



## Legislative Fiscal Bureau

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February 12, 2018

TO: Members  
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Assembly Bill 912/Senate Bill 769 -- Rural Economic Development

Assembly Bill 912 and Senate Bill 769 are companion bills that would provide funding to the Wisconsin Economic Development Corporation (WEDC) for economic development programs in rural areas of the state. AB 912 was introduced on February 2, 2018, and referred to the Assembly Committee on Rural Development and Mining. SB 769 was introduced on February 5, 2018, and referred to the Senate Committee on Economic Development, Commerce, and Local Government. That committee recommended SB 769 for passage by a vote of 7 to 0 on February 8, 2018.

### **SUMMARY AND FISCAL EFFECT OF BILLS**

The bills would create an annual appropriation of \$50 million GPR beginning in 2018-19 to WEDC for rural economic development programs and grants to authorities and state agencies. From the new appropriation, WEDC would be authorized to expend moneys for economic development programs in rural counties. However, before WEDC first expends money on each new program it begins after the bill's effective date, it would have to notify the Joint Committee on Finance, in writing, of its intention to expend those monies. The notice would have to describe the program and purposes for which WEDC proposes to expend the moneys, subject to a 14-day passive review by the Committee. WEDC would have to adopt policies and procedures establishing, to the extent feasible, matching requirements for its expenditures under these provisions.

WEDC could also award grants from its new appropriation to other authorities or state agencies if it determines the expenditure of those moneys will assist economic development in a rural county. Grant awards would also be subject to a 14-day passive review by the Committee.

A "rural county" would mean any county with a population density of less than 155 residents per square mile. The Attachment to this paper shows estimated population densities, by county, in 2017, based on data from the Demographic Services Center in the Department of Administration (DOA). Based on this data, the following 16 counties have a population of more than 155 residents per square mile, and WEDC could not expend moneys from its new appropriation to benefit those counties: Milwaukee, Waukesha, Kenosha, Racine, Brown, Dane, Winnebago, Ozaukee, Washington, Outagamie, La Crosse, Rock, Walworth, Calumet, Eau Claire, and Sheboygan.

Before WEDC expends moneys under the above provisions, it would be required to consider the economic impact of the program or activity for which the moneys will be used.

By June 30 of each fiscal year, WEDC would have to: (a) submit a report to DOA describing in detail its use in that fiscal year of the moneys appropriated under the bills; and (b) pay to the Secretary of Administration for deposit in the general fund all moneys it receives under the new appropriation but does not expend or encumber in that fiscal year.

The bills would require all other authorities and all state agencies, to the extent needed, as determined by WEDC, to cooperate with WEDC concerning its planning and implementation of its expenditures under the bills.

The bills' provisions would not apply after June 30, 2038. If future Legislatures were to provide \$50 million GPR annually for this appropriation through 2037-38, \$1.0 billion GPR would be provided to the program over the 20-year period. WEDC had indicated its existing funds are sufficient to administer these provisions.

Prepared by: Sean Moran  
Attachment

## ATTACHMENT

### Wisconsin Population Density by County

<u>County</u>	<u>Population</u>	<u>Square Miles</u>	<u>Residents Per Square Mile</u>	<u>County</u>	<u>Population</u>	<u>Square Miles</u>	<u>Residents Per Square Mile</u>
Milwaukee	945,416	241	3,916.4	Monroe	46,109	901	51.2
Waukesha	398,236	550	724.6	Polk	44,168	914	48.3
Kenosha	168,065	272	617.9	Shawano	41,549	893	46.5
Racine	195,146	333	586.9	Grant	52,725	1,147	46.0
Brown	259,460	530	489.8	Trempealeau	29,452	733	40.2
Dane	524,787	1,197	438.3	Waushara	24,358	626	38.9
Winnebago	169,053	434	389.1	Oconto	38,190	998	38.3
Ozaukee	88,217	233	378.5	Vernon	30,112	792	38.0
Washington	134,630	431	312.6	Juneau	27,079	767	35.3
Outagamie	182,921	638	286.9	Douglas	44,294	1,304	34.0
La Crosse	118,675	452	262.7	Marquette	15,370	456	33.7
Sheboygan	114,714	511	224.4	Lincoln	28,830	879	32.8
Rock	159,372	718	221.9	Oneida	36,225	1,113	32.5
Walworth	102,591	555	184.8	Adams	20,644	646	32.0
Calumet	52,320	318	164.4	Pepin	7,383	232	31.8
Eau Claire	102,340	638	160.4	Iowa	23,831	763	31.3
Jefferson	84,412	556	151.7	Richland	17,896	586	30.5
Fond du Lac	103,704	720	144.1	Marinette	41,259	1,399	29.5
Manitowoc	81,076	589	137.6	Crawford	16,707	571	29.3
St. Croix	87,828	722	121.6	Clark	34,748	1,210	28.7
Dodge	89,908	876	102.7	Lafayette	17,003	634	26.8
Wood	74,620	793	94.1	Vilas	21,607	857	25.2
Portage	70,761	801	88.4	Langlade	20,072	871	23.1
Marathon	134,943	1,545	87.3	Taylor	20,692	975	21.2
Sauk	62,240	831	74.9	Jackson	20,773	988	21.0
Columbia	57,053	766	74.5	Buffalo	13,703	672	20.4
Pierce	41,480	574	72.3	Washburn	15,869	797	19.9
Waupaca	52,100	748	69.7	Burnett	15,486	822	18.8
Chippewa	64,364	1,008	63.8	Rusk	14,735	914	16.1
Green	36,879	584	63.2	Ashland	16,006	1,045	15.3
Kewaunee	20,783	343	60.7	Sawyer	16,689	1,257	13.3
Door	28,340	482	58.8	Menominee	4,248	358	11.9
Green Lake	19,175	349	54.9	Price	14,028	1,254	11.2
Barron	46,274	863	53.6	Bayfield	15,301	1,478	10.4
Dunn	44,603	850	52.5	Florence	4,468	488	9.2
				Forest	9,256	1,014	9.1
				Iron	5,927	758	7.8