



State of Wisconsin
2007 - 2008 LEGISLATURE

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**ASSEMBLY AMENDMENT 3,
TO 2007 ASSEMBLY BILL 794**

February 28, 2008 – Offered by Representative MOLEPSKE.

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

2 **1.** Page 2, line 5: after “programs,” insert “creating reporting and repayment
3 requirements for grants, loans, and tax benefits provided to businesses by the
4 Department of Revenue and the Department of Commerce,”.

5 **2.** Page 12, line 2: after that line insert:

6 “**SECTION 25m.** 73.03 (64) of the statutes is created to read:

7 73.03 (**64**) Not later than July 1, 2010, and not later than each subsequent July
8 1, to submit to the legislature the names of all taxpayers who received tax benefits,
9 as defined in s. 560.075 (1) (e), in the preceding fiscal year and the amount of tax
10 revenue that the state did not collect in the preceding fiscal year as a result of such
11 benefits.”.

12 **3.** Page 17, line 20: after that line insert:

13 “**SECTION 39d.** 560.075 (title) of the statutes is amended to read:

1 **560.075** (title) ~~Repayment of grants~~ **Grants, loans, and tax benefits;**
2 **reporting requirements, development agreements, and repayments.**

3 **SECTION 39f.** 560.075 (1) of the statutes is renumbered 560.075 (1m) (e) and
4 amended to read:

5 560.075 **(1m)** (e) ~~In this section, “tax~~ **“Tax** benefits” means the credits under
6 ss. 71.07 (2dd), (2de), (2di), (2dj), (2dL), (2dm), (2dr), (2ds), (2dx), ~~(2dy)~~, (3g), and (3t),
7 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), ~~(1dy)~~, (3g), and (3t), 71.47
8 (1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), ~~(1dy)~~, (3g), and (3t), ~~and 76.636,~~
9 **and 76.637.**

10 **SECTION 39h.** 560.075 (1m) (intro.) of the statutes is created to read:

11 560.075 **(1m)** (intro.) In this section:

12 **SECTION 39j.** 560.075 (1m) (a) of the statutes is created to read:

13 560.075 **(1m)** (a) “Development assistance” means a grant or loan under this
14 chapter or tax benefits.

15 **SECTION 39L.** 560.075 (1m) (b) of the statutes is created to read:

16 560.075 **(1m)** (b) “Full-time” means at least 35 hours per week.

17 **SECTION 39m.** 560.075 (1m) (c) of the statutes is created to read:

18 560.075 **(1m)** (c) “New employee” does not include any of the following:

19 1. An employee who performs a job that was previously performed by another
20 employee in this state, if that job existed in this state for at least 6 months before
21 hiring the employee.

22 2. A child, grandchild, parent, or spouse of an individual who has a direct or
23 indirect ownership interest of at least 5 percent in the profits, capital, or value of a
24 business.

25 **SECTION 39n.** 560.075 (1m) (d) of the statutes is created to read:

1 560.075 (1m) (d) “Part-time” means less than 35 hours per week.

2 **SECTION 39p.** 560.075 (2) of the statutes is renumbered 560.075 (2) (intro.) and
3 amended to read:

4 560.075 (2) (intro.) The department may not award ~~a grant or loan under this~~
5 ~~chapter~~ development assistance to a person or ~~certify a person to receive tax benefits~~
6 unless the department enters into an a development agreement with the person that
7 requires the person to repay the ~~grant, loan, or tax benefits if, within~~ development
8 assistance if any of the following apply:

9 (a) Within 5 years after receiving the ~~grant or loan or being certified to receive~~
10 ~~tax benefits~~ development assistance, the person ceases to conduct in this state the
11 economic activity for which the person received the ~~grant or loan or for which the~~
12 ~~person was certified to receive tax benefits~~ development assistance and commences
13 substantially the same economic activity outside this state.

14 **SECTION 39r.** 560.075 (2) (b) of the statutes is created to read:

15 560.075 (2) (b) The person fails to make a capital investment specified in the
16 development agreement.

17 **SECTION 39s.** 560.075 (2) (c) of the statutes is created to read:

18 560.075 (2) (c) The person fails to create or retain jobs as specified in the
19 development agreement.

20 **SECTION 39t.** 560.075 (3) of the statutes is created to read:

21 560.075 (3) (a) Except as provided in par. (b), the department shall ensure that
22 a recipient of development assistance that violates the provisions of a development
23 agreement repays the full amount of the development assistance received.

1 (b) 1. The department may agree to accept a pro rata share of the amount of the
2 development assistance received if the department determines that such a
3 settlement is equitable.

4 2. The department may, by rule, establish a procedure under which it may
5 waive the repayment requirement established under par. (a).

6 **SECTION 39v.** 560.075 (4) of the statutes is created to read:

7 560.075 (4) (a) A recipient of development assistance shall annually not later
8 than December 31 of each calendar year submit to the department a progress report
9 that contains all of the following information:

10 1. The program under which the recipient received the development assistance
11 and the value of the development assistance provided to the recipient.

12 2. The total number of employees employed by the recipient at the site for which
13 the recipient received development assistance, at the time the recipient applied for
14 development assistance and at the time the recipient prepared the progress report,
15 including the number of permanent full-time employees, the number of part-time
16 employees, the number of temporary employees, and the net loss or gain in each
17 category of employee.

18 3. The number of any new or retained employees that the recipient represented
19 in its application for development assistance would result from development
20 assistance, broken down by full-time, part-time, and temporary employees.

21 4. A statement indicating whether the recipient is in compliance with the terms
22 of any development assistance agreement into which the recipient entered.

23 5. A detailed list of the job classifications or occupations of employees that the
24 recipient intends to hire or retain in the future as a result of the development

1 assistance the recipient received and the wage the recipient pays or intends to pay
2 the employees.

3 6. A statement describing any decreases in employment in this state resulting
4 from the recipient's use of development assistance.

5 7. A certification by the recipient's chief operating officer or by an authorized
6 representative of the recipient's chief operating officer that the progress report
7 contains no knowing misrepresentation of fact material to the recipient's receipt of
8 development assistance.

9 (b) The department may make reasonable inspections to verify information
10 submitted in a progress report under par. (a).

11 (c) If a recipient of development assistance fails to submit a timely progress
12 report under par. (a), the department shall, as soon as is practicable, suspend further
13 development assistance to the recipient that is in the department's control until the
14 recipient submits a progress report.

15 **SECTION 39w.** 560.075 (5) of the statutes is created to read:

16 560.075 (5) (a) Not later than June 1, 2010, and not later than each subsequent
17 June 1, the department shall submit to the legislature and make available on the
18 department's Internet Web site the information received in progress reports in the
19 preceding calendar year.

20 (b) Not later than December 31, 2011, and not later than each subsequent
21 December 31, the department shall prepare and submit to the legislature and make
22 available on the department's Internet Web site a report detailing amounts
23 recovered by the department from recipients of development assistance that failed
24 to comply with provisions in development agreements required under sub. (2). The
25 report under this paragraph shall include all of the following information:

1 1. The number of recipients of development assistance in the preceding fiscal
2 year.

3 2. The total number of recipients of development assistance who violated the
4 terms of a development agreement in the preceding fiscal year.

5 3. The number of recipients from whom the department sought to recover
6 development assistance in the preceding fiscal year.

7 4. The number of recipients from whom the department recovered development
8 assistance in the preceding fiscal year, and the amount the department recovered
9 from each recipient.”.

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(END)