

1999 SENATE BILL 393

February 16, 2000 – Introduced by JOINT LEGISLATIVE COUNCIL. Referred to Economic Development, Housing and Government Operations.

1 **AN ACT *to repeal*** 15.155 (4), 20.143 (1) (cb), 560.033, 560.037, 560.038 and
2 560.039, 560.045 (2), 560.06, 560.14 (1) (a), (ar), (b), (fm), (g) and (h), 560.14 (2),
3 560.14 (3), 560.14 (3m) and (3r), 560.14 (4), 560.14 (4m), 560.14 (5), 560.145,
4 560.147, 560.16 (title) and (1) (intro.), (a) and (b), 560.16 (1) (g) and (h), 560.16
5 (2), (3), (4) and (6), 560.167, 560.17 (1) (a), (am), (bm) and (c), 560.17 (2), 560.17
6 (3), 560.17 (4), 560.17 (4m), 560.17 (5), 560.17 (5c) and (5m), 560.17 (5r), 560.17
7 (6), 560.17 (6m), 560.17 (6r), 560.17 (7), 560.175, 560.20 (1) (title), (cf) and (cm),
8 560.20 (1) (f), 560.20 (1) (g), 560.20 (1m), 560.20 (2), 560.20 (3) (title), 560.20 (3)
9 (a), 560.20 (3) (b) and (c), 560.20 (3) (cm), 560.20 (3) (d) and (e), 560.20 (3) (f) 1.
10 to 3., 560.25, 560.26, 560.60 (1m), (1s) and (1v), 560.60 (4), 560.60 (6), 560.60
11 (10), 560.60 (15), (17) and (18m), 560.602, 560.605, 560.607 (2), 560.61, 560.62,
12 560.63, 560.65 (title), (1), (1m), (2) and (3), 560.65 (4), 560.65 (5) (a), 560.66,
13 560.68 (title) and (2), 560.68 (4), (5), (5m), (6) and (7) and 560.685; ***to renumber***
14 560.16 (1) (c), (e) and (f); ***to renumber and amend*** 560.045 (1), 560.20 (3) (g)

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1 and (h), 560.65 (5) (b) and 560.68 (3); **to consolidate, renumber and amend**
2 560.20 (3) (f) (intro.) and 4.; **to amend** 20.143 (1) (c), 20.143 (1) (fg), 20.143 (1)
3 (fm), 20.143 (1) (gm), 20.143 (1) (ie), 20.143 (1) (im), 20.143 (1) (in), 38.04 (4) (ag),
4 66.407 (2) (c) 3., 66.431 (2m) (d) 8., 84.185 (1) (b), 84.185 (1) (ce), 234.01 (4n) (a)
5 3m. e., 292.11 (7) (d) 1m. b., 292.255, 560.03 (intro.), 560.03 (18), 560.135 (5) (a),
6 560.135 (5) (b), 560.135 (7), 560.15 (2) (d), 560.607 (1), subchapter VII (title) of
7 chapter 560 [precedes 560.80], 560.84 (1) (intro.) and 560.85 (1); **to repeal and**
8 **recreate** 66.407 (2) (a) 2., 66.431 (2m) (t), 560.01 (2) (a) and 560.137 (1) (b); and
9 **to create** 1.14, 20.143 (1) (ih), 560.03 (24), 560.14 (2c), 560.14 (3c), 560.14 (4c),
10 560.14 (5c), 560.14 (6), 560.168, 560.17 (1) (cm), 560.17 (2c), 560.17 (3c), 560.17
11 (4c), 560.17 (5b), 560.17 (6c), 560.20 (2c), 560.20 (3m), (4) and (5), 560.64,
12 560.815, 560.82 (6), 560.83 (6) and 560.837 (3) of the statutes; **relating to:**
13 establishing state economic development goals, directing the department of
14 commerce to establish a state economic development policy, consolidating and
15 revising various economic development financial assistance programs
16 administered by the department of commerce, modifying the department of
17 commerce's export plan, creating a sister state program, granting rule-making
18 authority and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the joint legislative council in the bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

PREFATORY NOTE: This bill was prepared for the joint legislative council's special committee on state strategies for economic development. The bill does the following:

1. Creates statewide economic goals based on the goals in the committee's mission statement and directs all executive branch agencies, including the department of

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commerce (the department), and state authorities to consider these goals when implementing a statutory prescribed power or duty and to implement the power or duty in a manner that contributes to the expeditious attainment of the goals.

2. Replaces the department's duty to develop a state economic policy and implement 11 specific types of economic development activities with the general duty to develop and provide leadership in implementing a state economic development policy that is designed, to the extent practicable, to assist the state in achieving all of the statewide economic development goals.

3. Directs the department to develop and implement economic development programs consistent with the state economic development policy that it develops under the bill and to submit annual reports, starting no later than September 1, 2002, to the governor and the legislature on the progress in implementing the policy.

4. Simplifies economic development financial assistance programs and provides the department more flexibility in implementing these programs by replacing 41 statutorily specified economic development grant or loan programs (based on the power or duty to award financial assistance) funded under 6 appropriations to the department with one grant or loan program for each appropriation, as described below.

5. Establishes that the department's current export plan must apply to countries in all inhabited continents.

6. Directs the department to create a sister state program under which the secretary of commerce may enter into a sister state affiliation on behalf of the state.

The bill modifies the economic development financial assistance programs funded under 6 appropriations to the department, including community-based economic development programs, small cities community development block grants (CDBG), rural economic development programs, the business development initiative, Wisconsin development fund programs and minority business projects, in the following ways:

1. For each of these appropriations, other than the federally funded CDBG, the bill consolidates all of the statutory grant or loan programs funded by the appropriation into one grant or loan program. The CDBG programs are not consolidated, as the current statute, s. 560.045, does not prescribe specific assistance programs to be funded by CDBG funds.

2. The purpose of the assistance provided by the programs funded by each of the 6 appropriations must be to contribute to the implementation of the department's economic development policy.

3. Statutory specification of the types of projects eligible for funding, funding priorities and criteria, and conditions placed on the assistance is replaced with delegation of these items to the department.

The bill does not change, in its treatment of these programs, the amount of appropriations, the general type of project eligible for funding, the authorized positions to administer the program or who is eligible to receive assistance under the program for each appropriation. As a result of this treatment, if the department determines that a current program's design contributes to implementing its state economic development policy, the department could continue the program in its present form.

In general, the bill takes effect on January 1, 2001, except that the modification of the export plan and the creation of the sister state program take effect on the day after publication.

SENATE BILL 393**SECTION 1**

1 **1.14 State economic development policy. (1) DEFINITION.** In this section,
2 “state agency” means an office, department, agency or other body in state
3 government that is created or authorized to be created by the constitution or any law
4 and that is entitled to expend moneys appropriated by law, including an authority
5 created under ch. 231, 233 or 234, but not including the legislature or the courts.

6 **(2) ECONOMIC DEVELOPMENT GOALS.** All of the following are economic
7 development goals of the state:

8 (a) To have the most highly skilled professional and technical work force.

9 (b) To have the best system of encouraging entrepreneurial ventures.

10 (c) To have a tax, regulatory and financial climate that is conducive to a healthy
11 statewide economy and that is competitive in the global economy.

12 **(3) AGENCY DUTY.** Each state agency, in exercising a power or duty vested in the
13 state agency by statute shall, to the extent practicable, consider the goals set out in
14 sub. (2) and implement the power or duty in a manner that contributes to the
15 expeditious attainment of those goals.

NOTE: This SECTION specifies state goals for economic development and directs executive branch state agencies and state authorities to consider them in implementing their statutorily prescribed powers and duties. These goals are based on the committee's mission statement. The goals are also referenced in the purpose of the department's economic development policy established under this bill. [See the treatment of s. 560.01 (2) (a).]

16 **SECTION 2.** 15.155 (4) of the statutes is repealed.

NOTE: This SECTION repeals the rural economic development board, as the program under which financial assistance is awarded by this board is repealed in the bill as part of the consolidation of financial assistance programs by the bill. The minority business development board and the development finance board are not repealed, since the bill does not affect the minority business recycling development grants and loans program under existing s. 560.835 or the mining economic development grants and loans program under existing s. 560.135.

17 **SECTION 3.** 20.143 (1) (c) of the statutes, as affected by 1999 Wisconsin Act 9,
18 is amended to read:

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1 20.143 (1) (c) *Wisconsin development fund; grants, loans, reimbursements and*
2 *assistance.* Biennially, the amounts in the schedule for ~~grants under ss. 560.145,~~
3 ~~560.16, 560.175, 560.26;~~ for grants and loans under ~~ss. 560.62, 560.63 and 560.66 s.~~
4 ~~560.64;~~ for loans under ~~s. 560.147;~~ for reimbursements under ~~s. 560.167;~~ for
5 providing assistance under ~~s. 560.06;~~ for the costs specified in ~~s. 560.607;~~ for the loan
6 under 1999 Wisconsin Act 9, section 9110 (4); and for the grants under ~~1995~~
7 ~~Wisconsin Act 27, section 9116 (7gg), 1995 Wisconsin Act 119, section 2 (1), 1997~~
8 ~~Wisconsin Act 27, section 9110 (6g), and grant under~~ 1999 Wisconsin Act 9, section
9 9110 (5). ~~Of the amounts in the schedule, \$50,000 shall be allocated in each of fiscal~~
10 ~~years 1997–98 and 1998–99 for providing the assistance under s. 560.06 (1).~~
11 ~~Notwithstanding s. 560.607, of the amounts in the schedule, \$125,000 shall be~~
12 ~~allocated in each of 4 consecutive fiscal years, beginning with fiscal year 1998–99,~~
13 ~~for grants and loans under s. 560.62 (1) (a).~~

14 **SECTION 4.** 20.143 (1) (cb) of the statutes is repealed.

15 **SECTION 5.** 20.143 (1) (fg) of the statutes, as affected by 1999 Wisconsin Act 9,
16 is amended to read:

17 20.143 (1) (fg) *Community-based economic development programs.* The
18 amounts in the schedule for grants and loans under ~~ss. 560.037 and s. 560.14~~ and for
19 the grants under ~~1993 Wisconsin Act 16, section 9115 (1c) and 1999 Wisconsin Act~~
20 ~~9, section 9110 (6e) and (7v).~~

21 **SECTION 6.** 20.143 (1) (fm) of the statutes is amended to read:

22 20.143 (1) (fm) *Minority business projects; grants and loans.* Biennially, the
23 amounts in the schedule for grants under ~~ss. 560.033, 560.038, 560.039, 560.82 and~~
24 ~~560.837, and grants and loans under s. ss. 560.83, the grant under 1993 Wisconsin~~
25 ~~Act 110, section 3, and the loans under 1997 Wisconsin Act 9, section 3 and 560.815.~~

SENATE BILL 393**SECTION 7**

1 **SECTION 7.** 20.143 (1) (gm) of the statutes is amended to read:

2 20.143 (1) (gm) *Wisconsin development fund, administration of grants and*
3 *loans.* All moneys received from origination fees under s. ~~560.68 (3)~~ 560.64 (4) for
4 administering the programs under subch. V of ch. 560 and for the costs of
5 underwriting grants and loans awarded under subch. V of ch. 560.

6 **SECTION 8.** 20.143 (1) (ie) of the statutes, as affected by 1999 Wisconsin Act 9,
7 is amended to read:

8 20.143 (1) (ie) *Wisconsin development fund, repayments.* All moneys received
9 in repayment of grants or loans under s. 560.085 (4) (b), 1985 stats., s. 560.147, 1997
10 stats., s. 560.16, 1995 stats., s. 560.165, 1993 stats., subch. V of ch. 560, 1997 stats.,
11 except for s. 560.65, 1997 stats., s. 560.64, 1989 Wisconsin Act 336, section 3015 (1m),
12 1989 Wisconsin Act 336, section 3015 (2m), 1989 Wisconsin Act 336, section 3015
13 (3gx), 1997 Wisconsin Act 27, section 9110 (7f), 1997 Wisconsin Act 310, section 2
14 (2d), and 1999 Wisconsin Act 9, section 9110 (4), to be used for grants and loans under
15 subch. V of ch. 560 except s. 560.65, for loans under s. 560.147, for grants under ss.
16 ~~560.16, 560.175 and 560.25, for assistance under s. 560.06 (2), s. 560.64 and~~ for the
17 loan under 1999 Wisconsin Act 9, section 9110 (4), ~~and for reimbursements under s.~~
18 ~~560.167.~~

19 **SECTION 9.** 20.143 (1) (ih) of the statutes is created to read:

20 20.143 (1) (ih) *Community-based economic development loan repayments.* All
21 moneys received in repayment of loans under s. 560.14, to be used for grants and
22 loans under s. 560.14.

23 **SECTION 10.** 20.143 (1) (im) of the statutes is amended to read:

24 20.143 (1) (im) *Minority business projects; repayments.* All moneys received in
25 repayment of grants or loans under s. ~~ss. 560.815 and~~ 560.83 and loans under 1997

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1 Wisconsin Act 9, section 3, to be used for grants and loans under ~~ss. 560.82, 560.83~~
2 ~~and 560.837, the grant under 1993 Wisconsin Act 110, section 3, and the loans under~~
3 ~~1997 Wisconsin Act 9, section 3 s. 560.815.~~

4 **SECTION 11.** 20.143 (1) (in) of the statutes is amended to read:

5 20.143 (1) (in) *Business development initiative loan repayments.* All moneys
6 received in repayment of loans under s. 560.20 (3), any proceeds from equity
7 investments made by the community development finance company under s.
8 234.965, 1991 stats., and any unencumbered grant funds returned to the department
9 under 1993 Wisconsin Act 437, section 9115 (1t), to be used for loans and grants
10 under s. 560.20 (3).

11 **SECTION 12.** 38.04 (4) (ag) of the statutes is amended to read:

12 38.04 (4) (ag) A program approved by the ~~development finance board~~
13 department of commerce under subch. IV of ch. 560 is exempt from board approval
14 under par. (a).

15 **SECTION 13.** 66.407 (2) (a) 2. of the statutes is repealed and recreated to read:

16 66.407 (2) (a) 2. “Technology-based incubator” means a facility that provides
17 a new or expanding technically oriented business with all of the following:

- 18 a. Office and laboratory space.
19 b. Shared clerical and other support service.
20 c. Managerial and technical assistance.

21 **SECTION 14.** 66.407 (2) (c) 3. of the statutes is amended to read:

22 66.407 (2) (c) 3. Apply for a grant under s. 560.14 (3) in connection with a
23 technology-based incubator if the department of commerce provides grants for
24 projects or activities related to technology-based incubators under s. 560.14.

25 **SECTION 15.** 66.431 (2m) (d) 8. of the statutes is amended to read:

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1 66.431 **(2m)** (d) 8. Studying the feasibility of an initial design for a
2 technology-based incubator, developing and operating a technology-based
3 incubator and, if the department of commerce provides grants for projects or
4 activities related to technology-based incubators under s. 560.14, applying for a
5 grant under s. 560.14 ~~(3)~~ in connection with a technology-based incubator.

6 **SECTION 16.** 66.431 (2m) (t) of the statutes is repealed and recreated to read:

7 66.431 **(2m)** (t) “Technology-based incubator” means a facility that provides
8 a new or expanding technically oriented business with all of the following:

- 9 1. Office and laboratory space.
- 10 2. Shared clerical and other support service.
- 11 3. Managerial and technical assistance.

12 **SECTION 17.** 84.185 (1) (b) of the statutes is amended to read:

13 84.185 **(1)** (b) “Governing body” ~~has the meaning specified in s. 560.60 (6)~~
14 means a county board, city council, village board, town board, regional planning
15 commission or transit commission under s. 59.58 (2) or 66.943.

16 **SECTION 18.** 84.185 (1) (ce) of the statutes is amended to read:

17 84.185 **(1)** (ce) “Job” ~~has the meaning specified in s. 560.60 (10)~~ means a regular,
18 nonseasonal full-time position in which an individual, as a condition of employment,
19 is required to work at least 2,080 hours per year, including paid leave and holidays.
20 “Job” does not include initial training before an employment position begins.

21 **SECTION 19.** 234.01 (4n) (a) 3m. e. of the statutes is amended to read:

22 234.01 **(4n)** (a) 3m. e. The facility is located in a targeted area, as determined
23 by the authority after considering the factors set out in s. 560.605 (2m) (a) to (h), 1997
24 stats.

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1 **SECTION 20.** 292.11 (7) (d) 1m. b. of the statutes, as created by 1999 Wisconsin
2 Act 9, is amended to read:

3 292.11 (7) (d) 1m. b. An area designated by the local governmental unit if the
4 area consists of 2 or more properties affected by a contiguous region of groundwater
5 contamination or contains 2 or more properties that are brownfields, as defined in
6 s. ~~560.60 (1v)~~ 560.13 (1) (a).

7 **SECTION 21.** 292.255 of the statutes, as created by 1999 Wisconsin Act 9, is
8 amended to read:

9 **292.255 Report on brownfield efforts.** The department of natural
10 resources, the department of administration, the department of commerce shall
11 submit a report evaluating the effectiveness of this state's efforts to remedy the
12 contamination of, and to redevelop, brownfields, as defined in s. ~~560.60 (1v)~~ 560.13
13 (1) (a).

14 **SECTION 22.** 560.01 (2) (a) of the statutes is repealed and recreated to read:

15 560.01 (2) (a) *State economic development policy.* The department shall
16 develop, and provide leadership in implementing, a state economic development
17 policy that is designed, to the extent practicable, to assist the state in achieving all
18 of the goals set out in s. 1.14 (2). The policy shall foster, encourage and advocate
19 public and private economic development programs that are designed to achieve
20 those goals.

NOTE: This SECTION replaces the current directive to the department to develop a
state economic policy with 11 specified components with a directive to develop and
implement a state economic development policy that is designed to achieve all of the
economic development goals created by this bill.

21 **SECTION 23.** 560.03 (intro.) of the statutes is amended to read:

22 **560.03 Business and industrial development.** (intro.) The department
23 shall ~~foster, encourage and advocate~~ develop and implement economic development

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1 ~~programs designed to broaden and strengthen the economy of the state, and it shall~~
2 ~~provide specific leadership in the following instances among others that are~~
3 ~~consistent with the economic development policy developed under s. 560.01 (2) (a).~~
4 To further this goal, the department shall do at least all of the following:

NOTE: This SECTION coordinates the department's 21 specific responsibilities on business and industrial development with its state economic development policy established under this bill.

5 **SECTION 24.** 560.03 (18) of the statutes is amended to read:

6 560.03 **(18)** Develop and implement a plan to promote and increase exports
7 from this state, including agricultural products, and to other countries in Africa,
8 Asia, Australia, Europe, North America and South America and to promote and
9 increase foreign investment in this state by businesses in those other countries. The
10 plan shall provide for the secretary to take a leadership role in assuring collaboration
11 and coordination among international trade activities conducted by governmental
12 entities to assure efficiency and to avoid duplication and may include provisions for
13 participation in trade fairs and missions, establishment and maintenance of foreign
14 trade offices and preparation of research on foreign markets for exports from this
15 state and on opportunities for foreign investment in this state. The plan shall
16 describe the allocation of funds for support staff in this state to implement the plan
17 and for all other costs in implementing each provision of the plan. In developing and
18 implementing the plan, the department shall consult with the department of
19 agriculture, trade and consumer protection, the University of Wisconsin System, the
20 technical college system and other public and private agencies and institutions
21 supporting international trade education or activities. Any plan to establish a
22 foreign trade office shall include the feasibility of establishing a system of graduated

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1 fees which a trade office may use to offset its operating costs, or a system of
2 commissions for execution of successful transactions, or both.

NOTE: This section clarifies the department's export plan to specify that the plan must address increasing exports to and foreign investments in the state by businesses in other countries in all of the inhabited continents.

3 **SECTION 25.** 560.03 (24) of the statutes is created to read:

4 **560.03 (24)** On or before September 1, 2002, and annually thereafter, submit
5 to the legislature under s. 13.172 (2) and to the governor a report on the department's
6 progress in implementing the economic development policy developed under s.
7 560.01 (2) (a). The report shall include an analysis of how financial assistance
8 provided under this chapter during the period covered by the report contributed to
9 the implementation of the economic development policy and any recommendations
10 for legislation to remove barriers that prevent attaining one or more of the goals
11 specified in s. 1.14 (2) or to modify one or more of those goals.

NOTE: This SECTION creates a new reporting requirement for the department relating to the progress in implementing the economic development policy established under the bill, including the role of economic development financial assistance programs in implementing the policy.

12 **SECTION 26.** 560.033 of the statutes is repealed.

13 **SECTION 27.** 560.037 of the statutes is repealed.

14 **SECTION 28.** 560.038 and 560.039 of the statutes are repealed.

15 **SECTION 29.** 560.045 (1) of the statutes, as affected by 1999 Wisconsin Act 9,
16 is renumbered 560.045 and amended to read:

17 **560.045 Community development block grant administration.**
18 Notwithstanding s. 16.54 (2) (a), from moneys received under a community
19 development block grant, 42 USC 5301 to 5320, the department shall contract with
20 the department of administration for the administration of housing programs,
21 including the housing improvement grant program and the initial rehabilitation

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1 grant program. To the extent allowed under federal law or regulation, the
2 department shall give priority in the awarding of grants under the programs to
3 grants for projects related to the redevelopment of brownfields, as defined in s.
4 ~~560.60 (1v)~~ that contribute to the implementation of the economic development
5 policy developed by the department under s. 560.01 (2) (a).

6 **SECTION 30.** 560.045 (2) of the statutes, as created by 1999 Wisconsin Act 9, is
7 repealed.

8 **SECTION 31.** 560.06 of the statutes, as affected by 1999 Wisconsin Act 9, is
9 repealed.

10 **SECTION 32.** 560.135 (5) (a) of the statutes is amended to read:

11 560.135 (5) (a) The factors under s. 560.605 (2) (a) to (e), 1997 stats.

12 **SECTION 33.** 560.135 (5) (b) of the statutes is amended to read:

13 560.135 (5) (b) Whether the project will be located in a targeted area, as
14 determined by the board after considering the factors under s. 560.605 (2m) (a) to (h),
15 1997 stats.

16 **SECTION 34.** 560.135 (7) of the statutes is amended to read:

17 560.135 (7) The department, with the approval of the board, shall promulgate
18 rules establishing policies and standards for awarding grants and loans under sub.
19 (2), consistent with policies and standards established under the rules required
20 under s. ~~560.602~~ 560.64 (2). The department shall promulgate rules regarding the
21 application processes for grants and loans under sub. (2) and for loans made from
22 revolving loan funds established with proceeds awarded under sub. (2) (c).

23 **SECTION 35.** 560.137 (1) (b) of the statutes, as created by 1999 Wisconsin Act
24 9, is repealed and recreated to read:

25 560.137 (1) (b) “Professional services” includes all of the following:

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1 1. Preparation of preliminary feasibility studies, feasibility studies or business
2 and financial plans.

3 2. Providing a financial package.

4 3. Engineering studies, appraisals or marketing assistance.

5 4. Related legal, accounting or managerial services.

6 **SECTION 36.** 560.14 (1) (a), (ar), (b), (fm), (g) and (h) of the statutes are repealed.

7 **SECTION 37.** 560.14 (2) of the statutes is repealed.

8 **SECTION 38.** 560.14 (2c) of the statutes is created to read:

9 560.14 **(2c)** From the appropriations under s. 20.143 (1) (fg) and (ih), the
10 department may make a grant or loan to a community-based organization, political
11 subdivision or private, nonprofit organization for a community-based economic
12 development project or activity, if the project or activity contributes to the
13 implementation of the economic development policy developed by the department
14 under s. 560.01 (2) (a).

15 **SECTION 39.** 560.14 (3) of the statutes is repealed.

16 **SECTION 40.** 560.14 (3c) of the statutes is created to read:

17 560.14 **(3c)** The department shall specify by rule the criteria for awarding a
18 grant or loan under this section, including the types of projects and activities that
19 are eligible for funding and which types shall receive priority for funding.

20 **SECTION 41.** 560.14 (3m) and (3r) of the statutes are repealed.

21 **SECTION 42.** 560.14 (4) of the statutes, as affected by 1999 Wisconsin Act 9, is
22 repealed.

23 **SECTION 43.** 560.14 (4c) of the statutes is created to read:

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1 560.14 (4c) The department may establish conditions on a grant or loan made
2 under this section, including matching contributions that must be provided by the
3 grant or loan recipient.

4 **SECTION 44.** 560.14 (4m) of the statutes is repealed.

5 **SECTION 45.** 560.14 (5) of the statutes is repealed.

6 **SECTION 46.** 560.14 (5c) of the statutes is created to read:

7 560.14 (5c) The department shall establish procedures for applying for a grant
8 or loan under this section and for the department to evaluate and award a grant or
9 loan under this section.

10 **SECTION 47.** 560.14 (6) of the statutes is created to read:

11 560.14 (6) The department shall deposit all moneys received in repayment of
12 loans under this section in the appropriation account under s. 20.143 (1) (ih).

13 **SECTION 48.** 560.145 of the statutes is repealed.

14 **SECTION 49.** 560.147 of the statutes is repealed.

15 **SECTION 50.** 560.15 (2) (d) of the statutes is amended to read:

16 560.15 (2) (d) A business or one or more former employes of a business laid off
17 by an act under sub. (1) (a) or one or more employes of a business, if the business has
18 performed an act under sub. (1) (a), for the purpose of informing the business, former
19 employes or employes of ~~their rights and opportunities to receive assistance~~ under
20 s. ~~560.16~~ 560.64.

21 **SECTION 51.** 560.16 (title) and (1) (intro.), (a) and (b) of the statutes are
22 repealed.

23 **SECTION 52.** 560.16 (1) (c), (e) and (f) of the statutes are renumbered 560.60
24 (5d), (5m) and (5r).

25 **SECTION 53.** 560.16 (1) (g) and (h) of the statutes are repealed.

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1 **SECTION 54.** 560.16 (2), (3), (4) and (6) of the statutes are repealed.

2 **SECTION 55.** 560.167 of the statutes is repealed.

3 **SECTION 56.** 560.168 of the statutes is created to read:

4 **560.168 Sister state program. (1)** The department shall establish and
5 operate a sister state program to further global understanding and international
6 trade through the interchange of people, ideas, culture and commerce between
7 Wisconsin and foreign countries and their subdivisions.

8 **(2)** In implementing the program under sub. (1), the department shall do all
9 of the following:

10 (a) Coordinate and carry out activities designed to encourage the state and its
11 subdivisions to participate in sister state affiliations with foreign countries and their
12 subdivisions.

13 (b) Encourage cooperation between, and disseminate information pertaining
14 to, the program under sub. (1) and any other program the objective of which is to
15 promote linkages between the state and foreign countries and their subdivisions.

16 (c) Encourage contributions by public agencies and private entities to support
17 the program.

18 (d) Establish a system of registration for sister state affiliations between the
19 state and foreign countries and their subdivisions. This system shall include all of
20 the following:

21 1. A method to determine that sufficient ties are properly established.

22 2. A method to supervise the maintenance of these ties.

23 (e) Maintain a current listing of all sister state affiliations between the state
24 and any foreign country or its political subdivisions.

SENATE BILL 393**SECTION 56**

1 **(3)** The secretary may enter into a sister state affiliation on behalf of this state
2 if the secretary determines that the affiliation will accomplish the purposes set forth
3 in sub. (1), that the ties between the state and the foreign country or its political
4 subdivisions are sufficient and properly established under the method under sub. (2)
5 (d) 1. and that the maintenance of those ties will be supervised under the method
6 under sub. (2) (d) 2.

7 **(4)** The department may charge fees for services it provides under this section
8 to cover the costs incurred by the department in providing the services.

9 **(5)** The department shall deposit all contributions and fees collected under this
10 section in the appropriation account under s. 20.143 (1) (g).

11 **SECTION 57.** 560.17 (1) (a), (am), (bm) and (c) of the statutes are repealed.

12 **SECTION 58.** 560.17 (1) (cm) of the statutes is created to read:

13 560.17 **(1)** (cm) “Dairy farm” has the meaning given in s. 97.22 (1) (a).

14 **SECTION 59.** 560.17 (2) of the statutes is repealed.

15 **SECTION 60.** 560.17 (2c) of the statutes is created to read:

16 560.17 **(2c)** From the appropriations under s. 20.143 (1) (er) and (ir), the
17 department may make a grant or loan to a business in a rural municipality, to an
18 agricultural business or to the operator of a dairy farm for a rural economic
19 development project or activity, if the project or activity contributes to the
20 implementation of the economic development policy developed by the department
21 under s. 560.01 (2) (a).

22 **SECTION 61.** 560.17 (3) of the statutes is repealed.

23 **SECTION 62.** 560.17 (3c) of the statutes is created to read:

SENATE BILL 393

1 560.17 **(3c)** The department shall specify by rule the criteria for awarding a
2 grant or loan under this section, including the types of projects and activities that
3 are eligible for funding and which types shall receive priority for funding.

4 **SECTION 63.** 560.17 (4) of the statutes is repealed.

5 **SECTION 64.** 560.17 (4c) of the statutes is created to read:

6 560.17 **(4c)** The department may establish conditions on a grant or loan made
7 under this section, including matching contributions that must be provided by the
8 grant or loan recipient.

9 **SECTION 65.** 560.17 (4m) of the statutes is repealed.

10 **SECTION 66.** 560.17 (5) of the statutes is repealed.

11 **SECTION 67.** 560.17 (5b) of the statutes is created to read:

12 560.17 **(5b)** The department shall establish procedures for applying for a grant
13 or loan under this section and for the department to evaluate and award a grant or
14 loan under this section.

15 **SECTION 68.** 560.17 (5c) and (5m) of the statutes are repealed.

16 **SECTION 69.** 560.17 (5r) of the statutes, as created by 1999 Wisconsin Act 9, is
17 repealed.

18 **SECTION 70.** 560.17 (6) of the statutes is repealed.

19 **SECTION 71.** 560.17 (6c) of the statutes is created to read:

20 560.17 **(6c)** The department shall deposit all moneys received in repayment of
21 loans under this section in the appropriation account under s. 20.143 (1) (ir).

22 **SECTION 72.** 560.17 (6m) of the statutes, as affected by 1999 Wisconsin Act 9,
23 is repealed.

24 **SECTION 73.** 560.17 (6r) of the statutes is repealed.

SENATE BILL 393**SECTION 74**

1 **SECTION 74.** 560.17 (7) of the statutes, as affected by 1999 Wisconsin Act 9, is
2 repealed.

3 **SECTION 75.** 560.175 of the statutes, as created by 1999 Wisconsin Act 9, is
4 repealed.

5 **SECTION 76.** 560.20 (1) (title), (cf) and (cm) of the statutes are repealed.

6 **SECTION 77.** 560.20 (1) (f) of the statutes, as affected by 1999 Wisconsin Act 9,
7 is repealed.

8 **SECTION 78.** 560.20 (1) (g) of the statutes is repealed.

9 **SECTION 79.** 560.20 (1m) of the statutes is repealed.

10 **SECTION 80.** 560.20 (2) of the statutes, as affected by 1999 Wisconsin Act 9, is
11 repealed.

12 **SECTION 81.** 560.20 (2c) of the statutes is created to read:

13 560.20 (2c) From the appropriations under s. 20.143 (1) (en) and (in), the
14 department may make a grant or loan to an individual, a for-profit business or a
15 nonprofit organization for a project or activity that satisfies all of the following:

16 (a) Is expected to lead to or provide employment opportunities for persons with
17 severe disabilities.

18 (b) Contributes to the implementation of the economic development policy
19 developed by the department under s. 560.01 (2) (a).

20 **SECTION 82.** 560.20 (3) (title) of the statutes is repealed.

21 **SECTION 83.** 560.20 (3) (a) of the statutes, as affected by 1999 Wisconsin Act 9,
22 is repealed.

23 **SECTION 84.** 560.20 (3) (b) and (c) of the statutes are repealed.

24 **SECTION 85.** 560.20 (3) (cm) of the statutes, as created by 1999 Wisconsin Act
25 9, is repealed.

SENATE BILL 393

1 **SECTION 86.** 560.20 (3) (d) and (e) of the statutes are repealed.

2 **SECTION 87.** 560.20 (3) (f) (intro.) and 4. of the statutes are consolidated,
3 renumbered 560.20 (6) and amended to read:

4 560.20 **(6)** The department shall ~~do all of the following:~~ ~~4. Deposit~~ deposit in
5 the appropriation account under s. 20.143 (1) (in) all interest and principal received
6 in repayment of loans under this subsection section, any proceeds from equity
7 investments made by the community development finance company under s.
8 234.965, 1991 stats., that are received by the department or the community
9 development finance company and any unencumbered grant funds returned to the
10 department under 1993 Wisconsin Act 437, section 9115 (1t).

11 **SECTION 88.** 560.20 (3) (f) 1. to 3. of the statutes are repealed.

12 **SECTION 89.** 560.20 (3) (g) and (h) of the statutes are renumbered 560.20 (7) and
13 (8), and 560.20 (7), as renumbered, is amended to read:

14 560.20 **(7)** The department, in agreement with the for-profit business, may
15 convert any equity investments made by the community development finance
16 company in a for-profit business under s. 234.965, 1991 stats., to a grant or a loan
17 under this subsection ~~without regard to the requirements under par. (b) section.~~

18 **SECTION 90.** 560.20 (3m), (4) and (5) of the statutes are created to read:

19 560.20 **(3m)** The department shall specify by rule the criteria for awarding a
20 grant or loan under this section, including the types of projects and activities that
21 are eligible for funding and which types shall receive priority for funding.

22 **(4)** The department may establish conditions on a grant or loan made under
23 this section, including matching contributions that must be provided by the grant or
24 loan recipient.

SENATE BILL 393**SECTION 90**

1 **(5)** The department shall establish procedures for applying for a grant or loan
2 under this section and for the department to evaluate and award a grant or loan
3 under this section.

4 **SECTION 91.** 560.25 of the statutes, as created by 1999 Wisconsin Act 9, is
5 repealed.

6 **SECTION 92.** 560.26 of the statutes, as created by 1999 Wisconsin Act 9, is
7 repealed.

8 **SECTION 93.** 560.60 (1m), (1s) and (1v) of the statutes are repealed.

9 **SECTION 94.** 560.60 (4) of the statutes, as affected by 1999 Wisconsin Act 9, is
10 repealed.

11 **SECTION 95.** 560.60 (6) of the statutes is repealed.

12 **SECTION 96.** 560.60 (10) of the statutes, as affected by 1999 Wisconsin Act 9,
13 is repealed.

14 **SECTION 97.** 560.60 (15), (17) and (18m) of the statutes are repealed.

15 **SECTION 98.** 560.602 of the statutes is repealed.

16 **SECTION 99.** 560.605 of the statutes, as affected by 1999 Wisconsin Act 9, is
17 repealed.

18 **SECTION 100.** 560.607 (1) of the statutes, as affected by 1999 Wisconsin Act 9,
19 is amended to read:

20 **560.607 (1)** Evaluation of proposed technical research projects under s. ~~560.62~~
21 this subchapter.

22 **SECTION 101.** 560.607 (2) of the statutes, as affected by 1999 Wisconsin Act 9,
23 is repealed.

24 **SECTION 102.** 560.61 of the statutes, as affected by 1999 Wisconsin Act 9, is
25 repealed.

SENATE BILL 393**SECTION 103**

1 **SECTION 103.** 560.62 of the statutes, as affected by 1999 Wisconsin Act 9, is
2 repealed.

3 **SECTION 104.** 560.63 of the statutes, as affected by 1999 Wisconsin Act 9, is
4 repealed.

5 **SECTION 105.** 560.64 of the statutes is created to read:

6 **560.64 Wisconsin development fund grants and loans. (1)** From the
7 appropriations under s. 20.143 (1) (c) and (ie), the department may make a grant or
8 loan to a business, consortium, existing business group, higher educational
9 institution or nonprofit organization for a manufacturing assistance, technology
10 development, labor training, urban or regional economic development, foreign trade
11 show or event, federal government contract, revolving loan fund, or employe
12 ownership assistance project or activity or a major economic development project, if
13 the project or activity contributes to the implementation of the economic
14 development policy developed by the department under s. 560.01 (2) (a).

15 **(2)** The department shall specify by rule the criteria for awarding a grant or
16 loan under this section, including the types of projects and activities that are eligible
17 for funding and which types shall receive priority for funding.

18 **(3)** The department may establish conditions on a grant or loan made under
19 this section, including matching contributions that must be provided by the grant or
20 loan recipient.

21 **(5)** The department shall establish procedures for applying for a grant or loan
22 under this section and for the department to evaluate and award a grant or loan
23 under this section.

24 **(6)** The department shall deposit all moneys received in repayment of loans
25 under this section in the appropriation account under s. 20.143 (1) (ie).

SENATE BILL 393**SECTION 106**

1 **SECTION 106.** 560.65 (title), (1), (1m), (2) and (3) of the statutes are repealed.

2 **SECTION 107.** 560.65 (4) of the statutes, as affected by 1999 Wisconsin Act 9,
3 is repealed.

4 **SECTION 108.** 560.65 (5) (a) of the statutes is repealed.

5 **SECTION 109.** 560.65 (5) (b) of the statutes is renumbered 560.67 and amended
6 to read:

7 **560.67 Technology and pollution control and abatement loan**
8 **repayments.** The department shall deposit in the recycling fund all moneys
9 received after July 1, 1995, in repayment of loans made under ~~this section s. 560.65,~~
10 1997 stats.

11 **SECTION 110.** 560.66 of the statutes, as affected by 1999 Wisconsin Act 9, is
12 repealed.

13 **SECTION 111.** 560.68 (title) and (2) of the statutes are repealed.

14 **SECTION 112.** 560.68 (3) of the statutes, as affected by 1999 Wisconsin Act 9,
15 is renumbered 560.64 (4) and amended to read:

16 560.64 (4) The department may charge a grant or loan recipient an origination
17 fee of up to 2% of the grant or loan amount if the grant or loan exceeds \$200,000 ~~and~~
18 ~~is awarded under s. 560.63 or 560.66.~~ The department shall deposit all origination
19 fees collected under this subsection in the appropriation account under s. 20.143 (1)
20 (gm).

21 **SECTION 113.** 560.68 (4), (5), (5m), (6) and (7) of the statutes are repealed.

22 **SECTION 114.** 560.685 of the statutes is repealed.

23 **SECTION 115.** Subchapter VII (title) of chapter 560 [precedes 560.80] of the
24 statutes is amended to read:

25

CHAPTER 560

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SUBCHAPTER VII

MINORITY BUSINESS ~~EARLY PLANNING AND DEVELOPMENT~~ PROJECTS

SECTION 116. 560.815 of the statutes is created to read:

560.815 Minority business development grants and loans. (1) From the appropriations under s. 20.143 (1) (fm) and (im), the department may make a grant or loan to a minority business, minority group member who is a resident of this state, business incubator operator, local development corporation or private financial institution, as defined in s. 234.01 (5k), for a project or activity that does all of the following:

(a) Benefits one or more minority businesses or minority group members who are residents of this state.

(b) Contributes to the implementation of the economic development policy developed by the department under s. 560.01 (2) (a).

(2) The department shall specify by rule the criteria for awarding a grant or loan under this section, including the types of projects and activities that are eligible for funding and which types shall receive priority for funding.

(3) The department may establish conditions on a grant or loan made under this section, including matching contributions that must be provided by the grant or loan recipient.

(4) The department shall establish procedures for applying for a grant or loan under this section and for the department to evaluate and award a grant or loan under this section.

(5) The department shall deposit all moneys received in repayment of loans under this section in the appropriation account under s. 20.143 (1) (im).

SECTION 117. 560.82 (6) of the statutes is created to read:

SENATE BILL 393**SECTION 117**

1 560.82 (6) The department may not award a grant under this section after
2 December 31, 2000.

3 **SECTION 118.** 560.83 (6) of the statutes is created to read:

4 560.83 (6) The board may not award a grant or loan under this section after
5 December 31, 2000.

6 **SECTION 119.** 560.837 (3) of the statutes is created to read:

7 560.837 (3) The board may not award a grant under this section after December
8 31, 2000.

9 **SECTION 120.** 560.84 (1) (intro.) of the statutes is amended to read:

10 560.84 (1) (intro.) The department or board may not award a grant or loan for
11 a project under ~~this subchapter s. 560.82, 560.83, 560.835 or 560.837~~ unless, after
12 considering the application or other material submitted by the eligible recipient or
13 local development corporation, the department or board determines all of the
14 following:

15 **SECTION 121.** 560.85 (1) of the statutes is amended to read:

16 560.85 (1) The department shall promulgate rules for the administration of
17 ~~this subchapter ss. 560.82, 560.83, 560.835 and 560.837~~. The department may not
18 promulgate a rule under this subsection unless the proposed rule has been reviewed
19 by the board.

20 **SECTION 122. Nonstatutory provisions.**

21 (1) The department of commerce shall submit in proposed form the rules
22 required under sections 560.14 (3c), 560.17 (3c), 560.20 (3m), 560.64 (2) and 560.815
23 (2) of the statutes, as created by this act, to the legislative council staff under section
24 227.15 (1) of the statutes no later than the first day of the 13th month beginning after
25 the effective date of this subsection.

SENATE BILL 393**SECTION 123****1 SECTION 123. Effective date.**

2 (1) This act takes effect on January 1, 2001, except that the treatment of
3 sections 560.03 (18), 560.14 (3c), 560.168, 560.17 (3c), 560.20 (3m), 560.64 (2),
4 560.815 (2), 560.82 (6), 560.83 (6) and 560.837 (3) of the statutes and SECTION 122 (1)
5 of this act take effect on the day after publication.

NOTE: This delayed effective date gives the department a transition period to revise the financial assistance programs affected by this act. Under s. 227.11 (2) (d), the department may promulgate rules implementing this act after publication of the act but prior to the act's effective date.

6

(END)