



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-5360/1
MPG:emw

2017 SENATE BILL 769

February 5, 2018 - Introduced by COMMITTEE ON SENATE ORGANIZATION, by request of Governor Scott Walker. Referred to Committee on Economic Development, Commerce and Local Government.

1 **AN ACT** *to create* 20.192 (1) (bm) and 238.18 of the statutes; **relating to:** rural
2 economic development programs administered by the Wisconsin Economic
3 Development Corporation, grants to other authorities and state agencies for
4 purposes of rural economic development, and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill appropriates \$50,000,000 annually to the Wisconsin Economic Development Corporation for the following purposes:

1. The expenditure of moneys for any economic development program WEDC is administering as of the date on which the bill becomes law if the expenditure assists economic development in a rural county.

2. The expenditure of moneys for any economic development program WEDC begins administering after the date on which the bill becomes law if the expenditure assists economic development in a rural county. The bill requires passive review by the Joint Committee on Finance before WEDC first expends moneys appropriated under the bill on each such program and requires WEDC to adopt policies and procedures establishing, to the extent feasible, matching requirements for any such expenditure.

3. Subject to passive review by JCF, awarding grants to other authorities and state agencies if WEDC determines that an authority's or state agency's expenditure of the grant moneys will assist economic development in a rural county.

Under the bill, WEDC must submit a report to the Department of Administration no later than June 30 of each fiscal year that describes in detail

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WEDC’s use in that fiscal year of the moneys appropriated under the bill and must repay appropriated amounts to the state that WEDC does not expend or encumber in that fiscal year.

The program under the bill sunsets after 20 years.

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.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
2 the following amounts for the purposes indicated:

	2017-18	2018-19
20.192 Wisconsin Economic Development		
Corporation		

5 (1) PROMOTION OF ECONOMIC DEVELOPMENT

6 (bm) Rural economic development	GPR	A	-0-	50,000,000
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7 **SECTION 2.** 20.192 (1) (bm) of the statutes is created to read:

8 20.192 (1) (bm) *Rural economic development.* The amounts in the schedule for
9 rural economic development programs and grants to authorities and state agencies
10 under s. 238.18.

11 **SECTION 3.** 238.18 of the statutes is created to read:

12 **238.18 Rural economic development.** (1) DEFINITION. In this section,
13 “rural county” means a county with a population density of less than 155 residents
14 per square mile.

15 (2) ECONOMIC DEVELOPMENT PROGRAMS BENEFITING RURAL COUNTIES. From the
16 appropriation under s. 20.192 (1) (bm), the corporation may do the following:

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1 (a) Expend moneys for any economic development program the corporation is
2 administering on the effective date of this paragraph [LRB inserts date], if that
3 expenditure assists economic development in a rural county.

4 (b) Expend moneys for any economic development program the corporation
5 begins administering after the effective date of this paragraph [LRB inserts date],
6 if that expenditure assists economic development in a rural county, subject to all of
7 the following:

8 1. Before the corporation first expends moneys on each program under this
9 paragraph, the corporation shall notify the joint committee on finance in writing of
10 the corporation's intention to expend the moneys on the program. The notice shall
11 describe the program and purposes for which the corporation proposes to expend the
12 moneys under this paragraph.

13 2. If, within 14 working days after the date of the corporation's notice under
14 subd. 1., the cochairpersons of the joint committee on finance do not notify the
15 corporation that the committee has scheduled a meeting to review the corporation's
16 proposal, the corporation may make the expenditures as proposed in the
17 corporation's notice. If, within 14 working days after the date of the corporation's
18 notice under subd. 1., the cochairpersons of the committee notify the corporation that
19 the committee has scheduled a meeting to review the corporation's proposal, the
20 corporation may make the proposed expenditures only upon approval of the
21 committee.

22 3. The corporation shall adopt policies and procedures establishing, to the
23 extent feasible, matching requirements for the corporation's expenditures under this
24 paragraph.

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1 (c) Award a grant to another authority or to a state agency if the corporation
2 determines the authority's or state agency's expenditure of the grant moneys will
3 assist economic development in a rural county, subject to all of the following:

4 1. Before the corporation makes a grant under this paragraph, the corporation
5 shall notify the joint committee on finance in writing of the corporation's intention
6 to make the grant. The notice shall describe the program and purposes for which the
7 corporation proposes to make the grant.

8 2. If, within 14 working days after the date of the corporation's notice under
9 subd. 1., the cochairpersons of the joint committee on finance do not notify the
10 corporation that the committee has scheduled a meeting to review the corporation's
11 proposal, the corporation may make the grant as proposed in the corporation's notice.
12 If, within 14 working days after the date of the corporation's notice under subd. 1.,
13 the cochairpersons of the committee notify the corporation that the committee has
14 scheduled a meeting to review the corporation's proposal, the corporation may make
15 the proposed grant only upon approval of the committee.

16 **(3) DETERMINATION OF ECONOMIC IMPACT.** Before the corporation expends moneys
17 on an economic development program under sub. (2) (a) or (b) or makes a grant under
18 sub. (2) (c), the corporation shall consider the economic impact of the program or
19 activity for which the moneys will be used.

20 **(4) REPORTING AND REPAYMENT REQUIREMENTS.** No later than June 30 of each
21 fiscal year, the the corporation shall do all of the following:

22 (a) Submit a report to the department of administration describing in detail the
23 corporation's use in that fiscal year of the moneys appropriated under s. 20.192 (1)
24 (bm).

