

1999 DRAFTING REQUEST

Bill

Received: **10/14/98**

Received By: **kahlepj**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget 6-7329**

By/Representing: **Justus**

This file may be shown to any legislator: **NO**

Drafter: **kahlepj**

May Contact:

Alt. Drafters:

Subject: **Econ. Development - bus. dev.**
Econ. Development - misc.

Extra Copies:

Topic:

DOA:.....Justus - Permit staff to contract directly with technical or management assistance providers under the business development initiative program

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj 10/14/98	gilfokm 10/15/98		_____			
/P1			lpaasch 10/15/98	_____	lrb_docadmin 10/15/98		
/1	kahlepj 11/20/98	gilfokm 11/23/98	hhagen 11/24/98	_____	lrb_docadmin 11/24/98		

FE Sent For:

<END>

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1?	kahlepj	AP1-10-15 KMG	10-15LP	10-15LP IS			

FE Sent For:

<END>

H. BDI: add technical assistance providers as an eligible recipient of BDI technical assistance grant on behalf of specific DVR clients as part of s. 560.20, Stats.

low

Intent. The Department proposes to amend s. 560.20, Stats., to permit Division of Vocational Rehabilitation staff from the Department of Workforce Development to contract directly with technical assistance providers, and thus pay them directly for their services.

Commerce is in the process of establishing a Business Development Initiative (BDI) Technical Assistance Fund in the Division of Vocational Rehabilitation (DVR) in the Department of Workforce Development (DWD). DVR counselors will use the fund to help their clients start or expand a business.

Under current law, technical assistance providers are paid by DVR clients with money provided by DVR from the BDI Technical Assistance Fund. This provision enables DVR to contract directly with technical assistance providers, and thus to pay them directly for their services.

low

I. WDF: Jobs Definition

Intent. The Department proposes to amend the definition of an FTE job under the Wisconsin Development Fund program (s. 560.60 (10) and s. 560.66 (1) (a), Stats.) from one that requires 40 hours/week and 2080 hours per year to one that defines FTE jobs as "up to 2,080 hours per year".

This provision enables the Development Finance Board to provide financial assistance to businesses where a larger number of full-time employees work less than 2,080 hours per year. There are businesses in which the full-time employees work only 36 hours per week, which is less than 2080 hours per year but is still considered full-time. Funding for these projects technically violates the statutes. An "up to 2080" provision permits the Development Finance Board to provide appropriate and innovative financial incentives in an economy in which an increased number of positions are non-traditional and have non-traditional schedules (e.g. 35 hour workweeks).

PJK

IV. Division of Community Development

med

A. Delete CBED Limit on Regional Projects.

Current law states that the department may not award more than \$100,000 or 10% of the CBED appropriation, whichever is greater, for regional projects. Regional projects are those that help bring income into a region from outside the area and are a collaborative effort between a unit of government and a community based organization. This limit reduces the flexibility of the program, and its ability to respond to the needs of applicants. CBED is an extremely competitive program, and funding decisions should be made on the basis of the viability of applications.

Proposed change: Delete § 560.14 (4) (b).



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0580
PJK... King

PI

DOA:.....Justus - Permit staff to contract directly with technical assistance providers under the business development initiative program

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

SOON
(10-14)
D-note

do not
you cut

1 AN ACT relating to: direct contracting with and payment to providers under
2 the business development initiative program.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under the business development initiative program in current law, the department of commerce provides technical assistance, or a grant for technical assistance, for developing and planning the start-up or expansion of a business that is expected to provide job opportunities for persons with severe disabilities. Eligible recipients are individuals, small businesses and nonprofit organizations. The bill provides that if the department makes a grant to an individual, small business or nonprofit organization for technical assistance, the department may contract directly with and pay grant proceeds directly to any person providing the technical assistance to the individual, small business or nonprofit organization.

✓ (1)

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 SECTION 1. 560.20 (2) (a) of the statutes is amended to read:

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0580/P1dn
PJK:kmg:lp

October 15, 1998

Because the instructions were limited to "technical assistance", I did not provide for direct contracting with or payment to persons providing management assistance under s. 560.20 (3). Is this okay?

Pamela J. Kahler
Senior Legislative Attorney
266-2682



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0580/74
PJK:kmg:lp

in is run

DOA:.....Justus - Permit staff to contract directly with technical assistance providers under the business development initiative program

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

*DOA
(11-20)
J-102*

*do not
gen cat*

- 1 AN ACT ^x; relating to: direct contracting with and payment to providers under
- 2 the business development initiative program.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under the business development initiative program in current law, the department of commerce provides technical assistance, or a grant for technical assistance, for developing and planning the start-up or expansion of a business that is expected to provide job opportunities for persons with severe disabilities. Eligible recipients are individuals, small businesses and nonprofit organizations. The bill provides that, if the department makes a grant to an individual, small business or nonprofit organization for technical assistance, the department may contract directly with and pay grant proceeds directly to any person providing the technical assistance to the individual, small business or nonprofit organization.

Insert A-1

*or
management
assistance*

or management

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 3 SECTION 1. 560.20 (2) (a) of the statutes is amended to read:

1 560.20 (2) (a) The department may provide technical assistance to an
 2 individual, small business or nonprofit organization. In addition to or in lieu of the
 3 technical assistance provided by the department and subject to par. (e), the
 4 department may make a grant to an individual, small business or nonprofit
 5 organization from the appropriation under s. 20.143 (1) (en) to partially fund
 6 technical assistance provided to the individual, small business or nonprofit
 7 organization. Technical assistance or a grant for technical assistance provided under
 8 this paragraph shall be for the purpose of developing and planning, at the
 9 preliminary stages, the start-up or expansion of a for-profit business that is or will
 10 be located in this state.

11 **SECTION 2.** 560.20 (2) (e) of the statutes is created to read:

12 560.20 (2) (e) If the department makes a grant under par. (a), the department
 13 may contract directly with and pay grant proceeds directly to any person providing
 14 technical assistance to the individual, small business or nonprofit organization for
 15 the purpose specified in par. (a).

16

(END)

§ 2-15
 →

D-vote

This redraft adds contracting directly
 with any person providing management
 assistance.

PJK

**1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0580/lins
FJK:kmg:lp

INSERT A-1 ✓

If the department has provided technical assistance or a grant for technical assistance to an individual, small business or nonprofit organization, the department may provide additional funds to the recipient. Loan proceeds must be used for working capital or fixed-asset financing and grant proceeds must be used for management assistance, which includes engineering and legal services and professional assistance in such areas as inventory control, bookkeeping, production planning and marketing.

(END OF INSERT A-1)

INSERT 2-15 ✓

SECTION 1. 560.20 (3) (a) (intro.) of the statutes is amended to read:

560.20 (3) (a) (intro.) The Subject to par. (cm), the department may award funds appropriated under s. 20.143 (1) (en) and (in) to an individual, small business or nonprofit organization for use in connection with the start-up or expansion of a for-profit business if all of the following apply:

History: 1989 a. 342; 1989 a. 359 s. 382; 1993 a. 437; 1997 a. 79, 112.

SECTION 2. 560.20 (3) (cm) of the statutes is created to read:

560.20 (3) (cm) If the department awards a grant under this subsection, the department may contract directly with and pay grant proceeds directly to any person providing management assistance to the individual, small business or nonprofit organization.

(END OF INSERT 2-15)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-0580/1dn
PJK:kmg:hmh

Tuesday, November 24, 1998

This redraft adds contracting directly with any person providing management assistance.

Pamela J. Kahler
Senior Legislative Attorney
266-2682



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0580/1
PJK:kmg:hmh

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FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

- 1 **AN ACT ...; relating to:** direct contracting with and payment to providers under
2 the business development initiative program.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under the business development initiative program in current law, the department of commerce provides technical assistance, or a grant for technical assistance, for developing and planning the start-up or expansion of a business that is expected to provide job opportunities for persons with severe disabilities. Eligible recipients are individuals, small businesses and nonprofit organizations. If the department has provided technical assistance or a grant for technical assistance to an individual, small business or nonprofit organization, the department may provide additional funds to the recipient. Loan proceeds must be used for working capital or fixed-asset financing and grant proceeds must be used for management assistance, which includes engineering and legal services and professional assistance in such areas as inventory control, bookkeeping, production planning and marketing. The bill provides that, if the department makes a grant to an individual, small business or nonprofit organization for technical assistance or management

assistance, the department may contract directly with and pay grant proceeds directly to any person providing the technical or management assistance to the individual, small business or nonprofit organization.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 560.20 (2) (a) of the statutes is amended to read:

2 560.20 (2) (a) The department may provide technical assistance to an
3 individual, small business or nonprofit organization. In addition to or in lieu of the
4 technical assistance provided by the department and subject to par. (e), the
5 department may make a grant to an individual, small business or nonprofit
6 organization from the appropriation under s. 20.143 (1) (en) to partially fund
7 technical assistance provided to the individual, small business or nonprofit
8 organization. Technical assistance or a grant for technical assistance provided under
9 this paragraph shall be for the purpose of developing and planning, at the
10 preliminary stages, the start-up or expansion of a for-profit business that is or will
11 be located in this state.

12 **SECTION 2.** 560.20 (2) (e) of the statutes is created to read:

13 560.20 (2) (e) If the department makes a grant under par. (a), the department
14 may contract directly with and pay grant proceeds directly to any person providing
15 technical assistance to the individual, small business or nonprofit organization for
16 the purpose specified in par. (a).

17 **SECTION 3.** 560.20 (3) (a) (intro.) of the statutes is amended to read:

18 560.20 (3) (a) (intro.) The Subject to par. (cm), the department may award funds
19 appropriated under s. 20.143 (1) (en) and (in) to an individual, small business or

1 nonprofit organization for use in connection with the start-up or expansion of a
2 for-profit business if all of the following apply:

3 **SECTION 4.** 560.20 (3) (cm) of the statutes is created to read:

4 560.20 (3) (cm) If the department awards a grant under this subsection, the
5 department may contract directly with and pay grant proceeds directly to any person
6 providing management assistance to the individual, small business or nonprofit
7 organization.

8

(END)