

**2011 DRAFTING REQUEST**

**Bill**

Received: 01/11/2011

Received By: **csundber**

Wanted: **As time permits**

Companion to LRB: **-1028**

For: **Roger Rivard (608) 266-2519**

By/Representing: **Doug Lundgren**

May Contact:

Drafter: **csundber**

Subject: **Econ. Development - bus. dev.**

Addl. Drafters:

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Rivard@legis.wi.gov**

Carbon copy (CC:) to: **christopher.sundberg@legis.wisconsin.gov**

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Add enterprise zones, allocate four to rural areas

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**Instructions:**

See attached

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**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>
/?	csundber 01/11/2011	jdye 01/12/2011		_____			S&L
/1			phenry 01/12/2011	_____	sbasford 01/12/2011	mbarman 01/14/2011	

FE Sent For:

*at  
intro*

<END>

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/?	csundber	1/11 jld	1/12 ph	Km 1/12			

FE Sent For:

<END>

**Sundberg, Christopher**

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**From:** Lundgren, Doug  
**Sent:** Tuesday, January 11, 2011 10:46 AM  
**To:** Sundberg, Christopher  
**Cc:** Berken, Nathan; Scholz, Andrew  
**Subject:** LRB Draft Request Memo.doc

Hi Chris,

Here's the draft request for the bill we discussed last week. I'll give you a call to follow up.

Thanks,  
deej

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**Date:** 1/11/2011  
**To:** Chris Sunberg, Legislative Reference Bureau  
**From:** Representative Roger Rivard  
Douglas James Lundgren  
**RE:** Expansion of Commerce Enterprise Zone Program  
**Priority:** Urgent

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We are requesting that LRB draft a bill that would have the following parameters:

1. Require that four of the state's enterprise zones be allocated to rural areas. At least two of the rural enterprise zones must be located in political subdivisions with populations of less than 5,000. At least two of the zones must be in political subdivisions with populations of 5,000 or more, but less than 30,000.

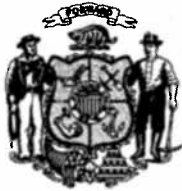
NOTE: See 2009 AB 768, AA 1, where LRB has already drafted language similar to this provision.

2. Permit Commerce to designate four additional zones, which brings the total enterprise zones allowable to 16.

NOTE: See 2009 AB 768, where LRB drafted language to increase the number of enterprise zones from 10 to 12.

3. Exempt the four rural enterprise zones from the requirements in 560.799 (5) (d) (1) & (2) but maintain 560.799 (5) (d).

*Rural zones not subject to 1. or 3., but can obtain tax benefits if (d) (intro.) applies.*



lu: 1/11/11 Waite's Fri Am 1/12/11

State of Wisconsin  
2011 - 2012 LEGISLATURE



LRB-09757  
CTS:.....

RMN  
jld

~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

2011 BILL

✓ Gen

1 AN ACT ...; relating to: authorizing the designation of additional enterprise  
2 zones and requiring the designation of enterprise zones in rural areas. ✓

*Analysis by the Legislative Reference Bureau* ✓

Under current law, the Department of Commerce (Commerce) ✓ may designate an area as an enterprise zone. ✓ Commerce must consider a number of factors related to the area prior to designating the area as an enterprise zone, including indicators of the area's economic need and whether designation as an enterprise zone would promote the retention of jobs in the area. ✓ A taxpayer who creates or retains jobs in an enterprise zone may claim certain credits against state income and franchise taxes. ✓ Currently, Commerce may designate no more than 12 ✓ enterprise zones. This bill permits Commerce to designate a total of 16 ✓ enterprise zones.

In determining whether to designate an area an enterprise zone, current law requires Commerce ✓ to consider specified indicators of the area's economic need and specified indicators of the effect of designation on other initiatives and programs to promote economic and community development in the area. ✓ Current law also requires Commerce to give preference to the greatest economic need. ✓ This bill requires Commerce to designate <sup>of</sup> ~~2~~ <sup>two</sup> additional enterprise zones in political subdivisions with populations less than 5,000 ✓ and ~~2~~ <sup>two</sup> additional enterprise zones in political subdivisions with populations between 5,000 ✓ and 29,999 (rural zones), notwithstanding the current factors ✓ Commerce must consider. \*

Currently, a business that retains jobs in an enterprise zone ✓ is eligible for tax credits if the business makes a significant capital investment in property located in the enterprise zone ✓ and at least one of the following applies: ✓ 1) the business is an

original equipment manufacturer with a significant supply chain in the state; or 2) the business has more than 500 full-time employees in the enterprise zone. Under the bill, a business that retains jobs in a rural zone and makes a significant capital investment in property located in the rural zone is eligible for tax credits; no additional showing is required.

\*

For further information see the *state and local* 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. 560.799 (3) (a) of the statutes is amended to read:

2 560.799 (3) (a) The department may designate not more than 12 16 enterprise  
3 zones.

History: 2005 a. 361; 2007 a. 20, 97, 100; 2009 a. 11, 28, 266, 267.

4 SECTION 2. 560.799 (3) (d) of the statutes is created to read:

5 560.799 (3) (d) Notwithstanding pars. (b) and (c), the department shall  
6 designate as enterprise zones at least 2 areas in political subdivisions with  
7 populations of less than 5,000 and at least 2 areas in political subdivisions with  
8 populations of 5,000 or more but less than 30,000.

9 SECTION 3. 560.799 (5) (d) (intro.) of the statutes is amended to read:

10 560.799 (5) (d) (intro.) A business that retains jobs in an enterprise zone, but  
11 only if the business makes a significant capital investment in property located in the  
12 enterprise zone and, unless the property is located in an enterprise zone designated  
13 under sub. (3) (d), at least one of the following applies:

History: 2005 a. 361; 2007 a. 20, 97, 100; 2009 a. 11, 28, 266, 267.

14 (END)

**Parisi, Lori**

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**From:** Lundgren, Doug  
**Sent:** Friday, January 14, 2011 2:50 PM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB 11-0975/1 Topic: Add enterprise zones, allocate four to rural areas

Please Jacket LRB 11-0975/1 for the ASSEMBLY.

A handwritten note in a circle, tilted at an angle. The text inside the circle reads "Wanted today". To the left of the text, there is a scribbled-out area, possibly a name or a date, which is mostly illegible.