

DEPARTMENT OF COMMERCE

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY09 Adjusted Base	FY10 Recommended	% Change Over FY09	FY11 Recommended	% Change Over FY10
GPR	25,194,900	25,265,900	0.3	25,223,000	-0.2
PR-F	72,324,200	72,268,600	-0.1	72,268,600	0.0
PR-O	43,120,800	39,919,600	-7.4	40,041,200	0.3
PR-S	7,584,600	6,218,900	-18.0	6,238,100	0.3
SEG-O	52,851,500	45,165,700	-14.5	45,165,700	0.0
TOTAL	201,076,000	188,838,700	-6.1	188,936,600	0.1

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY09 Adjusted Base	FY10 Recommended	FTE Change From FY09	FY11 Recommended	FTE Change From FY10
GPR	61.80	57.40	-4.40	57.40	0.00
PR-F	54.35	54.20	-0.15	54.20	0.00
PR-O	166.40	169.40	3.00	169.40	0.00
PR-S	38.35	38.05	-0.30	38.05	0.00
SEG-O	73.80	69.55	-4.25	69.55	0.00
TOTAL	394.70	388.60	-6.10	388.60	0.00

AGENCY DESCRIPTION

The department is headed by a secretary who is appointed by the Governor with the advice and consent of the Senate. The department's programs are administered by the Office of the Secretary and the following six divisions: Administrative Services, Community Development, Business Development, Environmental and Regulatory Services, Safety and Buildings, and International and Export Services.

The department has four program areas: economic and community development; housing assistance; regulation of industry, safety and buildings; and executive and administrative services.

The department has ten councils and five boards attached to it by statute, including: the Council on Main Street; the Rural Health Development Council; the Small Business Environmental Council; the Contractor Certification Council; the Dwelling Code Council; the Plumbers Council; the Automatic Fire Sprinkler System Contractors and Journeymen Council; the Multifamily Dwelling Code Council; the Conveyance Safety Code Council; the Manufactured Housing Code Council; the Development Finance Board; the Minority Business Development Board; the Rural Economic Development Board; the Building Inspector Review Board; and the Small Business Regulatory Review Board.

MISSION

The mission of the department is to serve the people of Wisconsin by promoting opportunity, safety and community. The department provides development assistance in areas such as marketing, business and community finance, exporting, small business advocacy, and housing. The department issues professional credentials for the construction trades and administers safety and building codes. It also regulates petroleum products and tank systems and administers the Petroleum Environmental Cleanup Fund Award Program.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Economic and Community Development

Goal: Generate investment opportunities in the state using the grant and loan programs that are administered by the department.

Objective/Activity: Increase the amount of private investment that is leveraged through the department's grant and loan programs.

Goal: Revitalize downtowns in Wisconsin Main Street communities.

Objective/Activity: Encourage the development of new businesses and the number of buildings rehabilitated in the downtown areas in Wisconsin Main Street communities.

Goal: Increase overseas sales by Wisconsin businesses.

Objective/Activity: Increase the number of services provided to Wisconsin businesses by foreign offices. These services are vital to businesses in developing and closing overseas sales.

Program 2: Housing Assistance

Goal: Increase the supply of safe and affordable housing for low-income renters in Wisconsin.

Objective/Activity: Provide funds to build affordable and accessible units to be rented to low-income households.

Program 3: Regulation of Industry, Safety and Buildings

Goal: Promote safety in constructed public and private buildings in Wisconsin.

Objective/Activity: Develop and implement regulations, and provide services (e.g., plan review and inspection) and education which promote the construction of public and private buildings according to code.

Goal: Maintain quality control in petroleum products for sale in Wisconsin.

Objective/Activity: Sample and test petroleum products at terminals, bulk plants and retail sites to ensure that products meet specified standards.

Goal: Safeguard the health and safety of Wisconsin's residents through effective and efficient administration of the Petroleum Environmental Cleanup Fund Award Program.

Objective/Activity: Maintain a high level of remediation in contaminated Petroleum Environmental Cleanup Fund Award sites in the least costly and timeliest manner possible.

PERFORMANCE MEASURES

2007 AND 2008 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2007	Actual 2007	Goal 2008	Actual 2008
1.	Private investment leveraged. ¹	\$150 million	\$329 million	\$150 million	\$391 million
1.	New businesses in Main Street communities.	260	278	270	207
1.	Number of buildings rehabilitated in Main Street communities.	345	304	355	387
1.	Number of services provided to businesses by foreign offices.	480	376	528	475
2.	Number of rental units developed for low-income households.	120	89	100	128
2.	Number of accessible rental units developed.	40	70	40	83
3.	Building code effectiveness grading schedule – commercial (1-10, 1 being the best).	5	5	5	N/A ²
3.	Building code effectiveness grading schedule – personal property (1-10, 1 being the best). ³	5	N/A	5	N/A
3.	Percentage of facility site inspections completed during a program year.	100%	86%	100%	73%
3.	Petroleum Environmental Cleanup Fund Award site closures.	400	428	400	315

Note: Based on fiscal year.

¹Beginning in FY07, the private sector leverage goal includes loans and grants made as a result of 2003 Wisconsin Act 255 technology-related and tax credit programs.

²Score has not been assessed for this period.

³The Division of Safety and Buildings does not conduct residential dwelling plan review or inspection. Rather, delegated municipalities or contracted agents conduct these activities. Therefore, ISO did not score the division on this measure, and it is being removed as a performance measure.

2009, 2010 AND 2011 GOALS

Prog. No.	Performance Measure	Goal 2009	Goal 2010	Goal 2011
1.	Private investment leveraged. ¹	\$175 million	\$200 million	\$225 million
1.	New businesses in Main Street communities.	280	185	190
1.	Number of buildings rehabilitated in Main Street communities.	365	300	310

Prog. No.	Performance Measure	Goal 2009	Goal 2010	Goal 2011
1.	Number of services provided to businesses by foreign offices.	580	588	600
2.	Number of rental units developed for low-income households.	100	100	100
2.	Number of accessible rental units developed.	40	50	50
3.	Building code effectiveness grading schedule – commercial (1-10, 1 being the best).	4	4	4
3.	Percentage of facilities that are in operational compliance with both release detection and release prevention. ²	70%	71%	72%
3.	Petroleum Environmental Cleanup Fund Award site closures.	400	300	300

Note: Based on fiscal year.

¹Beginning in FY09, the goal will also include the private sector leverage from the various tax credit programs enacted in 2006, that became effective in 2007/2008.

²This performance measure has been changed from the percentage of facility site inspections completed during a program year to the increase percentage of underground storage tank facilities that are in compliance with both release detection and release prevention by 5 percent compared to base year of 2006 out of a total estimated universe of 3,505 active federally regulated facilities in the state. The department feels this measurement is a better evaluation of the program.

DEPARTMENT OF COMMERCE**GOVERNOR'S BUDGET RECOMMENDATIONS****RECOMMENDATIONS**

1. Government Efficiency Measures
2. Across-the-Board 1 Percent Reductions
3. Additional GPR Reductions
4. Forward Innovation Fund
5. Administration of 2007 Wisconsin Act 125
6. Electrical Program Consultant Staff
7. Information Technology Applications Development
8. Film Tax Credit Program
9. Reallocation of Tribal Funds
10. Brownfields Program Changes
11. Petroleum Inspection Program Changes
12. Health Professionals Loan Assistance Program Transfer
13. Minority Business Certification
14. Landlord Proceeds From Sale of Tenant Belongings
15. Repayment Appropriation for Wisconsin Energy Independence Fund
16. Remove Plumbing and Sprinkler Fee Cap
17. State Shelter Subsidy Grant and Transitional Housing Appropriations
18. Building Inspector Review Board
19. Investment Tax Credits
20. Wisconsin Venture Fund
21. Jobs Tax Credit
22. Tax Credit Consolidation
23. Technical Adjustment to Authorized Positions
24. Standard Budget Adjustments

ITEMS NOT APPROVED

25. Field Staff Travel

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY08	ADJUSTED		GOVERNOR'S RECOMMENDATION		
		BASE FY09	AGENCY REQUEST FY10	FY11	FY10	FY11
GENERAL PURPOSE REVENUE	\$19,683.2	\$25,194.9	\$25,444.1	\$25,444.1	\$25,265.9	\$25,223.0
State Operations	6,468.6	6,903.4	7,152.6	7,152.6	6,418.7	6,375.8
Local Assistance	3,003.1	2,999.0	2,999.0	2,999.0	2,819.0	2,819.0
Aids to Ind. & Org.	10,211.5	15,292.5	15,292.5	15,292.5	16,028.2	16,028.2
FEDERAL REVENUE (1)	41,621.2	72,324.2	72,268.6	72,268.6	72,268.6	72,268.6
State Operations	3,680.4	4,924.2	4,868.6	4,868.6	4,868.6	4,868.6
Local Assistance	26,341.7	44,400.0	44,400.0	44,400.0	44,400.0	44,400.0
Aids to Ind. & Org.	11,599.1	23,000.0	23,000.0	23,000.0	23,000.0	23,000.0
PROGRAM REVENUE (2)	39,466.4	50,705.4	48,247.7	48,382.6	46,138.5	46,279.3
State Operations	21,150.2	23,956.7	24,499.0	24,633.9	24,081.7	24,222.5
Local Assistance	15,136.1	16,570.0	15,570.0	15,570.0	15,414.3	15,414.3
Aids to Ind. & Org.	3,180.1	10,178.7	8,178.7	8,178.7	6,642.5	6,642.5
SEGREGATED REVENUE (3)	31,987.5	52,851.5	51,969.9	51,969.9	45,165.7	45,165.7
State Operations	7,808.4	8,851.5	8,969.9	8,969.9	8,588.2	8,588.2
Aids to Ind. & Org.	24,179.1	44,000.0	43,000.0	43,000.0	36,577.5	36,577.5
TOTALS-ANNUAL	132,758.3	201,076.0	197,930.3	198,065.2	188,838.7	188,936.6
State Operations	39,107.6	44,635.8	45,490.1	45,625.0	43,957.2	44,055.1
Local Assistance	44,480.9	63,969.0	62,969.0	62,969.0	62,633.3	62,633.3
Aids to Ind. & Org.	49,169.8	92,471.2	89,471.2	89,471.2	82,248.2	82,248.2

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 2
Department Position Summary by Funding Source (in FTE positions) (4)

	ADJUSTED		GOVERNOR'S RECOMMENDATION		
	BASE FY09	AGENCY REQUEST FY10	FY11	FY10	FY11
GENERAL PURPOSE REVENUE	61.80	61.80	61.80	57.40	57.40
FEDERAL REVENUE (1)	54.35	53.30	53.30	54.20	54.20
PROGRAM REVENUE (2)	204.75	209.75	209.75	207.45	207.45
SEGREGATED REVENUE (3)	73.80	73.80	73.80	69.55	69.55
TOTALS-ANNUAL	394.70	398.65	398.65	388.60	388.60

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

Table 3
Department Budget Summary by Program (in thousands of dollars)

	ACTUAL FY08	ADJUSTED BASE FY09	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY10	FY11	FY10	FY11
1. Economic and community development	\$40,261.6	\$82,125.9	\$82,413.2	\$82,450.2	\$80,842.6	\$80,842.6
2. Housing assistance	27,870.7	44,135.0	40,996.7	40,996.7	40,871.6	40,871.6
3. Regulation of industry, safety and buildings	59,677.3	69,053.1	68,438.9	68,517.6	61,189.7	61,268.4
4. Executive and administrative services	4,948.7	5,762.0	6,081.5	6,100.7	5,934.8	5,954.0
TOTALS	132,758.3	201,076.0	197,930.3	198,065.2	188,838.7	188,936.6

Table 4
Department Position Summary by Program (in FTE positions) (4)

	ADJUSTED BASE FY09	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY10	FY11	FY10	FY11
1. Economic and community development	71.30	73.30	73.30	69.40	69.40
2. Housing assistance	22.55	21.50	21.50	21.65	21.65
3. Regulation of industry, safety and buildings	252.70	254.70	254.70	249.70	249.70
4. Executive and administrative services	48.15	49.15	49.15	47.85	47.85
TOTALS	394.70	398.65	398.65	388.60	388.60

(4) All positions are State Operations unless otherwise specified

1. Government Efficiency Measures

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-711,000	-2.40	-711,000	-2.40
PR-F	0	0.00	0	0.00	0	0.90	0	0.90
PR-O	0	0.00	0	0.00	-104,100	-1.00	-104,100	-1.00
PR-S	0	0.00	0	0.00	-670,400	-0.30	-670,400	-0.30
SEG-O	0	0.00	0	0.00	-1,293,900	-4.25	-1,293,900	-4.25
TOTAL	0	0.00	0	0.00	-2,779,400	-7.05	-2,779,400	-7.05

The Governor recommends reducing expenditure and position authority in the department's state operations and aids appropriations in the amounts shown to create additional operational efficiencies and balance the budget by: (a) eliminating aid to Forward Wisconsin; (b) eliminating earmarks on funds from the Wisconsin development fund, and gaming economic development and diversification grants and loans; (c) eliminating position vacancies across funding sources; (d) decreasing aids appropriations, including grants from the Wisconsin energy independence fund; (e) downsizing and relocating the international program; (e) reducing positions in the Petroleum Environmental Cleanup Fund Award Program; and (f) eliminating awards and support staff for the Diesel Truck Idling Reduction Grant Program.

2. Across-the-Board 1 Percent Reductions

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-268,000	0.00	-268,000	0.00
PR-O	0	0.00	0	0.00	-397,000	0.00	-397,000	0.00
PR-S	0	0.00	0	0.00	-70,900	0.00	-70,900	0.00
SEG-O	0	0.00	0	0.00	-510,300	0.00	-510,300	0.00
TOTAL	0	0.00	0	0.00	-1,246,200	0.00	-1,246,200	0.00

The Governor recommends reducing most nonfederal appropriations by 1 percent to create additional efficiencies and balance the budget.

3. Additional GPR Reductions

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-1,097,600	0.00	-1,097,600	0.00
TOTAL	0	0.00	0	0.00	-1,097,600	0.00	-1,097,600	0.00

The Governor recommends reducing funding by the amounts shown to balance the budget. The Governor also recommends providing the secretary of the Department of Administration the authority to allocate funds that may be received from federal economic recovery legislation that are intended to stabilize state budgets, as prescribed in that legislation, to offset reductions to agencies.

4. Forward Innovation Fund

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	127,200	0.00	127,200	0.00
TOTAL	0	0.00	0	0.00	127,200	0.00	127,200	0.00

The Governor recommends creating a forward innovation fund and an Economic Policy Board. The functions of the Community-Based Economic Development Program, Rural Economic Development Program and Rural Economic Development Board, Minority Business Grant and Loan Program and Minority Business Development Board, and Development Finance Board will be combined under this new fund and new board.

The Governor also recommends defining the following activities as eligible: (a) the start-up, expansion or retention of minority businesses; (b) the start-up, expansion or retention of businesses in economically distressed areas; (c) innovative proposals to strengthen inner cities; (d) innovative proposals to strengthen rural communities; (e) innovative programs to strengthen industry clusters; and (f) innovative proposals to strengthen entrepreneurship.

5. Administration of 2007 Wisconsin Act 125

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-128,800	-2.00	-171,700	-2.00
PR-O	122,800	2.00	159,800	2.00	128,800	2.00	171,700	2.00
TOTAL	122,800	2.00	159,800	2.00	0	0.00	0	0.00

The Governor recommends expanding loan origination fees and realigning the funding of two existing positions in order to implement the goal-setting, benchmarking, verification and reporting responsibilities required in 2007 Wisconsin Act 125. Currently, a 2 percent fee is levied on awards greater than \$200,000 from the Wisconsin development fund. The Governor also recommends expanding the 2 percent fee to include awards exceeding \$100,000 from the forward innovation fund, gaming economic development and diversification grants and loans, and Wisconsin development fund programs.

6. Electrical Program Consultant Staff

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	153,600	2.00	204,600	2.00	153,600	2.00	204,600	2.00
TOTAL	153,600	2.00	204,600	2.00	153,600	2.00	204,600	2.00

The Governor recommends increasing expenditure and position authority for electrical consultants to oversee, investigate and train electricians and third party electrical inspectors to implement requirements of 2007 Wisconsin Act 63.

7. Information Technology Applications Development

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	78,800	0.00	106,500	0.00	78,800	0.00	106,500	0.00
PR-S	57,700	1.00	76,900	1.00	57,700	0.00	76,900	0.00
TOTAL	136,500	1.00	183,400	1.00	136,500	0.00	183,400	0.00

The Governor recommends increasing expenditure authority for information technology applications development to increase efficiency and reduce the backlog for credential processing and plan review in the Division of Safety and Buildings.

8. Film Tax Credit Program

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	500,000	0.00	500,000	0.00
TOTAL	0	0.00	0	0.00	500,000	0.00	500,000	0.00

The Governor recommends eliminating the film production services and film production company investment income and franchise tax credits. Instead, the Governor recommends creating a grant program for film- and video-related activities that create permanent jobs in Wisconsin. See Shared Revenue and Tax Relief, Item #14.

9. Reallocation of Tribal Funds

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	0	0.00	-325,000	0.00	-325,000	0.00
TOTAL	0	0.00	0	0.00	-325,000	0.00	-325,000	0.00

The Governor recommends reducing expenditure authority for economic development grants. The program revenue funding will come from tribal gaming revenues. See Department of Administration, Item #21.

10. Brownfields Program Changes

The Governor recommends allowing a brownfield grant to be awarded to an applicant, even if the party responsible for the contamination is able to pay for redevelopment. The responsible party would still be held liable for the cost of cleaning up the contamination. The Governor also recommends changing the criteria for awarding a brownfield grant to include factors such as the extent of soil contamination, level and strength of the recipient's financial contribution, and adequacy of site preparation.

11. Petroleum Inspection Program Changes

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
SEG-O	0	0.00	0	0.00	-5,000,000	0.00	-5,000,000	0.00
TOTAL	0	0.00	0	0.00	-5,000,000	0.00	-5,000,000	0.00

The Governor recommends adjusting expenditure authority for the Petroleum Environmental Cleanup Fund Award (PECFA) Program to reflect a reestimate of claims. The Governor also recommends establishing a deadline of December 31, 2011, to register for PECFA award eligibility. The Governor further recommends providing \$250,000 annually for the removal of underground petroleum storage tanks if the responsible party is declared indigent by the Department of Justice.

12. Health Professionals Loan Assistance Program Transfer

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	0	0.00	0	0.00	-488,700	0.00	-488,700	0.00
TOTAL	0	0.00	0	0.00	-488,700	0.00	-488,700	0.00

The Governor recommends reducing expenditure authority to reflect the transfer of the Physician and Dentist and Health Care Provider Loan Assistance programs from the department to the Office of Rural Health in the University of Wisconsin School of Medicine and Public Health. These programs distribute a combination of state and federal funds as grants to health care providers, physicians and dentists who practice in a federally-designated health professional shortage area for three years. See University of Wisconsin System, Item #10.

13. Minority Business Certification

The Governor recommends changing the qualifications for minority businesses to eliminate barriers to investment by allowing a business to be certified as a minority controlled enterprise if the minority owners own at least 30 percent of the economic equity of the firm. The Governor also recommends that the following criteria must be met: (a) minority management/owners control the day-to-day operations of the firm; (b) minority management/owners retain a majority, no less than 51 percent, of the firm's voting equity; and (c) minority owners operationally control the board of directors.

14. Landlord Proceeds From Sale of Tenant Belongings

The Governor recommends directing landlords to send proceeds from the sale of a tenant's personal property to the department rather than to the Department of Administration to reflect the current distribution of housing functions.

15. Repayment Appropriation for Wisconsin Energy Independence Fund

The Governor recommends creating an appropriation to receive repayments from loans made by the Wisconsin energy independence fund.

16. Remove Plumbing and Sprinkler Fee Cap

The Governor recommends allowing the Division of Safety and Buildings to assess, by administrative rule, allowable fees for plumbing and fire sprinkler credentials. Statutory fee maximums are not indicated for any other fees assessed by the division and this change will provide consistency in the administration of the division's fees.

17. State Shelter Subsidy Grant and Transitional Housing Appropriations

The Governor recommends changing the shelter for homeless and transitional housing grants appropriation from an annual to a biennial appropriation in order to make it consistent with the department's other loan and grant programs, and maximize its use as an important source of match for the federal emergency shelter grant. The Governor also recommends removing the requirement to encumber funds by December 31 of each year to provide more flexible service to shelters and allow the department to maximize the use of the funds.

18. Building Inspector Review Board

The Governor recommends eliminating the Building Inspector Review Board to eliminate a duplicative complaint resolution process.

19. Investment Tax Credits

The Governor recommends increasing the angel and early stage seed investment tax credit annual allocations by \$12.5 million each, plus an additional \$250,000 each specifically for nanotechnology businesses, on January 1, 2011. The Governor also recommends the following changes to maximize the benefits of the program: (a) change the timing in which angel credits are claimed from 12.5 percent in each of the first two years to 25 percent in the year the investment is made; (b) increase the per business cap on angel investments from \$1 million to \$4 million; (c) increase the aggregate cap from \$4 million to \$8 million per new business; (d) delete the per angel investment cap in a business; (e) allow the department to prequalify the amount of creditable investment allowed in each business; (f) permit roll over of capital gains tax liability for reinvestment in a qualified new business venture; (g) expand eligibility; (h) allow a one-time transfer of credits; and (i) allow early stage seed credits to be claimed against gross premiums tax.

20. Wisconsin Venture Fund

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	1,400,000	0.00	1,400,000	0.00
TOTAL	0	0.00	0	0.00	1,400,000	0.00	1,400,000	0.00

The Governor recommends creating a Wisconsin venture fund to provide grants and matching funds to connect capital to companies in Wisconsin. The Capital Connections program will be used to fund existing access to capital networks, proposed networks and to sponsor events which connect capital to companies. The venture seed match fund is created to match dollar-for-dollar funds raised and invested by research institutions and nonprofit organizations that are involved in economic development. See Department of Financial Institutions, Item #4.

21. Jobs Tax Credit

The Governor recommends creating a new refundable tax credit program aimed at business attraction and expansion. The proposed program would provide up to \$10 million per year in payroll credits to smaller businesses, starting January 1, 2012. Training costs and a portion of the wages paid on new high-paying jobs would be eligible for up to a 10 percent credit. See Shared Revenue and Tax Relief, Item #11.

22. Tax Credit Consolidation

The Governor recommends creating a new consolidated tax credit program by combining the current Enterprise Development Zones, Community Development Zones, Agricultural Development Zones, Technology Development Zones and Airport Development Zones programs. The value of tax benefits for which an entity is eligible would be dependent on the number of jobs created, amount of the capital investment, amount of training or reeducation provided, or number of jobs retained by an entity having its corporate headquarters located in Wisconsin. The Governor also recommends requiring the department to establish administrative rules detailing a method for allocating a portion of the tax credits to rural areas and small businesses. The Governor further recommends delaying the implementation of the state electronic health record tax credit to allow funds provided by the federal economic stimulus legislation to accelerate the adoption of health information technology systems by doctors and hospitals through grants to Wisconsin health care providers. See Shared Revenue and Tax Relief, Item #12.

23. Technical Adjustment to Authorized Positions

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	0	-1.05	0	-1.05	0	-1.05	0	-1.05
TOTAL	0	-1.05	0	-1.05	0	-1.05	0	-1.05

The Governor recommends reducing position authority to correct a technical error.

24. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	249,200	0.00	249,200	0.00	249,200	0.00	249,200	0.00
PR-F	-55,600	0.00	-55,600	0.00	-55,600	0.00	-55,600	0.00
PR-O	-3,061,300	0.00	-3,061,300	0.00	-3,061,300	0.00	-3,061,300	0.00
PR-S	131,600	0.00	131,600	0.00	131,600	0.00	131,600	0.00
SEG-O	-881,600	0.00	-881,600	0.00	-881,600	0.00	-881,600	0.00
TOTAL	-3,617,700	0.00	-3,617,700	0.00	-3,617,700	0.00	-3,617,700	0.00

The Governor recommends adjusting the department's base budget for: (a) turnover reduction (-\$269,700 in each year); (b) removal of noncontinuing elements from the base (-\$4,000,000 in each year); (c) full funding of continuing position salaries and fringe benefits (\$515,700 in each year); (d) reclassifications and semiautomatic pay progression (\$18,200 in each year); (e) overtime (\$8,000 in each year); and (f) full funding of lease and directed moves costs (\$110,100 in each year).

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the Department of Commerce.

Decision Item	Source of Funds	FY10		FY11	
		Dollars	Positions	Dollars	Positions
25. Field Staff Travel	PR-O	59,100	0.00	59,100	0.00
TOTAL OF ITEMS NOT APPROVED	PR-O	59,100	0.00	59,100	0.00

