

**2011 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-AB1)**

Received: 10/18/2011

Received By: mgallagh

Wanted: As time permits

Companion to LRB:

For: Peggy Krusick (608) 266-1733

By/Representing: Rep. Krusick

May Contact:

Drafter: mgallagh

Subject: State Govt - miscellaneous

Addl. Drafters:

Extra Copies:

Submit via email: YES

Requester's email: Rep.Krusick@legis.wisconsin.gov

Carbon copy (CC:) to: michael.gallagher@legis.wisconsin.gov

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Reporting and disclosure requirements for grant recipients

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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>
/1	mgallagh 10/18/2011	jdye 10/18/2011	phenry 10/18/2011	_____	lparisi 10/18/2011	lparisi 10/18/2011	

FE Sent For:

<END>

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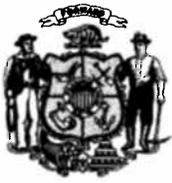
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FE Sent For:

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**ASSEMBLY AMENDMENT ,  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO 2011 ASSEMBLY BILL 1**

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 1, line 1: delete “the jobs tax credit” and substitute “changes to  
3 disclosure requirements regarding state agency expenditures, requiring the exercise  
4 of rule-making authority, and providing a penalty”.
- 5 **2.** Page 1, line 2: delete lines 2 to 8 and substitute:
- 6 “SECTION 1m. 16.413 (1) (b) of the statutes, as created by 2011 Wisconsin Act  
7 32, is amended to read:
- 8 16.413 (1) (b) “Grant” means a payment made to a person, other than aids to  
9 individuals and organizations and local assistance and the payment of salaries and  
10 fringe benefits for state employees an entity, including a public utility as defined in  
11 s. 196.01 (5) or a sewerage system operator as defined in s. 196.04 (4) (a). “Grant”

1 includes a loan and any tax credit, whether refundable or nonrefundable, that is  
2 issued to an entity.

3 **SECTION 2.** ✓ 16.413 (1) (d) of the statutes, as created by 2011 Wisconsin Act 32,  
4 is amended to read:

5 16.413 (1) (d) “State agency” ~~has the meaning given in s. 20.001 (1)~~ means an  
6 office, department, independent agency, institution of higher education, association,  
7 society, or other body in state government created or authorized to be created by the  
8 constitution or any law, which is entitled to expend moneys appropriated by law,  
9 including the legislature and the courts and including an authority created in subch.  
10 II of ch. 114 ✓ or subch. III of ch. 149 ✓ or in ch. 231, 232, 233, 234, 235, 237, 238, or 279. ✓  
11 “State agency” includes a local governmental unit, as defined in s. 16.97 (7). ✓

12 **SECTION 3.** ✓ 16.413 (3) (a) (intro.) of the statutes, as created by 2011 Wisconsin  
13 Act 32, is amended to read:

14 16.413 (3) (a) (intro.) The department shall ensure that all of the following  
15 information relating to each grant that exceeds \$100 ✓ made by a state agency or  
16 contract entered into by a state agency is available for inspection on a searchable  
17 Internet Web site maintained by the department:

18 **SECTION 4.** ✓ 16.413 (3) (a) 6. and 7. of the statutes are created to read:

19 16.413 (3) (a) 6. With respect to any grant that is related to an economic  
20 development program, as defined in s. 238.01 (3), ✓ an accounting by job classification  
21 of the compensation, including benefits and bonuses or other incentive pay, that the  
22 grant recipient, excluding affiliates, paid to each of its employees in the immediately  
23 preceding fiscal year; and an accounting of the percentage and dollar amount of  
24 increase in compensation, including benefits and bonuses or other incentive pay, for

1 each employee in the immediately preceding fiscal year relative to the fiscal year  
2 prior to that year.

3 7. With respect to any grant that is related to an economic development  
4 program, as defined in s. 238.01 (3),<sup>✓</sup> once a grant recipient has spent a grant from a  
5 state agency, a verified statement describing the recipient's expenditures of grant  
6 funds, signed by both an independent certified public accountant and the director or  
7 principal officer of the recipient that attests to the accuracy of the verified statement.

8 **SECTION 5.**<sup>✓</sup> 16.413 (3) (c), (d) and (e) of the statutes are created to read:

9 16.413 (3) (c) 1. Each state agency that makes a grant for which a verified  
10 statement is required under par. (a) 7.<sup>✓</sup> shall make that verified statement available  
11 for inspection on an Internet Web site<sup>✓</sup> maintained by the state agency.

12 2. Each grant recipient for which a verified statement is required under par.  
13 (a) 7.<sup>✓</sup> and that maintained an Internet Web site at any time during the 12<sup>✓</sup> months  
14 preceding the recipient's receipt of that grant, shall, for a period of at least 5<sup>✓</sup> years,  
15 make the verified statement signed by the grant recipient under par. (a) 7.<sup>✓</sup> available  
16 on an Internet Web site maintained by the grant recipient.

17 (d) Each state agency shall be responsible for,<sup>✓</sup> and shall establish<sup>✓</sup> by rule  
18 policies and procedures for, the detection and investigation of misuse of grants, and  
19 the use of fraud or deceit to obtain grants, from the state agency.<sup>✓</sup> If a state agency  
20 detects any misuse of a state grant or fraud, the state agency shall report that misuse  
21 or fraud to the department of justice<sup>✓</sup> for investigation, including criminal  
22 investigation.

23 (e) If, after investigation and an opportunity for hearing, a state agency  
24 determines that a grant recipient has misused the grant or obtained or attempted

1 to obtain the grant through fraud or deceit, the state agency may do any of the  
2 following:

- 3 1. Recover payments made to the recipient. ✓
- 4 2. Withhold payments to be made to the recipient. ✓
- 5 3. Assess a forfeiture against the recipient. ✓

6 **SECTION 6.** ✓ 238.03 (4) of the statutes is created to read:

7 238.03 (4) The board ✓ shall ensure coordination between the corporation, any  
8 other state agency that administers economic development programs, and the  
9 federal government concerning the award of loans, grants, tax credits, or other  
10 economic assistance under those economic development programs and the  
11 disclosures required under s. 16.413 (3) ✓ with respect to those economic development  
12 programs.” ✓

13 (END)