

## CHAPTER 560

## DEPARTMENT OF DEVELOPMENT

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SUBCHAPTER I  
GENERAL PROVISIONS**560.001 Definitions.** In this chapter:

(1) "Department" means the department of development.

(2) "Secretary" means the secretary of the department.

**History:** 1971 c. 321; 1979 c. 361.

**560.01 Organization of the department.** (1) **PURPOSES.** The functions of the department are of an advocacy, consultative, advisory, informational, coordinative and promotional nature. Through research, planning, consultation and through promotion of the development and maximum wise use of the natural and human resources of the state, it shall foster the growth and diversification of the economy of the state. It shall serve as the central agency and clearinghouse for developmental activities concerning the economy of the state. It shall make recommendations to the governor for the purpose of guiding a coordinated and economically efficient development of the state and shall seek closer cooperation and coordination between units of state government, educational institutions, local governments, local planning agencies, including regional planning commissions, and business and industry to foster and encourage a pattern of community development and of state-local and business relationships so that the economy of the state may continue to develop fully and meet citizen and community needs. It shall make continuing studies of the problems affecting economic and community development and recommendations for relieving those problems, and function in any other reasonable manner that will accomplish the stated purposes of this chapter. The department may also coordinate training for local government officials provided by state agencies including, but not limited to, the university of Wisconsin-extension and the vocational, technical and adult education system.

(2) **DUTIES.** The department shall develop a state economic policy. The department shall promote and provide technical assistance, consultative services and other assistance to commercial, industrial and recreational development and expansion; facilitate the establishment and retention of business enterprises in this state, including small and minority business enterprises; encourage cooperation between financial institutions and business persons to encourage commercial, industrial and recreational business expansion in this state; encourage creation of jobs throughout the state and especially in urban and rural economically depressed areas; develop and coordinate state public and private economic development

plans and federal economic development assistance programs affecting local governments and business and industry; encourage the growth of tourism in the state; promote state products and industries in both foreign and domestic markets; provide informational clearinghouses for businesses and communities in their dealings with other state and federal agencies; advise the governor and legislature on the role of the state in state-local affairs; study the problems affecting local government relations as they impact on economic development and make recommendations for relieving these problems; develop a state-local relations policy to facilitate closer coordination and cooperation between state and local governments; advise the governor and the legislature regarding problems faced by local governments; develop an improved pattern of state-local relations; and develop recommendations for legislative or administrative action as may appear necessary.

(3) **FOREIGN OFFICE AGREEMENTS.** The department may enter into agreements regarding compensation, space and other administrative matters as are necessary to operate departmental offices in other states and foreign countries. Such agreements shall be subject to the approval of the secretary of administration.

**History:** 1971 c. 321; 1977 c. 29; 1979 c. 361; 1983 a. 27.

**560.02 Secretary.** The secretary shall:

(1) Direct the execution of the statutory duties and powers assigned to the department and shall advise the governor and legislature on matters regarding economic growth and development and community development in the state.

(2) Appoint the administrators for the various divisions of the department subject to s. 230.08 (4) (a). Administrators appointed under the unclassified service shall serve at the pleasure of the secretary.

(3) Delegate any of his or her powers and duties to such officers and employes of the department as he or she designates, and may authorize successive redelegations of such powers and duties.

(4) Submit and adopt all necessary plans; enter into contracts; accept gifts, grants and federal funds; make rules and do all things necessary and proper to carry out this chapter.

**History:** 1971 c. 307 s. 104; 1971 c. 321; 1977 c. 29, 418; 1979 c. 361 ss. 29, 86.

**560.03 Business and industrial development.** The department shall foster, encourage and advocate economic development programs designed to broaden and strengthen the

economy of the state, and it shall provide specific leadership in the following instances among others:

(1) Support and assist the efforts of local business and industry, local government, state, regional and local development corporations, industrial committees, chambers of commerce, labor organizations and other similar public and private agencies to foster expansion of existing agricultural, commercial, industrial and mining enterprises, and initiate efforts to attract new enterprises.

(2) Identify for the governor's attention those significant business and industrial problems which may be relieved by state action.

(3) Assist in the formulation and implementation of integrated economic and community development programs for northern Wisconsin and other areas or regions of the state and cooperate with and provide technical assistance to any organizations created for the purpose of aiding and encouraging an orderly, productive and coordinated development of the state.

(4) Assist in the formulation and development of a more intensive program to aid and expand the mining industry.

(5) Provide advice and assistance to Wisconsin business and labor.

(6) Locate and maintain information on prime industrial sites, together with recommendations for developing and preserving such sites.

(7) Perform such other functions as the governor may direct to aid in the industrial development of the state.

(8) Help local units of government to plan and initiate development projects.

(9) Establish and operate a small business ombudsman clearinghouse for business and industry to facilitate the flow of information from other state and federal agencies and to assist state agencies in establishing methods to encourage the participation of small businesses in rule making under s. 227.114 (4).

(10) Explore the feasibility of new programs which will address, but not be limited to, the following areas of concern:

(a) The capital development financing needs of business, industrial and agricultural enterprises.

(b) The creation of job opportunities in inner cities and other economically depressed areas.

(c) Credit assistance for business and economic development.

(d) Optimum utilization of federal programs designed to encourage and aid economic development.

(e) The potential of a program to promote and encourage inventions and technological innovations.

(11) Prepare and maintain comprehensive plans for the dynamic development of the economy of each area of the state in cooperation with representatives of the area.

(15) Annually, submit a summary of the employment impact estimates required under s. 560.034 (2) and a report to the legislature analyzing the use of industrial revenue bond financing under s. 66.521 and accurately reporting the benefits of that use, including the effect on employment in this state including, but not limited to:

(a) The number of full-time equivalent employment positions created by each project financed; and

(b) If use of industrial revenue bond financing results in the relocation of an operation which uses the project financed, the municipality from which the relocation occurs and the number of full-time equivalent employment positions eliminated in that municipality.

(16) Publish and distribute a list of all aid programs and services made available by this state to its communities. The

department shall charge and collect a fee to cover the cost of publication and distribution under this subsection.

(17) Assist new businesses and small businesses receiving economic development loans under s. 234.65 (1) (a) or the assistance of the Wisconsin housing and economic development authority in locating sources of venture capital and in obtaining the state and federal licenses and permits necessary for business operations.

(18) Develop and implement a plan to promote and increase exports, including agricultural products, and foreign investment in this state. The plan may include provisions for participation in trade fairs and missions, establishment and maintenance of foreign trade offices and preparation of research on foreign markets for exports from this state and on opportunities for foreign investment in this state. The plan shall specify the allocation of funds appropriated under 1983 Wisconsin Act 86 for support staff in this state to implement the plan and for all other costs in implementing each provision of the plan. In developing and implementing the plan, the department shall consult with the department of agriculture, trade and consumer protection. Any plan to establish a foreign trade office shall include the feasibility of establishing a system of graduated fees which a trade office may use to offset its operating costs, or a system of commissions for execution of successful transactions, or both.

(19) Establish and operate a permit information center as set forth in subch. III.

**History:** 1971 c. 211 s. 126; 1971 c. 321 ss. 10, 16; 1979 c. 34; 1979 c. 361 ss. 45, 87 to 96; 1979 c. 362; 1983 a. 27, 83, 86, 90, 91, 192; 1985 a. 182 s. 57; 1985 a. 299

**560.034 Employment impact estimates.** (1) The department shall prescribe the notice forms to be used under ss. 66.521 (4m) (a) 1 and 234.65 (3) (a) 1. The department shall include on the forms a requirement for information on the number of jobs the person submitting the notice expects to be eliminated, created or maintained on the project site and elsewhere in this state by the project which is the subject of the notice. The department shall prescribe the forms to be used under ss. 66.521 (4m) (b) and 234.65 (3r).

(2) If the department receives a notice under s. 66.521 (4m) (a), the department shall estimate, no later than 20 days after receipt of the notice, whether the project which is the subject of the notice is expected to eliminate, create or maintain jobs on the project site and elsewhere in this state and the net number of jobs expected to be eliminated, created or maintained as a result of the project.

(3) If the department receives a notice under s. 234.65 (3) (a) 1, the department shall estimate, no later than 20 days after receipt of the notice, whether the project which is the subject of the notice is expected to eliminate, create or maintain jobs on the project site and elsewhere in this state and the net number of jobs expected to be eliminated, created or maintained as a result of the project.

(5) The department shall issue an estimate made:

(a) Under sub. (2), to the city, village or town which will issue the bonds to finance the project which is the subject of the estimate.

(b) Under sub. (3), to the Wisconsin housing and economic development authority.

**History:** 1985 a. 299.

**560.036 Minority businesses.** (1) **DEFINITIONS.** In this section:

(a) "American Indian" means a person who is enrolled as a member of a federally recognized American Indian tribe or band or who possesses documentation of at least one-fourth

American Indian ancestry or documentation of tribal recognition as an American Indian.

(b) "Asian-Indian" means a person whose ancestors originated in India, Pakistan or Bangladesh.

(c) "Black" means a person whose ancestors originated in any of the black racial groups of Africa.

(d) "Hispanic" means a person of any race whose ancestors originated in Mexico, Puerto Rico, Cuba, Central America or South America or whose culture or origin is Spanish.

(e) 1. "Minority business" means a sole proprietorship, partnership, joint venture or corporation that fulfills both of the following requirements:

a. It is at least 51% owned, controlled and actively managed by a minority group member or members who are U.S. citizens or persons lawfully admitted to the United States for permanent residence, as defined under 8 USC 1101 (a) (20).

b. It is currently performing a useful business function.

2. This paragraph does not apply after June 30, 1987.

(em) 1. "Minority business" means a sole proprietorship, partnership, joint venture or corporation that fulfills all of the following requirements:

a. It is at least 51% owned, controlled and actively managed by a minority group member or members who are U.S. citizens or persons lawfully admitted to the United States for permanent residence, as defined under 8 USC 1101 (a) (20).

b. It is currently performing a useful business function.

c. Either it is incorporated under ch. 180 or its principal place of business is in this state.

2. This paragraph applies after June 30, 1987.

(f) "Minority group member" means any of the following:

1. A Black.

2. A Hispanic.

3. An American Indian.

4. An Eskimo.

5. An Aleut.

6. A native Hawaiian.

7. An Asian-Indian.

8. A person of Asian-Pacific origin.

(g) "Person of Asian-Pacific origin" means a person whose ancestors originated in Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific or the Northern Marianas.

(h) "Useful business function" means the provision of materials, supplies, equipment or services to customers in addition to this state. Acting as a conduit to transfer funds to a nonminority business does not constitute a useful business function, unless doing so is a normal industry practice.

(2) MINORITY BUSINESS CERTIFICATION. (a) For the purposes of ss. 16.75 (3m), 16.855 (10m) and 16.87 (2), the department shall establish and periodically update a list of certified minority businesses. Any business may apply to the department for certification.

(b) The department shall certify a business incorporated under ch. 180 or having its principal place of business in this state if the department, after conducting an investigation, determines that the business qualifies as a minority business under sub. (1) and any rules promulgated under sub. (3) (c). A determination that a business qualifies as a minority business may not be based on the number of minority group members employed by the business. This paragraph does not apply after June 30, 1987.

(bm) The department shall certify a business if the department, after conducting an investigation, determines that the

business qualifies as a minority business under sub. (1) and any rules promulgated under sub. (3) (c). A determination that a business qualifies as a minority business may not be based on the number of minority group members employed by the business. This paragraph applies after June 30, 1987.

(c) The department may certify a business incorporated in this state or having its principal place of business in this state if the business is certified or otherwise classified as a minority business by an agency of this or another state or the federal government, or by a private business with expertise in certifying minority businesses if the private business uses substantially the same procedures as those used by the department in making a determination under par. (b). This paragraph does not apply after June 30, 1987.

(cm) The department, without investigation, may certify a business if it is incorporated under ch. 180 or if its principal place of business is in this state and if the business is certified or otherwise classified as a minority business by an agency of this or another state or the federal government, or by a private business with expertise in certifying minority businesses if the private business uses substantially the same procedures as those used by the department in making a determination under par. (bm). This paragraph applies after June 30, 1987.

(d) 1. If the business applying for certification is not incorporated under ch. 180 or does not have its principal place of business in this state, the department may certify it if it meets a condition specified under par. (b) or (c) and if either of the following conditions exists:

a. The state in which the business is incorporated or has its principal place of business has a statutory minority business procurement program and the business qualifies for participation in that program under a procedure substantially equivalent to the procedure used by the department in making a determination under par. (b).

b. The department determines that, with respect to a specified type of supply, material, equipment or service, there are not enough certified minority business suppliers in this state to enable this state to achieve compliance with ss. 16.75 (3m), 16.855 (10m) and 16.87 (2).

2. This paragraph does not apply after June 30, 1987.

(dm) The department may charge each business applying for certification under par. (d) a fee to cover the department's expenses in making the certification determination. This paragraph does not apply after June 30, 1987.

(e) If a business refuses to provide the department with sufficient information to enable it to conduct an investigation or if the business does not qualify for certification under par. (b), (c) or (d), the department shall deny the application. A business whose application is denied may, within 30 days after the date of the denial, appeal in writing to the secretary. The secretary shall enter his or her final decision within 30 days after receiving the appeal. This paragraph does not apply after June 30, 1987.

(em) If a business refuses to provide the department with sufficient information to enable it to conduct an investigation or if the business does not qualify for certification under par. (bm) or (cm), the department shall deny the application. A business whose application is denied may, within 30 days after the date of the denial, appeal in writing to the secretary. The secretary shall enter his or her final decision within 30 days after receiving the appeal. This paragraph applies after June 30, 1987.

(f) The department may, at the request of any state agency, or at its own discretion, examine any certified business to verify that it qualifies for certification. The business shall provide the department with any records or information

necessary to complete the examination. If the business fails to comply with a reasonable request for records or information, the department shall decertify it.

(g) If the department, after an examination under par. (f), determines that a business does not qualify as a minority business, the department shall notify the business and the departments of administration and transportation that it intends to decertify the business. The business may, within 30 days after the notice is sent, appeal in writing to the secretary of development. The secretary shall enter his or her final decision within 30 days after receiving the appeal. If the secretary confirms the decision of the department, the department shall immediately decertify the business. A decertified business may, within 30 days after the secretary's decision, request a contested case hearing under s. 227.42 from the department of development. If the final administrative or judicial proceeding results in a determination that the business qualifies as a minority business, the department shall immediately certify the business.

**(3) DEPARTMENT RULE MAKING.** (a) The department shall promulgate rules establishing procedures to implement sub. (2).

(b) The department may promulgate rules further defining sub. (1) (f) 1 to 8.

(c) The department may promulgate rules establishing conditions with which a business must comply to qualify for certification, in addition to the qualifications specified under sub. (1) (e).

**(4) CERTIFIED BUSINESSES REPORT.** The department shall, by January 1, 1987, submit to the presiding officer of each house of the legislature a report listing all businesses certified under sub. (2) (d) which were awarded contracts or from which purchases were made in compliance with the preference established under s. 16.75 (3m) (b). The report shall include a description of all other business activity conducted by those businesses in this state. The report shall cover the period beginning with May 10, 1984. This subsection does not apply after January 1, 1987.

History: 1983 a. 390; 1985 a. 182 s. 57.

**560.04 Community development. (1) PURPOSE.** The legislature determines that a pattern of state-local relations shall be established that will facilitate closer coordination and cooperation between state and local governments. The department shall recommend methods for achieving such closer coordination and cooperation in order to meet citizen needs, provide a balanced economy, pursue housing initiatives and facilitate economic and community development.

**(2) DUTIES.** The department shall:

(a) Review proposed changes in local government boundaries and evaluate and recommend to communities involved those changes which are in the best interest of the state and the communities involved.

(b) Cooperate with and provide technical assistance to county, town, village, city and regional planning commissions and their governing bodies, community development groups, and similar agencies created for the purposes of aiding and encouraging orderly, productive and coordinated economic and community development in the state and assuring a productive and coordinated state-local relationship.

(c) Encourage and, when requested, assist the efforts of local governments to develop mutual and cooperative solutions to their common problems.

(d) Administer state platting regulations in accordance with ch. 236.

(e) Consult with and encourage participation by private groups, individuals, and organizations in carrying out the purposes of the department.

(g) Establish and operate a community development and local government clearinghouse to facilitate the exchange of information between other state and federal agencies and units of local government.

(h) Identify for the governor's attention those significant state-local relations problems, including economic development, which may be relieved by state action.

(j) Administer grant programs related to economic or community development, including economic development assistance programs and housing and urban development comprehensive planning grants affecting local government, business or industry, to assist and strengthen local, regional and state economic and community development and support experimental and cooperative activities and intergovernmental relations, training of local government officials and personnel, and other activities consistent with the purposes of this chapter.

**(2m) DUTIES.** The department may assign one or more full-time equivalent positions to the function of coordinating the development and scheduling of training programs for local government officials by the university of Wisconsin-extension, the vocational, technical and adult education system, department of revenue, elections board and other state agencies in order to assure the effective delivery of training programs and to prevent duplication of effort and coordinating requests for management or personnel consultative services from government units other than the state and directing those requests to the appropriate division of the department of administration.

**(3) HOUSING ASSISTANCE.** The department may make, with or without interest or security, loans from the appropriation made under s. 20.143 (3) (v) for development or construction of low- and moderate-income housing projects. No loan may be made unless the secretary may reasonably anticipate permanent financing of the project. The department shall request the building commission to contract revenue obligations to fund loans under this subsection. The building commission shall, at the request of the department, contract under subch. II of ch. 18 \$1,000,000 in revenue obligations, excluding obligations issued to refund outstanding revenue obligations issued under this subsection, for the purpose of funding loans under this subsection. The department may, under s. 18.56 (5) and (9) (j), deposit in a separate and distinct fund outside the state treasury all revenues received in the repayment of loans, funded from the appropriation under s. 20.143 (3) (v), made under this subsection and any other revenues dedicated to it by the department. The department may pledge revenues received or to be received by this fund to secure revenue obligations issued to fund loans under this subsection. The department shall have all other powers necessary and convenient to distribute the proceeds of the revenue obligations and loan repayments in accordance with subch. II of ch. 18.

History: 1971 c. 125; 1973 c. 243 s. 82; 1975 c. 39, 224; 1977 c. 2; 1979 c. 34; 1979 c. 162 s. 38 (11); 1979 c. 175; 1979 c. 361 ss. 31, 33, 35, 37, 39, 40, 48, 98, 113; 1981 c. 349; 1983 a. 27; 1983 a. 36 s. 96 (3), (4); 1985 a. 29.

**560.05 Additional powers to provide facilities. (1)** As used in this section unless the context requires otherwise:

(a) The term "corporation" in relation to any conveyance, lease or sublease made under sub. (2) means a nonstock, nonprofit corporation organized under ch. 181 or any law amendatory thereof or supplemental thereto.

(b) "Existing building" in relation to any conveyance, lease or sublease made under sub. (2) means all administrative

buildings, all storage facilities and garages, all buildings used for exhibition or promotional events for agricultural, industrial, educational, recreational or athletic purposes and such other buildings, structures, facilities and permanent improvements as in the judgment of the department are needed or useful and all equipment therefor and all improvements and additions thereto which were erected, constructed or installed prior to the making of such conveyance, lease or sublease.

(c) "New building" in relation to any conveyance, lease or sublease made under sub. (2) means all administrative buildings, all storage facilities and garages, all buildings used for exhibition or promotional events for agricultural, industrial, educational, recreational or athletic purposes and such other buildings, structures, facilities and permanent improvements as in the judgment of the department are needed or useful and all equipment therefor and all improvements and additions thereto which are erected, constructed or installed after the making of such conveyance, lease or sublease.

(2) In order to provide new buildings and to enable the construction and financing thereof, to refinance indebtedness hereafter created by a corporation for the purpose of providing new buildings or additions or improvements thereto which are located on land owned by or owned by the state and held for the department or by a corporation or for any one or more of said purposes but for no other purpose unless authorized by law, the department has the following powers and duties:

(a) Without limitation by reason of any other provisions of the statutes, the power to sell and to convey title in fee simple to a corporation any land and any existing buildings thereon owned by or owned by the state and held for the department for such consideration and upon such terms and conditions as in the judgment of the department are in the public interest.

(b) The power to lease to a corporation for terms not exceeding 50 years each any land and any existing buildings thereon owned by or owned by the state and held for the department upon such terms and conditions as in the judgment of the department are in the public interest.

(c) The power to lease or sublease from a corporation and to make available for public use any such land and existing buildings conveyed or leased to such corporation under pars. (a) and (b) and any new buildings erected on such land or on any other land owned by such corporation, upon such terms, conditions and rentals, subject to available appropriations, as in the judgment of the department are in the public interest.

(d) The duty to submit the plans and specifications for all such new buildings and all conveyances, leases and subleases made under this section to the department of administration and the governor for written approval before they are finally adopted, executed and delivered.

(e) The power to pledge and assign all or any part of the revenues derived from the operation of such new buildings as security for the payment of rentals due and to become due under any lease or sublease of such new buildings under par. (c).

(f) The power to covenant and agree in any lease or sublease of such new buildings made under par. (c) to impose fees, rentals or other charges for the use and occupancy or other operation of such new buildings in an amount calculated to produce net rentals sufficient to pay the rentals due and to become due under such lease or sublease.

(g) The power to covenant and agree in any lease or sublease made under par. (c) to impose fees, rentals or other charges for the use and occupancy or other operation of existing buildings in an amount calculated to produce net rentals sufficient to pay the rentals due and to become due under such lease or sublease.

(h) The power and duty, upon receipt of notice of any assignment by a corporation of any lease or sublease made under par. (c), or of any of its rights under any such sublease, to recognize and give effect to such assignment, and to pay to the assignee thereof rentals or other payments then due or which may become due under any such lease or sublease which has been so assigned by such corporation.

(3) The state shall be liable for accrued rentals and for any other default under any lease or sublease made under sub. (2) (c) and may be sued therefor on contract as in other contract actions under ch. 775, except that it shall not be necessary for the lessor under any such lease or sublease or any assignee of such lessor or any person or other legal entity proceeding on behalf of such lessor to file any claim with the legislature prior to the commencement of any such action.

(4) Nothing in this section empowers the department to incur any state debt.

(5) All conveyances, leases and subleases made pursuant to this section shall be made, executed and delivered in the name of the department and shall be signed by the secretary.

(6) All laws conflicting with this section are, insofar as they conflict with this section and no further, superseded by this section.

(7) The department may not convey or lease under sub. (2) (a) or (b) on or after September 1, 1980.

History: 1979 c. 32 s. 92 (5); 1979 c. 361 ss. 58, 103; 1983 a. 189.

**560.07 Promotion.** The department shall provide coordinating services to aid state and local groups in the promotion of economic enterprises and shall conduct such publicity and promotional activities as are desirable to stimulate all facets of the economy and to this end it shall specifically:

(1) Collect and disseminate information regarding the advantages of developing business and industrial enterprises in this state.

(2) Stimulate and foster the development of the private industry of this state.

(2m) In cooperation with the university of Wisconsin small business development center, the university of Wisconsin center for cooperatives, the board of vocational, technical and adult education, the university of Wisconsin-extension, the community development finance authority and the council on economic adjustment, collect and disseminate information regarding employe-owned businesses and promote the appropriate establishment of employe-owned businesses.

(3) For the purpose of attracting persons interested in locating new enterprises in this state:

(a) Serve as the state's official liaison agency between persons interested in locating new economic enterprises in Wisconsin, and state and local groups seeking new enterprises. In this respect the department shall aid communities in organizing for and obtaining new business or expanding existing business and shall refer requests which reflect interest in locating economic enterprises in the state to Forward Wisconsin, inc.

(b) Contract with Forward Wisconsin, inc., if the secretary determines it appropriate, to pay Forward Wisconsin, inc., an amount not to exceed the amount appropriated under s. 20.143 (1) (bm), to establish and implement a nationwide business development promotion campaign to attract persons interested in locating new enterprises in this state. Funds may be expended to carry out such a contract only as provided in s. 16.501.

(c) Whenever appropriate, submit to the secretary of administration a report setting forth the amount of private contributions received by Forward Wisconsin, inc., since the time the department last submitted such a report.

(4) Collect and disseminate information regarding the ports of the state and promote the advantages of developing new business for the ports of the state.

(5) Study, promote and implement means of expanding foreign and domestic markets for products of this state.

(6) The secretary shall annually meet with the secretary of agriculture, trade and consumer protection to mutually agree on any joint program efforts.

(7) Encourage public and private agencies or bodies to publicize the facilities and attractions of the state.

(8) Promote the technology development grant program under s. 560.085 as a means to support the diversification and growth of the economy of this state.

(9) On or before July 1, 1985, and every July 1 thereafter, submit to the appropriate standing committee of each house of the legislature, as determined by the presiding officer thereof, a report stating the net jobs gain due to the funds provided Forward Wisconsin, inc., under s. 20.143 (1) (bm).

**History:** 1971 c. 321 ss. 11, 16; 1979 c. 361 ss. 97, 99, 106; 1983 a. 27, 381, 387; 1985 a. 29.

**560.08 Economic and community development planning and research.** (1) **PURPOSE.** The legislature determines that the proper development of the state as an attractive place to live and work will be enhanced through the development and expansion of comprehensive economic and community development planning programs and research programs undertaken by the department in order to accomplish the stated purposes of this chapter.

(2) **DUTIES.** The department shall:

(a) Study the impact of the St. Lawrence Seaway on the economy of the state, conduct research on port development and new businesses for port communities, communicate the results of such studies to appropriate port, public and business agencies and formulate, coordinate and direct a program of port development for the state. The department shall serve as a liaison agency between local port authorities, state and federal agencies and individuals or private agencies who need or request information relative to the ports of the state. The department shall appear before federal, state and local agencies, whenever it deems such action advisable, in the matter of the welfare of the ports of the state.

(b) Assemble and correlate information relating to all facets of the state's economic resources, including without limitation, the labor supply, markets for Wisconsin products, power development, highways, watersheds, waterways, waterfront and harbor developments, water freight rates, tariffs, demurrage charges and state and federal regulations affecting ports, river basins, flood prevention, parks, reservations, river valleys, forests, wildlife refuges, aviation facilities, drainage and sanitary systems, waste disposal, waterworks, soil conservation, railroad rights-of-way, power transmission facilities, urban development, food, housing and water supplies, and factors which influence the development of new economic enterprises such as taxes and the regulation of industry.

(c) Assess the economic resources of each area of the state, including its human resources, natural resources, and economic strengths and problems and advance proposals to develop its strength and solve its problems.

(d) Identify gaps in government services as they relate to economic and community development in each area of the state and recommend specific actions to the local and state agencies concerned.

(e) Coordinate its comprehensive economic development plans with local and regional economic planning and economic development agencies, both governmental and non-

governmental, and assist these agencies to implement agreed upon economic development plans.

(f) Carry out continuing studies and analyses of the economic and community development problems faced by Milwaukee and other urban areas within the state and develop such recommendations as appear necessary. In carrying out such studies and analyses, particular attention should be paid to the development of financing methods and programs which will effectively supplement local effort.

(g) Carry out continuing studies and analyses of the problems faced by local governments within the state and develop such recommendations for administrative or legislative action as appear necessary.

(h) Study existing legal provisions that affect the structure and financing of local government and those state activities which involve significant relations with local government units; recommend such changes in these provisions and activities as appear necessary to strengthen local government, encourage economic and community development and facilitate closer state-local relations.

(i) Encourage, assist and advise regional, county and local agencies or bodies responsible for planning and zoning in the programs they administer or may wish to initiate.

(j) Assist planning for metropolitan or regional areas, or areas where rapid urbanization or decline has resulted or is expected to result, including areas extending into adjoining states.

(m) No later than January 1 of each odd-numbered year, submit to the investment board a report describing the types of investments in businesses in this state which will have the greatest likelihood of enhancing economic development in this state.

**History:** 1971 c. 125; 1979 c. 361 ss. 32, 43, 44, 47, 88, 92; 1985 a. 53.

**560.085 Technology development grants.** (1) In this section:

(a) "Board" means the technology development board.

(b) "Business entity" means a company located in this state or a group of companies at least 80% of which are located in this state.

(c) "Consortium" means an association of a business entity and a higher education institution subject to an agreement complying with sub. (3) (b).

(d) "Higher education institution" means the university of Wisconsin system or an institution located in this state and offering a postbaccalaureate or professional degree program.

(e) "Royalty" means a share of future profits from, or an interest in, a product or process.

(2) Subject to subs. (3) to (5), the board may make a grant to a consortium from the appropriation under s. 20.143 (4) (c) after considering all of the following:

(a) The financial soundness of the business entity.

(b) Whether the business entity intends to maintain operations in this state after completion of research supported by grant funds.

(c) The technical soundness of the proposed research.

(d) The degree to which technological developments likely to come from the proposed research would be used in and be of benefit to the economy of this state.

(e) The contribution of the proposed research to the research aims of the higher education institution.

(3) (a) A grant under this section shall support research addressing the technical aspects of a new or improved industrial product or process.

(b) No grant may be made under this section unless the business entity and the higher education institution have entered into a written agreement concerning patents and licenses which may result from the proposed research, dis-

semination of information relating to the proposed research and program responsibilities of research project personnel.

(c) Funds expended or encumbered in any biennium for a project funded by a grant under this section may not exceed 40% of the total budgets of all research projects awarded grants under this section in that biennium.

(d) The business entity shall contribute at least 20% but not more than 90% of the budget of a research project awarded a grant under this section.

(e) Not more than 25% of funds expended or encumbered under s. 20.143 (4) (c) in any biennium may be awarded to consortia including higher education institutions other than the university of Wisconsin system.

(f) Funds from a grant awarded under this section not expended within 2 years of the grant award shall be returned to the board.

(g) Funds from a grant awarded under this section may not be used to pay overhead costs or to replace funds from any other source.

(4) (a) The board shall develop a policy relating to obtaining reimbursement of grants under this section. The policy shall consider methods of reimbursement, including, but not limited to, full and partial repayment of the principal amount of the grant and payment of a royalty on the product or process resulting from the research funded by the grant.

(b) All moneys received in reimbursement of grants under this section shall be deposited into the appropriation under s. 20.143 (4) (i).

(5) (a) In awarding grants under this section, the board shall give priority to the following:

1. Research projects having a potential for future private sector support or for encouraging future private sector support of related research.

2. Research projects likely to be completed within 2 years of a grant award.

(b) The board shall provide for the auditing and evaluation of grants awarded under this section.

History: 1983 a. 27, 547; 1985 a. 29 ss. 2273m to 2283m, 3202 (14).

**560.09 Cooperation.** (1) **LIAISON WITH STATE AND FEDERAL AGENCIES.** The department shall assist, cooperate with and seek information and advice from other state agencies, federal agencies, organizations of elected officials in the state, units of local government, local business and industry, and other appropriate agencies or organizations in carrying out its assigned functions and duties. Appropriate units of the university of Wisconsin system-extension shall coordinate their activities with the department, and the department shall cooperate by providing information necessary to the conduct of research and professional advice. Particularly, the university of Wisconsin system-extension and the department shall develop processes which will enhance coordination and cooperation in relation to the small business development centers and business advisory service programs and recreation related programs.

(2) **RESEARCH.** The department shall utilize and coordinate with research programs of other state agencies and shall make such agreements as may be necessary to effectuate its own research program. It shall initiate research and economic planning and shall seek to make full use of and strengthen the research resources of state agencies, including the university or such other institutions of higher education as will enhance the work of the department.

(3) **COMMUNICATIONS.** The department shall establish strong lines of communication among all state agencies concerned with the economic and community development of

the state to assure that all factors in such programs are given adequate consideration.

(4) **PUBLICATIONS.** The department may issue pamphlets and bulletins pertaining to the economy and the resources of the state and activities of the department. The department may make charges for its pamphlets and bulletins as prescribed in s. 20.908.

History: 1971 c. 321 ss. 13, 16; 1979 c. 34; 1979 c. 361 ss. 100, 102, 107.

**560.095 Labor training program.** (1) **CREATION AND PURPOSE.** There is created a labor training program to provide specialized job training to state residents in new technologies and industrial job skills to meet the critical manpower needs of specific businesses when the training is not available through existing federal, state or local resources, except as provided in sub. (4) (c).

(2) **ADMINISTRATION.** The department shall administer the labor training program. The board of vocational, technical and adult education shall cooperate with and assist the department and private industry in the development of labor training programs under this section and shall provide technical assistance in reviewing applications for training programs submitted to the department.

(3) **TRAINING PROGRAM APPLICATION AND APPROVAL.** (a) One or more businesses may submit an application to the department for funds to establish a labor training program under this section. The application shall include a detailed training program plan setting forth the type of specialized training and the number of trainees required, the institutions, entities or persons who will provide the training, the equipment and facilities needed for the training program, the locations where training will take place, the duration of the training program, an itemization of estimated program costs and any additional information required by the department. The application shall include a statement by the applicant or applicants that guarantees the employment in this state of all persons who successfully complete the training program.

(b) Every labor training program shall provide job training with at least 2 weeks of actual instruction.

(c) No payment may be made by the department for any training program until the program is approved by a majority of a 5-member review panel. The review panel shall consist of the secretary, the director of the vocational, technical and adult education system and the secretary of industry, labor and human relations, or their designees, and 2 persons representing the financial and technical communities of this state. The governor shall select the 2 persons representing the financial and technical communities of this state from a list submitted by the secretary. A labor training program may not be approved without a finding by the review panel that comparable training cannot be made available through existing federal, state or local resources, except as provided in sub. (4) (c).

(d) In reviewing and approving applications for labor training programs under this section, the review panel shall consider all of the following:

1. The extent of skill upgrading offered to program trainees.

2. Whether the training program will help meet existing and emerging occupational skill needs.

3. Whether the training program is cost-effective.

4. Whether the training program would promote business development that would not otherwise take place.

(4) **FUNDING; ELIGIBLE COSTS.** (a) After an approved labor training program is established, the department shall make payments from the appropriation under s. 20.143 (4) (b) to the business sponsor of the program for not to exceed 50% of

the eligible costs of the program. The department may make the payments on a reimbursement or lump-sum basis. The department shall withhold 10% of its share of the costs until the program is completed.

(b) Eligible training program costs include all of the following:

1. Instructional staff expenses, such as instructor's salaries, fringe benefits and travel expenses, instructional materials, pretraining costs for recruiting and training instructors and curriculum development costs.
2. The reasonable rental costs of instructional equipment and training facilities, if necessary.
3. Necessary costs of recruiting, screening and counseling program trainees.
4. Wages, salary or other compensation for program trainees.
5. Financial audit costs.

(bm) Eligible training program costs do not include any of the following incurred by a local school for vocational, technical and adult education or a public secondary or postsecondary institution:

1. Pretraining costs for recruiting instructors.
2. Curriculum development costs.
3. Necessary costs of recruiting, screening and counseling program trainees.
4. Financial audit costs.
5. Rental costs for instructional equipment and training facilities owned or leased by the school or institution unless the equipment or facilities are leased specifically for the purposes of the training program.

(c) A participating business may make its contribution to the labor training program in cash or in-kind payments. Up to 20% of the contribution of a participating business may consist of funds which the business receives under the federal job training partnership act, 29 USC 1501 to 1781.

(5) TRAINING PROVIDERS. The instruction of trainees under an approved labor training program may be provided by one or more of the following:

- (a) A business.
- (b) A private consultant or contractor.
- (c) A local school for vocational, technical and adult education.
- (d) A public or private secondary or postsecondary institution.

(6) TARGETED BUSINESSES. In approving labor training programs under this section, the review panel shall give priority to businesses that:

- (a) Have recently located or have made a firm commitment to locate in this state;
- (b) Are expanding at the same industrial site or at a different location within this state; or
- (c) Are upgrading a manufacturing process, product or service in this state requiring new job skills that current employees do not possess.

(7) RULE MAKING. The department shall adopt rules to administer this section.

History: 1983 a. 27, 379; 1985 a. 29 ss. 2284 to 2286, 3202 (14); 1985 a. 342.

**560.10 Industrial building construction loan fund.** (1) The industrial building construction loan fund is created to consist of all federal grants made for the purpose of this section as provided in sub. (2). All principal and interest payments for loans made under this section shall be deposited in this fund. The industrial building construction loan fund shall be invested under s. 25.17.

(2) The purpose of this section and the industrial building construction loan fund is to assist and advance the general

prosperity and economic welfare of the people of this state and to improve their standard of living and improve employment opportunities in the state by making loans to regional and local development corporations to enable the construction of industrial buildings where such construction would not otherwise occur. In carrying out the purposes and exercising the powers granted by this section the department shall be regarded as performing an essential governmental function.

(3) The department shall administer this section and make loans for the purpose provided under sub. (2) to regional or local corporations. The department may determine the terms and conditions of any such loan, and may charge interest on such loans lower than the going market rate.

History: 1977 c. 418; 1979 c. 361 s. 105.

**560.15 Economic adjustment program.** (1) The department, with the advice and assistance of the council for economic adjustment and community response committees created under sub. (3), and in cooperation with the department of industry, labor and human relations, shall perform the responsibilities under sub. (2) if the following conditions are met:

(a) A business, regardless of its size or form of organization, is considering ceasing its operations or has decided to cease its operations or has ceased its operations at any place of business located in this state; is considering laying off or has decided to lay off or has laid off, whether permanently or temporarily, any of its employees at any place of business located in this state.

(b) The department has received notification of an act by a business under par. (a) from any of the following:

1. The department of industry, labor and human relations under s. 109.07 (1).
3. The business.
4. An employe of the business or a former employe laid off by an act under par. (a).
5. A member of the council for economic adjustment.
6. A small business development center of the university of Wisconsin system.
7. A faculty member of the university of Wisconsin-extension.
8. An economic development coordinator of vocational, technical and adult education.

(2) Upon notification of an act by a business under sub. (1), the department shall provide assistance, or provide referrals to other persons or arrange and coordinate assistance from other persons, including federal, state or local governmental units, agencies or programs, other businesses, service organizations, educational institutions and financial institutions, to the following persons for the following purposes and upon the following conditions:

(a) A business which has performed an act under sub. (1) (a), for the purpose of enabling continued or renewed operation of the business or avoiding or rescinding temporary or permanent layoffs, if the business requests or chooses to accept the assistance of the department.

(b) One or more employes of a business, or former employes laid off by an act under sub. (1) (a), if the business has performed an act under sub. (1) (a), for the purpose of retraining the employes or former employes, matching their skills with jobs for other employers or accomplishing the transfer of ownership, control or management of a business which has decided to or has ceased operations to employes or former employes, members of the community or others, if one or more employes or former employes request or choose to accept the assistance of the department.

(c) A business or one or more employees of a business or former employees laid off by an act under sub. (1) (a), if the business has performed an act under sub. (1) (a), for any of the purposes set forth in pars. (a) and (b), if the business and one or more employees or former employees request or choose to accept the assistance of the department.

(d) A business or one or more former employees of a business laid off by an act under sub. (1) (a) or one or more employees of a business, if the business has performed an act under sub. (1) (a), for the purpose of informing the business, former employees or employees of their rights and opportunities under s. 560.16.

(3) (a) If a business, or one or more employees of a business or former employees laid off by an act under sub. (1) (a), request or accept assistance under sub. (2), the department shall send written notice thereof to the chief executive officer of the village, town or city where the business has or had its place of business.

(b) A chief executive officer receiving notification under par. (a), after consultation with the business affected, may create a community response committee which shall consist of the following members to be appointed by and serve at the pleasure of the chief executive officer:

1. A representative from the business if the business requests or accepts assistance under sub. (2).

2. A representative from the employees of the business or former employees laid off by an act under sub. (1) (a), if one or more employees or former employees request or accept assistance under sub. (2).

3. A representative from the village, town, city or county where the business has or had its place of business.

4. A representative from a local economic development organization.

(c) A committee created under par. (b) may appoint additional members to serve at the pleasure of the committee, or may otherwise request assistance from any persons, including representatives from any of the following:

1. A local office of the department.

2. A local campus of the university of Wisconsin system.

3. A county office of the university of Wisconsin extension.

4. A district vocational, technical and adult education school.

5. A regional small business development center of the university of Wisconsin system.

6. A district office of the department of industry, labor and human relations.

7. The office of the county treasurer.

(d) Each community response committee shall advise and assist the department and the council for economic adjustment in the performance of their responsibilities under this section and s. 15.157 (5).

(4) All records received or created for the purposes of this section shall be closed to public inspection if the department, the council for economic adjustment, a chief executive officer of a village, town or city or a community response committee determines that public inspection of the records could adversely affect the business, its employees or former employees.

(5) Each employee of the department, and each member of the council for economic adjustment and of the community response committee, and each chief executive officer of a village, town or city and employees of his or her office shall keep secret all facts and information obtained in the course of performing their responsibilities under this section. This subsection does not prohibit the public inspection of records

to the extent permitted under sub. (4) nor meetings in open session to the extent permitted under s. 19.85 (1) (i).

History: 1983 a. 84; 1983 a. 192 s. 304; 1985 a. 29

**560.16 Employee ownership assistance loans. (1) DEFINITIONS.** In this section:

(a) "Board" means the employee ownership board.

(b) "Business" means an employee-owned business or an existing business which is the subject of an application for a loan under this section.

(c) "Employee-owned business" means a business located in this state which is organized in a manner determined by the secretary to involve substantial employee participation or a cooperative organized under ch. 185 or a corporation in which the employees own the stock of the corporation through an employee stock ownership plan as defined under 26 USC 4975 (e) (7) and in which:

1. A majority of the voting rights are held by employees and any employee who has stock allocated to the employee is entitled to vote;

2. Shares are voted in such a manner that the vote of the majority of employees controls the vote of the majority of shares;

3. Voting rights on corporate matters for shares held in a trust for the employees shall pass through to those employees, at least to the extent required by the pass-through voting requirements under 26 USC 409A (e); and

4. The majority of the members of the board of directors are elected by the employees.

(d) "Employee-owned business group" means a group formed by or on behalf of employees of an employee-owned business which is considering substantial layoffs or a closing for the purpose of determining how to create new jobs, avoid layoffs or avoid the closing.

(e) "Existing business" means the assets of any business which is located in this state and which is operating or has ceased operating for not more than one year prior to the date the application is submitted under sub. (3).

(f) "Existing business group" means a group formed by or on behalf of the current or former employees of an existing business which has experienced substantial layoffs or a closing not more than one year prior to the date the application is submitted under sub. (3) for the purpose of determining the feasibility of assuming ownership or control of the existing business and operating it as an employee-owned business.

(g) "Group" means an employee-owned business group or an existing business group which has applied for a loan under this section.

(h) "Professional services" includes, but is not limited to, accounting services, engineering studies, design assistance, architectural services, appraisal services, marketing assistance, attorney services, financial packaging and employee relations services.

(2) EMPLOYEE OWNERSHIP ASSISTANCE LOANS. (a) The department may use the moneys under s. 20.143 (1) (f) to administer loans to existing business groups for a feasibility study to investigate the reorganization or new incorporation of an existing business as an employee-owned business and for professional services to implement the study.

(b) The department may not administer any loan under this section unless the board has approved the loan.

(c) The board may not approve a loan under this section unless the board has considered all of the following:

1. The number of employees affected by the considered or actual closing or layoff by the business.

2. The management capability of the group.

3. The economic impact of the considered or actual closing or layoff by the business on the community, region or state.

4. A preliminary assessment of the viability of the employee-owned business or proposed employee-owned business and, in the case of a proposed employee-owned business, the potential for a successful buy out by the group.

(3) **LOAN APPLICATIONS.** To apply for a loan under this section, a group shall submit an application to the department which includes:

(a) A general analysis outlining the need for a feasibility study or professional services under sub. (2) (a), including, but not limited to, such items as the number of employees affected, the economic impact on the community of a business closing and a preliminary analysis as to the feasibility of undertaking employee ownership of the business and the potential for a successful buy out by the group.

(b) A petition in support of the effort signed by at least a majority of the members of the group and a list of the names and addresses of all the members of the group.

(c) If the application is for a loan under sub. (2) (a), a letter from a majority of the owners of the business indicating a preference to sell the business to the group if the study concludes that reorganization or new incorporation of the business which is the subject of the study as an employee-owned business is feasible.

(d) The estimated cost and time required to conduct the feasibility study or provide the service.

(e) A description of the group's financial assets available to match the loan and a statement indicating the group's willingness to match the loan.

(f) A written commitment from a person with the recognized expertise and experience necessary to conduct the feasibility study or provide the professional services to be financed by the loan.

(4) **LOAN LIMITS; CONTRACT APPROVAL.** (a) A loan to a group under this section may not exceed \$25,000 unless the joint committee on finance, under s. 13.101 (5m), approves a specified amount exceeding \$25,000.

(b) As a condition of approval of a loan to a group under this section, the board shall require that the group provide matching funds for at least 25% of the loan, except that the board may waive application of that requirement if the board determines that the group is subject to extreme financial hardship.

(c) Any contract for any feasibility study or professional services financed by a loan under sub. (2) (a) shall be subject to the approval of the board. The board may not approve such a contract unless it determines that the contractor has the expertise required to provide the necessary study or services and that the contractor's costs are consistent with existing market rates.

(5) **REPAYMENT.** Any loan under this section is subject to the following repayment conditions:

(a) If a business is purchased or improved by a group which has received a loan under this section, the group shall repay the entire amount of the loan, with interest, in a lump sum at the closing of the purchase of the business or within one year after the date of the release of the loan by the department, whichever occurs later.

(b) If an existing business is not purchased by a group which has received a loan under this section within one year after the completion of the feasibility study, the group shall submit to the department a final report concerning the feasibility of repaying the loan.

(6) **STUDIES.** (a) Any feasibility study of an existing business financed by a loan under sub. (2) (a) shall include:

1. An assessment of the market value and demand for any product produced by the existing business.

2. A complete evaluation of the production costs of the existing business, including, but not limited to, labor, inventory, machinery and equipment, and the application of new technology.

3. A verified statement of the financial condition and business operation of the existing business for the previous 3 years, certified by an independent public accountant.

4. A full narrative appraisal of the fair market value of the assets of the existing business by a disinterested and qualified appraiser using all 3 commonly accepted appraisal methods.

5. A comprehensive projected business plan of the proposed employee-owned business, including the proposed organizational structure and ownership arrangements.

6. The number and type of jobs to be created or preserved by the proposed employee-owned business at its start-up and for each of the 3 subsequent years.

7. An analysis of the reasons for the closing or considered closing of the existing business.

8. A plan for implementing the feasibility study, if the study concludes that reorganization or new incorporation of the existing business as an employee-owned business is feasible.

(b) The results of a feasibility study of an existing business financed by a loan under sub. (2) (a) shall be solely for the use of the group which received the loan, except that if the group's bid to purchase the business has been withdrawn, rejected or terminated, the group shall submit a copy of the study and the results of any professional services financed by the loan to the board and the board may provide a copy of such results to any person seeking to purchase the existing business.

History: 1985 a. 29.

## SUBCHAPTER II

### TOURISM PROMOTION

**560.21 Definitions.** In this subchapter:

(1) "Corporation" means a regional tourism development corporation under s. 560.27.

(2) "Council" means the council on tourism created under s. 15.157 (2).

(3) "Region" means a tourism region under s. 560.27 (2).

History: 1975 c. 39, 163, 200; 1981 c. 349 s. 32.

**560.23 Duties.** (1) **GENERAL DUTIES.** The department shall:

(a) Stimulate, promote, advertise and publicize tourism to the state by those who live in other states and foreign countries.

(b) Promote travel by citizens of this state to this state's scenic, historic, natural, agricultural, educational and recreational attractions.

(c) Create an accurate national and international image of the state.

(d) Encourage all tourism-related businesses to participate in available education programs.

(e) Encourage and cooperate with communities, groups and individuals in the state in pursuing the tourism promotion objectives of the department.

(f) Coordinate and stimulate the orderly and ecologically sound development of commercial tourist facilities throughout the state.

(g) Promote the growth of the tourism and recreation industry through research, planning and assistance.

(h) Annually report to the senate natural resources committee and the assembly committee on tourism the activities, receipts and disbursements of the division of tourism for the previous fiscal year.

(2) **SALES.** The department shall annually formulate for review by the council a plan for marketing and promotion of the facilities and attractions of the state for the ensuing year, and shall implement the plan. The department shall cooperate with the commercial recreation industry to assure coordination with private plans and programs, and may assist in the development and marketing of combined recreational opportunities such as package tours, convention and trade show facilities and special transportation arrangements.

(3) **SERVICES.** The department shall assist the consumers and the suppliers of recreational opportunities in the state. The department may:

(a) Collect and disseminate information as to the facilities, advantages and attractions of the state, including historic, scenic and other points of interest.

(b) Provide timely information regarding weather, transportation facilities, hunting, fishing, boating, motoring, snowmobiling and skiing conditions and other subjects of interest to those seeking recreational opportunities in the state.

(c) Establish, manage and operate permanent or temporary tourist information centers along major highways into the state.

(d) Provide advice and service to persons or groups engaged in the recreation industry.

(e) Conduct research into the status and needs of the recreation industry.

(f) Operate a reservations service for recreational facilities in the state.

(g) Provide planning and coordinating assistance to tour operators, convention and trade show managers.

(4) **ADVERTISING.** The department shall plan and conduct a program of advertising and promotion designed to attract interested persons to this state and to stimulate the enjoyment of its recreational opportunities by residents and nonresidents alike. Any contracts engaging a private agency to conduct an advertising or promotion program under this subsection shall reserve to the department the right to terminate the contract if the service is unsatisfactory to the department. The department shall encourage and coordinate the efforts of public and private organizations to publicize the facilities and attractions of the state for the purpose of stimulating their enjoyment by residents and tourists.

(5) **CHEESE DISTRIBUTION.** (a) The department shall distribute cheese that was donated, or purchased from donations received under par. (c), free of charge to the public each year from the 2nd to last Monday in May to the first Monday in September at each tourist information center operated by the department in this state except the tourist information center located in Madison.

(b) Cheese distributed under par. (a) shall be in packages of one ounce or less and shall be manufactured in Wisconsin.

(c) The department shall accept cheese, and refrigeration equipment and gifts, grants, bequests and devises, for the purpose of implementing this subsection. If there is an insufficient amount of cheese available to implement this subsection, the department shall contact potential donors for donations. The department shall return any surplus cheese to the donor.

History: 1975 c. 39, 163, 200; 1983 a. 92.

**560.25 Offices.** The department may establish tourism offices, within or without the state, as necessary to carry out its duties. Wisconsin residency may not be required of classified employees staffing tourism offices located outside the state.

History: 1975 c. 39, 163, 200.

**560.27 Regional tourism development corporations.** (1) A regional tourism development corporation is a nonprofit corporation organized under ch. 181 to promote the tourism and commercial recreation industry of a tourism region.

(2) The department shall, upon review by the council, adopt rules dividing the state into not less than 6 nor more than 10 tourism regions, each consisting of one or more entire counties.

(3) No more than one corporation may represent a tourism region. If 2 or more corporations, each meeting the requirements of this section, seek to do so, the department, upon advice of the council, shall select the corporation judged most effective and representative.

(4) Membership in a corporation shall be open to all counties, cities, villages and towns in the region, to all persons residing or doing substantial business in the region for any significant portion of the year and to all associations or groups of such persons. The articles or bylaws of the corporation may set forth classes of members for the purpose of determining equitable membership fees and each member shall have equal voting and other rights with all other members of such class. The department may promulgate rules establishing additional requirements in order to ensure that each corporation is open to maximum participation by all segments of the recreation industry in the region it represents. Each corporation shall select a descriptive name for the region it represents and submit such name for review and approval by the secretary.

(5) A corporation which receives funding under s. 560.29 shall keep its books and records in the manner required by departmental rules. The books and records shall be open to the public and subject to inspection and copying by the staff of the legislative audit bureau and legislative fiscal bureau.

History: 1975 c. 39, 163, 200; 1979 c. 361 s. 112.

**560.29 Cooperative marketing and advertising.** (1) **ALLOCATION FORMULA.** The department shall promulgate rules allocating cooperating advertising funds equitably among the tourism regions. Such rules shall provide that not less than one-third of the funds set aside for the execution of functions under this section shall be allocated for qualified projects initiated by corporations. If any region or corporation fails to initiate sufficient projects to exhaust its allocation, the department may distribute such funds to other applicants in such manner as it deems equitable.

(2) **ELIGIBILITY.** Any public or private organization not organized or incorporated for profit may apply to the department for cooperative advertising funds under this section. Prior to applying for such funds, each prospective applicant shall have submitted, at the time and in the manner provided by departmental rule, a plan and budget specifying the media to be used, the market to be approached, the facilities and attractions to be promoted and the applicant's estimated expenditures and receipts for the various projects within the plan. If such plan is coordinated with the statewide marketing strategy, the department shall approve it and the submitting organization shall be eligible to apply for cooperative funds under this section.

(3) **WRITTEN AGREEMENTS.** Each cooperative promotion project shall be implemented by a written agreement between the department and the corporation or other organization, which shall specify at a minimum:

(a) The name, address and contact person for the applicant and its advertising agency, if any.

(b) A description of the project, including the media to be used, the date or inclusive dates and the geographic market to be reached.

(c) An itemized statement of the estimated total costs of the project.

(d) An itemized statement of the revenues accruing to the applicant from the project through advertising, contributions and other sources.

(4) **LIMITATIONS.** (a) No state funds may be released for a project which is not included within an advertising plan and budget submitted by a corporation or other organization and approved by the department.

(b) No funds may be released prior to the satisfactory completion of the project in accordance with the agreement concluded under sub. (3).

(c) Funds released in any given project may not exceed 50% of the total project costs, less that portion of the amounts recovered by the applicant through the sale of advertising or other promotional considerations in connection with the project which exceeds 50% of the total project costs.

(d) No funds may be used to compensate any officer or employe of the applicant for salaries or expenses.

(e) No name or picture of any living state or local public official or candidate for public office may be used in any project for which state funds are received under this section.

(f) No payments may be released except upon presentation of receipted vouchers for project expenditures by the applicant, together with such other documentary evidence substantiating payments and the purposes for which the payments were made as the departmental rules require.

(g) The department may promulgate rules imposing additional requirements to ensure that public funds are used to promote the maximum number of attractions and facilities.

*History:* 1975 c. 39, 163, 200.

### SUBCHAPTER III

#### PERMIT INFORMATION CENTER

##### 560.41 Definitions. In this subchapter:

(1) "Center" means the permit information center operated by the department.

(2) "Permit" means any approval of a regulatory agency required as a condition of operating a business in this state.

(3) "Regulatory agency" means any state agency responsible for granting a permit.

*History:* 1983 a. 91.

**560.42 Responsibilities.** (1) **PERMIT EXPEDITING.** (a) The center shall expedite the process of applying for permits, of reviewing and making determinations on permit applications and of issuing permits as follows:

1. The center shall discharge its responsibilities under sub. (2) in a manner designed to expedite the process.

2. Upon request by a person applying for a permit and to the extent possible, the center shall resolve misunderstandings between the person and the appropriate regulatory agency and shall prevent or mitigate delays in the process.

3. If the center determines that it is unable to resolve misunderstandings or prevent or mitigate delays under subd. 2, the center shall request the assistance of the secretary and the head of the appropriate regulatory agency.

4. If the center determines that the secretary and head are unable to resolve misunderstandings or prevent or mitigate delays under subd. 3, the center shall request the assistance of the governor.

(b) The center shall give priority to businesses new to this state and to businesses expanding within this state in providing assistance under par. (a).

(c) The center shall maintain records identifying each person requesting assistance under par. (a) and setting forth assistance rendered and results achieved.

(2) **PERMIT INFORMATION.** (a) The center shall assist any person requesting information on which permits are required for a particular business activity or on the application process, including criteria applied in making a determination on a permit application and the time period within which a determination will be made. This assistance may include both:

1. Arranging a meeting between the person and the staff of the appropriate regulatory agency to enable the person to obtain information from the agency.

2. Obtaining information and permit applications from the regulatory agency and providing the information and appropriate permit applications to the person.

(b) If a person receives assistance under this subsection and applies for a permit and if the person requests, the center shall check periodically on the status of the permit application and report the status to the person.

(2m) **ADVOCACY.** The center shall provide advocacy services before regulatory agencies on behalf of permit applicants. These services shall include monitoring the application approval process to ensure that permits are granted in the shortest amount of time possible consistent with the substantive requirements established by rule or law.

(3) **ASSISTANCE BY CENTER.** (a) The center may not charge any person for services provided under this subchapter.

(b) The center may refer to the appropriate regulatory agency, without giving further assistance, any person seeking information or assistance on a permit under chs. 186, 215, 217, 220 to 224, 441 to 459 and 600 to 646.

(c) Advice, assistance or information rendered by the center under this subchapter does not relieve any person from the obligation to secure a required permit.

(d) The center shall not be liable for any consequences resulting from the failure to issue or to seek a permit.

(4) **PROMOTION OF ASSISTANCE.** (a) The center shall maintain and publicize the availability of a toll-free telephone line available to in-state callers to the center.

(b) The center shall seek to explain, promote and publicize its services to the public and shall provide information on its services for inclusion in any public informational material on permits provided by regulatory agencies.

(c) The center shall, in its efforts under pars. (a) and (b), clearly represent that its services are advisory, informational and facilitative only.

(5) **ANNUAL REPORT.** (a) *Report.* On or before July 1, 1985, and every January 1 thereafter, the center shall submit to the appropriate standing committee of each house of the legislature, as determined by the presiding officer thereof, a report containing the information required under pars. (am) and (b).

(am) *Permit simplification.* Based on the experience of the center in assisting persons and discussions with regulatory agencies, the center shall submit a report containing recommendations for the legislature, governor, public records and forms board and regulatory agencies concerning all of the following:

1. Improving permit application forms.

2. Eliminating unnecessary or duplicative permit requirements.

3. Simplifying the process of applying for permits, of reviewing and making determinations on permit applications and of issuing permits.

(b) *Record of assistance.* Based on the experiences of the center in assisting persons and on reports received under s. 227.116 (4), the center shall prepare information for the

legislature, governor, public records and forms board and regulatory agencies which shall include all of the following:

1. The number of persons assisted.
2. The kinds of assistance provided.
3. The number of occasions when regulatory agencies exceeded the time period specified by rule or law for reviewing and making determinations on permit applications.
4. An evaluation of why the regulatory agencies exceeded the time periods on the occasions specified in subd. 3 and an explanation of how the agencies intend to avoid exceeding the time periods in the future.

(6) **PERMIT CONSOLIDATION.** In its first annual report submitted under sub. (5), the center shall include a study of the feasibility and desirability of providing consolidated or multiple permit application forms or consolidated hearings on consolidated or multiple permit application forms.

**History:** 1983 a. 91; 1985 a. 182 s. 57.

**560.43 Responsibilities of regulatory agencies. (1) INTER-AGENCY COOPERATION.** Each regulatory agency shall:

(a) Designate a staff person to coordinate regulatory agency cooperation with center staff, provide information to center staff on the permit process and direct center staff to appropriate staff within the regulatory agency.

(b) Cooperate to the extent possible with center staff and respond promptly to requests for assistance in expediting and requests for information on the permit process under s. 560.42.

(c) Include material provided by the center under s. 560.42 (4) in any public informational material on permits it provides.

(d) Maintain responsibility for interpreting the requirements of and granting or denying its permits.

(e) In reviewing a submitted application for a permit, notify the applicant of all reasons the application is incomplete or incorrectly submitted at the first time the agency returns the application to the applicant.

(2) **PREAPPLICATION MEETINGS.** Each regulatory agency shall provide an opportunity for a preapplication meeting with its staff to any person interested in applying for a permit upon request by the person or the center, and shall comply with the following requirements:

(a) The regulatory agency shall conduct preapplication meetings in an informal manner.

(b) In any preapplication meeting, the regulatory agency shall identify all permits required by the regulating agency for a business activity, describe the steps and identify the time period for each step in the permit process and identify potential problems in the process.

(d) The regulatory agency shall invite participation by center staff in preapplication meetings when appropriate.

(e) The regulatory agency shall publicize the availability of preapplication meetings to persons contacting them about permits.

**History:** 1983 a. 91.