



State Representative **Kitty Rhoades**

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~~“Rural~~ JOBZ Act” Signed Into Law

(MADISON) – The Rural JOBZ Act, Assembly Bill 208, was partially signed into law this week. While the bill was originally intended to help rural areas of Wisconsin attract high-paying jobs, much of this intent was lost when Governor Doyle vetoed the rural criteria out of the bill. The Governor’s changes enable Milwaukee and Madison to receive the tax credits intended for rural parts of the state, thereby diluting its benefit to rural Wisconsin, according to State Representative Kitty Rhoades (Hudson).

“I am pleased portions of the Assembly Bill 208 were signed into law,” Rhoades said. “However the purpose of the bill was to allow rural Wisconsin to attract jobs because they do not have the geographic and economic advantages of Madison and Milwaukee. Some of the highest unemployment in the state is in rural areas where there are fewer job opportunities than urban areas, especially when an existing company moves out.”

Assembly Bill 208 was modeled after a similar incentive program in Minnesota that has been successful in luring businesses to the state and creating jobs. Like Minnesota’s program, Wisconsin will offer tax credits to businesses that locate or expand in targeted development zones and create family supporting jobs. However, unlike Minnesota’s program, the Governor’s changes permit Wisconsin’s two biggest cities to be classified as a development zone.

“Western Wisconsin and many areas along the Minnesota border have felt the effects of the Minnesota JOBZ program,” Rhoades stated. “These parts of the state get a double-whammy by having to compete with incentives over the stateline without the advantages of urban areas. Now they will also have to compete head-to-head with Madison and Milwaukee to be considered a development zone.”

In addition to eliminating the rural requirement for a development zone, the Governor’s action also slashed the maximum size for the ten development zones from 5,000 to 50 acres. This change means only a total of 500 acres statewide will be considered eligible for development zone classification, whereas the original bill would have allowed a total of 50,000 acres statewide to be classified for such purpose.

“Clearly, reducing the acreage benefits urban areas at the expense of rural areas. I am disappointed the Governor again failed to recognize the unique challenges facing rural Wisconsin but I am hopeful we can put the “Rural” back into the Jobz Act next session,” Rhoades concluded.

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