

In June, Senate Majority Leader Mary Panzer announced the formation of the Senate Select Committee on Job Creation, deeming Wisconsin “open for business.” As Co-Chairs of that Committee, Senator Ted Kanavas and Senator Cathy Stepp began a series of informational hearings to gather testimony from business leaders, venture capital firms, intellectual property experts, and university officials. Based on their testimonies and ideas, Senate Republicans plan to draft legislation that will be ready for the fall floor period. Included in the Republican jobs agenda are the following proposals:

REGULATORY REFORM

The first hearing of the Senate Select Committee on Job Creation focused on Wisconsin’s regulatory climate. The strongest theme that emerged from the hearing was that Wisconsin’s permitting process is too cumbersome and time consuming. Republicans will be introducing a bill to give job providers in the regulated community the streamlined process and date-certainty they need to stay in Wisconsin.

DNR Deputy Secretary Bill Smith said, “There is a real link between our regulatory climate and economic growth. This (regulatory reform) is an absolute top priority for (DNR Secretary) Scott Hassett.”

Permit Deadlines – This bill will give job providers in Wisconsin’s regulated community the streamlined process and date-certainty they need to stay in Wisconsin. By passing this bill, we can capture the new jobs we forego every year when companies take their million dollar deals to other states with friendlier regulatory environments and faster permit granting. Governor Doyle and members of his administration agree that Wisconsin’s permitting process takes too long and is ripe for reform.

TIF Reform - Tax Incremental Financing (TIF) is the most important economic development tool for local governments. The TIF bill will make it easier to redevelop brownfields, eliminate red tape and increase the amount of value municipalities can use for a TIF.

Trans 233 Administrative Rule - Legislative improvements to Trans 233 will 1) eliminate current road blocks to economic development and job growth, 2) protect the rights of private landowners, and 3) ensure highway safety by restoring the original intent of this Department of Transportation administrative rule.

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CAPITAL INVESTMENT

The second hearing of the Senate Select Committee on Job Creation focused on promoting greater venture capital investment and intellectual property utilization. We heard loud and clear that Wisconsin lags behind in venture capital supporting the strong ideas that are developed at our universities. Most of these ideas don't get out of the incubator stage because of the lack of venture capital.

According to the National Venture Capital Association, Wisconsin ranks 36th nationally in venture capital investments. Even our neighbors are doing better with Minnesota investing \$637.79 per capita in venture capital and Illinois investing \$330.19. Wisconsin invests \$18 per capita in venture capital and we rank well below the national average for personal income. We must do a better job in this area.

"We need to change the risk-reward ratio in Wisconsin," said John Barni, CEO of TomoTherapy. TomoTherapy was one of several businesses that received venture capital funding from the state's CAPCO program.

Certified Capital Company Program (CAPCO) – This legislation will expand the state's already successful CAPCO program to \$300 million over the next ten years. There will be no fiscal effect in this biennium.

WRS Venture Capital Trust Fund – This would allow state employees to voluntarily contribute up to 10% of their retirement portfolios in a venture capital trust through the Wisconsin Retirement System. There is no cost to the state.

Tax credits and deferrals for private investors in seed funds and investments in early seed companies – We heard hours of testimony on the need for early-stage seed capital for start up companies. We will introduce legislation that offers tax incentives and diminishes the risk for those who invest in early start up companies.

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WISCONSIN'S INFRASTRUCTURE IN THE 21ST CENTURY

At the Committee on Job Creation's third informational hearing we heard from speakers on the state's infrastructure needs, including telecommunications, energy reliability and the future of Wisconsin's workforce.

"Wisconsin cannot afford the national reputation of having one of the most congested transmission systems in the country," said Jose Delgado, CEO of American Transmission Company. "Unfortunately, today we do."

Energy Reliability – Senator Robert Cowles and Representative Scott Jensen are developing comprehensive legislation that will speed the development of the permitting process for new pipelines, transmission lines and power plants.

Broadband – We will create an environment for greater broadband deployment and adoption to foster a more competitive market that will help bring down consumer costs. Our knowledge economy depends on the ability for our state residents to have adequate and reliable access.

Education Worker Training Tax Credits – We will provide incentives for businesses to invest in the education and training of their employees. The Education Tax Credit is an important initiative to address the skills shortage and brain drain that has the potential to end Wisconsin's economic miracle.

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