

2011 Jr1 DRAFTING REQUEST

Assembly Amendment (AA-AB6)

Received: 01/21/2011

Received By: **mgallagh**

Wanted: **As time permits**

Companion to LRB:

For: **Louis Molepske Jr (608) 267-9649**

By/Representing: **Kathy Farnsworth**

May Contact:

Drafter: **mgallagh**

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

Addl. Drafters: **jkuesel**
rchampag
csundber

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Molepske@legis.wisconsin.gov**

Carbon copy (CC:) to: **michael.gallagher@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

Amend SS AB6 to require WEDC goal setting, annual reports, track and measure progress, ethics policies, require WEDC employees to be state employees

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>
/?	mgallagh 01/21/2011	kfollett 01/23/2011		_____			
/1			phenry 01/24/2011	_____	sbasford 01/24/2011	sbasford 01/24/2011	

FE Sent For:

<END>

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1?	mgallagh	1/15/11 1/23	do 1/23	✓ PH/SE			

FE Sent For:

<END>



THANKS



LRBa0261/1

0275/1

CTS:kjf:rs

January 2011 Special Session

Assembly
SENATE AMENDMENT,
TO SENATE BILL 6
Assembly

M PG JTK
RAC

- 1-1 A →
- 1-1 B →
- 1-1 C →
- 1-1 D →
- 1-1 E →

D-Note

1 At the locations indicated, amend the bill as follows:

2 1. Page 21, line 1: delete lines 1 to 4 and substitute:

3 "238.07 Goals and accountability measures; reporting. (1) GOALS AND

4 ACCOUNTABILITY MEASURES. The corporation ^(board) shall do all of the following for each

5 economic development program implemented under s. 238.03:

6 (a) Establish clear and measurable goals for the program that are tied to the

7 duties of the board under s. 238.03.

8 (b) Establish at least one quantifiable benchmark for each program goal

9 described in par. (a).

10 (c) Require that each recipient of a grant, ^{or} loan ^{for other award} under the program submit a

11 report to the corporation. Each contract with a recipient of a grant, ^{or} loan ^{for other award} under the

12 program shall specify the frequency and format of the report to be submitted to the

13 corporation and the performance measures to be included in the report.

(d) Establish a method for evaluating the projected results of the program with actual outcomes as determined by evaluating the information described in pars. (a) and (b).

(e) Annually and independently verify, from a sample of grants and loans, the accuracy of the information required to be reported under par. (c).

(f) Establish ~~by rule~~ a requirement that the recipient of a grant or loan under the program of at least \$100,000 submit to the corporation a verified statement signed by both an independent certified public accountant licensed or certified under ch. 442 and the director or principal officer of the recipient to attest to the accuracy of the verified statement, and make available for inspection the documents supporting the verified statement. The corporation shall include the requirement established ~~by rule~~ under this paragraph in the contract entered into by a grant or loan recipient.

(g) Establish ~~by rule~~ policies and procedures permitting the corporation to do all of the following if a recipient of a grant, or loan, or tax benefits under the program submits false or misleading information to the corporation or fails to comply with the terms of a contract entered into with the corporation under the program and fails to provide to the satisfaction of the corporation an explanation for the noncompliance:

1. Recoup payments made to the recipient.
2. Withhold payments to be made to the recipient.
3. Impose a forfeiture on the recipient.

(2) ECONOMIC DEVELOPMENT ASSISTANCE REPORTING. Annually, no later than ~~October~~ the corporation shall submit to the joint legislative audit committee and to the appropriate standing committees of the legislature under s. 13.172 (3) a comprehensive report assessing economic development programs implemented by

requiring the department to recoup payments made to a recipient of a grant, loan, or other award under the program, and

or other awards

for other awards

board

the recipient of

board

other award

board

board

in addition to all other available legal remedies

financial penalty

December 31

October

based on the standard industrial classification manual, 1987 edition, published by the U.S. office of management and budget

the corporation. The corporation shall make readily accessible to the public on an Internet-based system the information required under this subsection. The report shall include all of the following information:

(a) A description of each program.

(b) Quantifiable performance measures directly related to the purpose of the program including, when applicable, all of the following information:

1. An accounting of the location, by municipality, of each job created or retained in the state in the previous fiscal year as a result of the program.

2. An accounting of the industry classification, by municipality, of each job created or retained in the state in the previous fiscal year as a result of the program.

(c) A comparison of expected and actual program outcomes.

(d) The number of grants made under the program in the previous fiscal year.

(e) The number of loans made under the program in the previous fiscal year.

(f) The amount of tax benefits allocated and verified under the program in the previous fiscal year. (other awards, if applicable)

(g) The amount of each grant and loan made under the program in the previous fiscal year. (of other award)

(h) The recipient of each grant or loan made under the program in the previous fiscal year.

(i) The recipients of tax benefits allocated and verified under the program in the previous fiscal year.

(j) The sum total of all grants and loans awarded to and received by each recipient under the program in the previous fiscal year.

(END)

recipient of a grant, loan, or other award and each

3-10

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3-21

3-23A

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3-23B

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D-Nok



State of Wisconsin
2011 - 2012 LEGISLATURE
January 2011 Special Session



LRBa0087/1
RAC:kjf:rs

SENATE AMENDMENT,
TO SENATE BILL 6

Insert 1-1 A

1 At the locations indicated, amend the bill as follows:

2 1. Page 4, line 6: after that line insert:

3 "SECTION 6m. 13.94 (1) (nt) of the statutes is created to read:

4 13.94 (1) (nt) Annually, conduct a financial audit of the Wisconsin Economic
5 Development Corporation. The legislative audit bureau shall also conduct ^{ANNUAL} ~~periodic~~
6 performance audits of the activities of the Wisconsin Economic Development
7 Corporation and any programs developed and implemented by the board of directors
8 of the Wisconsin Economic Development Corporation. The legislative audit bureau
9 shall file copies of audit reports with the list of distributees specified in par. (b). ~~2~~

10

(END)

~~SECTION~~ 6r. 13.94 (1¹⁵) (c^c) 5⁵ of the statutes is
created to read:
13.94 (1^(B)) (c^(c)) 5. The WISCONSIN Economic Development
Corporation under ~~5~~ sub. (1) (nt^{nt}). ~~2~~



**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION
SENATE AMENDMENT,
TO 2011 SENATE BILL 6**

Insert HIC

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~~At the locations indicated, amend the bill as follows:~~

1. Page 13, line 16: after that line insert:

“SECTION 28m². 19.42 (10) (t) of the statutes is created to read:

19.42 (10) (t) Nonclerical employees of the Wisconsin economic development corporation.

SECTION 28n². 19.42 (13) (p) of the statutes is created to read:

19.42 (13) (p) Nonclerical employees of the Wisconsin economic development corporation.”

(END)

2011-2012 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBa0275/?insmpg
MPG:.....

[INSERT 1-1 D]

- 1 1. Page 18, line 24: delete "and".
- 2 2. Page 19, line 1: after "governor" insert ", the speaker of the assembly or the
- 3 speaker's designee, and the senate majority leader or the majority leader's designee".

[END INSERT 1-1 D]

[INSERT 3-10]

- 4 3. An accounting of the kind of employment position, including whether the
- 5 position is full-time, part-time, temporary, seasonal, salaried, hourly, managerial,
- 6 represented, or nonrepresented, by municipality, of each job created or retained in
- 7 the state ~~in the previous fiscal~~ ^{during the} year as a result of the program.
- 8 4. An accounting of the salary or hourly wage, by municipality, of each job
- 9 created or retained in the state ~~in the previous fiscal~~ ^{during the} year as a result of the program.
- 10 5. An accounting of the extent to which each recipient of a grant, loan, or other
- 11 award retrained or relocated current employees ~~in the previous fiscal~~ ^{during the} year as a result
- 12 of the program.
- 13 6. An accounting of the extent to which each recipient of a grant, loan, or other
- 14 award utilized the Wisconsin supply chain, including Wisconsin manufacturers,
- 15 suppliers, transporters, warehouses, and retailers ~~in the previous fiscal~~ ^{during the} year.
- 16 7. An accounting of the percentage of recipients of a grant, loan, or other award
- 17 ~~in the previous fiscal~~ ^{during the} year, by municipality, that were businesses with fewer than 100
- 18 employees, including employees of any subsidiary or affiliated organization.
- 19 8. An accounting of the estimated economic growth within this state that is
- 20 likely to result from each grant, loan, or other award made by the corporation ~~in the~~
- 21 ~~previous fiscal~~ ^{during the} year.

1 9. An accounting of the percentage of recipients of a grant, loan, or other award
 2 ~~in the previous fiscal~~ ^{during the} year, by municipality, that were minority businesses certified
 3 by the department of commerce under s. 560.036.

4 10. An accounting of the percentage of recipients of a grant, loan, or other
 5 award ~~in the previous fiscal~~ ^{during the} year, by municipality, that were woman-owned
 6 businesses certified by the department of commerce under s. 560.035.

7 11. An accounting of the percentage of recipients of a grant, loan, or other award
 8 ~~in the previous fiscal~~ ^{during the} year, by municipality, that were ^{disabled} veteran-owned businesses
 9 certified by the department of commerce under s. 560.0335.

[END INSERT 3-10]

[INSERT 3-21]

10 (i) The total dollar amount contributed to any program by each recipient of a
 11 grant, loan, or other award under the program.

[END INSERT 3-21]



State of Wisconsin
2011 - 2012 LEGISLATURE

January 2011 Special Session



LRBa0236/1

RAC:.....

Editor:
this should
already be
edited and
done

SENATE AMENDMENT,
TO SENATE BILL 6

Insert

Insert - 1B

1 At the locations indicated, amend the bill as follows:

2 1. Page 5, line 25: after that line insert:

3 "SECTION 11m. 16.03 of the statutes is created to read:

4 **16.03 Contractual services agreement with the Wisconsin Economic**
5 **Development Corporation.** (1) In this section, "board" means the board of the
6 Wisconsin Economic Development Corporation.

7 (2) The secretary shall enter into a contractual services agreement with the
8 board to provide employee services for the board under s. 238.045.

9 (3) (a) Any contractual services agreement under sub. (2) may include a
10 provision that authorizes the board to perform specified duties for the department
11 with respect to employees of the department. This authorization may include duties
12 related to supervising employees, taking disciplinary action, or recommending new

Insert 1-B (continued)

1 hires or layoffs, or with respect to collective bargaining, claims, complaints, or
2 benefits and records administration.

3 (b) Any authorization under par. (a) shall comply with all applicable provisions
4 of subch. V of ch. 111 and ch. 230, any delegation of authority by the office of state
5 employment relations to the department, and any collective bargaining agreement
6 with respect to employees of the department.”

7 **2.** Page 6, line 23: after that line insert:

8 “**SECTION 15m.** 20.505 (1) (gp) of the statutes is created to read:

9 20.505 (1) (gp) *Contractual services agreement with Wisconsin Economic*
10 *Development Corporation.* All moneys received from the Wisconsin Economic
11 Development Corporation under any contractual services agreement entered into
12 under s. 16.03 (2) to provide employee services for the Wisconsin Economic
13 Development Corporation.”

Insert 1-E

14 **3.** Page 20, line 7: delete “Employ” and substitute “Subject to s. 238.045,
15 employ”.

16 **4.** Page 20, line 14: after that line insert:

17 “**238.045 Contractual services agreement with the department of**
18 **administration.** The board shall contract with the department of administration
19 under s. 16.03 (2) for all employee services of the corporation, except for executive,
20 supervisory, and managerial employee services.”

21 **5.** Page 21, line 23: after “statutes” insert “, or transfer any such position or
22 portion thereof to the department of administration to be funded from revenues
23 appropriated under section 20.505 (1) (gp) of the statutes, as created by this act”.

24 (END)

Insert 3-23 A

Insert 3-23B

Page 21, line 25: delete

"Before" and ^gsubstitute ~~insert~~ "(a) Subject
to paragraph (b), before".

Page 22, line 9: after that
line insert:

TEXT INS per (f) → (b) If the secretary of administration transfers any ^{moneys} under paragraph (a), the secretary shall ensure under section 238.05 (2) of the statute, as created by this act, that the board of the Wisconsin Economic Development Corporation develop and implement economic development ^{and} other ~~other~~ programs similar to the programs at the department

of commerce that were funded from
the moneys transferred under paragraph
(a). The secretary of administration
shall also submit to the ~~to~~ joint
committee on finance ^{on} proposed ^{legislation} legislation
to ^{eliminate} eliminate at the department of commerce
any programs the funding for which ^{has} has
^{been} been transferred ^{under} under paragraph (a).⁷¹

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

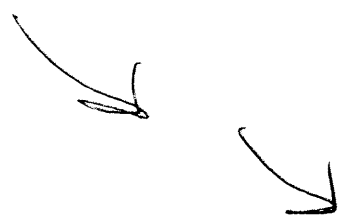
LRBa0262/1dn a02751
JTK.....
ERAC: kjf

Date

Representative MOLESKE:

The reason we don't mention the executive director and the board members of WEDC is that these positions are already covered because the positions are regularly filled by the governor with the advice and consent of the senate [Proposed s. 238.02 (1) and (3) and s. 19.42 (10) (d) and (13) (a), stats.].

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778



D-Note

The concept of a fiscal year only applies in ^{case} the care of state agencies, not necessarily ^{necessarily} authorities ^{like} ~~like~~ ^{like} the WEDC. Hence, we ~~had~~ ^{have} ~~changed~~ ^{date} the report date to December 31 of each year, rather than October 1, ^{and required} ~~required~~ ^{to cover} WEDC to cover the current year in its report. Is ^{this} okay? Also, only state agencies ^{have} ^{rule-making} ^{power} ~~have~~ ^{power}; hence, we ^{took} ~~took~~ ^{to} ~~took~~ ^{promulgating} out the references ~~to~~ ^{to} WEDC ^{promulgating} rules and instead simply required it to do things ^{you wished} ~~required~~ ^{accomplish} ~~to do things~~ ^{by} you wished to accomplish ^{by} rule.

RAC

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

LRBa0275/1dn
JTK&RAC:kjf:jf

January 24, 2011

Representative Molepske:

The reason we don't mention the executive director and the board members of WEDC is that these positions are already covered because the positions are regularly filled by the governor with the advice and consent of the senate [proposed s. 238.02 (1) and (3) and s. 19.42 (10) (d) and (13) (a), stats.].

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778

The concept of a fiscal year only applies in the case of state agencies, not necessarily authorities like the WEDC. Hence, we have changed the report date to December 31 of each year, rather than October 1, and required WEDC to cover the current year in its report. Is this okay? Also, only state agencies have rule-making power; hence, we took out the references to WEDC promulgating rules and instead simply required it to do things you wished to accomplish by rule.

Rick A. Champagne
Senior Legislative Attorney
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E-mail: rick.champagne@legis.wisconsin.gov