



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2015 Assembly Bill 758

**Assembly
Amendment 1**

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2015 ASSEMBLY BILL 758

2015 Assembly Bill 758 enables the Wisconsin Economic Development Corporation (WEDC) to enter into contracts with industry cluster partnerships (ICPs), funded by an appropriation of \$10 million per biennium. The bill defines an ICP as a nonprofit organization whose primary purpose is to assist in developing and supporting a regional concentration of private sector businesses in Wisconsin that share a common interest in fostering industry-specific research and development, worker skills training, and market development.

To apply for a contract with WEDC, an ICP must include a business plan that sets forth measurable economic development and business-related goals and the specific programming the ICP intends to implement to achieve those goals. The business plan must demonstrate to WEDC's satisfaction how the ICP plans to be without need of WEDC funding within 10 years after first receiving a payment under the contract. The bill also specifies certain criteria an ICP must satisfy, relating to matching funds, headquarters location, board governance, existing relationships with institutions of higher education and support of existing regional concentrations of industry.

The bill specifies that WEDC may enter into one contract per year and that WEDC may not contract with more than one ICP per industry, unless existing ICPs under contract in the industry are materially underperforming and the public interest requires contracting with another ICP. The bill also specifies criteria to be used by WEDC to award a contract when more than one ICP in the same industry has applied and the conditions under which a contract may be terminated by WEDC.

The bill directs state agencies to provide expedited service with regard to any permit or approval required by an ICP under contract with WEDC, and directs WEDC to award a

contract to an ICP that supports the water technology and water infrastructure industry, provided certain conditions are satisfied.

ASSEMBLY AMENDMENT 1

Assembly Amendment 1 clarifies that WEDC may enter into one contract per industry per year.

BILL HISTORY

Assembly Amendment 1 was offered by Representative Nygren on January 25, 2016. On February 2, 2016, the Assembly Committee on Jobs and the Economy recommended adoption of Assembly Amendment 1, and passage of Assembly Bill 758, as amended, on successive votes of Ayes, 14; Noes, 1.

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