



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2011 Assembly Bill 2

**Assembly Amendments
1, 2, and 3**

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Current Law

Under **current law**, the Department of Commerce (Commerce) is authorized to designate no more than 12 enterprise zones, based on specified indicators of economic need and effects on other economic development efforts, with preference given to the greatest economic need. Commerce may certify businesses within the zones to receive tax credits for job creation, job retention, employee training, capital investment, and purchases from Wisconsin suppliers.

2011 Assembly Bill 2

2011 Assembly Bill 2 increases the total number of enterprise zones that Commerce is authorized to designate from 12 to 16, and requires Commerce to designate two zones in political subdivisions with populations of less than 5,000, and two zones in political subdivisions with populations between 5,000 and 30,000. Commerce is required to designate zones in such areas notwithstanding findings of economic indicators and the preference for greatest economic need generally required for the designation of enterprise zones under current law.

Assembly Amendment 1

Assembly Amendment 1 clarifies that the enterprise zones required to be designated under Assembly Bill 2 shall be designated in areas “comprising political subdivisions” fulfilling the specified population criteria, rather than in “a political subdivision” fulfilling such criteria.

Assembly Amendment 2

Assembly Amendment 2 authorizes Commerce to designate a total of 20 enterprise zones, four more than are authorized under the bill. In addition, it increases by one the number of zones that

Commerce is required to designate in an area comprising political subdivisions with populations of less than 5,000.

Assembly Amendment 3

Assembly Amendment 3 specifies that Commerce, when designating zones that fulfill the population limitations provided under the bill, may consider indicators of an area's economic need and the effect of such designation on other economic development activities.

Companion Bill

2011 Senate Bill 4 was introduced as a companion to 2011 Assembly Bill 2. On February 23, 2011, the Senate Committee on Financial Institutions and Rural Issues recommended passage of Senate Bill 4 on a vote of Ayes, 3; Noes, 0. On March 1, 2011, Senate Amendment 1, which contains the same provisions as Assembly Amendment 1, was offered by Senator Galloway. The bill was passed, as amended, by the Senate on March 2, 2011.

Legislative History

On March 2, 2011, Assembly Amendment 1 was introduced and recommended for adoption by the Assembly Committee on Rural Economic Development and Rural Affairs on a vote of Ayes, 13; Noes, 0. On the same day, the committee recommended passage of the bill, as amended, on a vote of Ayes, 10; Noes, 3.

On April 6, 2011, Assembly Amendments 2 and 3 were introduced by the Joint Committee on Finance. On the same day, the committee recommended Assembly Amendment 1 for adoption on a vote of Ayes, 16; Noes, 0 and recommended Assembly Amendments 2 and 3 for adoption on votes of Ayes, 15; Noes, 1. The committee then recommended passage of Assembly Bill 2, as amended, on a vote of Ayes, 16; Noes, 0.

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