



State of Wisconsin  
2017 - 2018 LEGISLATURE

August 2017 Special Session

LRBa1164/2  
MPG/JK/ZDW/SWB:all

**SENATE AMENDMENT 3,  
TO SENATE SUBSTITUTE AMENDMENT 1,  
TO ASSEMBLY BILL 1**

September 12, 2017 - Offered by Senators SHILLING, MILLER, RINGHAND, L. TAYLOR, BEWLEY, WIRCH, HANSEN, LARSON, VINEHOUT, CARPENTER, ERPENBACH, RISSER and JOHNSON.

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 2, line 10: after “procedures;” insert “duties of the Legislative Audit  
3 Bureau”.

4 **2.** Page 2, line 17: after that line insert:

5 “**SECTION 1n.** 13.94 (1) (v) of the statutes is created to read:

6 13.94 (1) (v) Annually, evaluate at a minimum each grant, loan, and tax credit  
7 award of \$5,000,000 or more made by the Wisconsin Economic Development  
8 Corporation and submit a report to the joint legislative audit committee that at least  
9 includes information concerning all of the following:

10 1. Whether the Wisconsin Economic Development Corporation appropriately  
11 assessed the eligibility of the recipient of each award.

1           2. Whether the Wisconsin Economic Development Corporation appropriately  
2 determined the number of jobs created or retained in relation to each award and how  
3 many of those jobs were held by residents of this state.

4           3. The number of instances in which a contract between the Wisconsin  
5 Economic Development Corporation and a recipient of a grant, loan, or tax credit was  
6 amended and the reason for each amendment.

7           4. Whether the Wisconsin Economic Development Corporation determined in  
8 accordance with statutory, contractual, and program policy requirements the  
9 amount of each grant, loan, and tax credit that each recipient of the grant, loan, or  
10 tax credit was eligible to receive or claim.

11           **SECTION 1o.** 13.94 (1) (vm) of the statutes is created to read:

12           13.94 (1) (vm) Annually, determine the number of jobs in this state that any  
13 business certified under s. 238.396 (3) has eliminated as a result of the business's  
14 automation. The legislative audit bureau shall include its findings under this  
15 paragraph in its report under par. (v). Each business certified under s. 238.396 (3)  
16 shall, as a condition of that certification, share information with the legislative audit  
17 bureau necessary for the audit bureau to carry out its duties under this paragraph.”.

18           **3.** Page 5, line 21: delete the material beginning with that line and ending with  
19 page 6, line 3.

20           **4.** Page 17, line 4: delete “1. Section” and substitute “Section”.

21           **5.** Page 17, line 4: delete “(g) and” and substitute “(e) to”.

22           **6.** Page 17, line 6: delete lines 6 to 11.

23           **7.** Page 17, line 22: delete the material beginning with that line and ending  
24 with page 18, line 12, and substitute:

1           **“SECTION 26d.** 71.10 (4) (fc) of the statutes is created to read:

2           71.10 (4) (fc) Electronics and information technology manufacturing zone  
3 credit under s. 71.07 (3wm).”.

4           **8.** Page 21, line 7: delete “1.”.

5           **9.** Page 21, line 7: delete “(g) and” and substitute “(e) to”.

6           **10.** Page 21, line 9: delete the material beginning with that line and ending  
7 with page 22, line 2, and substitute:

8           **“SECTION 30d.** 71.30 (3) (da) of the statutes is created to read:

9           71.30 (3) (da) Electronics and information technology manufacturing zone  
10 credit under s. 71.28 (3wm).”.

11          **11.** Page 22, line 7: after that line insert:

12          **“SECTION 32m.** 73.03 (73) of the statutes is created to read:

13          73.03 (73) To provide an annual statement to each individual required to file  
14 a Wisconsin income tax return specifying the proportionate share of the amount of  
15 the state taxes withheld from the individual’s pay during that year that are used to  
16 fund the tax benefits paid under s. 238.396.”.

17          **12.** Page 29, line 8: after that line insert:

18          **“SECTION 48o.** 238.043 of the statutes is created to read:

19          **238.043 Contract review.** (1) Prior to executing each contract awarding a  
20 grant, loan, or tax credit of at least \$5,000,000, the corporation shall submit the  
21 proposed contract to the legislative audit bureau for review. The legislative audit  
22 bureau shall review the proposed contract and submit to the joint committee on  
23 finance, the joint legislative audit committee, and the corporation a report that

1 evaluates the terms of the contract and determines the extent to which the contract  
2 conforms to all applicable statutory and program policy requirements.

3       **(2)** The corporation may not execute a contract subject to review under sub. (1)  
4 unless it first notifies the joint committee on finance in writing of the proposed  
5 contract. The notification shall include the proposed contract. If the cochairpersons  
6 of the committee do not notify the corporation within 14 working days after the date  
7 of the corporation's notification that the committee has scheduled a meeting for the  
8 purpose of reviewing the proposed contract, the corporation may execute the  
9 proposed contract. If, within 14 working days after the date of the corporation's  
10 notification, the cochairpersons of the committee notify the corporation that the  
11 committee has scheduled a meeting for the purpose of reviewing the proposed  
12 contract, the corporation may execute the proposed contract only upon approval of  
13 the committee.”.

14       **13.** Page 32, line 1: after “(3).” insert “Once a contract is executed under this  
15 paragraph, it may not be amended.”.

16       **14.** Page 32, line 4: after that line insert:

17       “(hm) Before the corporation executes a contract with a business under par. (fs),  
18 the corporation shall ensure that the business meets strict financial solvency  
19 standards.”.

20       **15.** Page 32, line 8: after that line insert:

21       **“(6d) CLAWBACK.** A business certified under sub. (3) shall repay the total  
22 amount of tax benefits the business has claimed if any of the following occurs:

23       (a) The business has a certification revoked under sub. (4) (a).

1 (b) The business fails to employ at least 3,000 full-time employees in this state  
2 on January 1, 2021, or at any time thereafter during the effective period under sub.  
3 (2).

4 (bm) The business fails to employ at least 13,000 full-time employees in this  
5 state before the end of the effective period under sub. (2).

6 (c) The business fails to make at least \$10,000,000,000 in capital expenditures  
7 in this state during the effective period under sub. (2).

8 **(6m)** AUTOMATION. (a) A business the corporation certifies for additional tax  
9 benefits under sub. (3m) may not claim any tax benefits under s. 71.07 (3wm) (bm)  
10 or 71.28 (3wm) for a capital expenditure if any part of that expenditure was made for  
11 purposes of automation, as determined by the corporation.

12 (b) A business the corporation certifies for additional tax benefits under sub.  
13 (3m) may not use any tax benefits it claims under s. 71.07 (3wm) (bm) or 71.28 (3wm)  
14 for purposes of automation, as determined by the corporation.”.

15 **16.** Page 35, line 4: delete the material beginning with that line and ending  
16 with page 36, line 6.

17 (END)