

Fiscal Estimate Narratives

UWS 2/14/2008

LRB Number	07-3855/2	Introduction Number	SB-434	Estimate Type	Original
Description Relating to: cleanup and consolidation of Department of Commerce economic development programs, establishing a comprehensive annual reporting requirement, requiring the development of programmatic goals and accountability measures for economic development grants and loans, requiring the exercise of rule-making authority, and making an appropriation.					

Assumptions Used in Arriving at Fiscal Estimate

This bill would require the Department of Commerce and 7 other agencies to establish specific goals, quantifiable benchmarks, and methods for evaluating program results for all economic development programs administered by each agency. It requires the agencies to promulgate administrative rules relating to: (1) submission of verified financial statements for economic development grants and loans of at least \$100,000; and (2) recoupment or withholding of payments and imposition of fines or penalties for specified impermissible activities of recipients of grants, loans, or tax benefits.

The UW System receives grant funding from the Department of Commerce. The rules that apply to the grants are developed by the Department of Commerce. That being the case, the University would not need to promulgate rules of its own.

The bill would also require annual reports and collaboration with the Department of Commerce to make economic development activities available on the internet. As part of the response to the Legislative Audit on Economic Activities, the University agreed to develop a portal and to provide a report on activities.

Long-Range Fiscal Implications

The portal is nearly complete so there should be only minimal costs to maintain the website in the future. The University feels these costs could be absorbed within its current base.