



State of Wisconsin
2011 - 2012 LEGISLATURE

January 2011 Special Session



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CTS/MPG/JTK/RAC:kjf:jf

**ASSEMBLY AMENDMENT 1,
TO ASSEMBLY BILL 6**

January 26, 2011 – Offered by Representatives MOLEPSKE JR and BERNARD SCHABER.

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
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).

10 **SECTION 6r.** 13.94 (1s) (c) 5. of the statutes is created to read:

11 13.94 (1s) (c) 5. The Wisconsin Economic Development Corporation under sub.
12 (1) (nt).”.

13 **2.** Page 5, line 25: after that line insert:

1 “**SECTION 11m.** 16.03 of the statutes is created to read:

2 **16.03 Contractual services agreement with the Wisconsin Economic**
3 **Development Corporation. (1)** In this section, “board” means the board of the
4 Wisconsin Economic Development Corporation.

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

7 **(3)** (a) Any contractual services agreement under sub. (2) may include a
8 provision that authorizes the board to perform specified duties for the department
9 with respect to employees of the department. This authorization may include duties
10 related to supervising employees, taking disciplinary action, or recommending new
11 hires or layoffs, or with respect to collective bargaining, claims, complaints, or
12 benefits and records administration.

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

17 **3.** Page 6, line 23: after that line insert:

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

19 20.505 **(1)** (gp) *Contractual services agreement with Wisconsin Economic*
20 *Development Corporation.* All moneys received from the Wisconsin Economic
21 Development Corporation under any contractual services agreement entered into
22 under s. 16.03 (2) to provide employee services for the Wisconsin Economic
23 Development Corporation.”.

24 **4.** Page 13, line 16: after that line insert:

1 **“SECTION 28m.** 19.42 (10) (t) of the statutes is created to read:
2 19.42 (10) (t) Nonclerical employees of the Wisconsin Economic Development
3 Corporation.

4 **SECTION 28n.** 19.42 (13) (p) of the statutes is created to read:
5 19.42 (13) (p) Nonclerical employees of the Wisconsin Economic Development
6 Corporation.”.

7 **5.** Page 18, line 24: delete “and”.

8 **6.** Page 19, line 1: after “governor” insert “, the speaker of the assembly or the
9 speaker’s designee, and the senate majority leader or the majority leader’s designee”.

10 **7.** Page 20, line 7: delete “Employ” and substitute “Subject to s. 238.045,
11 employ”.

12 **8.** Page 20, line 14: after that line insert:
13 **“238.045 Contractual services agreement with the department of**
14 **administration.** The board shall contract with the department of administration
15 under s. 16.03 (2) for all employee services of the corporation, except for executive,
16 supervisory, and managerial employee services.”.

17 **9.** Page 21, line 1: delete lines 1 to 4 and substitute:
18 **“238.07 Goals and accountability measures; reporting. (1) GOALS AND**
19 **ACCOUNTABILITY MEASURES.** The board shall do all of the following for each economic
20 development program implemented under s. 238.03:

21 (a) Establish clear and measurable goals for the program that are tied to the
22 duties of the board under s. 238.03.

23 (b) Establish at least one quantifiable benchmark for each program goal
24 described in par. (a).

1 (c) Require that each recipient of a grant, loan, or other award under the
2 program submit a report to the corporation. Each contract with a recipient of a grant,
3 loan, or other award under the program shall specify the frequency and format of the
4 report to be submitted to the corporation and the performance measures to be
5 included in the report.

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

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

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

19 (g) Establish policies and procedures requiring the department to recoup
20 payments made to a recipient of a grant, loan, or other award under the program, and
21 permitting the board to, in addition to all other available legal remedies, do all of the
22 following if a recipient of a grant, loan, or other award or tax benefits under the
23 program submits false or misleading information to the corporation or fails to comply
24 with the terms of a contract entered into with the board under the program and fails
25 to provide to the satisfaction of the board an explanation for the noncompliance:

1 1. Recoup payments made to the recipient.

2 2. Withhold payments to be made to the recipient.

3 3. Impose a financial penalty on the recipient.

4 **(2) ECONOMIC DEVELOPMENT ASSISTANCE REPORTING.** Annually, no later than
5 December 31, the board shall submit to the joint legislative audit committee and to
6 the appropriate standing committees of the legislature under s. 13.172 (3) a
7 comprehensive report assessing economic development programs implemented by
8 the board. The board shall make readily accessible to the public on an
9 Internet-based system the information required under this subsection. The report
10 shall include all of the following information:

11 (a) A description of each program.

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

14 1. An accounting of the location, by municipality, of each recipient of a grant,
15 loan, or other award and each job created or retained in the state in the previous
16 fiscal year as a result of the program.

17 2. An accounting of the industry classification, based on the standard
18 industrial classification manual, 1987 edition, published by the U.S. Office of
19 management and budget; by municipality, of each recipient of a grant, loan or other
20 award and each job created or retained in the state during the year as a result of the
21 program.

22 3. An accounting of the kind of employment position, including whether the
23 position is full-time, part-time, temporary, seasonal, salaried, hourly, managerial,
24 represented, or nonrepresented, by municipality, of each job created or retained in
25 the state during the year as a result of the program.

1 4. An accounting of the salary or hourly wage, by municipality, of each job
2 created or retained in the state during the year as a result of the program.

3 5. An accounting of the extent to which each recipient of a grant, loan, or other
4 award retrained or relocated current employees during the year as a result of the
5 program.

6 6. An accounting of the extent to which each recipient of a grant, loan, or other
7 award utilized the Wisconsin supply chain, including Wisconsin manufacturers,
8 suppliers, transporters, warehouses, and retailers, during the year.

9 7. An accounting of the percentage of recipients of a grant, loan, or other award
10 during the year, by municipality, that were businesses with fewer than 100
11 employees, including employees of any subsidiary or affiliated organization.

12 8. An accounting of the estimated economic growth within this state that is
13 likely to result from each grant, loan, or other award made by the corporation during
14 the year.

15 9. An accounting of the percentage of recipients of a grant, loan, or other award
16 during the year, by municipality, that were minority businesses certified by the
17 department of commerce under s. 560.036.

18 10. An accounting of the percentage of recipients of a grant, loan, or other
19 award during the year, by municipality, that were woman-owned businesses
20 certified by the department of commerce under s. 560.035.

21 11. An accounting of the percentage of recipients of a grant, loan, or other award
22 during the year, by municipality, that were disabled veteran-owned businesses
23 certified by the department of commerce under s. 560.0335.

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

25 (d) The number of grants made under the program during the year.

- 1 (e) The number of loans made under the program during the year.
- 2 (f) The number of other awards, if applicable, made under the program during
3 the year.
- 4 (g) The amount of each grant, loan, or other award made under the program
5 during the year.
- 6 (h) The recipient of each grant, loan, or other award made under the program
7 during the year.
- 8 (i) The total dollar amount contributed to any program by each recipient of a
9 grant, loan, or other award under the program.
- 10 (j) The sum total of all grants and loans awarded to and received by each
11 recipient under the program during the year.”.

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

15 **11.** Page 21, line 25: delete “Before” and substitute (a) “Subject to paragraph
16 (b), before”.

17 **12.** Page 22, line 9: after that line insert:
18 “(b) If the secretary of administration transfers any moneys under paragraph
19 (a), the secretary shall ensure under section 238.05 (2) of the statutes, as created by
20 this act, that the board of the Wisconsin Economic Development Corporation develop
21 and implement economic development and other programs similar to the programs
22 at the department of commerce that were funded from the moneys transferred under
23 paragraph (a). The secretary of administration shall also submit to the joint
24 committee on finance proposed legislation to eliminate at the department of

1 commerce any programs the funding for which has been transferred under
2 paragraph (a).”.

3 (END)