

Committee Name:
Assembly Committee – Rural Affairs
(AC–RA)

Appointments

95hr_AC–RA_Appt_pt00

Committee Hearings

95hr_AC–RA_CH_pt00

Committee Reports

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Clearinghouse Rules

95hr_AC–RA_CRRule_95–150

Executive Sessions

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Hearing Records

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Misc.

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Record of Committee Proceedings

95hr_AC–RA_RCP_pt00



123 West Washington Avenue
P. O. Box 7970
Madison, Wisconsin 53707
(608)266-1018

Tommy G. Thompson, Governor
William J. McCoshen, Secretary

October 5, 1995

The Honorable David Prosser
Speaker of the Assembly
Room 101
119 Martin Luther King Blvd
Madison, WI 53702

Dear Representative Prosser:

In compliance with s. 227.19 (2), Stats., the Department of Development hereby submits the final draft of the proposed rule (CR-95- 150) relating to the Rural Economic development Program.

The Rural Economic Development Program provides for grants and loans to small businesses located in rural communities. First stage grants and loans may be for up to \$30,000 each. Proceeds of this first stage financing may be used for professional services related to the start up or expansion of a business or for management assistance required for the continued operation of a business. The purposes of the first stage financing are to provide for the costs of examining the feasibility of the business and to meet the initial expense of starting the business.

The program also provides for second stage financing in the form of loans to businesses that have received first stage financing and that have demonstrated the feasibility of the business. This second stage financing is for the purpose of supporting the continuing operation of the business and could be used for working capital and fixed asset financing.

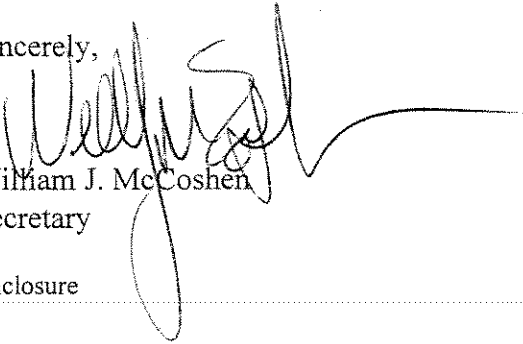
1995 Wisconsin Act 27 created s. 560.17 (5m) (b), Stats., which allows the second stage financing to also be used to pay employee relocation costs and s. 560.17 (5m) (bm), Stats., which requires the department to insure that the employee has the option of accepting or declining any relocation assistance offered as a result of the loan. The proposed order makes the necessary changes to Ch. DOD 17 so that the rules conform to the statutory change and the Department shall ensure through the contract required under s. DOD 14.09 that the employee is able to exercise the option.

The Honorable David Prosser
Page 2
October 3, 1995

The Department held a hearing on the proposed rule on October 3, 1995 in Madison. No one appeared or commented on the proposed rule. The Legislative Council Clearinghouse report recommend two changes with which the Department agrees and we have followed the suggestions.

Copies of the fiscal estimate, regulatory flexibility analysis and the final draft rules are enclosed. If you have any questions about the rule, please contact Dennis Fay at 266-6747.

Sincerely,



William J. McCoshen
Secretary

Enclosure

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN That pursuant to s. 560.02 (4), Stats., the Wisconsin Department of Development will hold a hearing to consider the amendment of s. DOD 16.035 (title) and (3) interpreting s. 560.17, Stats., relating to the rural economic development program at the following place and time: Department of Development, Room 918, 123 West Washington Avenue, Madison, Wisconsin on October 3, 1995 at 10:00 a.m.

Analysis Prepared by the Department of Development

The rural economic development program provides for grants and loans to small businesses located in rural communities. First stage grants and loans may be for up to \$30,000 each. Proceeds of this first stage financing may be used for professional services related to the start up or expansion of a business or for management assistance required for the continued operation of a business. The purposes of this first stage financing are to provide for the costs of examining the feasibility of the business and to meet the initial expenses of starting the business.

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Final Regulatory Flexibility Analysis

NOTICE IS HEREBY GIVEN That pursuant to s. 227.19 (e), Stats., the proposed rule will have minimal impact on small business. The final regulatory flexibility analysis as required by s. 227.17 (3) (e), Stats., is as follows:

1. Method of reducing the impact of the rule on small business: None.
2. Issues raised during the hearing: None.
3. Nature of reports and estimated cost of preparation: None.
4. Nature and cost of other measures: None.

5. Additional costs to the agency for administering or enforcing a rule which includes methods specified under s. 227.114 (2), Stats: None.

6. Impact on public health, safety and welfare caused by including in the rules any method specified under s. 227.114 (2), Stats: None.

Fiscal Estimate

The proposed rule has no fiscal effect.

Contact Person

Dennis Fay, General Counsel, 608/266-6747.

Pursuant to the authority vested in the Department of Development by s. 560.02 (4), Stats., the Department of Development hereby amends rules relating to the rural economic development program.

SECTION 1. DOD 16.035 (title) and (3) are amended to read:

DOD 16.035 (title) LOANS FOR WORKING CAPITAL, EMPLOYEE RELOCATION COSTS OR FIXED ASSET FINANCING.

(3) The proceeds of a loan made under this section may be used only for working capital, employee relocation costs or fixed asset financing related to the start up or expansion of the business for which application has been made and only in accordance with the terms of the contract required under s. DOD 16.06.

EFFECTIVE DATE: The regulations set forth in this order shall be effective on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22 (2) (intro.), Stats.

Dated: _____

Agency: _____
William J. McCoshen
Secretary



John Ainsworth

State Representative • 6th Assembly District

Chair: Assembly Committee on Rural Affairs

TO: MEMBERS OF THE ASSEMBLY RURAL AFFAIRS COMMITTEE

FROM: REPRESENTATIVE JOHN AINSWORTH, CHAIR

DATE: OCTOBER 12, 1995

MEMO

On October 11, 1995, the following clearinghouse rule was referred to the Assembly Rural Affairs Committee:

Clearinghouse Rule 95-150, relating to the rural economic development program.

A copy of the rule is attached for your information. The deadline for committee action on this rule is **November 10, 1995**. If you are interested in requesting a hearing and/or submitting comments, please do so prior to that date. Please contact Jacques in my office at 266-3097 if you have any questions or concerns.

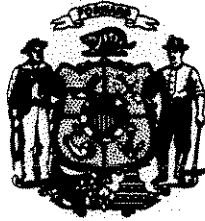
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Attachment

RULES CLEARINGHOUSE

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CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 95-150

AN ORDER to amend DOD 16.035 (title) and (3), relating to the rural economic development program.

Submitted by **DEPARTMENT OF DEVELOPMENT**

08-15-95 RECEIVED BY LEGISLATIVE COUNCIL.

09-11-95 REPORT SENT TO AGENCY.

RNS:DD;jt;kja

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS
[s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL
REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

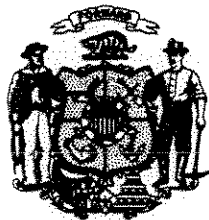
Comment Attached YES NO

WISCONSIN LEGISLATIVE COUNCIL STAFF

RULES CLEARINGHOUSE

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CLEARINGHOUSE RULE 95-150

Comments

[NOTE: All citations to "Manual" in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated October 1994.]

4. Adequacy of References to Related Statutes, Rules and Forms

It is assumed that the department intends to comply with the directive of s. 560.17 (5m) (bm), Stats., through the contract required under s. DOD 16.06 or by other means that do not require rule promulgation. The last paragraph of the department's analysis could be misleading in this regard. The analysis mentions s. 560.17 (5m) (bm), Stats., but the rule does not directly address the directive contained in the statutory provision.