



State of Wisconsin
2015 - 2016 LEGISLATURE

LRBb0706/1
MPG/ZDW/MCP/MDK:all

**SENATE AMENDMENT 9,
TO SENATE SUBSTITUTE AMENDMENT 1,
TO SENATE BILL 21**

July 7, 2015 – Offered by Senators LASSA, HANSEN, WIRCH, L. TAYLOR, RINGHAND, BEWLEY, HARRIS DODD, VINEHOUT, MILLER, ERPENBACH, RISSER and SHILLING.

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** At the appropriate places, insert all of the following:

3 “SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place,
4 insert the following amounts for the purposes indicated:

5 **2015-16 2016-17**

6 **20.292 Technical college system board**

7 (1) TECHNICAL COLLEGE SYSTEM

8 (aj) Workforce growth program GPR A 20,000,000 20,000,000

9 (fd) Dual enrollment opportunity

10 grants GPR A -0- 3,000,000

				2015–16	2016–17
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1	(fh)	Innovation grants	GPR	A	500,000	500,000
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2	(fj)	Veterans success grants	GPR	A	2,500,000	2,500,000
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3 **SECTION 2.** 20.292 (1) (aj) of the statutes is created to read:

4 20.292 (1) (aj) *Workforce growth program.* The amounts in the schedule for
5 grants to technical college district boards under s. 38.39.

6 **SECTION 3.** 20.292 (1) (fd) of the statutes is created to read:

7 20.292 (1) (fd) *Dual enrollment opportunity grants.* The amounts in the
8 schedule for grants to technical college district boards under s. 38.04 (33). No moneys
9 may be encumbered under this paragraph after June 30, 2017.

10 **SECTION 4.** 20.292 (1) (fh) of the statutes is created to read:

11 20.292 (1) (fh) *Innovation grants.* The amounts in the schedule for grants to
12 technical college faculty, staff, and students under s. 38.04 (34).

13 **SECTION 5.** 20.292 (1) (fj) of the statutes is created to read:

14 20.292 (1) (fj) *Veterans success grants.* The amounts in the schedule for grants
15 to technical college district boards under s. 38.04 (35). No moneys may be
16 encumbered under this paragraph after June 30, 2019.

17 **SECTION 6.** 38.04 (33) of the statutes is created to read:

18 38.04 (33) DUAL ENROLLMENT OPPORTUNITY GRANTS. (a) In this subsection, “dual
19 enrollment programs” has the meaning given in s. 38.28 (1m) (am).

20 (b) From the appropriation under s. 20.292 (1) (fd), the board shall award
21 grants to district boards to expand dual enrollment programs or create new dual
22 enrollment programs. No grant may be awarded under this paragraph after June
23 30, 2017.

1 **SECTION 7.** 38.04 (34) of the statutes is created to read:

2 38.04 **(34)** INNOVATION GRANTS. From the appropriation under s. 20.292 (1) (fh),
3 the board shall award grants to technical college faculty, staff, and students to assist
4 such persons in commercializing and bringing to market innovative technology,
5 products, and processes developed at technical colleges.

6 **SECTION 8.** 38.04 (35) of the statutes is created to read:

7 38.04 **(35)** VETERANS SUCCESS GRANTS. (a) In this subsection, “veteran” has the
8 meaning given in s. 38.24 (8) (a) 1r.

9 (b) From the appropriation under s. 20.292 (1) (fj), the board shall award grants
10 to district boards to expand existing efforts and implement additional strategies to
11 assist veterans in a successful transition to college and careers. No grants may be
12 awarded under this subsection after June 30, 2019.

13 **SECTION 9.** 38.28 (1m) (a) 1. of the statutes is amended to read:

14 38.28 **(1m)** (a) 1. “District aidable cost” means the annual cost of operating a
15 technical college district, including debt service charges for district bonds and
16 promissory notes for building programs or capital equipment, but excluding all
17 expenditures relating to auxiliary enterprises and community service programs, all
18 expenditures funded by or reimbursed with federal revenues, all receipts under ss.
19 38.04 (33), (34), and (35), 38.12 (9), 38.14 (3) and (9), 38.39, 118.15 (2) (a), and 118.55
20 (7r), all receipts from grants awarded under ss. 38.04 (8), (28), and (31), 38.14 (11),
21 38.26, 38.27, 38.33, and 38.38, all fees collected under s. 38.24, and driver education
22 and chauffeur training aids.

23 **SECTION 10.** 38.39 of the statutes is created to read:

24 **38.39 Workforce growth program.** (1) A district board may obtain grants
25 under sub. (2) for the purpose of partnering with a business, consortium of

1 businesses, local workforce investment board established under 29 USC 2832, or
2 economic development organization that is located or provides service in the district,
3 in a project to help meet local needs for supporting sectors of the economy with a
4 documented skills gap or high workforce shortage, which could include
5 manufacturing, energy, information technology, skilled trades, and health care. A
6 project may provide for activities that address development of individuals prior to
7 entering the workforce and workforce training, which could include one or more of
8 the following:

9 (a) Job training scholarships based on local labor market needs.

10 (b) Building or infrastructure construction.

11 (c) Equipment and material purchases.

12 (d) Faculty hiring.

13 (e) Development in partnership with industry of curricula, based on industry
14 standards, that lead to certificates or degrees.

15 (f) Student career support services, including job placement and business
16 recruitment.

17 (2) From the appropriation under s. 20.292 (1) (aj), the board shall award
18 grants to district boards that apply to the board to fund the costs of projects under
19 sub. (1). The board shall consider the speed by which the activities specified in
20 applications could meet training and employment needs and give a preference in
21 awarding the grants to projects that seek to eliminate waiting lists for courses
22 pertaining to jobs with high employment demand.

23 **SECTION 11.** 238.137 of the statutes is created to read:

24 **238.137 Entrepreneurial assistance grants.** (1) In this section:

1 (a) “Institution of higher education” means an institution within the University
2 of Wisconsin System, a technical college, or a private, nonprofit institution of higher
3 education located in this state.

4 (b) “New business” means a business organized in this state on a date not more
5 than 60 months before the date on which the business applies for a grant under sub.
6 (2).

7 (2) The corporation may award to a new business a grant of up to \$3,000 for
8 expenses related to hiring a paid intern who will assist with research, marketing,
9 business plan development, or other functions relating to the creation of a new
10 business. A recipient may use the grant under this subsection only for hiring a
11 student who is enrolled in an institution of higher education in the field of business,
12 engineering, or information technology or in a similar field as determined by the
13 corporation.

14 (3) If the corporation awards grants under sub. (2) to 3 or more businesses to
15 fund internships for students enrolled in a single institution of higher education, and
16 the institution of higher education develops a program to facilitate internships
17 funded with grants under sub. (2), the corporation may award a grant of up to
18 \$25,000 to the institution of higher education for costs associated with hiring interns
19 under sub. (2), including faculty or staff time and curriculum development. If the
20 corporation lacks sufficient funds to award grants to all qualified applicants, the
21 corporation shall allocate available funds to applicants that have the greatest
22 potential to create jobs in this state.

23 (4) From the appropriations under s. 20.192 (1) (k) and (r), the corporation shall
24 allocate at least \$125,000 in each fiscal year to provide the grants under subs. (2) and
25 (3).

1 (5) The corporation shall actively pursue gifts and grants from private sources
2 for funding grants under subs. (2) and (3).

3 (6) Not later than February 1, 2019, the corporation shall submit to the
4 legislature under s. 13.172 (2) a report evaluating the effectiveness of grants under
5 subs. (2) and (3).”.

6 **2.** Page 94, line 5: increase the dollar amount for fiscal year 2015–16 by
7 \$200,000 and increase the dollar amount for fiscal year 2016–17 by \$200,000 for the
8 purpose for which the appropriation is made.

9 **3.** Page 1227, line 8: after that line insert:

10 “**SECTION 3979n.** 238.14 of the statutes is created to read:

11 **238.14 Entrepreneurial tax credit access grants.** (1) The corporation
12 shall establish and administer a program to make grants under this section. The
13 corporation may award a grant under the program to a person who intends to use the
14 grant to secure financing for making expenditures that would qualify for a credit
15 under s. 71.07 (2dy) or (3g) (a) 2., 71.28 (1dy) or (3g) (a) 2., or 71.47 (1dy) or (3g) (a)
16 2., if the expenditures are made for a business located in this state that has fewer
17 than 25 employees in this state or less than \$5,000,000 in gross receipts for the
18 taxable year in which the person applies for a grant under this section.

19 (2) Any person who wishes to receive a grant under this section shall complete
20 and submit an application to the corporation and enter into an agreement with the
21 corporation to use the grant to secure financing for making expenditures described
22 under sub. (1) and to repay any or all of the grant proceeds to the corporation if the
23 person fails to comply with the agreement. An agreement under this subsection may
24 provide that repayment shall be obtained through full or partial repayment of the

1 principal amount of the grant plus interest, through receipt of a share of future
2 profits from or an interest in a product or process, or through any other appropriate
3 means.

4 (3) (a) No person may receive a grant under this section unless the person has
5 submitted business and financing plans to a commercial lending institution and
6 submitted copies of the plans to the corporation. Before awarding a grant, the
7 corporation shall verify that the lender has approved the person's plans and will
8 underwrite a loan for expenditures described under sub. (1), contingent on the
9 person receiving a grant under this section.

10 (b) The amount of any grant awarded under this section is the amount equal
11 to 95 percent of the tax credit that the recipient could otherwise receive for making
12 expenditures described under sub. (1), except that the amount of the grant may not
13 exceed an amount equal to 20 percent of the cost of the project that is being financed.

14 (c) The corporation shall require, as a condition of the grant, that the recipient
15 contribute to a project an amount that is not less than the amount the recipient
16 receives as a grant under this section.

17 (4) A person who receives a grant under this section to secure financing for
18 making an expenditure described under sub. (1) may not claim a credit under s. 71.07
19 (2dy) or (3g) (a) 2., 71.28 (1dy) or (3g) (a) 2., or 71.47 (1dy) or (3g) (a) 2. for that
20 expenditure.

21 (5) (a) The corporation shall pay grants under this section from the
22 appropriation under s. 20.192 (1) (r). The total amount that the corporation may
23 award under this section in a fiscal year is \$8,000,000.

24 (b) The corporation shall establish policies and procedures to administer this
25 section.

1 (c) The corporation may not award grants under this section after January 1,
2 2017.

3 **SECTION 3979o.** 238.147 of the statutes is created to read:

4 **238.147 Grants to recipients of federal grants for research and**
5 **innovation.** (1) DEFINITIONS. In this section:

6 (a) “Phase I federal grant” means a grant awarded by the federal government
7 under Phase I of the federal Small Business Innovation Research Program or Phase
8 I of the federal Small Business Technology Transfer Program.

9 (b) “Phase I matching grant” means a grant awarded by the corporation under
10 sub. (3).

11 (c) “Phase II federal grant” means a grant awarded by the federal government
12 under Phase II of the federal Small Business Innovation Research Program or Phase
13 II of the federal Small Business Technology Transfer Program.

14 (d) “Phase II matching grant” means a grant awarded by the corporation under
15 sub. (4).

16 (2) GRANT PROGRAM IMPLEMENTATION. The corporation shall develop and
17 implement an economic development program to award Phase I and Phase II
18 matching grants under this section.

19 (3) PHASE I MATCHING GRANTS. (a) A Phase I federal grant recipient may apply
20 for a Phase I matching grant on a form provided by the corporation.

21 (b) Subject to par. (c) and the limitations under sub. (5), the corporation may
22 award a Phase I matching grant to an applicant under par. (a) if the applicant meets
23 all of the following conditions:

24 1. The applicant submits to the corporation a copy of the applicant’s executed
25 Phase I federal grant agreement with the federal government or evidence

1 satisfactory to the corporation that the applicant has received at least one payment
2 of Phase I federal grant moneys.

3 2. The applicant's business is located in this state and will not relocate outside
4 of this state during the 3 years after it receives a Phase I matching grant. For the
5 purposes of this subdivision, a business relocates outside of this state when the
6 business locates more than 51 percent of its employees, its total payroll, or the
7 activities of its headquarters, as determined by the corporation, outside of this state.

8 3. The applicant submits evidence satisfactory to the corporation that the
9 research to be conducted in connection with the Phase I federal grant will benefit the
10 economy of this state and that at least 51 percent of that research will be conducted
11 in this state.

12 4. The applicant intends to apply for a Phase II federal grant.

13 5. The applicant submitted its application under par. (a) within 180 days after
14 the applicant first received any moneys from the federal government under the
15 applicant's Phase I federal grant.

16 6. The applicant satisfies any other requirements established by the
17 corporation.

18 (c) Before the corporation awards a Phase I matching grant, the corporation
19 shall contract with the Phase I federal grant recipient. The corporation shall
20 determine the contract's terms, including the amount of the Phase I matching grant,
21 after negotiation with the Phase I federal grant recipient. The contract shall include
22 all of the following provisions:

23 1. That, at a time determined by the corporation and specified in the contract,
24 the Phase I federal grant recipient shall file with the corporation a report that shows
25 the Phase I federal grant recipient's expenditures of the Phase I federal grant and

1 the Phase I matching grant; and that, if the Phase I federal grant recipient fails to
2 submit a report under this subdivision that is acceptable to the corporation, the
3 corporation may order repayment of all or a portion of the Phase I matching grant.

4 2. That the Phase I federal grant recipient may assign the contract only upon
5 the prior written consent of the corporation.

6 3. That, in addition to any other purposes for which the Phase I federal grant
7 may be expended, the Phase I matching grant may be used for patenting, market
8 research, and marketing.

9 (4) PHASE II MATCHING GRANTS. (a) A Phase I matching grant recipient may
10 apply for a Phase II matching grant on a form provided by the corporation.

11 (b) Subject to par. (c) and the limitations under sub. (5), the corporation may
12 award a Phase II matching grant to an applicant under par. (a) if the applicant meets
13 all of the following conditions:

14 1. The applicant submits evidence satisfactory to the corporation that the
15 federal government approved the applicant's final report for its Phase I federal grant,
16 the applicant has satisfied any other applicable requirements for its Phase I federal
17 grant, and the applicant has been awarded a Phase II federal grant.

18 2. The applicant submitted its application under par. (a) within 90 days after
19 the applicant completed its research under the applicant's Phase I federal grant.

20 3. The applicant satisfies any other requirements established by the
21 corporation.

22 (c) Before the corporation awards a Phase II matching grant, the corporation
23 shall contract with the Phase II federal grant recipient. The corporation shall
24 determine the contract's terms, including the amount of the Phase II matching grant,

1 after negotiation with the Phase II federal grant recipient. The contract shall include
2 all of the following provisions:

3 1. That, at a time determined by the corporation and specified in the contract,
4 the Phase II federal grant recipient shall file with the corporation a report that shows
5 the Phase II federal grant recipient's expenditures of the Phase II federal grant and
6 the Phase II matching grant; and that, if the Phase II federal grant recipient fails to
7 submit a report under this subdivision that is acceptable to the corporation, the
8 corporation may order repayment of all or a portion of the Phase II matching grant.

9 2. That the Phase II federal grant recipient may assign the contract only upon
10 the prior written consent of the corporation.

11 3. That, in addition to any other purposes for which the Phase II federal grant
12 may be expended, the Phase II matching grant may be expended for patenting,
13 market research, and marketing.

14 **(5) LIMITATIONS.** (a) The corporation may not award a Phase I or Phase II
15 matching grant that exceeds \$50,000 or the amount of the Phase I or Phase II federal
16 grant, whichever is less.

17 (b) The corporation may not award grants under this section totalling more
18 than \$300,000 per state fiscal year.”.

19 **(END)**