



2003 ASSEMBLY BILL 639

November 5, 2003 - Introduced by Representatives TAYLOR, BALOW, BERCEAU, COGGS, J. LEHMAN, PLOUFF, POCAN, RICHARDS, SHILLING, SINICKI, STASKUNAS, TURNER, YOUNG and ZEPNICK, cosponsored by Senators PLALE, ERPENBACH, HANSEN, MOORE and WIRCH. Referred to Committee on Workforce Development.

1 **AN ACT to amend** 20.143 (1) (c), 560.60 (4) and 560.605 (1) (intro.); and **to create**
2 560.605 (1) (fm) and 560.635 of the statutes; **relating to:** creating a job training
3 grant program, providing an exemption from emergency rule procedures,
4 requiring the exercise of rule-making authority, and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill creates a grant program for the purpose of providing grants to eligible businesses for training employees who, as a result of a major new business investment, will be required to operate new equipment or implement new manufacturing processes. An eligible business may obtain a grant only if each employment position for which training is financed by a grant is for the performance of duties in this state and if the business agrees to maintain, or establish and maintain, operations in this state for at least five years following the receipt of the grant, to provide a full-time job for each employee who receives training that is financed by the grant, to maintain each employment position for which training is financed, at least in part, by the grant for at least five years following the receipt of the grant, and to expend grant moneys only in this state. The bill allows the Department of Commerce, by rule, to establish additional eligibility requirements for the grant program. The bill appropriates \$10,000,000 of general purpose revenue annually to fund grants under the program.

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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.** 20.143 (1) (c) of the statutes, as affected by 2003 Wisconsin Act 33,
2 is amended to read:

3 20.143 (1) (c) *Wisconsin development fund; grants, loans, reimbursements, and*
4 *assistance.* Biennially, the amounts in the schedule for grants under ss. 560.145,
5 560.16, 560.175, ~~and 560.26,~~ and 560.635; for grants and loans under ss. 560.62,
6 560.63, and 560.66; for loans under s. 560.147; for reimbursements under s. 560.167;
7 for providing assistance under s. 560.06; for the costs specified in s. 560.607; for the
8 loan under 1999 Wisconsin Act 9, section 9110 (4); for the grants under 1995
9 Wisconsin Act 27, section 9116 (7gg), 1995 Wisconsin Act 119, section 2 (1), 1997
10 Wisconsin Act 27, section 9110 (6g), 1999 Wisconsin Act 9, section 9110 (5), and 2003
11 Wisconsin Act 33, section 9109 (1d) and (2q); and for providing up to \$100,000
12 annually for the continued development of a manufacturing and advanced
13 technology training center in Racine. Of the amounts in the schedule, \$50,000 shall
14 be allocated in each of fiscal years 1997–98 and 1998–99 for providing the assistance
15 under s. 560.06 (1). Notwithstanding s. 560.607, of the amounts in the schedule,
16 \$125,000 shall be allocated in each of 4 consecutive fiscal years, beginning with fiscal
17 year 1998–99, for grants and loans under s. 560.62 (1) (a).

18 **SECTION 2.** 560.60 (4) of the statutes is amended to read:

19 560.60 (4) “Eligible recipient” means a governing body or a person who is
20 eligible to receive a grant or loan under s. 560.62, a grant or loan under s. 560.63 or
21 a grant or loan under s. 560.65, or an eligible applicant under s. 560.635.

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1 **SECTION 3.** 560.605 (1) (intro.) of the statutes is amended to read:

2 560.605 (1) (intro.) The board may award a grant or loan under s. 560.61 upon
3 the receipt and consideration of an application by an eligible recipient for a project
4 under ~~ss. s. 560.62 to, 560.63, 560.65, or 560.66, or upon the receipt and consideration~~
5 of an application by an eligible recipient for a grant under s. 560.635, if the board
6 determines all of the following, as applicable:

7 **SECTION 4.** 560.605 (1) (fm) of the statutes is created to read:

8 560.605 (1) (fm) The applicant meets all requirements imposed under s.
9 560.635 and rules promulgated under that section.

10 **SECTION 5.** 560.635 of the statutes is created to read:

11 **560.635 Job training grants for business expansion. (1) DEFINITIONS.** In
12 this section:

13 (a) "Eligible applicant" means an existing or proposed business that is operated
14 for profit and that satisfies any eligibility criteria established by rule of the
15 department.

16 (b) "Major new business investment" means an expenditure of funds that
17 satisfies any criteria established by rule of the department.

18 **(2) TRAINING GRANTS.** (a) Subject to pars. (b) and (c), the board may award a
19 grant under s. 560.61 to an eligible applicant for training employees of the eligible
20 applicant who, as a result of a major new business investment, are newly hired or
21 will be required to operate new equipment or implement new manufacturing
22 processes.

23 (b) The board may award a grant under par. (a) only if all of the following
24 criteria are satisfied:

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1 1. The applicant agrees to maintain, or establish and maintain, operations in
2 this state for at least 5 years following the receipt of the grant.

3 2. The applicant agrees to provide a full-time job for each employee who
4 receives training that is financed by the grant.

5 3. The applicant agrees to maintain each employment position for which
6 training is financed, at least in part, by the grant for at least 5 years following receipt
7 of the grant.

8 4. The applicant agrees to expend grant moneys only in this state.

9 5. Each employment position for which training is financed, at least in part, by
10 a grant is for the performance of duties in this state.

11 6. Any applicable requirements under the rules of the department are met.

12 (c) A grant under par. (a) may not exceed an amount equal to \$5,000 per
13 employee trainee.

14 **(3) ADMINISTRATION.** (a) The department, in consultation with the board, shall
15 promulgate rules to administer this section.

16 (b) No later than September 15 of each odd-numbered year, the department
17 shall submit a plan to the governor, and to the chief clerk of each house of the
18 legislature for distribution to the legislature under s. 13.172 (2), detailing the
19 priorities of the department and the board for the administration of this section
20 during the succeeding biennium.

21 **SECTION 6. Nonstatutory provisions.**

22 (1) **EMERGENCY RULES.** Using the procedure under section 227.24 of the statutes,
23 the department of commerce may promulgate rules under section 560.635 of the
24 statutes, as created by this act, for the period before the effective date of the rules
25 submitted under subsection (2), but not to exceed the period authorized under section

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1 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a), (2) (b),
2 and (3) of the statutes, the department is not required to provide evidence that
3 promulgating a rule under this subsection as an emergency rule is necessary for the
4 preservation of the public peace, health, safety, or welfare and is not required to
5 provide a finding of emergency for a rule promulgated under this subsection.

6 (2) PERMANENT RULES. The department of commerce shall submit in proposed
7 form the rules under section 560.635 of the statutes, as created by this act, to the
8 legislative council staff under section 227.15 (1) of the statutes no later than the first
9 day of the 6th month beginning after the effective date of this subsection.

SECTION 7. Appropriation changes.

10
11 (1) In the schedule under section 20.005 (3) of the statutes for the appropriation
12 to the department of commerce under section 20.143 (1) (c) of the statutes, as affected
13 by the acts of 2003, the dollar amount is increased by \$10,000,000 for fiscal year
14 2003-04 and the dollar amount is increased by \$10,000,000 for fiscal year 2004-05
15 to make grants to eligible applicant under section 560.635 of the statutes, as created
16 by this act.

17 (END)