhere in this state; Commerce's role is generally to certify that a business meets specified eligibility requirements. The bill transfers Commerce's role in administering the following tax incentives to WEDC: electronic medical records credit; angel investment tax credits; early stage seed investment credit; jobs credit; food processing plant and food warehouse investment credit; meat processing facility investment credit; capital gains deferral for investors in certain new business ventures; woody biomass harvesting and processing credit; manufacturing investment credit and. The bill transfers Commerce's duties under the film production credit to the Department of Tourism and transfers Commerce's duties under the dairy manufacturing facility investment credit to DATCP.

Currently, Commerce may generally certify a person as eligible for the jobs tax credit if the person increases net employment in the person's business and one of the following applies: 1) an employee for whom the person claims the credit earns at least \$20,000 or \$30,000 (depending on the classification under Commerce rules of the community where the employee is located) but not more than \$100,000 per year; or 2) the person improves employee skills, trains an employee in new technologies, or provides training to an employee in his or her first full-time job. In addition to transferring Commerce's administrative responsibilities to WEDC, the bill provides that WEDC may certify a person as eligible for the jobs tax credit if the person conducts training as described above, or ~~if~~ the person increases net employment in the person's business, without regard to salary or to the classification of the community where the employee is located.

Current law also provides tax incentives for projects that create jobs, make capital investments, train employees, or establish or retain corporate headquarters in areas of the state that meet specified criteria and Commerce has designated, or that have been designated by law. Under current law, Commerce may designate development zones, enterprise development zones, agricultural development zones, enterprise zones, and airport development zones. Current law also specifies eight enterprise development zones. The bill transfers Commerce's duties under these programs to WEDC and deletes a current provision authorizing the designation of a business incubator as a development zone.

The bill directs WEDC to award annual grants up to \$100,000 to regional economic development agencies to fund marketing activities.

Other economic development duties

Currently, Commerce's office of regulatory assistance must generally help businesses to obtain permits, licenses, and approvals necessary to operate a business in this state. The office must provide applicants for such permits, licenses, and

of Regulatory Assistance



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CS-1

approvals with information, advocacy before issuing agencies, and dispute resolution; issuing agencies must cooperate with the office and must offer informal preapplication meetings. The bill eliminates the office of regulatory assistance. *

Current law requires Commerce to arrange programs to introduce members of industry, trade, and professional organizations to procedures for investment of venture capital and to opportunities for assisting entrepreneurs to obtain venture capital. Commerce must also help develop programs in metropolitan areas for supporting persons who persons who arrange venture capital for entrepreneurs, and must coordinate its efforts with other agencies. The bill repeals these requirements.

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The bill deletes the current State Main Street Program, which generally requires Commerce to assist municipalities in planning, managing, and implementing programs to revitalize business areas.

The bill eliminates the small business environmental council, which generally assists small businesses in complying with federal and state laws regulating air and water pollution. *

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HOUSING *** ANALYSIS -1465/P4 ***

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CS-2

Under current law, Commerce makes grants and loans to defray housing costs for persons and families of low and moderate income; awards grants to local housing organizations; awards grants to facilitate the movement of homeless persons to independent living; awards grants to municipalities and organizations to provide shelter for homeless persons; awards grants to supplement the operating budgets of agencies and shelters; administers housing programs funded by federal block grants and other federal moneys; administers a program to transfer surplus state-owned real estate to applicant for use as specified in an agreement with Commerce; and awards grants for providing mental health services to homeless persons. The bill transfers Commerce's duties under these programs to WHEDA, except that the bill eliminates the program for the transfer of surplus state-owned real estate.

Also under current law, Commerce must prepare and annually update a state housing strategy plan. The plan must include a statement of housing policies and recommendations, an evaluation of housing conditions and trends, a discussion of major housing issues, and other housing-related information. The plan currently informs review of bills and rules affecting housing and generally guides WHEDA's housing-related activities. The bill transfers Commerce's duties related to the plan to WHEDA.

OTHER COMMERCE

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Commerce currently may contract with the UW Board of Regents for services to assess and educate businesses regarding hazardous substances and waste, and

of the UW system



INSERT CS-2

* must work with DNR^{to} promote pollution prevention among businesses in the state. The bill deletes these provisions.

Commerce must currently prepare a report on any introduced bill that directly or substantially affects the development, construction, cost, or availability of housing in the state; Commerce's report is printed as an appendix to the bill. Commerce must prepare a similar report on any proposed rule that directly or substantially affects the development, construction, cost, or availability of housing in the state. The bill transfers Commerce's duties with respect to bills to WHEDA and repeals Commerce's duties with respect to proposed rules. ✓

(end ins CS-2)