



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2017 Assembly Bill 912

Assembly Amendment 4

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2017 ASSEMBLY BILL 912

2017 Assembly Bill 912 creates a \$50 million appropriation to the Wisconsin Economic Development Corporation (WEDC) to expend moneys for economic development programs benefiting rural counties, including expenditures on existing or future WEDC programs and awards of grants to other authorities or state agencies. The bill defines “rural county” as a county with less than 155 residents per square mile. The bill provides for passive review by the Joint Committee on Finance prior to expenditures relating to future programs and grants to authorities and state agencies. Additionally, the bill requires WEDC to consider the economic impact of the program or activity for which the moneys will be used, and to report annually to the Department of Administration regarding the expenditures.

ASSEMBLY AMENDMENT 4

From the moneys appropriated by the bill, Assembly Amendment 4 directs WEDC to allocate \$5 million to provide one-time grants to qualified county and regional economic development organizations serving rural counties, or to consortiums of those entities. In order to receive a grant, an entity must expend the moneys for the purpose of creating or expanding a revolving loan fund that promotes economic development and entrepreneurial start-ups in rural counties. Generally, the amendment specifies these grants to be \$250,000 per eligible organization, however a larger grant may be made to a consortium in lieu of grants to individual members of the consortium.

Additionally, from the moneys appropriated in the bill, Assembly Amendment 4 directs WEDC to allocate a one-time grant of \$50,000 for program operations and marketing to each county and regional economic development organization that serves a rural county and is determined by WEDC to be eligible for the revolving loan fund grant program. Each

organization that receives an operations and marketing grant must report to WEDC concerning the use of the grant and must describe marketing efforts undertaken as a result of the grant. The operations and marketing grant may not be used to supplant existing funding for economic development purposes.

BILL HISTORY

On February 13, 2018, Assembly Amendment 4 was introduced by the Joint Committee on Finance. On the same day, the Joint Committee on Finance recommended adoption of Assembly Amendment 4 and passage of Assembly Bill 912 on successive votes of Ayes, 16; Noes, 0.

SG:jal