



WISCONSIN LEGISLATIVE COUNCIL STAFF MEMORANDUM

Memo No. 1

TO: MEMBERS OF THE SPECIAL COMMITTEE ON STRATEGIC JOB CREATION

FROM: Chadwick Brown and Jessica Karls-Ruplinger, Staff Attorneys

RE: Potential Recommendations for Consideration by the Special Committee

DATE: November 1, 2010

This Memo identifies for consideration by the Special Committee selected potential recommendations for legislative options and issues for further committee study, as submitted by members of the Special Committee. The potential recommendations were categorized into several areas with an effort made to place each potential recommendation in the most appropriate category. The name of the committee member who submitted the potential recommendation follows each recommendation.

A. ECONOMIC DEVELOPMENT: IN GENERAL

1. Require that the Department of Commerce (Commerce) create a small business division in the department, using existing staff and resources, to assist small- and medium-sized businesses. [Chair Wirch]
2. Recommend that Commerce develop more incentives for and policies relating to small businesses. [Rep. Molepske]
3. Require that any business that receives tax credits or other benefits submit to Commerce a direct, local contact number for small businesses to make inquiries and be considered for contracts to provide goods or services to the business. Require that Commerce provide the contact number upon request. [Chair Wirch]
4. Promote to the new Governor and to the Legislature the need for Wisconsin to build a clear strategic direction for its economic future. For example, the state could commit to be the “water” state or the “green” state or the “world’s best workforce” state. [Gabriel]

5. Align the state's economic development strategies, public and private stakeholders, and educational programs to improve and sustain the state's economic health. [Recommendation of "Be Bold Wisconsin: The Wisconsin Competitiveness Study."] [Loden]
6. Improve the state's efforts at business retention. [Recommendation of "Be Bold Wisconsin: The Wisconsin Competitiveness Study."] [Loden]

B. ECONOMIC DEVELOPMENT: TAX STRUCTURE AND ACCESS TO CAPITAL

1. Require that utilities provide customers with the option of paying an additional amount every month into a capital fund that makes loans or provides lines of credit to green job small businesses and to other businesses to obtain green equipment or technology. [Chair Wirsch]
2. Provide that certain small business owners may continue to file tax forms in a paper format until the owner decides to file in an electronic format or until the owner sells the business. [Chair Wirsch]
3. Study ways to provide liquidity to small businesses for operational costs and expansion. [Rep. Molepske]
4. Provide grants and funding to the agriculture industry based on a percentage of investment in technology, new hires, and technology consultants, or for the specific purpose of advancing their dairies or agribusiness in areas of technology. [Brown]
5. Provide stronger financing assistance programs for larger green projects that are treated as start-up companies and have difficulty arranging financing. [Loden]
6. Reduce the state income tax for apprentices to encourage apprenticeships. [Gabriel]

C. EDUCATION AND WORKFORCE DEVELOPMENT

1. Study ways for the University of Wisconsin (UW) System to become more flexible in its use of research funding and private funding and in its projects and purchasing. [Rep. Molepske]
2. Create a "human capital" investment fund program similar to the tax incremental financing (TIF) model by providing funding through general bonding to businesses in order to train workers for higher wage jobs and paying back the financing using an increment of the workers' and business's higher state income tax payments that result from higher earnings or profits. [Gabriel]
3. Support career pathway models that align and integrate all of the components of the workforce development system so that workers can easily move between employment and training programs. Further, support career pathways that are Science, Technology, Engineering, and Math (STEM)-focused. [Gabriel]
4. Increase the allowable tuition deductions on state income tax for technical college students enrolling in programs and courses related to clean energy and energy conservation. [Gabriel]

5. Increase the tuition reimbursement incentives for employers that send their employees to technical colleges for the purpose of gaining new skills or upgrading skills in green-related jobs. [Gabriel]
6. Appropriate special funding to enable technical colleges to purchase curriculum, equipment, and consultation services for the development or enhancement of sustainable energy courses and programs. [Gabriel]
7. Ensure that technical colleges are able to utilize the Energy Efficiency and Conservation Block Grant Program funding to assist with energy auditor and weatherization training. [Gabriel]
8. Retrain construction industry employees who are currently unemployed to perform work in energy audits, weatherization, energy upgrades, and retrofits and involve the technical college in such effort. [Gabriel]
9. Address barriers to access and retention in the construction and manufacturing industries by providing incentives for training, hiring, and mentoring often-excluded job seekers, including minority workers, female workers, and workers displaced by the transition to the new energy economy. [Gabriel]
10. Fund the creation of regional apprenticeship centers specializing in green-related occupations. [Gabriel]
11. Provide STEM Academies for at-risk or non-traditional learners to recapture that segment back into a career pathway that could lead to an engineering profession. [Loden]
12. Invest in community-based workforce assessments of the agriculture industry. [Brown]
13. Invest in the emerging agriculture workforce by reinvesting in Agriculture for Youth and promoting agriculture careers to youth through public-private partnerships within the business and agriculture community; mentorships, tours, and scholarships; and public awareness campaigns. [Brown]

D. ALTERNATIVE ENERGY

1. Create a program in Commerce in which a municipality, or a combination of municipalities, can apply for funding to install residential renewable energy systems for low-income homeowners. Half of the funding would come from Commerce, and the other half would come from a grant from the Public Service Commission. The homeowner would repay half of the cost of the system through low-interest loan payments. [Timmerman]
2. Develop off-shore wind and large scale geothermal projects that utilize Lake Michigan, using university leadership in research, fast-track legal hurdle resolution, and prioritized technical training programs. [Brookhouse]
3. Create energy innovation technology development zones near schools and Lake Michigan that attract companies and workers. [Brookhouse]

4. Announce the state's commitment to lead in renewable energy and develop a strategic plan to pursue this mission. Further, collaborate across education, industry, and government to campaign globally to attract partnerships. [Brookhouse]

E. ENERGY CONSERVATION

1. Provide for the payment of energy efficiency upgrades through a program administered by a utility in which the utility pays for an upgrade and is reimbursed by the recipient through an additional charge on the recipient's monthly utility bill. [Chair Wirch]
2. Recommend the reintroduction of 2009 Assembly Bill 843/2009 Senate Bill 616, relating to energy conservation standards for the construction of certain buildings, energy and environmental design standards for state buildings, structures, and facilities, energy and environmental design standards for school district facilities and other local government buildings, leasing of state buildings, structures, and facilities, and standards for the construction and use of graywater systems. [Rep. Molespke]
3. Implement a large scale energy conservation plan to reduce energy use by 40%, thus creating jobs in energy audits, repair, and installation, by fixing existing structure and infrastructure, implementing new codes, encouraging technology development, and training for jobs to meet the projected demand. [Brookhouse]
4. Increase the \$1.5 million limit for technical college capital projects that may be completed without a referendum in order to make increased amounts of capital available for renewable and sustainable energy projects. [Gabriel]
5. Create a market by getting the businesses and individual residences to easily and clearly grasp the economics and mechanisms of energy conservation. [Gabriel]
6. Require the use of insulated concrete form (ICF) walls in new government buildings, including schools. [Timmerman]

F. OTHER

1. Recommend the reintroduction of 2009 Assembly Bill 782/2009 Senate Bill 542, relating to encouraging the purchase of food produced in this state, creating goals and a preference in state procurement for food produced in this state, and creating a council. [Chair Wirch]

If you have any questions, please feel free to contact us directly at the Legislative Council staff offices.

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Enclosure