

**2001 DRAFTING REQUEST**

**Bill**

Received: 10/03/2000

Received By: kahlepj

Wanted: As time permits

Identical to LRB:

For: Administration-Budget 6-7329

By/Representing: Walker

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Alt. Drafters:

Subject: Econ. Development - misc.  
Econ. Development - bus. dev.

Extra Copies: ISR, RCT

**Pre Topic:**

DOA:.....Walker -

**Topic:**

Gaming economic development and diversification program changes and consolidating appropriations

**Instructions:**

See Attached

**Drafting History:**

| <u>Vers.</u> | <u>Drafted</u>        | <u>Reviewed</u>        | <u>Typed</u>           | <u>Proofed</u> | <u>Submitted</u>           | <u>Jacketed</u> | <u>Required</u> |
|--------------|-----------------------|------------------------|------------------------|----------------|----------------------------|-----------------|-----------------|
| /?           | kahlepj<br>10/11/2000 | hhagen<br>10/11/2000   |                        |                |                            |                 | State           |
| /1           |                       |                        | pgreensl<br>10/12/2000 |                | lrb docadmin<br>10/12/2000 |                 | State           |
| /2           | kahlepj<br>01/04/2001 | hhagen<br>01/04/2001   | jfrantze<br>01/08/2001 |                | lrb docadmin<br>01/08/2001 |                 | State           |
| /3           | kahlepj<br>01/11/2001 | wjackson<br>01/11/2001 | jfrantze<br>01/11/2001 |                | lrb docadmin<br>01/11/2001 |                 | State           |
| /4           | kahlepj<br>02/05/2001 | hhagen<br>02/05/2001   | martykr<br>02/05/2001  |                | lrb docadmin<br>02/05/2001 |                 | State           |
| /5           | kahlepj<br>02/07/2001 | wjackson<br>02/07/2001 | pgreensl<br>02/07/2001 |                | lrb docadmin<br>02/07/2001 |                 | State           |

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|--------------|-----------------------|------------------------|------------------------|----------------|----------------------------|-----------------|-----------------|
| /6           | kahlepj<br>02/07/2001 | wjackson<br>02/07/2001 | rschluet<br>02/07/2001 | _____          | lrb docadmin<br>02/07/2001 |                 |                 |

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| /5           | kahlepj<br>02/07/2001 | wjackson<br>02/07/2001 | pgreensl<br>02/07/2001 |                | lrb docadmin<br>02/07/2001 |                 |                 |

16 WLY 2/7

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2-7-1

FE Sent For:

**<END>**

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Subject: **Econ. Development - misc.  
Econ. Development - bus. dev.**

Extra Copies: **ISR**

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| /?           | kahlepj<br>10/11/2000 | hhagen<br>10/11/2000    |                        | _____          |                            |                 | State           |
| /1           |                       |                         | pgreensl<br>10/12/2000 | <u>2/7</u>     | lrb_docadmin<br>10/12/2000 |                 | State           |
| /2           | kahlepj<br>01/04/2001 | hhagen<br>01/04/2001    | jfrantze<br>01/08/2001 | <u>Pg/RS</u>   | lrb_docadmin<br>01/08/2001 |                 | State           |
| /3           | kahlepj               | wjackson<br>1/5 wLj 2/7 | jfrantze               | <u>2/7 PG</u>  | lrb_docadmin               |                 | State           |

| <u>Vers.</u> | <u>Drafted</u>        | <u>Reviewed</u>      | <u>Typed</u>          | <u>Proofed</u> | <u>Submitted</u>           | <u>Jacketed</u> | <u>Required</u> |
|--------------|-----------------------|----------------------|-----------------------|----------------|----------------------------|-----------------|-----------------|
|              | 01/11/2001            | 01/11/2001           | 01/11/2001            | _____          | 01/11/2001                 |                 |                 |
| /4           | kahlepj<br>02/05/2001 | hhagen<br>02/05/2001 | martykr<br>02/05/2001 | _____          | lrb_docadmin<br>02/05/2001 |                 |                 |

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Alt. Drafters:

Subject: Econ. Development - misc.  
Econ. Development - bus. dev.

Extra Copies:

~~Commerce~~ ISR

Pre Topic:

DOA:..... Walker -

Topic:

Gaming economic development and diversification program changes and consolidating appropriations

Instructions:

See Attached

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| /?           | kahlepj<br>10/11/2000 | hhagen<br>10/11/2000   |                        |                |                            |                 | State           |
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| /3           | kahlepj<br>01/11/2001 | wjackson<br>01/11/2001 | jfrantze<br>01/11/2001 |                | lrb docadmin<br>01/11/2001 |                 |                 |

FE Sent For:

1-f hmb  
2/5/01  
Jm 2/5  
PG 2/5  
Jm 3  
<END>

**2001 DRAFTING REQUEST**

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Wantcd: As time permits

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Subject: Econ. Development - misc.  
Econ. Development - bus. dev.

Extra Copies: Commerce

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*[Signature]*  
*1/11*



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Subject: Econ. Development - misc.  
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Topic:

Consolidate appropriations for gaming economic development and diversification programs

Instructions:

See Attached

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|--------------|-----------------------|----------------------|------------------------|----------------|----------------------------|-----------------|-----------------|
| /?           | kahlepj<br>10/11/2000 | hhagen<br>10/11/2000 |                        |                |                            |                 | State           |
| /1           |                       | 12 hmk<br>1/4/01     | pgreensl<br>10/12/2000 |                | lrb_docadmin<br>10/12/2000 |                 |                 |

FE Sent For:

10/18  
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<END>

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|--------------|----------------|-----------------------------------|--------------|------------------|------------------|-----------------|-----------------|
| 1?           | kahlepj        | 11 kmh<br>10/10/00<br>1/10/11 jld | PG<br>10/10  | P/12<br>PG<br>KR |                  |                 |                 |

FE Sent For:

<END>

DIN #4012

**Gaming Consolidation**—Consolidate the Gaming Economic Development Grants and Loans Appropriation [s. 20.143 (1) (kj)] and the Gaming Economic Diversification Grants and Loans Appropriation [s. 20.143 (1) (km)] into one appropriation and rename the consolidated appropriation “Gaming Economic Development and Diversification.” In addition, switch the consolidated appropriation from annual to biennial status. Finally, consolidate the corresponding repayments appropriations [s. 20.143 (1) (id) and s. 20.143 (1) (ig)] into one appropriation, rename it “Gaming Economic Development and Diversification-Repayments,” and convert the consolidated repayments appropriation from annual to biennial status.

Switching the gaming grants and loans appropriations from annual to a biennial status would be consistent with other grants and loans appropriations that are administered by Commerce and would combine complimentary appropriations. The Wisconsin Development Fund, the Rural Economic Development Program, and the Minority Business Development Program are all funded from biennial appropriations. Unlike an annual appropriation, unused funds from the first year of the biennium do not lapse to the fund from which they are appropriated. Instead, the unexpended and unencumbered funds are carried forward to the second year of the biennium. In general, a biennial grants and loans appropriation provides Commerce with more administrative flexibility to award the funds.

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Medium

**Gaming Consolidation.** Consolidate the Gaming Economic Development and Gaming Economic Diversification appropriations and the corresponding repayments appropriations. In addition, convert both of the consolidated appropriations from annual to biennial status. See *DIN #4012*.



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0650

PJK

pp  
hnh  
+  
jed

DOA:.....Walker - Consolidate appropriations for gaming economic development and diversification programs

FOR 2001-03 BUDGET - NOT READY FOR INTRODUCTION

SOON  
(10-11)  
D-vote

do not  
gen cut

of commerce (department)

in this state

1 AN ACT; relating to: the budget.

Analysis by the Legislative Reference Bureau

COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under the gaming economic development grant and loan program in current law, the department may make a grant for professional services, or a grant or loan for fixed asset financing, to a business in this state if the business has been negatively impacted by the existence of a casino and has a legitimate need for the grant or loan to improve profitability. Under the gaming economic diversification program in current law, the department may make a grant or loan to a business for a project that will diversify the economy of a community. Each program is funded with Indian gaming revenue out of an annual appropriation, which means that any amount appropriated for a fiscal year but not spent or encumbered lapses to the general fund at the end of the fiscal year. In addition, loan repayments under each program are used for more grants and loans under the program and are paid out of an annual appropriation for each program.

The bill consolidates the two annual appropriations of Indian gaming revenue into one appropriation for both programs and changes that appropriation to a biennial one, which means that amounts appropriated for either fiscal year of a biennium may be used in either fiscal year of the biennium and that any amount

appropriation

consolidated

*loan repayment*

appropriated for either fiscal year of the biennium that is not spent or encumbered lapses to the general fund at the end of the biennium, rather than at the end of the fiscal year. The bill also consolidates the two annual appropriations ~~for the repayment of loans under the two programs~~ into one appropriation for both programs and changes that consolidated appropriation ~~to~~ a biennial ~~one~~ *appropriation*

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 SECTION 1. 20.143 (1) (id) of the statutes is repealed.

✓ \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

2 SECTION 2. 20.143 (1) (ig) of the statutes is amended to read:

3 20.143 (1) (ig) *Gaming economic development and diversification grants and*  
4 *loans repayments.* The Biennially, the amounts in the schedule for grants and loans  
5 under s. ss. 560.137 and 560.138. All moneys received in repayment of loans under  
6 s. ss. 560.137 and 560.138 shall be credited to this appropriation account.

History: 1979 c. 361; 1981 c. 20, 21, 349; 1983 a. 27, 83, 192, 381; 1985 a. 29 ss. 169 to 204, 3202 (14); 1985 a. 120, 332, 334; 1987 a. 27, 109, 317, 318, 399, 403; 1989 a. 31, 185, 237, 317, 325, 335, 336, 342, 359; 1991 a. 39, 259, 261, 269, 315; 1993 a. 5, 16, 75, 110, 232, 437; 1995 a. 27 ss. 483, 505 to 517, 608s, 609g, 609j, 964, 965, 977, 987, 988, 990 to 993, 1080b, 1085b, 1086b, 9116 (5); 1995 a. 116, 119, 216, 227; 1997 a. 9, 27, 35, 215, 237, 252, 310; 1999 a. 9, 84, 106, 185, 186.

7 \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

8 SECTION 3. 20.143 (1) (kj) of the statutes, as affected by 1999 Wisconsin Act 9,  
is amended to read:

9 20.143 (1) (kj) *Gaming economic development and diversification grants and*  
10 *loans.* The amounts in the schedule for grants and loans under s. ss. 560.137 and  
11 560.138, for marketing the ~~program~~ *programs* under s. 560.137, for the grants under  
12 s. 560.139, for the grants to Brown County under 1999 Wisconsin Act 9, section 9110  
13 (1), and for the grant under 1999 Wisconsin Act 9, section 9110 (6c). From this  
14 appropriation, the department may expend in each fiscal year for marketing the  
15 program under s. 560.137 no more than the difference between \$100,000 and the

*Section 208,*

1 amount that the department spends in the same fiscal year from the appropriation  
2 under par. (km) for marketing the program under s. 560.138. All moneys transferred  
3 from the appropriation account under s. 20.505 (8) (hm) 6j. shall be credited to this  
4 appropriation account.

① and diversification;

NOTE: NOTE: Par. (kj) is amended eff. 7-1-01 by 1999 Wis. Act 9 to read:NOTE:

5 (kj) ~~Gaming economic development grants and loans. The Biennially, the amounts~~  
6 ~~in the schedule for grants and loans under s. ss. 560.137 and 560.138, for marketing~~  
7 ~~the program programs under s. ss. 560.137 and 560.138 and for the grants under s.~~  
8 ~~560.139. From this appropriation, the department may expend in each fiscal year~~  
9 ~~for marketing the program under s. 560.137 no more than the difference between~~  
10 ~~\$100,000 and the amount that the department spends in the same fiscal year from~~  
11 ~~the appropriation under par. (km) for marketing the program programs under s.~~  
12 ~~ss. 560.137 and 560.138. All moneys transferred from the appropriation account~~  
13 ~~under s. 20.505 (8) (hm) 6j. shall be credited to this appropriation account.~~

20.143 (1)

No (B)  
12 pt.  
New  
Ctry  
Schoolbook  
text: West

History: 1979 c. 361; 1981 c. 20, 21, 349; 1983 a. 27, 83, 192, 381; 1985 a. 29 ss. 169 to 204, 3202 (14); 1985 a. 120, 332, 334; 1987 a. 27, 109, 317, 318, 399, 403; 1989 a. 31, 185, 237, 317, 325, 335, 336, 342, 359; 1991 a. 39, 259, 261, 269, 315; 1993 a. 5, 16, 75, 110, 232, 437; 1995 a. 27 ss. 483, 505 to 517, 608s, 609g, 609j, 964, 965, 977, 987, 988, 990 to 993, 1080b, 1085b, 1086b, 9116 (5); 1995 a. 116, 119, 216, 227; 1997 a. 9, 27, 35, 215, 237, 252, 310; 1999 a. 9, 84, 106, 185, 186.

\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

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

\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

15 SECTION 5. 20.505 (8) (hm) 6m. of the statutes is repealed.

Note: Bud

16 SECTION 6. 560.138 (2) (a) of the statutes is amended to read:

17 560.138 (2) (a) Subject to subs. (3) and (4), from the appropriations under s.  
18 20.143 (1) (id) (ig) and (km) (kj), the department may make a grant or loan to a  
19 qualified business for a project for the purpose of diversifying the economy of a  
20 community.

History: 1999 a. 9.

21 SECTION 7. 560.138 (5) of the statutes is amended to read:

22 560.138 (5) The department shall deposit into the appropriation account under  
23 s. 20.143 (1) (id) (ig) all moneys received in repayment of loans made under this  
24 section.

History: 1999 a. 9.

1           **SECTION 8.** 560.139 (1) (a) of the statutes is amended to read:

2           560.139 (1) (a) Subject to par. (b), from the appropriation under s. 20.143 (1)  
3           (kj) ~~or (km) or from both appropriations~~, the department shall make grants to the city  
4           of Milwaukee to fund a program to be administered by the Milwaukee Economic  
5           Development Corporation. Under the program, the Milwaukee Economic  
6           Development Corporation shall provide grants to persons for remediation and  
7           economic redevelopment projects in the Menomonee valley. A person may not receive  
8           a grant unless the person provides matching funds for at least 50% of the cost of the  
9           project.

10       History: 1999 a. 9.

10           **SECTION 9.** 560.139 (2) (a) of the statutes is amended to read:

11           560.139 (2) (a) From the appropriation under s. 20.143 (1) (kj) ~~or (km) or from~~  
12           ~~both appropriations~~, the department shall make grants to the Northwest Regional  
13           Planning Commission to match federal or private funds for the purpose of  
14           establishing a community-based venture fund. Subject to par. (b), the department  
15           shall provide grants in an amount that equals 50% of the total amount that the  
16           Northwest Regional Planning Commission receives in the year from federal or  
17           private sources for the community-based venture fund.

18       History: 1999 a. 9.

(END)

*D-note*

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0650/dn

PJK

1  
P  
P  
h  
d  
JLD

Dakeline

to the state

Bill:

Note that, although the appropriation under s. 20.143 (1) (kj) has been changed to a biennial one, moneys shown in the schedule for the second fiscal year of the biennium may not actually be available until the second fiscal year because Indian gaming receipts are paid as they accrue. That is the reason for the "annually transferring" language in s. 20.505 (8) (hm) (intro.) and the reason why almost all of the appropriations receiving transfers under s. 20.505 (8) (hm) are annual ones.

Pamela J. Kahler  
Senior Legislative Attorney  
Phone: (608) 266-2682  
E-mail: pam.kahler@legis.state.wi.us



**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0650/1dn  
PJK:hmh&jld:pg

October 12, 2000

**Bill:**

Note that, although the appropriation under s. 20.143 (1) (kj) has been changed to a biennial one, moneys shown in the schedule for the second fiscal year of the biennium may not actually be available until the second fiscal year because Indian gaming receipts are paid to the state as they accrue. That is the reason for the "annually transferring" language in s. 20.505 (8) (hm) (intro.) and the reason why almost all of the appropriations receiving transfers under s. 20.505 (8) (hm) are annual ones.

Pamela J. Kahler  
Senior Legislative Attorney  
Phone: (608) 266-2682  
E-mail: [pam.kahler@legis.state.wi.us](mailto:pam.kahler@legis.state.wi.us)

01-0650

**Kahler, Pam**

---

**From:** Walker, William  
**Sent:** Wednesday, October 25, 2000 3:54 PM  
**To:** Kahler, Pam  
**Subject:** FW: LRB Draft: 01-0650/1 Consolidate appropriations for gaming economic development and diversification programs

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Regarding your comment about the biennial vs. annual issue...

I spoke with Kerry Holden, the analyst for gaming revenue here. She indicates that there is no problem for two reasons:

1. other appropriations are biennial and they work
2. the accounts are handled in a way that minimizes the problems with annual availability.

I have no strong feelings either way.

Kerry suggests that you speak with Ivy (Sager-Rosenthal) to get her opinion on the issue.

Could you then let me know if you think switching to biennial will be acceptable?

Thanks.

**Bill Walker**  
Executive Policy and Budget Analyst  
Department of Administration  
(608) 266-7329

-----Original Message-----

**From:** Greenslet, Patty  
**Sent:** Thursday, October 12, 2000 3:08 PM  
**To:** Walker, William  
**Cc:** Schmiedicke, David; Currier, Dawn; Hanaman, Cathlene; Haugen, Caroline  
**Subject:** LRB Draft: 01-0650/1 Consolidate appropriations for gaming economic development and diversification programs

Following is the PDF version of draft 01-0650/1.



01-0650/1



01-0650/1.dn

**Kahler, Pam**

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**From:** Walker, William  
**Sent:** Wednesday, January 03, 2001 12:19 PM  
**To:** Kahler, Pam  
**Subject:** Gaming Item

Minor additional gaming draft item (let's just add this to LRB-0650 if you think that is appropriate)

Add to ss. 560.137 (1) (c) and 560.138 (1) (b):

"Qualified business" means an existing or startup business, including a Native American business, that is located in this state.

Thanks!

**Bill Walker**  
Executive Policy and Budget Analyst  
Department of Administration  
(608) 266-7329

**Kahler, Pam**

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**From:** Walker, William  
**Sent:** Thursday, January 04, 2001 1:32 PM  
**To:** Kahler, Pam  
**Cc:** Currier, Dawn  
**Subject:** Economic Diversification Brownfields Grants

Sorry, here is another Commerce drafting item

We'd like to change s. 560.138 to allow grants for the purpose of remediating brownfields. We'd also like to add use-of-the-money-in-a-rural-community to the list of items that Commerce is to consider under sub (2) (b).

We have no specific definition of rural community in mind. I'd suggest choosing whatever is most convenient for drafting (a cross reference?)

Thanks!

**Bill Walker**  
Executive Policy and Budget Analyst  
Department of Administration  
(608) 266-7329



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0650/1

PJK:hmh&jll:pg

2

*always  
LPS. Debora  
changed the  
topic line  
on-line. Please  
verify that  
it is  
different*

*Stays  
in its run*

DOA:.....Walker - Consolidate appropriations for gaming economic development and diversification programs

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

*SOON  
(1-04)  
D-note*

*do not  
gen cat*

1 AN ACT...; relating to: the budget.

*Analysis by the Legislative Reference Bureau*  
**COMMERCE AND ECONOMIC DEVELOPMENT**

**ECONOMIC DEVELOPMENT**

Under the gaming economic development grant and loan program in current law, the department of commerce (department) may make a grant for professional services, or a grant or loan for fixed asset financing, to a business in this state if the business has been negatively impacted by the existence of a casino and has a legitimate need for the grant or loan to improve profitability. Under the gaming economic diversification program in current law, the department may make a grant or loan to a business in this state for a project that will diversify the economy of a community. Each program is funded with Indian gaming revenue out of an annual appropriation, which means that any amount appropriated for a fiscal year but not spent or encumbered lapses to the general fund at the end of the fiscal year. In addition, loan repayments under each program are used for more grants and loans under the program and are paid out of an annual appropriation for each program.

The bill consolidates the two annual appropriations of Indian gaming revenue into one appropriation for both programs and changes that consolidated appropriation to a biennial appropriation, which means that amounts appropriated for either fiscal year of a biennium may be used in either fiscal year of the biennium

*an existing*

*Insert A*

and that any amount appropriated for either fiscal year of the biennium that is not spent or encumbered lapses to the general fund at the end of the biennium, rather than at the end of the fiscal year. The bill also consolidates the two annual loan repayment appropriations into one appropriation for both programs and changes that consolidated appropriation to a biennial appropriation.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

---

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

1           **SECTION 1.** 20.143 (1) (id) of the statutes is repealed.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

2           **SECTION 2.** 20.143 (1) (ig) of the statutes is amended to read:

3           20.143 (1) (ig) *Gaming economic development grants and loans and*  
4 *diversification; repayments.* The Biennially, the amounts in the schedule for grants  
5 and loans under ~~s. ss.~~ 560.137 and 560.138. All moneys received in repayment of  
6 loans under ~~s. ss.~~ 560.137 and 560.138 shall be credited to this appropriation  
7 account.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

8           **SECTION 3.** 20.143 (1) (kj) of the statutes, as affected by 1999 Wisconsin Act 9,  
9 section 208, is amended to read:

10           20.143 (1) (kj) *Gaming economic development and diversification; grants and*  
11 *loans.* The Biennially, the amounts in the schedule for grants and loans under ~~s. ss.~~  
12 560.137 and 560.138, for marketing the ~~program~~ programs under ~~s. ss.~~ 560.137 and  
13 560.138 and for the grants under s. 560.139. From this appropriation, the  
14 department may expend in each fiscal year for ~~marketing the program under s.~~  
15 560.137 no more than the ~~difference between \$100,000 and the amount that the~~  
16 ~~department spends in the same fiscal year from the appropriation under par. (km)~~

1 for marketing the ~~program~~ programs under ~~s. ss. 560.137 and~~ 560.138. All moneys  
2 transferred from the appropriation account under s. 20.505 (8) (hm) 6j. shall be  
3 credited to this appropriation account.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4 SECTION 4. 20.143 (1) (km) of the statutes is repealed.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

5 SECTION 5. 20.505 (8) (hm) 6m. of the statutes is repealed.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

Insert 3-6

6 SECTION 6. 560.138 (2) (a) of the statutes is amended to read:

7 560.138 (2) (a) Subject to subs. (3) and (4), from the appropriations under s.  
8 20.143 (1) ~~(id) (ig) and (km) (kj)~~, the department may make a grant or loan to a  
9 qualified business for a project for the purpose of diversifying the economy of a  
10 community.

11 SECTION 7. 560.138 (5) of the statutes is amended to read:

12 560.138 (5) The department shall deposit into the appropriation account under  
13 s. 20.143 (1) ~~(id) (ig)~~ all moneys received in repayment of loans made under this  
14 section.

15 SECTION 8. 560.139 (1) (a) of the statutes is amended to read:

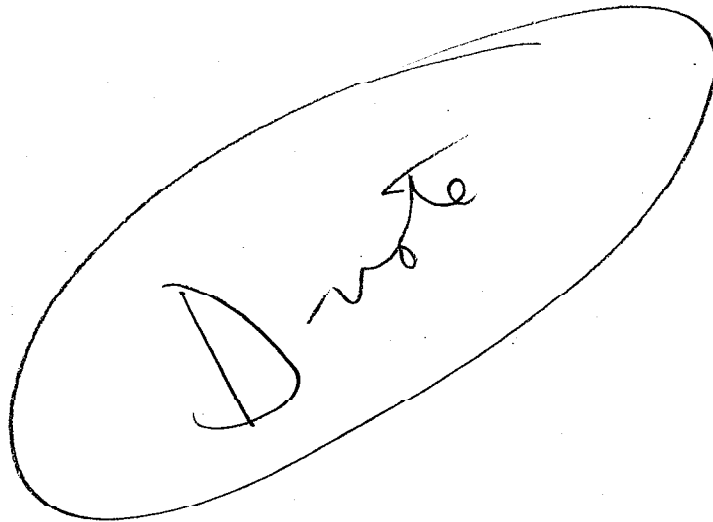
16 560.139 (1) (a) Subject to par. (b), from the appropriation under s. 20.143 (1)  
17 (kj) ~~or (km) or from both appropriations~~, the department shall make grants to the city  
18 of Milwaukee to fund a program to be administered by the Milwaukee Economic  
19 Development Corporation. Under the program, the Milwaukee Economic  
20 Development Corporation shall provide grants to persons for remediation and  
21 economic redevelopment projects in the Menomonee valley. A person may not receive

1 a grant unless the person provides matching funds for at least 50% of the cost of the  
2 project.

3 **SECTION 9.** 560.139 (2) (a) of the statutes is amended to read:

4 560.139 (2) (a) From the appropriation under s. 20.143 (1) (kj) ~~or (km) or from~~  
5 ~~both appropriations~~, the department shall make grants to the Northwest Regional  
6 Planning Commission to match federal or private funds for the purpose of  
7 establishing a community-based venture fund. Subject to par. (b), the department  
8 shall provide grants in an amount that equals 50% of the total amount that the  
9 Northwest Regional Planning Commission receives in the year from federal or  
10 private sources for the community-based venture fund.

11 (END)

A handwritten signature, possibly "D. W. Te", is enclosed within a hand-drawn oval shape.



2001-2002 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0650/2ins  
PJK:hmh&jld:pg

INSERT A

*R* Under the bill, start-up businesses, in addition to existing businesses, are eligible for the grants and loans under both programs. The bill adds remediating brownfields (which are abandoned, idle, or underused industrial or commercial facilities or sites that are adversely affected for expansion or redevelopment by actual or perceived environmental contamination) as a project purpose for which grants and loans may be awarded under the gaming economic diversification program and requires the department to consider whether a project will take place in a rural community when awarding grants and loans under that program.

(END OF INSERT A)

INSERT 3-6

*X*  
1 SECTION 1. 560.137 (1) (c) of the statutes is amended to read:

2 560.137 (1) (c) "Qualified business" means an existing or start-up business,  
3 including a Native American business, that is located in this state.

History: 1999 a. 9

4 SECTION 2. 560.138 (1) (a) of the statutes is renumbered 560.138 (1) (an). ✓

5 SECTION 3. 560.138 (1) (ac) of the statutes is created to read: ✓

6 560.138 (1) (ac) "Brownfields" has the meaning given in s. 560.13 (1) (a). ✓

*X*  
7 SECTION 4. 560.138 (1) (b) of the statutes is amended to read:

8 560.138 (1) (b) "Qualified business" means an existing or start-up business,  
9 including a Native American business, that is located in or expanding into this state.

History: 1999 a. 9

10 SECTION 5. 560.138 (1) (c) of the statutes is created to read: *X*

11 560.138 (1) (c) "Remediating brownfields" means abating, removing, or  
12 containing environmental pollution at a brownfields facility or site, or restoring soil  
13 or groundwater at a brownfields facility or site.

\*\*\*\*NOTE: Is this definition okay? I used part of the definition for "environmental remediation activities" at s. 560.13 (1) (d).

14 SECTION 6. 560.138 (1) (e) of the statutes is created to read:

1           **SECTION 7.** 560.138 (2) (a) of the statutes is renumbered 560.138 (2) (a) (intro.)  
2 and amended to read:

3           560.138 (2) (a) (intro.) Subject to subs. (3) and (4), from the appropriations  
4 under s. 20.143 (1) (id) and (km), the department may make a grant or loan to a  
5 qualified business for a project for ~~the purpose of diversifying~~ any of the following  
6 purposes:

7           1. Diversifying the economy of a community.

8 History: 1999 a. 9.

8           **SECTION 8.** 560.138 (2) (a) 2. of the statutes is created to read:

9           560.138 (2) (a) 2. Remediating brownfields.

10          **SECTION 9.** 560.138 (2) (b) 4. of the statutes is created to read:

11          560.138 (2) (b) 4. Whether a project will take place in a rural community, as  
12 determined by the department.

(END OF INSERT 3-6)

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0650/2dn  
PJK:hmb/1/11/pg

Date

Bill Walker:

This redraft adds start-up businesses to businesses that are qualified to receive grants and loans under the programs under ss. 560.137 and 560.138 and, for the program under s. 560.138, adds remediating brownfields as a project purpose and consideration of whether a project will take place in a rural community.

Pamela J. Kahler  
Senior Legislative Attorney  
Phone: (608) 266-2682  
E-mail: pam.kahler@legis.state.wi.us

NOH I opted not to change the name of the program under s. 560.138. Let me know if you want it changed to refer to brownfields remediation.

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0650/2dn  
PJK:hml:jf

January 8, 2001

Bill Walker:

This redraft adds start-up businesses to businesses that are qualified to receive grants and loans under the programs under ss. 560.137 and 560.138 and, for the program under s. 560.138, adds remediating brownfields as a project purpose and consideration of whether a project will take place in a rural community. I opted not to change the name of the program under s. 560.138. Let me know if you want it changed to refer to brownfields remediation.

Pamela J. Kahler  
Senior Legislative Attorney  
Phone: (608) 266-2682  
E-mail: [pam.kahler@legis.state.wi.us](mailto:pam.kahler@legis.state.wi.us)

## Kahler, Pam

---

**From:** Walker, William  
**Sent:** Tuesday, January 09, 2001 2:22 PM  
**To:** Kahler, Pam  
**Subject:** RE: LRB Draft: 01-1716/1 Lincoln Park Center bonding

Yes, out of whatever the merged appropriation is called.

-----Original Message-----

**From:** Kahler, Pam  
**Sent:** Tuesday, January 09, 2001 2:20 PM  
**To:** Walker, William  
**Subject:** RE: LRB Draft: 01-1716/1 Lincoln Park Center bonding

Bill:

Section 20.143 (1) (km) is repealed in LRB-0650. Do you mean that you want the \$1,000,000 grant to come out of s. 20.143 (1) (kj)?

Pam

-----Original Message-----

**From:** Walker, William  
**Sent:** Tuesday, January 09, 2001 10:55 AM  
**To:** Champagne, Rick  
**Cc:** Kahler, Pam  
**Subject:** FW: LRB Draft: 01-1716/1 Lincoln Park Center bonding

Changes to Lincoln Park draft...

### Notes:

- This change may make it **an issue for Pam (?)**
- 20.143 (1) (km) is part of a consolidation draft (LRB-0650) drafted by Pam.
- I appreciate the comments about the likely unconstitutionality of spending for this project and thank you for noting the issue to me. Politics dictates we make the attempt as you doubtless guessed.

### Changes:

- No bonding anymore
- Provide an earmark from 20.143 (1) (km) in the amount of \$1 million.
- Require the developer to secure \$1 million matching from the City of Milwaukee prior to receiving state funds.

-----Original Message-----

**From:** Greenslet, Patty  
**Sent:** Thursday, January 04, 2001 1:12 PM  
**To:** Walker, William  
**Cc:** Schmiedicke, David; Currier, Dawn; Hanaman, Cathlene; Haugen, Caroline  
**Subject:** LRB Draft: 01-1716/1 Lincoln Park Center bonding

Following is the PDF version of draft 01-1716/1.

<< File: 01-1716/1 >> << File: 01-1716/1dn >>



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0650/3

PJK:hmh:jf

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has been changed  
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DOA:.....Walker - Gaming economic development and diversification program changes and consolidating appropriations

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

SOON  
(1-11)  
D-note

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1 AN ACT; relating to: the budget.

*Analysis by the Legislative Reference Bureau*  
**COMMERCE AND ECONOMIC DEVELOPMENT**  
**ECONOMIC DEVELOPMENT**

Under the gaming economic development grant and loan program in current law, the department of commerce (department) may make a grant for professional services, or a grant or loan for fixed asset financing, to an existing business in this state if the business has been negatively impacted by the existence of a casino and has a legitimate need for the grant or loan to improve profitability. Under the gaming economic diversification program in current law, the department may make a grant or loan to an existing business in this state for a project that will diversify the economy of a community. Each program is funded with Indian gaming revenue out of an annual appropriation, which means that any amount appropriated for a fiscal year but not spent or encumbered lapses to the general fund at the end of the fiscal year. In addition, loan repayments under each program are used for more grants and loans under the program and are paid out of an annual appropriation for each program.

Under the bill, start-up businesses, in addition to existing businesses, are eligible for the grants and loans under both programs. The bill adds remediating brownfields (which are abandoned, idle, or underused industrial or commercial

facilities or sites that are adversely affected for expansion or redevelopment by actual or perceived environmental contamination) as a project purpose for which grants and loans may be awarded under the gaming economic diversification program and requires the department to consider whether a project will take place in a rural community when awarding grants and loans under that program.

The bill consolidates the two annual appropriations of Indian gaming revenue into one appropriation for both programs and changes that consolidated appropriation to a biennial appropriation, which means that amounts appropriated for either fiscal year of a biennium may be used in either fiscal year of the biennium and that any amount appropriated for either fiscal year of the biennium that is not spent or encumbered lapses to the general fund at the end of the biennium, rather than at the end of the fiscal year. The bill also consolidates the two annual loan repayment appropriations into one appropriation for both programs and changes that consolidated appropriation to a biennial appropriation. *→ insert A ✓*

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

---

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

1           **SECTION 1.** 20.143 (1) (id) of the statutes is repealed.

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

2           **SECTION 2.** 20.143 (1) (ig) of the statutes is amended to read:

3           20.143 (1) (ig) *Gaming economic development ~~grants and loans~~ and*  
4 *diversification; repayments. The Biennially, the amounts in the schedule for grants*  
5 *and loans under s. ss. 560.137 and 560.138. All moneys received in repayment of*  
6 *loans under s. ss. 560.137 and 560.138 shall be credited to this appropriation*  
7 *account.*

      \*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

8           **SECTION 3.** 20.143 (1) (kj) of the statutes, as affected by 1999 Wisconsin Act 9,  
9 section 208, is amended to read:

10           20.143 (1) (kj) *Gaming economic development and diversification; grants and*  
11 *loans. The Biennially, the amounts in the schedule for grants and loans under s. ss.*

560.138,

①

560.137 and ~~560.138~~, for marketing the ~~program~~ programs under s. ~~ss.~~ ss. 560.137 ~~and~~

②

~~and~~ and for the grants under s. 560.139. From this appropriation, the department may expend in each fiscal year for ~~marketing the program~~ under s. 560.137 no more than the difference between \$100,000 and the amount that the department spends in the same fiscal year from the appropriation under par. (km) for marketing the ~~program~~ programs under s. ss. 560.137 and 560.138. All moneys transferred from the appropriation account under s. 20.505 (8) (hm) 6j. shall be credited to this appropriation account.

\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9

SECTION 4. 20.143 (1) (km) of the statutes is repealed.

\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

10

SECTION 5. 20.505 (8) (hm) 6m. of the statutes is repealed.

\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

11

SECTION 6. 560.137 (1) (c) of the statutes is amended to read:

12

560.137 (1) (c) "Qualified business" means an existing or start-up business,

13

including a Native American business, that is located in this state.

14

SECTION 7. 560.138 (1) (a) of the statutes is renumbered 560.138 (1) (an).

15

SECTION 8. 560.138 (1) (ac) of the statutes is created to read:

16

560.138 (1) (ac) "Brownfields" has the meaning given in s. 560.13 (1) (a).

17

SECTION 9. 560.138 (1) (b) of the statutes is amended to read:

18

560.138 (1) (b) "Qualified business" means an existing or start-up business,

19

including a Native American business, that is located in or expanding into this state.

20

SECTION 10. 560.138 (1) (c) of the statutes is created to read:

and for the grant under 2001 Wisconsin Act ... (this act), Section  
9110 (km)  
A.P. =



1           560.138 (1) (c) “Remediating brownfields” means abating, removing, or  
2 containing environmental pollution at a brownfields facility or site, or restoring soil  
3 or groundwater at a brownfields facility or site.

      \*\*\*\*NOTE: Is this definition okay? I used part of the definition for “environmental  
remediation activities” at s. 560.13 (1) (d).

4           **SECTION 11.** 560.138 (2) (a) of the statutes is renumbered 560.138 (2) (a) (intro.)  
5 and amended to read:

6           560.138 (2) (a) (intro.) Subject to subs. (3) and (4), from the appropriations  
7 under s. 20.143 (1) (id) and (km), the department may make a grant or loan to a  
8 qualified business for a project for the purpose of ~~diversifying~~ any of the following  
9 purposes:

10           1. Diversifying the economy of a community.

11           **SECTION 12.** 560.138 (2) (a) 2. of the statutes is created to read:

12           560.138 (2) (a) 2. Remediating brownfields.

13           **SECTION 13.** 560.138 (2) (b) 4. of the statutes is created to read:

14           560.138 (2) (b) 4. Whether a project will take place in a rural community, as  
15 determined by the department.

16           **SECTION 14.** 560.138 (5) of the statutes is amended to read:

17           560.138 (5) The department shall deposit into the appropriation account under  
18 s. 20.143 (1) (~~id~~) (ig) all moneys received in repayment of loans made under this  
19 section.

20           **SECTION 15.** 560.139 (1) (a) of the statutes is amended to read:

21           560.139 (1) (a) Subject to par. (b), from the appropriation under s. 20.143 (1)  
22 (kj) or (~~km~~) or ~~from both appropriations~~, the department shall make grants to the city  
23 of Milwaukee to fund a program to be administered by the Milwaukee Economic

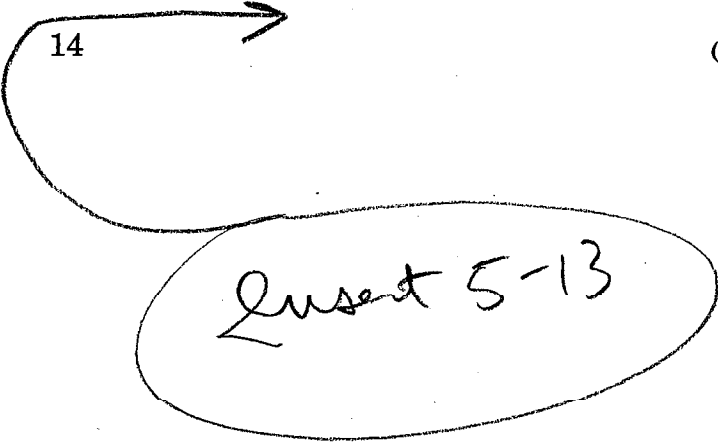
1 Development Corporation. Under the program, the Milwaukee Economic  
2 Development Corporation shall provide grants to persons for remediation and  
3 economic redevelopment projects in the Menomonee valley. A person may not receive  
4 a grant unless the person provides matching funds for at least 50% of the cost of the  
5 project.

6 SECTION 16. 560.139 (2) (a) of the statutes is amended to read:

7 560.139 (2) (a) From the appropriation under s. 20.143 (1) (kj) ~~or (km) or from~~  
8 ~~both appropriations~~, the department shall make grants to the Northwest Regional  
9 Planning Commission to match federal or private funds for the purpose of  
10 establishing a community-based venture fund. Subject to par. (b), the department  
11 shall provide grants in an amount that equals 50% of the total amount that the  
12 Northwest Regional Planning Commission receives in the year from federal or  
13 private sources for the community-based venture fund.

14

(END)



Insert 5-13

**2001-2002 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0650/2ins<sup>3</sup>  
TJK:bah:jf

**INSERT A**

W044 In addition, the bill authorizes the department to make a grant to the M7 Development Corporation for construction of a multipurpose center at Lincoln Park in the city of Milwaukee. The grant may not exceed \$1,000,000, is paid out of the newly consolidated Indian gaming revenue appropriation for the gaming economic development and gaming economic diversification grant and loan programs, and may not be awarded unless the M7 Development Corporation obtains matching financing from the city of Milwaukee.

**(END OF INSERT A)**

2001-2002 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0650/2ins  
PJK:bmh:jf

INSERT 5-13

*AK*  
SECTION 9110. Nonstatutory provisions; commerce.

1  
2 *AK* A.R. (2) (21) GRANT FOR LINCOLN PARK CENTER. From the appropriation under section  
3 20.143 (1) (kj) of the statutes, as affected by this act, the department of commerce  
4 may make a grant of up to \$1,000,000 to the M7 Development Corporation for  
5 constructing a multipurpose center at Lincoln Park in the city of Milwaukee. The  
6 department of commerce may not award any grant proceeds under this subsection  
7 unless the M7 Development Corporation provides funding for the project from the  
8 city of Milwaukee in an amount that is at least equal to the grant amount. If the  
9 department of commerce makes a grant under this subsection, the department shall  
10 enter into an agreement with the M7 Development Corporation that provides for,  
11 among other things, reporting and auditing requirements.

(END OF INSERT 5-13)

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0650/3dn  
PJK:hfh:af

Bill:

I want to call your attention to a couple of possible constitutional problems with this draft:

1. It is possible that a Wisconsin court would find that this program violates the internal improvements clause of the Wisconsin constitution (art. VIII, sec. 10), which prohibits the state from being a party in carrying on works of internal improvement. In *Development Dept. v. Bldg. Comm'n*, 139 Wis. 2d 1, 406 N.W. 2d 728 (1987), the court found that a law authorizing the department of development to make loans to private real estate developers for the development or construction of low-income and moderate-income housing projects violated the internal improvements clause.

The questions for a court to decide in any case that concerns the internal improvements clause are whether the object sought to be accomplished is an "internal improvement" and whether the legislation requires the state to "contract any debt" or causes the state to "be a party in carrying on such works". In this case, the questions would be: 1) is the construction of a multipurpose center in Lincoln Park a "work of internal improvement"; and 2) does providing a grant for such a project cause the state to be a party to carrying on the project? (In *State ex. rel. Wisconsin Dev. Authority v. Dammann*, 228 Wis. 147, 277 N.W. 278 (1938) (on rehearing), the court found that "encouraging" another to perform a work of internal improvement was not a violation of the internal improvements clause.)

2. It is possible that a Wisconsin court would find that this legislation is a "private or local law" which, under art. IV, sec. 18 of the Wisconsin constitution, must be enacted as single-subject legislation. If so, this legislation cannot validly be enacted as part of the budget bill, which clearly encompasses more than one subject.

Under *Milwaukee Brewers Baseball Club v. Wisconsin Dept. of Health and Social Services*, 130 Wis. 2d 79, 115 (1986), "a legislative provision which is specific to any person, place or thing is a private or local law within the meaning of art. 4, sec. 18, unless: 1) the general subject matter of the provision relates to a state responsibility of statewide dimension; and 2) its enactment will have direct and immediate effect on a specific statewide concern or interest."

This problem would be avoided, of course, if this proposal were introduced as separate legislation.

Pamela J. Kahler  
Senior Legislative Attorney  
Phone: (608) 266-2682  
E-mail: pam.kahler@legis.state.wi.us

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0650/3dn  
PJK:wlj:jf

January 11, 2001

Bill:

I want to call your attention to a couple of possible constitutional problems with this draft:

1. It is possible that a Wisconsin court would find that this program violates the internal improvements clause of the Wisconsin constitution (art. VIII, sec. 10), which prohibits the state from being a party in carrying on works of internal improvement. In *Development Dept. v. Bldg. Comm'n*, 139 Wis. 2d 1, 406 N.W. 2d 728 (1987), the court found that a law authorizing the department of development to make loans to private real estate developers for the development or construction of low-income and moderate-income housing projects violated the internal improvements clause.

The questions for a court to decide in any case that concerns the internal improvements clause are whether the object sought to be accomplished is an "internal improvement" and whether the legislation requires the state to "contract any debt" or causes the state to "be a party in carrying on such works". In this case, the questions would be: 1) is the construction of a multipurpose center in Lincoln Park a "work of internal improvement"; and 2) does providing a grant for such a project cause the state to be a party to carrying on the project? (In *State ex. rel. Wisconsin Dev. Authority v. Dammann*, 228 Wis. 147, 277 N.W. 278 (1938) (on rehearing), the court found that "encouraging" another to perform a work of internal improvement was not a violation of the internal improvements clause.)

2. It is possible that a Wisconsin court would find that this legislation is a "private or local law" which, under art. IV, sec. 18 of the Wisconsin constitution, must be enacted as single-subject legislation. If so, this legislation cannot validly be enacted as part of the budget bill, which clearly encompasses more than one subject.

Under *Milwaukee Brewers Baseball Club v. Wisconsin Dept. of Health and Social Services*, 130 Wis. 2d 79, 115 (1986), "a legislative provision which is specific to any person, place or thing is a private or local law within the meaning of art. 4, sec. 18, unless: 1) the general subject matter of the provision relates to a state responsibility of statewide dimension; and 2) its enactment will have direct and immediate effect on a specific statewide concern or interest."

This problem would be avoided, of course, if this proposal were introduced as separate legislation.

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