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Press Release

Wisconsin Business Council: Legislature praised for fast action on bill to facilitate Recovery Zone Bonds

Contact: Brian Taffora
(608) 252-9245
Taffora@wibusiness.org

Wisconsin Business Council applauds bipartisan support to reallocate financing and provide flexibility in funding economic development projects

MADISON – Thanks to timely action by the Legislature Thursday, state businesses will soon be able to take full advantage of \$238 million in low-cost financing made possible by the American Recovery and Reinvestment Act of 2009.

The Senate and Assembly both approved a measure to waive federal bond limits allocated to cities and counties and allow the Wisconsin Department of Commerce to redistribute the lending limits based on actual projects that need funding. The bill, SB-440, received strong bipartisan support and marks an important step forward to cut through federal red tape and put federal stimulus funds to work.

Under the initial federal rules, many counties and cities had no ability to issue bonds; in other communities, the federal allocation was too small to help businesses with borrowing needs. However, as a result of Thursday's action by the Legislature, the commerce department will be able to pool the \$238 million total for the state and authorize communities to lend specific amounts based on need.

The Wisconsin Business Council applauds the bill's authors, Sens. Julie Lassa, D-Beaver Dam; Kathleen Vinehout, D-Alma; and John Lehman, D-Racine, for their efficient efforts to advance the measure. Under a deadline within the federal American Recovery and Reinvestment Act, any bonds authorized through the program must be issued by the end of this year.

"We appreciated the hard work by both the bill sponsors and the Senate Committee on Economic Development for the quick passage of this bill," said Phil Prange, president and chief executive officer of the Wisconsin Business Council. "We know that there are significant, pending projects in Wisconsin that will utilize these bonds and put Wisconsin people back to work. A number of these projects are expected to create high-paying manufacturing jobs in communities that have been especially hard hit by the downturn."

The Wisconsin Business Council was formed in June 2009 to provide a forum for state business leaders to come together in search of solutions to improve the business climate while protecting and promoting the state's unique quality of life. Members of the Wisconsin Business Council recognize that better jobs and a stronger economy are critical to Wisconsin families and will make the state more appealing to those searching for new opportunities.

With leadership from companies including American Transmission Co., Anthem Blue Cross Blue Shield, AT&T Wisconsin, Commerce State Bank, Dean Health System, Johnson Timber Corp., MillerCoors, Mortenson Construction, Orion Energy Systems and Park Bank, the Wisconsin Business Council intends to work with citizens, elected officials and policy-makers.

Ultimately, the group aims to develop a pro-business, pro-employment agenda that makes Wisconsin a better place to start a business, expand a corporation and find exceptional investment opportunities.

For more information or to join, visit www.wibusiness.org.

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