



TO: Wisconsin State Senate

FROM: Nick George, Midwest Food Products Association; John Jacobson, Wisconsin Property Taxpayers Inc; Mike Koles, Wisconsin Towns Association; Rob Richard, Wisconsin Farm Bureau Federation; John Umhoefer, Wisconsin Cheese Makers Association; Jim Villa, NAIOP Wisconsin; Michael Welsh, Wisconsin Economic Development Association

DATE: February 21, 2018

RE: **Please support SB 769/AB 912 – WI Rural Economic Development Fund**

The above-listed groups respectfully request your support for the Rural Economic Development Fund bill (SB 769/AB 912), legislation that would invest \$1 billion over the next 20 years to promote much-needed economic growth in rural areas of Wisconsin.

Rural economic development is unique with its own set of challenges and opportunities. Unfortunately, the challenges faced by rural communities outweigh the opportunities, and often include a shrinking workforce and a fading infrastructure. The population in rural areas of the state is declining or stagnant, and the foundation needed for economic growth, such as reliable broadband access and available housing, is generally inadequate.

The Rural Economic Development Fund created by SB 769/AB 912 would help meet the economic development needs of the state's rural communities by expanding and establishing programs administered by the Wisconsin Economic Development Corporation to promote business growth, attract private investment, and strengthen the rural workforce. In addition, the Joint Finance Committee amended the bill to provide funding directly to local economic development organizations for business innovation and other local programs. The amendment would:

- Provide \$5 million in one-time funding to create a revolving loan fund grant program for rural economic development organizations. Eligible organizations would receive \$250,000 to establish or expand a revolving loan fund that promotes economic development and entrepreneurial start-ups; and
- Provide one-time grants of \$50,000 to rural economic development organizations for program operations and marketing.

There is no question the economic performance of rural Wisconsin is lagging. However, progress has been made and rural communities do possess certain features that businesses and young professionals are looking for, including accessible real estate, natural amenities, and a good quality of life. With assistance from the Rural Economic Development Fund, rural Wisconsin can continue to transform its economy and create new opportunities for sustainable growth.

In closing, we would urge you to support SB 769/AB 912 as amended (by the Joint Finance Committee). The legislation will reshape the state's approach to rural economic development and provide all Wisconsin communities with the opportunity to share in the benefits of a strong economy. Please do not hesitate to contact us with any questions.