



2015 ASSEMBLY BILL 858

February 4, 2016 - Introduced by Representatives BARCA, MEYERS, KAHL, SHANKLAND, DANOU, SARGENT, WACHS, OHNSTAD, KOLSTE, SUBECK, HINTZ, BERCEAU, C. TAYLOR, ZEPNICK, POPE, JORGENSEN and BROSTOFF, cosponsored by Senators LASSA, CARPENTER, WIRCH, VINEHOUT, RINGHAND, L. TAYLOR, HARRIS DODD and C. LARSON. Referred to Committee on Jobs and the Economy.

1 **AN ACT to create** 238.095 and 238.097 of the statutes; **relating to:** contract
2 requirements for the awarding of grants, loans, and tax credits by the
3 Wisconsin Economic Development Corporation.

Analysis by the Legislative Reference Bureau

This bill creates certain requirements for contracts between the Wisconsin Economic Development Corporation (WEDC) and recipients of grants, loans, or tax credits from WEDC. Under the bill, WEDC may not enter into a contract for a grant, loan, or tax credit before all of the following occurs:

1. WEDC verifies the applicant's number of full-time employees, through payroll records or other business records WEDC deems sufficient, for evaluating the creation or retention of full-time jobs.

2. WEDC's underwriting staff completes a review of the application for the grant, loan, or tax credit, including an evaluation of all statutory requirements and all requirements under WEDC's policies and procedures that apply to the grant, loan, or tax credit.

The bill also requires that all terms of each contract WEDC executes must, at the time the contract is executed, be in compliance with all applicable state laws and all applicable WEDC policies and procedures.

Finally, the bill specifies that each contract WEDC executes must require the award recipient to submit official payroll records, or other business records WEDC deems sufficient, to WEDC for the purpose of accounting for jobs created or retained. WEDC is required to adopt policies and procedures for verifying and evaluating the records.

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For further information see the *state* 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.** 238.095 of the statutes is created to read:

2 **238.095 Contract requirements.** (1) All terms of each contract the
3 corporation executes shall, at the time the contract is executed, be in compliance with
4 all applicable state laws and all applicable corporation policies and procedures.

5 (2) Prior to executing a contract with a person for the award of a grant, loan,
6 or tax credit, the corporation shall establish, through payroll records or other
7 business records the corporation determines are sufficient, the number of full-time
8 employees employed by the person for the purpose of accounting for each full-time
9 job created or retained during the course of the contract.

10 (3) Each contract the corporation executes with a person for the award of a
11 grant, loan, or tax credit shall require the person to submit to the corporation payroll
12 records, or other business records the corporation determines are sufficient, to verify
13 the number of full-time jobs created or retained during the course of the contract.
14 The corporation shall adopt policies and procedures establishing standards to verify
15 the business records and full-time job data.

16 **SECTION 2.** 238.097 of the statutes is created to read:

17 **238.097 Underwriting staff review.** The corporation may not enter into a
18 contract with a person for the award of a grant, loan, or tax credit to the person before
19 the corporation's underwriting staff completes a review of the person's application
20 for the grant, loan, or tax credit, including an evaluation of all statutory

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1 requirements and all requirements under the corporation's policies and procedures
2 that apply to the grant, loan, or tax credit.

3 (END)