



**ASSEMBLY AMENDMENT 2,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2011 ASSEMBLY BILL 61**

October 11, 2011 - Offered by COMMITTEE ON JOBS, ECONOMY AND SMALL BUSINESS.

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

2 **1.** Page 1, line 6: after “impact” insert “, making changes to disclosure
3 requirements regarding state agency expenditures concerning economic
4 development programs, requiring the exercise of rule-making authority, and
5 providing a penalty”.

6 **2.** Page 1, line 7: before that line insert:

7 **“SECTION 1c.** 16.413 (1) (b) of the statutes, as created by 2011 Wisconsin Act
8 32, is amended to read:

9 16.413 (1) (b) “Grant” means a payment made to ~~a person, other than aids to~~
10 ~~individuals and organizations and local assistance and the payment of salaries and~~
11 ~~fringe benefits for state employees~~ an entity, including a public utility as defined in
12 s. 196.01 (5) or a sewerage system operator as defined in s. 196.04 (4) (a). “Grant”

1 includes a loan and any tax credit, whether refundable or nonrefundable, that is
2 issued to an entity.

3 **SECTION 1g.** 16.413 (1) (d) of the statutes, as created by 2011 Wisconsin Act 32,
4 is amended to read:

5 16.413 (1) (d) “State agency” ~~has the meaning given in s. 20.001 (1)~~ means an
6 office, department, independent agency, institution of higher education, association,
7 society, or other body in state government created or authorized to be created by the
8 constitution or any law, which is entitled to expend moneys appropriated by law,
9 including the legislature and the courts and including an authority created in subch.
10 II of ch. 114 or subch. III of ch. 149 or in ch. 231, 232, 233, 234, 235, 237, 238, or 279.
11 “State agency” includes a local governmental unit, as defined in s. 16.97 (7).

12 **SECTION 1j.** 16.413 (3) (a) (intro.) of the statutes, as created by 2011 Wisconsin
13 Act 32, is amended to read:

14 16.413 (3) (a) (intro.) The department shall ensure that all of the following
15 information relating to each grant that exceeds \$100 made by a state agency or
16 contract entered into by a state agency is available for inspection on a searchable
17 Internet Web site maintained by the department:

18 **SECTION 1n.** 16.413 (3) (a) 6. and 7. of the statutes are created to read:

19 16.413 (3) (a) 6. With respect to any grant that is related to an economic
20 development program, as defined in s. 238.01 (3), an accounting by job classification
21 of the compensation, including benefits and bonuses or other incentive pay, that the
22 grant recipient paid to each of its employees in the immediately preceding fiscal year;
23 and an accounting of the percentage and dollar amount of increase in compensation,
24 including benefits and bonuses or other incentive pay, for each employee in the
25 immediately preceding fiscal year relative to the fiscal year prior to that year.

1 7. With respect to any grant that is related to an economic development
2 program, as defined in s. 238.01 (3), once a grant recipient has spent a grant from a
3 state agency, a verified statement describing the recipient's expenditures of grant
4 funds, signed by both an independent certified public accountant and the director or
5 principal officer of the recipient that attests to the accuracy of the verified statement.

6 **SECTION 1r.** 16.413 (3) (c), (d) and (e) of the statutes are created to read:

7 16.413 (3) (c) 1. Each state agency that makes a grant for which a verified
8 statement is required under par. (a) 7. shall make that verified statement available
9 for inspection on an Internet Web site maintained by the state agency.

10 2. Each grant recipient for which a verified statement is required under par.
11 (a) 7. and that maintained an Internet Web site at any time during the 12 months
12 preceding the recipient's receipt of that grant, shall, for a period of at least 5 years,
13 make the verified statement signed by the grant recipient under par. (a) 7. available
14 on an Internet Web site maintained by the grant recipient.

15 3. The department shall attempt to ensure coordination between the
16 department, the Wisconsin Economic Development Corporation, any other state
17 agency that administers economic development programs, as defined in s. 238.01 (3),
18 and the federal government concerning the award of grants under those economic
19 development programs and the disclosures required under this subsection with
20 respect to those economic development programs.

21 (d) Each state agency shall be responsible for, and shall establish by rule
22 policies and procedures for, the detection and investigation of misuse of grants, and
23 the use of fraud or deceit to obtain grants, from the state agency. If a state agency
24 detects any misuse of a state grant or fraud, the state agency shall report that misuse

1 or fraud to the department of justice for investigation, including criminal
2 investigation.

3 (e) If, after investigation and an opportunity for hearing, a state agency
4 determines that a grant recipient has misused the grant or obtained or attempted
5 to obtain the grant through fraud or deceit, the state agency may do any of the
6 following:

- 7 1. Recover payments made to the recipient.
- 8 2. Withhold payments to be made to the recipient.
- 9 3. Assess a forfeiture against the recipient.”.

10 **3.** Page 1, line 7: delete “**SECTION 1**” and substitute “**SECTION 1w**”.

11 (END)