

**Preliminary Summary Report  
"New Opportunities for Milwaukee"**

**By Senator Alberta Darling & Representative Dale Kooyenga**

Released on January 28<sup>th</sup>, this document includes 14 distinct initiatives. Each initiative is to only be applied to a zone within the City of Milwaukee that encompasses zip codes with an unemployment rate exceeding 10 percent. This includes zip codes 53295, 53206, 53205, 53208, 53212, 53204, 53210, 53218, 53216, 53215, 53209, 53235, 53233, 53224, and 53225.

***Empowering through Education***

1. Allow charter schools to replicate (expand) without approval from the authorizer when they exceed test scores in math and reading by 10% of the local public school in 2 preceding school years.
2. Create a separate board to manage failing schools in a targeted area. The board would develop a competitive RFP process and award 5-year charter authorizations,... "to the most compelling plan."
3. Expand the Dual Enrollment Program by designating an existing fulltime DWD employee to manage the program in a targeted area and coordinate with technical colleges, industry, and all schools, including private and charter.
4. Eliminate state mandates on the Chapter 220 program. Instead create a block grant from the budgeted \$39 million, and authorize the local school board to determine how best to utilize the funds.
5. Schools can apply and be exempt from any state mandate. DPI would be required to respond within 3 weeks or it is automatically approved.
6. Create a charter school specializing in computer programming. Repurpose a portion of the budget of Cooperative Educational Service Agency (CESA) 1 into a grant that would require 50/50 match from a charter school authorizer.

***Free Market Zones-Targeted Practices for Challenging Neighborhoods***

1. Create a 5 person governor appointed board to grant businesses in the zone a corporate income tax exemption if they do not compete with an existing WI business.
2. Create a 5 person governor appointed board to grant businesses the ability to not mandate union membership, by certifying the applicant business does not directly compete with an existing WI business (zone-based right to work policy).
3. Repeal Minimum Mark-Up Law on consumer products in the targeted zone.

***Removing Barriers to Work***

1. Prohibit the city from preventing a small business to operate a business out of home, if the total employees do not exceed 5 FTEs and customer/client traffic is less than 15/day.
2. Eliminate state licensure requirements for the following types of business:
  - Floor sanders
  - Interior designers
  - African hair braiding
3. Prohibit the City of Milwaukee from creating any new occupational licenses without DSPS approval.
4. Prohibit the City of Milwaukee from having a license requirement for photography businesses.

### ***Social Impact Bonds***

1. Structured like a loan, it is a financial instrument designed to lure private sector investors into programming that is historically provided by the public sector.
2. Specific measurable benchmarks are developed to positively impact a targeted population and problem and the funder is paid back if the social service provider is successful in reaching the benchmark(s).
3. Designed to incentivize organizations to provide services to targeted populations at a lower rate to taxpayers than currently expended by the government. With more transparency, funders/investors are able to see how their investments are spent to help targeted populations.

### ***Benefit Corporation & L3C***

1. Allow companies to structure as benefit corporations so they can seek profit with a socially beneficial outcome while still paying corporate taxes, unlike a nonprofit. This structure provides legal protection for corporations to operate in the interest of more than their shareholders.
2. Allow companies to structure as a low-profit limited liability company (L3C) which is a corporate structure that allows for a business model that is wholly or partially charitable without adhering to the regulatory requirements of a nonprofit.