



NEWS RELEASE
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For More Information Contact:
Senator Cowles
at 1-800-334-1465

ECONOMIC DEVELOPMENT REFORM BILL SIGNED BY GOVERNOR *New Law Will Increase Accountability and Efficiency in State Programs*

Madison – Governor Doyle today signed into law Assembly Bill 741, which was co-authored by State Senator Robert Cowles (R-Green Bay). The new law increases accountability and efficiency in the government’s various economic development programs. Under the bill, there will be better tracking and monitoring of the programs’ success and failures, which is necessary to ensure that tax dollars are being wisely spent.

“Economic development programs are critical to creating good jobs in Northeastern Wisconsin,” said Cowles. “But at the same time, we have to make sure that the programs are working as they are intended to, and that the taxpayers are getting value for their money.”

The bill eliminates a number of unfunded or inactive economic development programs and consolidates a number of duplicative programs to make the programs more efficient. It requires the Department of Commerce and seven other state agencies to submit comprehensive annual reports on their economic development programs to the Joint Legislative Audit Committee. The bill also requires the eight state agencies that are responsible for administering the programs to establish specific goals, benchmarks, and methods for evaluating program results for all economic development programs.

“This new law will help to streamline the state’s economic development programs, which will make it easier for businesses to participate and could lead to significant administrative cost savings,” Cowles said. “It also makes sure the agencies know which programs are working and which ones aren’t, so they can use tax dollars more effectively.”

The bill signed by the Governor directs the agencies to promulgate rules requiring verified financial statements for economic development grants and loans of at least \$100,000, and also directs the agencies to set up a system to recoup or withhold payments and impose penalties for grant recipients who break the rules.

“We need to bring a higher level of accountability to these programs, so the taxpayers can be assured of getting a good return for their money. We need to do a better job of measuring how these programs do as far as actual economic development and real job creation. I think this bill is a strong step in the right direction in meeting that goal,” Cowles concluded.

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