

1999 DRAFTING REQUEST

Bill

Received: 11/11/98

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: RAC

Topic:

DOA:.....Justus - Creating a program to provide grants and low-interest loans to businesses negatively impacted by casinos and low-interest loans to businesses in the same county as a casino (Indian gaming initiative)

Instructions:

See Attached

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1/9-2-3-Kmg *RM 2/3* *95/Rm 2/3*

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*1/8-1-29
Kmg* *J/31* *J/31*

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Page 2

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1/?	kahlepj	11-11-17 KMG	11/18	11/18	Submit P's		
		11-19 WJ					
FE Sent For:		11-11-19 KMG	11/20	11/20			

<END>

CORRESPONDENCE MEMORANDUM

**STATE OF WISCONSIN
Department of Administration**

Date: November 9, 1998

To: Steve Miller
Chief, Legislative Reference Bureau

From: Sarah Justus *SJ*
State Budget Office

Subject: Drafting Request; Department of Commerce, economic development

Indian Gaming Initiative

Modify the following appropriations to make them PR, beginning in FY00, funded by gaming revenue under 20.505 (8) (h):

20.143 (1) (df) American Indian Economic Development - technical assistance

20.143 (1) (dg) American Indian Economic Development - liaison

20.143 (1) (dh) American Indian Economic Development - liaison; grants

✓ [Modify LRB draft #0554 to remove the (1) (dg) appropriation from the consolidation. Leave the other two appropriations in the draft.

Create a program to provide grants and low interest loans to class B licensed businesses negatively impacted by casinos and to provide low interest loans to businesses in the same county as a casino (to expand business and job opportunities.)
Fund the program with PR gaming revenue under 20.505 (8) (h).

FY01

person holding a class B license

(25, 51(3))



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0824/7

PJK/...
WJ/King

PI

DOA:.....Justus - Creating a program to provide grants and low-interest loans to businesses negatively impacted by casinos and low-interest loans to businesses in the same county as a casino

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

SOON
(11-11)
D-note

do not
get cut

1 AN ACT ~~relating to~~; relating to: the use of Indian gaming revenue for a program to provide
2 grants and loans to businesses affected by Indian gaming and making an
3 appropriation.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under current law, all Indian gaming receipts are deposited ^{into} an appropriation to the department of administration (DOA). This bill requires transfers from that appropriation for various purposes.

This ~~The~~ bill creates a grant and loan program to be administered by the department of commerce. ^(department) The department may make a grant or low-interest loan to a person who holds a "Class B" license, which authorizes the retail sale of intoxicating liquor to be consumed on or off the premises where sold, if the department determines that the premises to which the license applies have been negatively impacted by a casino that is operated by an American Indian tribe or band ~~and~~ ^{also} the department may ^{also} make a low-interest loan to a business that is located in the same county as a casino that is operated by an American Indian tribe or band. The recipient of a grant or

✓

low-interest loan must use the proceeds to expand business and job opportunities; submit a detailed plan, which must be approved, for the use of the proceeds; and enter into an agreement with the department related to the use of the proceeds and reporting and auditing requirements. Moneys for the grant and loan program come from the DOA appropriation into which is deposited Indian gaming receipts.

Also under current law, three appropriations to the department of commerce relate to economic development for American Indians: one is for an annual grant for a liaison between American Indians and state agencies administering programs assisting American Indians, another is for a program that provides various types of information and assistance to American Indians, and the third is for an annual grant to provide technical assistance for economic development on Indian reservations. All of these appropriations are funded from general purpose revenue. The bill changes the source of the funding to the DOA appropriation into which is deposited Indian gaming receipts.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 SECTION 1. 20.143 (1) (df) of the statutes is renumbered 20.143 (1) (kf) and
2 amended to read:

3 20.143 (1) (kf) *American Indian economic development; technical assistance.*

4 The amounts in the schedule for grants under s. 560.875 (1). All moneys transferred
5 from s. 20.505 (8) (h) shall be credited to this appropriation account.

History: 1979 c. 361; 1981 c. 20, 21, 349; 1983 a. 27, 83, 192, 381; 1985 a. 29 ss. 169 to 204, 3202 (14); 1985 a. 120, 332, 334; 1987 a. 27, 109, 317, 318, 399, 403; 1989 a. 31, 185, 237, 317, 325, 335, 336, 342, 359; 1991 a. 39, 259, 261, 269, 315; 1993 a. 5, 16, 75, 110, 232, 437; 1995 a. 27 ss. 483, 505 to 517, 608s, 609g, 609j, 964, 965, 977, 987, 988, 990 to 993, 1080b, 1085b, 1086b, 9116 (5); 1995 a. 116, 119, 216, 227; 1997 a. 9, 27, 35, 215, 237, 252, 310; s. 13.93 (2) (c).

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 SECTION 2. 20.143 (1) (dg) of the statutes is renumbered 20.143 (1) (kg) and
7 amended to read:

8 20.143 (1) (kg) *American Indian economic development; liaison.* The amounts
9 in the schedule for the American Indian economic liaison program under s. 560.87,
10 other than for grants under s. 560.87 (6). All moneys transferred from s. 20.505 (8)
11 (h) shall be credited to this appropriation account.

History: 1979 c. 361; 1981 c. 20, 21, 349; 1983 a. 27, 83, 192, 381; 1985 a. 29 ss. 169 to 204, 3202 (14); 1985 a. 120, 332, 334; 1987 a. 27, 109, 317, 318, 399, 403; 1989 a. 31, 185, 237, 317, 325, 335, 336, 342, 359; 1991 a. 39, 259, 261, 269, 315; 1993 a. 5, 16, 75, 110, 232, 437; 1995 a. 27 ss. 483, 505 to 517, 608s, 609g, 609j, 964, 965, 977, 987, 988, 990 to 993, 1080b, 1085b, 1086b, 9116 (5); 1995 a. 116, 119, 216, 227; 1997 a. 9, 27, 35, 215, 237, 252, 310; s. 13.93 (2) (c).

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1 SECTION 3. 20.143 (1) (dh) of the statutes is renumbered 20.143 (1) (kh) and
2 amended to read:

3 20.143 (1) (kh) *American Indian economic development; liaison — grants.* The
4 amounts in the schedule for grants under s. 560.87 (6). All moneys transferred from
5 s. 20.505 (8) (h) shall be credited to this appropriation account.

History: 1979 c. 361; 1981 c. 20, 21, 349; 1983 a. 27, 83, 192, 381; 1985 a. 29 ss. 169 to 204, 3202 (14); 1985 a. 120, 332, 334; 1987 a. 27, 109, 317, 318, 399, 403; 1989 a. 31, 185, 237, 317, 323, 335, 336, 342, 359; 1991 a. 39, 259, 261, 269, 315; 1993 a. 5, 16, 75, 110, 232, 437; 1995 a. 27 ss. 483, 505 to 517, 608s, 609g, 609j, 964, 965, 977, 987, 988, 990 to 993, 1080b, 1085b, 1086b, 9116 (5); 1995 a. 116, 119, 216, 227; 1997 a. 9, 27, 35, 215, 237, 252, 310; s. 13.93 (2) (c).

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 SECTION 4. 20.143 (1) (ig) of the statutes is created to read:

7 20.143 (1) (ig) *Gaming economic development grants and loans; repayments.*
8 All moneys received in repayment of loans under s. 560.137 to be used for grants and
9 loans under s. 560.137.

****NOTE: This SECTION involves a change in an appropriation, but should not be reflected in the revised schedule in s. 20.005, stats., because of a delayed effective date.

10 SECTION 5. 20.143 (1) (kj) of the statutes is created to read:

11 20.143 (1) (kj) *Gaming economic development grants and loans.* The amounts
12 in the schedule for grants and loans under s. 560.137. All moneys transferred from
13 s. 20.505 (8) (h) shall be credited to this appropriation account.

****NOTE: This SECTION involves a change in an appropriation, but should not be reflected in the revised schedule in s. 20.005, stats., because of a delayed effective date.

auto ref A
⑭

SECTION 6. 20.505 (8) (h) of the statutes is amended to read:

15 20.505 (8) (h) *General program operations; Indian gaming.* The amounts in the
16 schedule for general program operations under ch. 569. All Indian gaming receipts,
17 as defined in s. 569.01 (1m), less the amounts appropriated under s. 20.455 (2) (gc),
18 shall be credited to this appropriation account. Annually, of the moneys received
19 under this appropriation account, an amount equal to 50% of the amount in the

1 schedule under s. 20.435 (7) (kg) shall be transferred to the appropriation account
 2 under s. 20.435 (7) (kg). Annually, of the moneys received under this appropriation
 3 account, an amount equal to the amount in the schedule under s. 20.143 (1) (kf) shall
 4 be transferred to the appropriation account under s. 20.143 (1) (kf), an amount equal
 5 to the amount in the schedule under s. 20.143 (1) (kg) shall be transferred to the
 6 appropriation account under s. 20.143 (1) (kg) and an amount equal to the amount
 7 in the schedule under s. 20.143 (1) (kh) shall be transferred to the appropriation
 8 account under s. 20.143 (1) (kh).

History: 1971 c. 108, 125, 215; 1971 c. 270 s. 104; 1973 c. 90 and supp., 157, 305; 1975 c. 39 ss. 179 to 184f, 735 (5); 1975 Ex. Order No. 24; 1975 c. 224, 397; 1977 c. 29; 1977 c. 196 ss. 70, 131; 1977 c. 377 s. 30; 1977 c. 418 s. 929 (1), (55); 1979 c. 32 s. 92 (5); 1979 c. 34, 175, 221; 1979 c. 355 s. 241; 1979 c. 361; 1981 c. 20 ss. 400b to 421, 2202 (57) (b); 1981 c. 44 s. 3; 1981 c. 62, 121; 1981 c. 202 s. 23; 1981 c. 314, 374, 391; 1983 a. 27 ss. 439 to 456, 2202 (1); 1983 a. 36, 187, 282, 371, 393; 1985 a. 29, 31, 57, 120, 296, 297, 332; 1987 a. 27 ss. 296n, 296q, 297b, 297d, 299a to 299r, 300a, 301a, 418 to 432; 1987 a. 142, 147, 342, 399; 1989 a. 31, 56, 107, 122, 336, 339, 345, 366; 1991 a. 39 s. 469, 593q to 614; 1991 a. 105, 269, 315; 1993 a. 16 ss. 470g, 470m, 470r, 488 to 506m; 1993 a. 33, 75, 193, 349, 358, 374, 414, 437, 477, 491; 1995 a. 27, 56, 201, 216, 225, 227, 370, 403; 1997 a. 3; 1997 a. 27 ss. 199, 227 to 229m, 233, 666g to 692; 1997 a. 237, 283.

****NOTE: I realize that the new language added to this appropriation will undoubtedly need to be changed since the amounts transferred out of the appropriation probably will be rationed, specified and not the amounts shown in the schedule.

auto ref B
 9

SECTION 7. 20.505 (8) (h) of the statutes, as affected by 1999 Wisconsin Act ...

10 (this act), is amended to read:
 11 20.505 (8) (h) *General program operations; Indian gaming.* The amounts in the
 12 schedule for general program operations under ch. 569. All Indian gaming receipts,
 13 as defined in s. 569.01 (1m), less the amounts appropriated under s. 20.455 (2) (gc),
 14 shall be credited to this appropriation account. Annually, of the moneys received
 15 under this appropriation account, an amount equal to 50% of the amount in the
 16 schedule under s. 20.435 (7) (kg) shall be transferred to the appropriation account
 17 under s. 20.435 (7) (kg). Annually, of the moneys received under this appropriation
 18 account, an amount equal to the amount in the schedule under s. 20.143 (1) (kf) shall
 19 be transferred to the appropriation account under s. 20.143 (1) (kf), an amount equal
 20 to the amount in the schedule under s. 20.143 (1) (kg) shall be transferred to the
 21 appropriation account under s. 20.143 (1) (kg) and, an amount equal to the amount

1 in the schedule under s. 20.143 (1) (kh) shall be transferred to the appropriation
 2 account under s. 20.143 (1) (kh) and an amount equal to the amount in the schedule
 3 under s. 20.143 (1) (kj) shall be transferred to the appropriation account under s.
 4 20.143 (1) (kj).

History: 1971 c. 108, 125, 215; 1971 c. 270 s. 104; 1973 c. 90 and supp., 157, 305; 1975 c. 39 ss. 179 to 184f, 735 (5); 1975 Ex. Order No. 24; 1975 c. 224, 397; 1977 c. 29; 1977 c. 196 ss. 70, 131; 1977 c. 377 s. 30; 1977 c. 418 s. 929 (1), (55); 1979 c. 32 s. 92 (5); 1979 c. 34, 175, 221; 1979 c. 355 s. 241; 1979 c. 361; 1981 c. 20 ss. 400b to 421, 2202 (57) (b); 1981 c. 44 s. 3; 1981 c. 62, 121; 1981 c. 202 s. 23; 1981 c. 314, 374, 391; 1983 a. 27 ss. 439 to 456, 2202 (1); 1983 a. 36, 187, 282, 371, 393; 1985 a. 29, 31, 57, 120, 296, 297, 332; 1987 a. 27 ss. 296n, 296q, 297b, 297d, 299a to 299r, 300a, 301a, 418 to 432; 1987 a. 142, 147, 342, 399; 1989 a. 31, 56, 107, 122, 336, 339, 345, 366; 1991 a. 39 s. 469, 593q to 614; 1991 a. 105, 269, 315; 1993 a. 16 ss. 470g, 470m, 470r, 488 to 506m; 1993 a. 33, 75, 193, 349, 358, 374, 414, 437, 477, 491; 1995 a. 27, 56, 201, 216, 225, 227, 370, 403; 1997 a. 3; 1997 a. 27 ss. 199, 227 to 229m, 233, 666g to 692; 1997 a. 237, 283.

5 **SECTION 8. 560.137 of the statutes is created to read:**

6 **560.137 Gaming economic development grants and loans. (1)** From the
 7 appropriations under s. 20.143 (1) (ig) and (kj), the department may make a grant
 8 or a low-interest loan to an eligible recipient specified in sub. (2) (a) and may make
 9 a low-interest loan to an eligible recipient specified in sub. (2) (b), if all of the
 10 following apply:

11 (a) The eligible recipient uses the grant or loan proceeds to expand business and
 12 job opportunities.

13 (b) The eligible recipient submits to the department a detailed plan for the use
 14 of the grant or loan proceeds and the secretary approves the plan.

15 (c) The eligible recipient enters into an agreement with the department that
 16 specifies the conditions for the use of the grant or loan proceeds, including reporting
 17 and auditing requirements.

18 (d) The eligible recipient agrees in writing to submit to the department, within
 19 6 months after spending the full amount of the grant or loan, a report detailing how
 20 the grant or loan proceeds were used.

21 (2) (a) The department may make a grant or low-interest loan under this
 22 section to a person holding a "Class B" license under s. 125.51, if the department
 23 determines that the premises described in the license have been negatively impacted

in this state

1 by a casino that is located in this state and that is operated by an American Indian
2 tribe or band.

3 (b) The department may make a low-interest loan under this section to a
4 business that is located in a county in which ~~is located~~ a casino that is operated by
5 an American Indian tribe or band. ~~STET~~

6 (3) The department shall deposit ^{into} the appropriation account under s. 20.143
7 (1) (ig) all moneys received in repayment of loans made under this section.

8 **SECTION 9410. Effective dates; commerce.**

9 (1) AMERICAN INDIAN ECONOMIC DEVELOPMENT APPROPRIATIONS. The treatment of
10 sections 20.143 (1) (df), (dg) and (dh) ~~and~~ 20.505 (8) (h) (by SECTION) of the statutes
11 takes effect on July 1, 2000. *not zero*

12 (2) GAMING ECONOMIC DEVELOPMENT GRANTS AND LOANS. The treatment of sections
13 20.143 (1) (ig) and (kj), 20.505 (8) (h) (by SECTION) and 560.137 of the statutes takes
14 effect on July 1, 2001.

15 (END)

, 560.87(6) and 560.875(i)

D. note

Insert 6-7

auto ref A

auto ref B

Insert 6-7 ✓

182

Section #. 560.87 (6) of the statutes is amended to read:

(Kh) ✓ ←

560.87 (6) From the appropriation under s. 20.143 (1) ~~(dh)~~, make an annual grant to the Great Lakes inter-tribal council in an amount equal to the amount appropriated under s. 20.143 (1) ~~(dh)~~ to partially fund in the Great Lakes inter-tribal council a liaison between American Indians, Indian businesses and Indian tribes interested in targeted programs and the state agencies that administer targeted programs.

History: 1991 a. 39 ss. 3434e, 3434k.



cont.
Next page

Ins 6-7 contd

2002

Section #. 560.875 (1) of the statutes is amended to read:

560.875 (1) Annually, the department shall grant to the Great Lakes inter-tribal council the amount appropriated under s. 20.143 (1) ~~(d)~~ ^(Kf) to partially fund a program to provide technical assistance for economic development on Indian reservations if the conditions under subs. (2) and (3) are satisfied.

~~History: 1991 a. 39, 261; 1995 a. 27.~~

(end of ins 6-7)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0824/rdn ^{PI}

PJK:j:.....

WJ/Kmg

1. Let me know if you want any different language for the new program. Do you want to limit the amounts of the grants and loans?

2. I talked to Paul Nilsen about the "Class B" license language since he deals with it in his drafting area. He mentioned that there are also "Class C" licenses that are issued after the quota for "Class B" licenses has been reached. These licenses are issued to restaurants that serve wine. He wondered if you might want to include holders of "Class C" licenses as eligible recipients too.

Pamela J. Kahler
Senior Legislative Attorney
266-2682

1999 DRAFTING REQUEST

Bill

Received: 11/11/98

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 - Creating a program to provide grants and low-interest loans to businesses negatively impacted by casinos and low-interest loans to businesses in the same county as a casino (Indian gaming initiative)

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 11/11/98	wjackson 11/18/98		_____			State
/P1			jfrantze 11/19/98	_____	lrb_docadmin 11/19/98		

FE Sent For:

<END>

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

LRB-0824/P1dn
PJK:wlj&kmg:jf

November 18, 1998

1. Let me know if you want any different language for the new program. Do you want to limit the amounts of the grants and loans?

2. I talked to Paul Nilsen about the "Class B" license language since he deals with it in his drafting area. He mentioned that there are also "Class C" licenses that are issued after the quota for "Class B" licenses has been reached. These licenses are issued to restaurants that serve wine. He wondered if you might want to include holders of "Class C" licenses as eligible recipients too.

Pamela J. Kahler
Senior Legislative Attorney
266-2682



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0824/01

PJK:wik/ang/f

WJE/KMG

r mly/ren

DOA.....Justus - Creating a program to provide grants and low-interest loans to businesses negatively impacted by casinos and low-interest loans to businesses in the same county as a casino (Indian gaming initiative)

FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

SOON
(11-19)
J-note

do not
gen cat

1 AN ACT relating to: the use of Indian gaming revenue for a program to provide
2 grants and loans to businesses affected by Indian gaming and making an
3 appropriation.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under current law, all Indian gaming receipts are deposited into an appropriation to the department of administration (DOA). This bill requires transfers from that appropriation for various purposes.

This bill creates a grant and loan program to be administered by the department of commerce (department). The department may make a grant or low-interest loan to a person who holds a "Class B" license, which authorizes the retail sale of intoxicating liquor to be consumed on or off the premises where sold, if the department determines that the premises to which the license applies have been negatively impacted by a casino that is operated by an American Indian tribe or band. The department may also make a low-interest loan to a business that is

located in the same county as a casino that is operated by an American Indian tribe or band. The recipient of a grant or low-interest loan must use the proceeds to expand business and job opportunities; submit a detailed plan, which must be approved, for the use of the proceeds; and enter into an agreement with the department related to the use of the proceeds and reporting and auditing requirements. Moneys for the grant and loan program come from the DOA appropriation into which is deposited Indian gaming receipts.

Also under current law, three appropriations to the department of commerce relate to economic development for American Indians: one is for an annual grant for a liaison between American Indians and state agencies administering programs assisting American Indians; another is for a program that provides various types of information and assistance to American Indians; and the third is for an annual grant to provide technical assistance for economic development on Indian reservations. All of these appropriations are funded from general purpose revenue. The bill changes the source of the funding to the DOA appropriation into which is deposited Indian gaming receipts.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

SECTION 1. 20.143 (1) (df) of the statutes is renumbered 20.143 (1) (kf) and amended to read:

20.143 (1) (kf) *American Indian economic development; technical assistance.*

The amounts in the schedule for grants under s. 560.875 (1). All moneys transferred from s. 20.505 (8) (f) shall be credited to this appropriation account.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 2. 20.143 (1) (dg) of the statutes is renumbered 20.143 (1) (kg) and amended to read:

20.143 (1) (kg) *American Indian economic development; liaison.* The amounts in the schedule for the American Indian economic liaison program under s. 560.87,

other than for grants under s. 560.87 (6). All moneys transferred from s. 20.505 (8) (f) shall be credited to this appropriation account.

the appropriation account under

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hm → kf
hm → kg

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1 SECTION 3. 20.143 (1) (dh) of the statutes is renumbered 20.143 (1) (kh) and
2 amended to read:

3 20.143 (1) (kh) ~~American Indian economic development; liaison grants.~~ The
4 amounts in the schedule for grants under s. 560.87 (6) ~~All moneys transferred from~~
5 s. 20.505 (8) (a) ^{hm -> ch. j} shall be credited to this appropriation account.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 SECTION 4. 20.143 (1) (ig) of the statutes is created to read:
7 20.143 (1) (ig) *Gaming economic development grants and loans; repayments.*
8 All moneys received in repayment of loans under s. 560.137 to be used for grants and
9 loans under s. 560.137.

→ NOTE: Bud ←
****NOTE: This SECTION involves a change in an appropriation, but should not be reflected in the revised schedule in s. 20.005, stats, because of a delayed effective date.

10 SECTION 5. 20.143 (1) (kj) of the statutes is created to read:
11 20.143 (1) (kj) *Gaming economic development grants and loans.* The amounts
12 in the schedule for grants and loans under s. 560.137. All moneys transferred from
13 s. 20.505 (8) (a) ^{hm -> 6j} shall be credited to this appropriation account.

→ NOTE: Bud ←
****NOTE: This SECTION involves a change in an appropriation, but should not be reflected in the revised schedule in s. 20.005, stats, because of a delayed effective date.

14 SECTION 6. 20.505 (8) (h) of the statutes is amended to read:
15 20.505 (8) (h) *General program operations; Indian gaming.* The amounts in the
16 schedule for general program operations under ch. 569. All Indian gaming receipts,
17 as defined in s. 569.01 (1m), less the amounts appropriated under s. 20.455 (2) (gc),
18 shall be credited to this appropriation account. Annually, of the moneys received
19 under this appropriation account, an amount equal to 50% of the amount in the
20 schedule under s. 20.435 (7) (kg) shall be transferred to the appropriation account

the appropriation account under

the appropriation account under

1 ~~under s. 20.435 (7) (kg). Annually, of the moneys received under this appropriation~~
2 ~~account, an amount equal to the amount in the schedule under s. 20.143 (1) (kf) shall~~
3 ~~be transferred to the appropriation account under s. 20.143 (1) (kf), an amount equal~~
4 ~~to the amount in the schedule under s. 20.143 (1) (kg) shall be transferred to the~~
5 ~~appropriation account under s. 20.143 (1) (kg) and an amount equal to the amount~~
6 ~~in the schedule under s. 20.143 (1) (kh) shall be transferred to the appropriation~~
7 ~~account under s. 20.143 (1) (kh).~~

****NOTE: I realize that the new language added to this appropriation will undoubtedly need to be changed since the amounts transferred out of the appropriation probably will be rationed, specified and not the amounts shown in the schedule.

8 **SECTION 7.** 20.505 (8) (h) of the statutes, as affected by 1999 Wisconsin Act
9 (this act), is amended to read:

10 20.505 (8) (h) *General program operations, Indian gaming.* The amounts in the
11 schedule for general program operations under ch. 569. All Indian gaming receipts,
12 as defined in s. 569.01 (1m), less the amounts appropriated under s. 20.455 (2) (gc),
13 shall be credited to this appropriation account. Annually, of the moneys received
14 under this appropriation account, an amount equal to 50% of the amount in the
15 schedule under s. 20.435 (7) (kg) shall be transferred to the appropriation account
16 under s. 20.435 (7) (kg). Annually, of the moneys received under this appropriation
17 account, an amount equal to the amount in the schedule under s. 20.143 (1) (kf) shall
18 be transferred to the appropriation account under s. 20.143 (1) (kf), an amount equal
19 to the amount in the schedule under s. 20.143 (1) (kg) shall be transferred to the
20 appropriation account under s. 20.143 (1) (kg) and, an amount equal to the amount
21 in the schedule under s. 20.143 (1) (kh) shall be transferred to the appropriation
22 account under s. 20.143 (1) (kh) and an amount equal to the amount in the schedule

1 ~~under s. 20.143 (1) (k) shall be transferred to the appropriation account under s.~~
2 ~~20.143 (1) (k).~~

Insert 5-2

3 SECTION 8. 560.137 of the statutes is created to read:

4 **560.137 Gaming economic development grants and loans.** (1) From the
5 appropriations under s. 20.143 (1) (ig) and (kj), the department may make a grant
6 or a low-interest loan to an eligible recipient specified in sub. (2) (a) and may make
7 a low-interest loan to an eligible recipient specified in sub. (2) (b), if all of the
8 following apply:

9 (a) The eligible recipient uses the grant or loan proceeds to expand business and
10 job opportunities.

11 (b) The eligible recipient submits to the department a detailed plan for the use
12 of the grant or loan proceeds and the secretary approves the plan.

13 (c) The eligible recipient enters into an agreement with the department that
14 specifies the conditions for the use of the grant or loan proceeds, including reporting
15 and auditing requirements.

16 (d) The eligible recipient agrees in writing to submit to the department, within
17 6 months after spending the full amount of the grant or loan, a report detailing how
18 the grant or loan proceeds were used.

19 (2) (a) The department may make a grant or low-interest loan under this
20 section to a person holding a "Class B" license under s. 125.51, if the department
21 determines that the premises described in the license have been negatively impacted
22 by a casino that is located in this state and that is operated by an American Indian
23 tribe or band.

1 (b) The department may make a low-interest loan under this section to a
2 business that is located in this state in a county in which is located a casino that is
3 operated by an American Indian tribe or band.

4 (9) The department shall deposit into the appropriation account under s.
5 20.143 (1) (ig) all moneys received in repayment of loans made under this section.

6 SECTION 9. 560.87 (6) of the statutes is amended to read:

7 560.87 (6) From the appropriation under s. 20.143 (1) (dh) (kh), make an
8 annual grant to the Great Lakes inter-tribal council in an amount equal to the
9 amount appropriated under s. 20.143 (1) (dh) (kh), to partially fund in the Great
10 Lakes inter-tribal council a liaison between American Indians, Indian businesses
11 and Indian tribes interested in targeted programs and the state agencies that
12 administer targeted programs.

13 SECTION 10. 560.875 (1) of the statutes is amended to read:

14 560.875 (1) Annually, the department shall grant to the Great Lakes
15 inter-tribal council the amount appropriated under s. 20.143 (1) (df) (kf) to partially
16 fund a program to provide technical assistance for economic development on Indian
17 reservations if the conditions under subs. (2) and (3) are satisfied.

18 SECTION 9410. Effective dates; commerce.

(hm) 6f., 6g. and 6h.

19 (1) AMERICAN INDIAN ECONOMIC DEVELOPMENT APPROPRIATIONS. The treatment of
20 sections 20.143 (1) (df), (dg) and (dh), 20.505 (8) ~~560.87 (6) and~~ 560.87 (6) and
21 560.875 (1) of the statutes takes effect on July 1, 2000.

22 (2) GAMING ECONOMIC DEVELOPMENT GRANTS AND LOANS. The treatment of
23 sections 20.143 (1) (ig) and (kj), 20.505 (8) ~~560.87 (6) and~~ 560.137 of the
24 statutes takes effect on July 1, ~~2001~~ 2000.

D-note

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0824/lins
PJK:wj&mgj

INSERT 5-2 ✓

SECTION 1. 20.505 (8) (hm) 6f. of the statutes is created to read:

20.505 (8) (hm) 6f. The amount transferred to s. 20.143 (1) (kf) shall be the amount in the schedule under s. 20.143 (1) (kf).

SECTION 2. 20.505 (8) (hm) 6g. of the statutes is created to read:

20.505 (8) (hm) 6g. The amount transferred to s. 20.143 (1) (kg) shall be the amount in the schedule under s. 20.143 (1) (kg).

SECTION 3. 20.505 (8) (hm) 6h. of the statutes is created to read:

20.505 (8) (hm) 6h. The amount transferred to s. 20.143 (1) (kh) shall be the amount in the schedule under s. 20.143 (1) (kh).

SECTION 4. 20.505 (8) (hm) 6j. of the statutes is created to read:

20.505 (8) (hm) 6j. The amount transferred to s. 20.143 (1) (kj) shall be the amount in the schedule under s. 20.143 (1) (kj).

****NOTE: The renumbering and amendment s. 20.143 (1) (df), (dg) and (dh) and the creation of ss. 20.143 (1) (kj) and 20.505 (8) (hm) 6f., 6g., 6h. and 6j. are based on the creation of s. 20.505 (8) (hm) in LRB-0757. If LRB-0757 is not included in the budget bill, the paragraphs and subdivisions mentioned above will have to be redrafted.

(end of ins 5-2)

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

LRB-0824/1dn
PJK:wj&king

wj & king

This redraft does the following:

1. Changes the appropriations to conform to the Indian gaming initiative format.
2. Changes the effective dates by moving all up one year.

Pamela J. Kahler
Senior Legislative Attorney
266-2682

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

LRB-0824/1dn
PJK:wlj&kmg:hmh

Friday, November 20, 1998

This redraft does the following:

1. Changes the appropriations to conform to the Indian gaming initiative format.
2. Changes the effective dates by moving all up one year.

Pamela J. Kahler
Senior Legislative Attorney
266-2682

CORRESPONDENCE MEMORANDUM

**STATE OF WISCONSIN
Department of Administration**

Post-it® Fax Note	671	Date	12/7	# of pages	2
To	Steve Miller +	From	Sarah		
Co./Dept.	Lam Kahle	Co.	SBO		
Phone #	LRB	Phone #	6-7329		
Fax #	4-8522	Fax #			

Date: December 7, 1998

To: Steve Miller
Chief, Legislative Reference Bureau

From: Sarah Justus
State Budget Office

Subject: Modification to LRB# 824, Commerce programs funded by Gaming

Please modify the draft to change the grant and loan programs to the following structure.

1) Grants and Loans to Negatively Impacted Businesses \$1,500,000

This program would require a new PR-S appropriation to receive \$1.5 million transferred from gaming revenues. The program would be administered by the Department of Commerce. Qualified businesses could apply to receive an early planning grant and/or fixed asset financing to improve the profitability of their business.

Qualified Business: An established business located in the same county or in a county adjacent to a county in which a casino is located. The business must show that it has been negatively impacted by the existence of the casino. The business must demonstrate a need for financing.

Early Planning Grant: (Modeled after the Rural Economic Development EPG)

Grants up to \$15,000 for professional services (see definition under 560.17 (1) (c)). Business would have to provide a 25% match except in cases of hardship (see 560.16 (4) (b)). There should be no requirement for job creation as there is under RED. The decisions on awarding grants will be made by the department.

Fixed Asset Financing: The department may award a grant or loan to a qualified business (same definition as above) of up to \$100,000. The department should have the authority to forgive loans under the program. The business would have to provide a 25% match except in cases of hardship (see above).

2) Grants and Loans for Economic Diversification Near Casinos \$2,500,000

This program will be piggybacked onto the Major Economic Development (MED) program under the WDF. A new PR-S appropriation under the WDF is needed to receive transfer of \$2.5 million from gaming revenue. This funding would be used exclusively for grants and loans under this section (a subsection to MED) to diversify the economies of communities in proximity to a casino through business expansion and/or job creation. The business must be expanding into or be located in the county or a county adjacent to the county in which the casino is located. Grants and loans would be awarded by the Development Finance Board under WDF. Under 560.66 (1), the board should consider, for this program, the effect of economic diversification in a community in proximity to a casino. The board should have the authority to forgive loans under this program. A match requirement will be specified by the

a mix of 25% may be required

~~board~~ department. The key here is to make it clear that we are targeting economic diversification because the companies applying may not compete well under the other criteria.

Please call me with questions.
Thanks.



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0824/2
PJK:wlj&kmg:hmh

*WV
this is run
5/19/95*

DOA:.....Justus - Creating a program to provide grants and low-interest loans to businesses negatively impacted by casinos and low-interest loans to businesses in the same county as a casino (Indian gaming initiative)

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

*SOON
(12-8)
D-note*

*do not
get cut*

- 1 AN ACT relating to: the use of Indian gaming revenue for a program to provide
- 2 grants and loans to businesses affected by Indian gaming and making an
- 3 appropriation.

**Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT**

ECONOMIC DEVELOPMENT

Under current law, all Indian gaming receipts are deposited into an appropriation to the department of administration (DOA). This bill requires transfers from that appropriation for various purposes.

The bill creates a grant and loan program to be administered by the department of commerce (department). The department may make a grant or low-interest loan to a person who holds a "Class B" license, which authorizes the retail sale of intoxicating liquor to be consumed on or off the premises where sold, if the department determines that the premises to which the license applies have been negatively impacted by a casino that is operated by an American Indian tribe or band. The department may also make a low-interest loan to a business that is

two
The

Under one program, the

Quest 19

located in the same county as a casino that is operated by an American Indian tribe or band. The recipient of a grant or low-interest loan must use the proceeds to expand business and job opportunities; submit a detailed plan which must be approved by the department; and enter into an agreement with the department related to the use of the proceeds and reporting and auditing requirements. Moneys for the grant and loan program come from the DOA appropriation into which is deposited Indian gaming receipts.

Also under current law, three appropriations to the department of commerce relate to economic development for American Indians: one is for an annual grant for a liaison between American Indians and state agencies administering programs assisting American Indians; another is for a program that provides various types of information and assistance to American Indians; and the third is for an annual grant to provide technical assistance for economic development on Indian reservations. All of these appropriations are funded from general purpose revenue. The bill changes the source of the funding to the DOA appropriation into which is deposited Indian gaming receipts.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

Quest 2-1

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

1 SECTION 1. 20.143 (1) (df) of the statutes is renumbered 20.143 (1) (kf) and
2 amended to read:

3 20.143 (1) (kf) *American Indian economic development; technical assistance.*
4 The amounts in the schedule for grants under s. 560.875 (1). All moneys transferred
5 from the appropriation account under s. 20.505 (8) (hm) 6f. shall be credited to this
6 appropriation account.

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

7 SECTION 2. 20.143 (1) (dg) of the statutes is renumbered 20.143 (1) (kg) and
8 amended to read:

9 20.143 (1) (kg) *American Indian economic development; liaison.* The amounts
10 in the schedule for the American Indian economic liaison program under s. 560.87,
11 other than for grants under s. 560.87 (6). All moneys transferred from the

1 ~~appropriation account under s. 20.505 (8) (hm) 6g. shall be credited to this~~
2 ~~appropriation account.~~

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

3 SECTION 3. 20.143 (1) (dh) of the statutes is renumbered 20.143 (1) (kh) and
4 amended to read:

5 20.143 (1) (kh) *American Indian economic development; liaison — grants.* The
6 amounts in the schedule for grants under s. 560.87 (6). All moneys transferred from
7 the appropriation account under s. 20.505 (8) (hm) 6h. shall be credited to this
8 appropriation account.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9 SECTION 4. 20.143 (1) (ig) of the statutes is created to read:

10 20.143 (1) (ig) *Gaming economic development grants and loans; repayments.*
11 All moneys received in repayment of loans under s. 560.137 to be used for grants and
12 loans under s. 560.137.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

13 SECTION 5. 20.143 (1) (kj) of the statutes is created to read:

14 20.143 (1) (kj) *Gaming economic development grants and loans.* The amounts
15 in the schedule for grants and loans under s. 560.137. All moneys transferred from
16 the appropriation account under s. 20.505 (8) (hm) 6j. shall be credited to this
17 appropriation account.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

18 SECTION 6. 20.505 (8) (hm) 6f. of the statutes is created to read:

19 20.505 (8) (hm) 6f. The amount transferred to s. 20.143 (1) (kf) shall be the
20 amount in the schedule under s. 20.143 (1) (kf).

Insert 3-8

Insert 3-17

1 SECTION 7. 20.505 (8) (hm) 6g. of the statutes is created to read:

2 20.505 (8) (hm) 6g. The amount transferred to s. 20.143 (1) (kg) shall be the
3 amount in the schedule under s. 20.143 (1) (kg).

4 SECTION 8. 20.505 (8) (hm) 6h. of the statutes is created to read:

5 20.505 (8) (hm) 6h. The amount transferred to s. 20.143 (1) (kh) shall be the
6 amount in the schedule under s. 20.143 (1) (kh).

7 SECTION 9. 20.505 (8) (hm) 6j. of the statutes is created to read:

8 20.505 (8) (hm) 6j. The amount transferred to s. 20.143 (1) (kj) shall be the
9 amount in the schedule under s. 20.143 (1) (kj).

Insert 4-9
and (km)

NOTE: The renumbering and amendment s. 20.143 (1) (df), (dg) and (dh) and the
creation of ss. 20.143 (1) (kj) and 20.505 (8) (hm) 6f, 6g, 6h, and 6j are based on the
creation of s. 20.505 (8) (hm) in LRB-0757. If LRB-0757 is not included in the budget
bill, the paragraphs and subdivisions mentioned above will have to be redrafted.

10 SECTION 10. 560.137 of the statutes is created to read:

11 **560.137 Gaming economic development grants and loans.** (1) From the
12 appropriations under s. 20.143 (1) (ig) and (kj), the department may make a grant
13 or a low-interest loan to an eligible recipient specified in sub. (2) (a) and may make
14 a low-interest loan to an eligible recipient specified in sub. (2) (b), if all of the
15 following apply:
16 (a) The eligible recipient uses the grant or loan proceeds to expand business and
17 job opportunities.
18 (b) The eligible recipient submits to the department a detailed plan for the use
19 of the grant or loan proceeds and the secretary approves the plan.
20 (c) The eligible recipient enters into an agreement with the department that
21 specifies the conditions for the use of the grant or loan proceeds, including reporting
22 and auditing requirements.

1 (d) The eligible recipient agrees in writing to submit to the department, within
 2 6 months after spending the full amount of the grant or loan, a report detailing how
 3 the grant or loan proceeds were used.

4 ~~(2) (a) The department may make a grant or low-interest loan under this
 5 section to a person holding a "Class B" license under s. 125.51, if the department
 6 determines that the premises described in the license have been negatively impacted
 7 by a casino that is located in this state and that is operated by an American Indian
 8 tribe or band.~~

9 ~~(b) The department may make a low-interest loan under this section to a
 10 business that is located in this state in a county in which is located a casino that is
 11 operated by an American Indian tribe or band.~~

12 (3) The department shall deposit into the appropriation account under s.
 13 20.143 (1) (ig) all moneys received in repayment of loans made under this section.

Insert 5-13

14 **SECTION 11.** 560.87 (6) of the statutes is amended to read:

15 560.87 (6) From the appropriation under s. 20.143 (1) ~~(dh)~~ (kh), make an
 16 annual grant to the Great Lakes inter-tribal council in an amount equal to the
 17 amount appropriated under s. 20.143 (1) ~~(dh)~~ (kh), to partially fund in the Great
 18 Lakes inter-tribal council a liaison between American Indians, Indian businesses
 19 and Indian tribes interested in targeted programs and the state agencies that
 20 administer targeted programs.

21 **SECTION 12.** 560.875 (1) of the statutes is amended to read:

22 560.875 (1) Annually, the department shall grant to the Great Lakes
 23 inter-tribal council the amount appropriated under s. 20.143 (1) ~~(df)~~ (kf) to partially
 24 fund a program to provide technical assistance for economic development on Indian
 25 reservations if the conditions under subs. (2) and (3) are satisfied.

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SECTION 9410. Effective dates, commerce.

(1) AMERICAN INDIAN ECONOMIC DEVELOPMENT APPROPRIATIONS. The treatment of sections 20.143 (1) (df), (dg) and (dh), 20.505 (8) (hm) 6f, 6g, and 6h, 560.87 (6) and 560.875 (1) of the statutes takes effect on July 1, 2000.

(2) GAMING ECONOMIC DEVELOPMENT GRANTS AND LOANS. The treatment of sections 20.143 (1) (ig) and (j), 20.505 (8) (hm) 6j and 560.187 of the statutes takes effect on July 1, 2000.

(END)

(c), (ia), (ie)

560.60(4), 560.61(1) and 560.66(1)(intro.)
and (lm)

D-note

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

2
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PJK:wj&kmg:hmh

(All inserts but 5-13)

INSERT A

that does not exceed \$15,000 to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by an American Indian tribe or band. The grant must be used for ~~such~~ professional services, such as engineering studies, feasibility studies, marketing assistance or legal or accounting services. The department may also make a grant or loan for fixed asset financing to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by an American Indian tribe or band. The grant or loan may not exceed \$100,000. For any grant or loan under the program, the department must determine that the business has been negatively impacted by the existence of the casino and that the business has a need for the grant or loan to improve its profitability. Unless the department waives the requirement for financial hardship reasons, any business receiving a grant or loan must provide matching funds for 25% of the cost of the project.

Under the other grant and loan program, the development finance board awards, and the department pays, grants and loans to businesses that ~~are~~ are ineligible for any other grants or loans awarded under the Wisconsin development fund. To be eligible for one of the new grants or loans, a business must be located in, or expanding into, a county in which is located a casino that is operated by an American Indian tribe or band, or a county that is adjacent to such a county. The project that the grant or loan will be used for must be one that is necessary to retain or increase a significant number of jobs, one that will lead to significant capital investment in this state or one that will make a significant contribution to the economy of this state. The overall purpose of the grant or loan must be to promote diversification of the economy of a community in proximity to a casino.

(END OF INSERT A)

INSERT 2-1

SECTION 1. 20.143 (1) (c) of the statutes, as affected by 1997 Wisconsin Act 237, section 24, and 1997 Wisconsin Act 310, section 1c, is amended to read:

20.143 (1) (c) *Wisconsin development fund; grants, loans, reimbursements and assistance.* As a continuing appropriation, the amounts in the schedule for grants under s. 560.615, for grants and loans under ss. 560.62, 560.63 and 560.66; for grants under s. 560.145; for loans under s. 560.147; for grants under s. 560.16; for reimbursements under s. 560.167; for providing assistance under s. 560.06; for the loans under 1997 Wisconsin Act 27, section 9110 (7f), and 1997 Wisconsin Act 310,

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LEGISLATIVE REFERENCE BUREAU

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PJK:wj&kmg:hmr

INSERT 2-1 ✓

SECTION 1. 20.143 (1) (c) ✓ of the statutes, as affected by 1997 Wisconsin Act 237, ✓
section 24, and 1997 Wisconsin Act 310, section 1c, is amended to read:

20.143 (1) (c) *Wisconsin development fund; grants, loans, reimbursements and assistance.* As a continuing appropriation, the amounts in the schedule for grants under s. 560.615; for grants and loans under ss. 560.62, 560.63 and 560.66; for grants under s. 560.145; for loans under s. 560.147; for grants under s. 560.16; for reimbursements under s. 560.167; for providing assistance under s. 560.06; for the loans under 1997 Wisconsin Act 27, section 9110 (7f), and 1997 Wisconsin Act 310, section 2 (2d); and for the grants under 1995 Wisconsin Act 27, section 9116 (7gg), 1995 Wisconsin Act 119, section 2 (1), 1997 Wisconsin Act 27, section 9110 (6g), and 1997 Wisconsin Act 237, section 9110 (1) and (2f). Of the amounts in the schedule, \$50,000 shall be allocated in each of fiscal years 1997-98, 1998-99 and 1999-2000 for providing the assistance under s. 560.06. Notwithstanding s. 560.62 (4), of the amounts in the schedule, \$125,000 shall be allocated in each of 4 consecutive fiscal years, beginning with fiscal year 1998-99, for grants and loans under s. 560.62 (1) (a).

NOTE: NOTE: Par. (c) is shown as affected by 1997 Wis. Acts 237 and 310 eff. 7-15-98 and as merged by the revisor under s. 13.93 (2) (c). Par. (c) is repealed and recreated eff. 6-30-99 by 1997 Wis. Act 237 to read as follows. The bracketed language was inserted by 1997 Wis. Act 310 and was not taken into account by 1997 Wis. Act 237. Corrective legislation is pending. NOTE:

(c) *Wisconsin development fund; grants, loans, reimbursements and assistance.* Biennially, the amounts in the schedule for grants under s. 560.615; for grants and loans under ss. 560.62, 560.63 and 560.66; for grants under s. 560.145; for loans under s. 560.147; for grants under s. 560.16; for reimbursements under s. 560.167; for providing assistance under s. 560.06; for the loan [loans] under 1997 Wisconsin Act 27, section 9110 (7f) [, and 1997 Wisconsin Act 310, section 2 (2d)]; and for the grants under 1995 Wisconsin Act 27, section 9116 (7gg), 1995 Wisconsin Act 119, section 2 (1), and 1997 Wisconsin Act 27, section 9110 (6g). Of the amounts in the schedule, \$50,000 shall be allocated in each of fiscal years 1997-98, 1998-99 and 1999-2000 for providing the assistance under s. 560.06. Notwithstanding s. 560.62 (4), of the amounts in the schedule, \$125,000 shall be allocated in each of 4 consecutive fiscal years, beginning with fiscal year 1998-99, for grants and loans under s. 560.62 (1) (a).

NOTE: NOTE: Par. (c) is repealed and recreated eff. 7-1-99 by 1997 Wis. Act 310 to read as follows. The bracketed language was inserted by 1997 Wis. Act 237 and was not taken into account by 1997 Wis. Act 310. Corrective legislation is pending. NOTE:

(c) *Wisconsin development fund; grants, loans, reimbursements and assistance.* Biennially, the amounts in the schedule for grants under s. 560.615; for grants and loans under ss. 560.62, 560.63 and 560.66 (1); for grants under s. 560.145; for loans under s. 560.147; for grants under s. 560.16;

No
(B)

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plain semicolon

Ens. 2-1 contd

No (B)

for reimbursements under s. 560.167; for providing assistance under s. 560.06; for the loan under 1997 Wisconsin Act 27, section 9110 (7f); and for the grants under 1995 Wisconsin Act 27, section 9116 (7gg), 1995 Wisconsin Act 119, section 2 (1), and 1997 Wisconsin Act 27, section 9110 (6g). Of the amounts in the schedule, \$50,000 shall be allocated in each of fiscal years 1997-98, 1998-99 and 1999-2000 for providing the assistance under s. 560.06. Notwithstanding s. 560.62 (4), of the amounts in the schedule, \$125,000 shall be allocated in each of 4 consecutive fiscal years, beginning with fiscal year 1998-99, for grants and loans under s. 560.62 (1) (a).

History: 1979 c. 361; 1981 c. 20, 21, 349; 1983 a. 27, 83, 192, 381; 1985 a. 29 ss. 169 to 204, 3202 (14); 1985 a. 120, 332, 334; 1987 a. 27, 109, 317, 318, 399, 403; 1989 a. 31, 185, 237, 317, 325, 335, 336, 342, 359; 1991 a. 39, 259, 261, 269, 315; 1993 a. 5, 16, 75, 110, 232, 437; 1995 a. 27 ss. 483, 505 to 517, 608s, 609g, 609j, 964, 965, 977, 987, 988, 990 to 993, 1080b, 1085b, 1086b, 9116 (5); 1995 a. 116, 119, 216, 227; 1997 a. 9, 27, 35, 215, 237, 252, 310; s. 13.93 (2) (c).

(END OF INSERT 2-1

INSERT 3-8 ✓

SECTION 2. 20.143 (1) (id) ✓ of the statutes is created to read:

20.143 (1) (id) ✓ *Major economic development gaming revenue projects; repayments.* All moneys received in repayment of loans under s. 560.66 (1m) ✓ to be used for grants and loans under s. 560.66 (1m).

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 3. 20.143 (1) (ie) ✓ of the statutes is amended to read:

20.143 (1) (ie) *Wisconsin development fund, repayments.* All moneys received in repayment of grants or loans under s. 560.085 (4) (b), 1985 stats., s. 560.147, s. 560.16, 1995 stats., s. 560.165, 1993 stats., subch. V of ch. 560 except s. ss. 560.65 and 560.66 (1m) ✓, 1989 Wisconsin Act 336, section 3015 (1m), 1989 Wisconsin Act 336, section 3015 (2m), 1989 Wisconsin Act 336, section 3015 (3gx), 1997 Wisconsin Act 27, section 9110 (7f), and 1997 Wisconsin Act 310, section 2 (2d), to be used for grants and loans under subch. V of ch. 560 except s. ss. 560.65 and 560.66 (1m) ✓, for loans

Ens 3-8 cont'd

under s. 560.147, for grants under s. 560.16, for the loans under 1997 Wisconsin Act 27, section 9110 (7f), and 1997 Wisconsin Act 310, section 2 (2d), and for reimbursements under s. 560.167.

NOTE: NOTE: Par. (e) is shown as affected by two acts of the 1997 legislature and as merged by the revisor under s. 13.93 (2) (c).NOTE:

History: 1979 c. 361; 1981 c. 20, 21, 349; 1983 a. 27, 83, 192, 381; 1985 a. 29 ss. 169 to 204, 3202 (14); 1985 a. 120, 332, 334; 1987 a. 27, 109, 317, 318, 399, 403; 1989 a. 31, 185, 237, 317, 325, 335, 336, 342, 359; 1991 a. 39, 259, 261, 269, 315; 1993 a. 5, 16, 75, 110, 232, 437; 1995 a. 27 ss. 483, 505 to 517, 608s, 609g, 609j, 964, 965, 977, 987, 988, 990 to 993, 1080b, 1085b, 1086b, 9116 (5); 1995 a. 116, 119, 216, 227; 1997 a. 9, 27, 35, 215, 237, 252, 310; s. 13.93 (2) (c).

(END OF INSERT 3-8)

INSERT 3-17 ✓

SECTION 4. 20.143 (1) (km) of the statutes is created to read:

20.143 (1) (km) *Major economic development gaming revenue projects.* The amounts in the schedule for grants and loans under s. 560.66 (1m). All moneys transferred from the appropriation account under s. 20.505 (8) (hm) 6m. shall be credited to this appropriation account.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

(END OF INSERT 3-17)

INSERT 4-9 ✓

SECTION 5. 20.505 (8) (hm) 6m. of the statutes is created to read:

20.505 (8) (hm) 6m. The amount transferred to s. 20.143 (1) (km) shall be the amount in the schedule under s. 20.143 (1) (km).

(END OF INSERT 4-9)

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

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PJK:wj&kmg:hmb

INSERT 5-13

in this state

1063

560.137 ^{✓✓} Gaming economic development grants and loans. (1) In this section:

(a) "Professional services" has the meaning given in s. 560.17 (1) (c). ✓

→ (b) "Qualified business" means an existing business that is located in this state in a county, or in a county that is adjacent to a county, in which is located a casino that is operated by an American Indian tribe or band.

(2) Subject to subs. (3) and (4), from the appropriations under s. 20.143 (1) (ig) and (kj), the department may do all of the following: ✓✓

(a) Make a grant that does not exceed \$15,000 to a qualified business for professional services.

(b) Make a grant or loan that does not exceed \$100,000 to a qualified business for fixed asset financing.

(3) The department may not make a grant or loan to a qualified business under this section unless the department determines all of the following:

(a) That the qualified business has been negatively impacted by the existence of the casino.

(b) That the qualified business has a legitimate need for the grant or loan to improve the profitability of the business.

(4) As a condition of approval of a grant or loan under this section, the department shall require that the qualified business provide matching funds for at least 25% of the cost of the project. The department may waive the requirement under this subsection if the department determines that the qualified business is subject to extreme financial hardship.

Ans 5-13 contd

283

(5) (a) The department shall deposit into the appropriation account under s. 20.143 (1) (ig) all moneys received in repayment of loans made under this section.

(b) The department may forgive all or any part of a loan made under this section.

SECTION 1. 560.60 (4) of the statutes is amended to read:

560.60 (4) "Eligible recipient" means a governing body or a person who is eligible to receive a grant under s. 560.615, a grant or loan under s. 560.62, a grant or loan under s. 560.63 or, a grant or loan under s. 560.65 or a grant or loan under s. 560.66 (1m).

History: 1987 a. 27, 399; 1989 a. 31; 1991 a. 39; 1993 a. 16, 32; 1995 a. 27, 201; 1997 a. 27, 79.

SECTION 2. 560.61 (1) of the statutes is amended to read:

560.61 (1) Make a grant or loan to an eligible recipient for a project that meets the criteria for funding under s. 560.605 (1) and (2) and under s. 560.615, 560.62, 560.63, 560.65 or 560.66, whichever is appropriate, from the appropriations under s. 20.143 (1) (c), (cb), (id), (ie), (km), (s) and (sm).

History: 1987 a. 27, 399; 1989 a. 31, 335; 1991 a. 39; 1993 a. 16, 75; 1995 a. 27, 417; 1997 a. 27.

SECTION 3. 560.66 (1) (intro.) of the statutes is amended to read:

560.66 (1) (intro.) The board may award grants and loans under s. 560.61 to eligible recipients for any project that is not eligible for a grant or loan under sub. (1m) or s. 560.615, 560.62 or 560.63, if the board determines that the project is a major economic development project and considers all of the following:

History: 1987 a. 27, 399; 1989 a. 31; 1993 a. 16; 1997 a. 27.

SECTION 4. 560.66 (1m) of the statutes is created to read:

560.66 (1m) (a) The board may award a grant or loan under s. 560.61 to a business for any project that is not eligible for a grant or loan under s. 560.615, 560.62 or 560.63, if the board determines all of the following:

1. That the project is a major economic development project.

June 5-13 contd

3 of 3

2. That the business is located in, or expanding into, any of the following:

- a. A county in this state in which is located a casino that is operated by an American Indian tribe or band.
- b. A county in this state that is adjacent to a county in this state in which is located a casino that is operated by an American Indian tribe or band.

3. That the grant or loan is likely to promote diversification of the economy of a community in proximity to a casino through business expansion or job creation.

(b) In awarding a grant or loan under this subsection, the board shall consider all of the following:

- 1. All of the factors specified in sub. (1) (a) to (d).
✓ *✓*
- 2. The effects of economic diversification in a community in proximity to a casino.

****NOTE: This subsection does not mention the match requirement. A 25% match is required under s. 560.605 (1) (e) 1., which would apply to a grant or loan under this subsection. I assumed that language was okay.

(end of ins 5-13)

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

LRB-0824/2dn
PJK:wlj&kmg:hmh

↓
↓
stays

①
1. Even though you know the amounts that you want transferred to the PR-S appropriations, it is best to describe the amounts as "the amounts in the schedule", so that the subdivisions under s. 20.505 (8) (hm) do not have to be amended on a regular basis.

2. I kept FY 01 as the beginning fiscal year for the new grant and loan programs.

3. Notice that in describing the applicable counties under ss. 560.137 (1) (b) and ✓ 560.66 (1m) (a) 2, I provided for all counties to be in this state. Conceivably, a business could be in a county that is adjacent to a county in another state that has a casino. Do you want to include counties adjacent to counties in ~~the~~ other state?

in this state

Pamela J. Kahler
Senior Legislative Attorney
266-2682

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

LRB-0824/2dn
PJK:wlj&kmg:jf

December 9, 1998

1. Even though you know the amounts that you want transferred to the PR-S appropriations, it is best to describe the amounts as "the amounts in the schedule", so that the subdivisions under s. 20.505 (8) (hm) do not have to be amended on a regular basis.

2. I kept FY 01 as the beginning fiscal year for the new grant and loan programs.

3. Notice that, in describing the applicable counties under ss. 560.137 (1) (b) and 560.66 (1m) (a) 2., I provided for all counties to be in this state. Conceivably, a business could be in a county in this state that is adjacent to a county in another state that has a casino. Do you want to include counties adjacent to counties in other states?

Pamela J. Kahler
Senior Legislative Attorney
266-2682

CORRESPONDENCE MEMORANDUM**STATE OF WISCONSIN**
Department of Administration

Post-It* Fax Note	7671	Date	12/10	# of pages	1
To	Steve Miller	From	Sarah		
Co/Dept	Farm Kahler	Co.			
Phone #	LRB	Phone #	6-7329		
Fax #	4-8522	Fax #			

Date: December 10, 1998**To:** Steve Miller
Chief, Legislative Reference Bureau**From:** Sarah Justus
State Budget Office**Subject:** Modification to LRB Draft #824

Please modify draft #824 regarding gaming programs in the Department of Commerce. The intent is to change the economic diversification grant and loan program to make it a separate program, not associated with the Wisconsin Development Fund (WDF). Below are my suggestions on how to structure the program.

- Delete all references to the WDF
- Establish new appropriations for the economic diversification program, a PR-S for the transfer of gaming and a PR repayments appropriation.
- Establish the economic diversification program in a separate section with the following parameters:
 - Qualified business is located or expanding into a county in which a casino is located or an adjacent county.
 - The department may award grants or loans to a person for the purpose of diversification of the economy of a community in proximity to a casino.
 - Match requirement a minimum of 25%, department could set it higher.
 - The department should base its decision on the projects potential to retain or increase employment, provide for significant capital investment or its contribution to the economy of the community near the casino and the state.

Please call me with any questions.

Thanks



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0824/3
PJK:wj&k:gf

Handwritten initials and scribbles

DOA: Justus - Creating a program to provide grants and low-interest loans to businesses negatively impacted by casinos and low-interest loans to businesses in the same county as a casino (Indian gaming initiative)

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

SOON (12-11)

do not generate

or located in proximity to an Indian casino

1 AN ACT relating to: the use of Indian gaming revenue for programs to provide
2 grants and loans to businesses affected by Indian gaming and making an
3 appropriation.

**Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT**

ECONOMIC DEVELOPMENT

Under current law, all Indian gaming receipts are deposited into an appropriation to the department of administration (DOA). This bill requires transfers from that appropriation for various purposes.

The bill creates two grant and loan programs to be administered by the department of commerce (department). Under one program, the department may make a grant that does not exceed \$15,000 to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by an American Indian tribe or band. The grant must be used for professional services, such as engineering studies, feasibility studies, marketing assistance or legal or accounting services. The department may also make a grant or loan for fixed asset

financing to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by an American Indian tribe or band. The grant or loan may not exceed \$100,000. For any grant or loan under the program, the department must determine that the recipient business has been negatively impacted by the existence of the casino and that the recipient business has a need for the grant or loan to improve its profitability. Unless the department waives the requirement for financial hardship reasons, any business receiving a grant or loan must provide matching funds for 25% of the cost of the project. Money for both grant and loan programs come from the DOA appropriation into which is deposited Indian gaming receipts.

Under the other grant and loan program, the development finance board awards, and the department pays, grants and loans to businesses that are ineligible for any other grants or loans awarded under the Wisconsin development fund. To be eligible for one of the new grants or loans, a business must be located in, or expanding into, a county in which is located a casino that is operated by an American Indian tribe or band, or a county that is adjacent to such a county. The project that the grant or loan will be used for must be one that is necessary to retain or increase a significant number of jobs, one that will lead to significant capital investment in this state or one that will make a significant contribution to the economy of this state. The overall purpose of the grant or loan must be to promote diversification of the economy of a community in proximity to a casino.

Sweet A

Also under current law, three appropriations to the department of commerce relate to economic development for American Indians: one is for an annual grant for a liaison between American Indians and state agencies administering programs assisting American Indians; another is for a program that provides various types of information and assistance to American Indians; and the third is for an annual grant to provide technical assistance for economic development on Indian reservations. All of these appropriations are funded from general purpose revenue. The bill changes the source of the funding to the DOA appropriation into which is deposited Indian gaming receipts.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 SECTION 1. 20.143 (1) (c) of the statutes, as affected by 1997 Wisconsin Act 237,
 2 section 24, and 1997 Wisconsin Act 310, section 1c, is amended to read:
 3 20.143 (1) (c) Wisconsin development fund; grants, loans, reimbursements and
 4 assistance. Biennially, the amounts in the schedule for grants under s. 560.615; for
 5 grants and loans under ss. 560.62, 560.63 and 560.66 (1); for grants under s. 560.145;

1 ~~for loans under s. 560.147; for grants under s. 560.16; for reimbursements under s.~~
2 ~~560.167; for providing assistance under s. 560.06; for the loan under 1997 Wisconsin~~
3 ~~Act 27, section 9110 (7f); and for the grants under 1995 Wisconsin Act 27, section 9116~~
4 ~~(7gg), 1995 Wisconsin Act 119, section 2 (1), and 1997 Wisconsin Act 27, section 9110~~
5 ~~(6g). Of the amounts in the schedule, \$50,000 shall be allocated in each of fiscal years~~
6 ~~1997-98, 1998-99 and 1999-2000 for providing the assistance under s. 560.06.~~
7 ~~Notwithstanding s. 560.62 (4), of the amounts in the schedule, \$125,000 shall be~~
8 ~~allocated in each of 4 consecutive fiscal years, beginning with fiscal year 1998-99,~~
9 ~~for grants and loans under s. 560.62 (1) (a).~~

10 SECTION 2. 20.143 (1) (df) of the statutes is renumbered 20.143 (1) (kf) and
11 amended to read:

12 20.143 (1) (kf) *American Indian economic development; technical assistance.*

13 The amounts in the schedule for grants under s. 560.875 (1). All moneys transferred
14 from the appropriation account under s. 20.505 (8) (hm) 6f. shall be credited to this
15 appropriation account.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

16 SECTION 3. 20.143 (1) (dg) of the statutes is renumbered 20.143 (1) (kg) and
17 amended to read:

18 20.143 (1) (kg) *American Indian economic development, liaison.* The amounts
19 in the schedule for the American Indian economic liaison program under s. 560.87,
20 other than for grants under s. 560.87 (6). All moneys transferred from the
21 appropriation account under s. 20.505 (8) (hm) 6g. shall be credited to this
22 appropriation account.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1 Section 4. 20.143 (1) (dh) of the statutes is renumbered 20.143 (1) (kh) and
2 amended to read:

3 20.143 (1) (kh) ~~American Indian economic development liaison - grants.~~ The
4 amounts in the schedule for grants under s. 560.87 (6). All moneys transferred from
5 the appropriation account under ~~20.505 (8) (m) (h)~~ shall be credited to this
6 appropriation account.

7 ~~NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.~~

8 SECTION 5. 20.143 (1) (id) of the statutes is created to read:

9 20.143 (1) (id) ~~Master loan and development granting revenue projects~~
10 repayments. All moneys received in repayment of loans under s. 560.138
used for grants and loans under s. 560.138

11 ~~NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.~~

12 SECTION 6. 20.143 (1) (ie) of the statutes is amended to read:

13 20.143 (1) (ie) Wisconsin development fund, repayments. All moneys received
14 in repayment of grants or loans under s. 560.085 (4) (b), 1985 stats., s. 560.147, s.
15 560.16, 1995 stats., s. 560.165, 1993 stats., subch. V of ch. 560 except s. ss. 560.65 and
16 560.66 (1m), 1989 Wisconsin Act 336, section 3015 (1m), 1989 Wisconsin Act 336,
17 section 3015 (2m), 1989 Wisconsin Act 336, section 3015 (3gx), 1997 Wisconsin Act
18 27, section 9110 (7f), and 1997 Wisconsin Act 310, section 2 (2d), to be used for grants
19 and loans under subch. V of ch. 560 except s. ss. 560.65 and 560.66 (1m), for loans
20 under s. 560.147, for grants under s. 560.16, for the loans under 1997 Wisconsin Act
21 27, section 9110 (7f), and 1997 Wisconsin Act 310, section 2 (2d), and for
reimbursements under s. 560.167.

22 SECTION 7. 20.143 (1) (ig) of the statutes is created to read:

Saving economic diversification
grants and loans

1 20.143 (1) (ig) *Gaming economic development grants and loans; repayments.*
2 All moneys received in repayment of loans under s. 560.137 to be used for grants and
3 loans under s. 560.137.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4 SECTION 8. 20.143 (1) (kj) of the statutes is created to read:

5 20.143 (1) (kj) *Gaming economic development grants and loans.* The amounts
6 in the schedule for grants and loans under s. 560.137. All moneys transferred from
7 the appropriation account under s. 20.505 (8) (hm) 6j. shall be credited to this
8 appropriation account.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9 SECTION 9. 20.143 (1) (km) of the statutes is created to read:

10 20.143 (1) (km) *Major economic development gaming revenue projects.* The
11 amounts in the schedule for grants and loans under s. 560.137. All moneys
12 transferred from the appropriation account under s. 20.505 (8) (hm) 6m. shall be
13 credited to this appropriation account.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

14 SECTION 10. 20.505 (8) (hm) 6f. of the statutes is created to read:

15 20.505 (8) (hm) 6f. The amount transferred to s. 20.143 (1) (kf) shall be the
16 amount in the schedule under s. 20.143 (1) (kf).

17 SECTION 11. 20.505 (8) (hm) 6g. of the statutes is created to read:

18 20.505 (8) (hm) 6g. The amount transferred to s. 20.143 (1) (kg) shall be the
19 amount in the schedule under s. 20.143 (1) (kg).

20 SECTION 12. 20.505 (8) (hm) 6h. of the statutes is created to read:

I
Gaming economic diversification grants and loans

1 20.505 (8) (hm) 6h. The amount transferred to s. 20.143 (1) (kh) shall be the
2 amount in the schedule under s. 20.143 (1) (kh).

3 SECTION 13. 20.505 (8) (hm) 6j. of the statutes is created to read:

4 20.505 (8) (hm) 6j. The amount transferred to s. 20.143 (1) (kj) shall be the
5 amount in the schedule under s. 20.143 (1) (kj).

6 SECTION 14. 20.505 (8) (hm) 6m. of the statutes is created to read:

7 20.505 (8) (hm) 6m. The amount transferred to s. 20.143 (1) (km) shall be the
8 amount in the schedule under s. 20.143 (1) (km).

***NOTE: The renumbering and amendment s. 20.143 (1) (df), (dg) and (dh) and the
creation of ss. 20.143 (1) (kj) and (km) and 20.505 (8) (hm) 6f., 6g., 6h., 6j. and 6m. are
based on the creation of s. 20.505 (8) (hm) in LRB-0757. If LRB-0757 is not included in
the budget bill, the paragraphs and subdivisions mentioned above will have to be
redrafted.

9 SECTION 15. 560.137 of the statutes is created to read:

10 560.137 Gaming economic development grants and loans. (1) In this
11 section:

12 (a) "Professional services" has the meaning given in s. 560.17 (1) (c).

13 (b) "Qualified business" means an existing business that is located in this state
14 in a county, or in a county that is adjacent to a county in this state, in which is located
15 a casino that is operated by an American Indian tribe or band.

16 (2) Subject to subs. (3) and (4), from the appropriations under s. 20.143 (1) (ig)
17 and (kj), the department may do all of the following:

18 (a) Make a grant that does not exceed \$15,000 to a qualified business for
19 professional services.

20 (b) Make a grant or loan that does not exceed \$100,000 to a qualified business
21 for fixed asset financing.

- 1 (3) The department may not make a grant or loan to a qualified business under
- 2 this section unless the department determines all of the following:
- 3 (a) That the qualified business has been negatively impacted by the existence
- 4 of the casino.
- 5 (b) That the qualified business has a legitimate need for the grant or loan to
- 6 improve the profitability of the business.
- 7 (4) As a condition of approval of a grant or loan under this section, the
- 8 department shall require that the qualified business provide matching funds for at
- 9 least 25% of the cost of the project. The department may waive the requirement
- 10 under this subsection if the department determines that the qualified business is
- 11 subject to extreme financial hardship.
- 12 (5) (a) The department shall deposit into the appropriation account under s.
- 13 20.143 (1) (ig) all moneys received in repayment of loans made under this section.
- 14 (b) The department may forgive all or any part of a loan made under this
- 15 section.

16 **SECTION 16.** 560.60 (4) of the statutes is amended to read:

17 560.60 (4) "Eligible recipient" means a governing body or a person who is

18 eligible to receive a grant under s. 560.615, a grant or loan under s. 560.62, a grant

19 or loan under s. 560.63 or, a grant or loan under s. 560.65 or a grant or loan under

20 s. 560.66 (1m).

21 **SECTION 17.** 560.61 (1) of the statutes is amended to read:

22 560.61 (1) Make a grant or loan to an eligible recipient for a project that meets

23 the criteria for funding under s. 560.605 (1) and (2) and under s. 560.615, 560.62,

24 560.63, 560.65 or 560.66, whichever is appropriate, from the appropriations under

25 s. 20.143 (1) (c), (cb), (id), (ie), (km), (s) and (sm).

1 SECTION 18. 560.66 (1) (intro.) of the statutes is amended to read:

2 560.66 (1) (intro.) The board may award grants and loans under s. 560.61 to
3 eligible recipients for any project that is not eligible for a grant or loan under sub.
4 (1m) or s. 560.615, 560.62 or 560.63, if the board determines that the project is a
5 major economic development project and considers all of the following:

6 SECTION 19. 560.66 (1m) of the statutes is created to read:

7 560.66 (1m) (a) The board may award a grant or loan under s. 560.61 to a
8 business for any project that is not eligible for a grant or loan under s. 560.615, 560.62
9 or 560.63, if the board determines all of the following:

- 10 1. That the project is a major economic development project.
- 11 2. That the business is located in, or expanding into, any of the following:
 - 12 a. A county in this state in which is located a casino that is operated by an
 - 13 American Indian tribe or band.
 - 14 b. A county in this state that is adjacent to a county in this state in which is
 - 15 located a casino that is operated by an American Indian tribe or band.
- 16 3. That the grant or loan is likely to promote diversification of the economy of
- 17 a community in proximity to a casino through business expansion or job creation.

18 (b) In awarding a grant or loan under this subsection, the board shall consider
19 all of the following:

- 20 1. All of the factors specified in sub. (1) (a) to (d).
- 21 2. The effects of economic diversification in a community in proximity to a
- 22 casino.

-----NOTE: This subsection does not mention the match requirement. A 25% match is required under s. 560.605 (1) (e) 1., which would apply to a grant or loan under this subsection. I assumed that language was okay.

Insert 8-22

23 SECTION 20. 560.87 (6) of the statutes is amended to read:

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0824/3ins
PJK:wlj&kmg:jf

INSERT A ✓ ✓

Under the other grant and loan program, for the purpose of diversifying the economy of a community in proximity to a casino, the department may make a grant or loan to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by an American Indian tribe or band. In determining whether to award a grant or loan, the department must consider a project's potential to retain or increase jobs, potential for significant capital investment and contribution to the economy of the community in proximity to the casino and of the state. A business that receives a grant or loan must provide matching funds for at least 25% of the cost of the project. Moneys for both grant and loan programs come from the DOA appropriation into which is deposited Indian gaming receipts.

(END OF INSERT A)

INSERT 8-22 ✓

SECTION 1. 560.138[✓] of the statutes is created to read:

560.138 Gaming economic diversification grants and loans. (1) In this section, "qualified business" means an existing business that is located in, or expanding into, any of the following:

(a) A county in this state in which is located a casino that is operated by an American Indian tribe or band.

(b) A county in this state that is adjacent to a county in this state in which is located a casino that is operated by an American Indian tribe or band.

(2) (a) Subject to sub. (3)[✓], from the appropriations under s. 20.143 (1) (id)^{✓✓} and (km)^{✓✓}, the department may make a grant or loan to a qualified business for a project for the purpose of diversifying the economy of a community in proximity to a casino.

(b) In determining whether to award a grant or loan under this section, the department shall consider all of the following:

1. A project's potential to retain or increase the number of jobs.
2. A project's potential to provide for significant capital investment.

3. A project's contribution to the economy of the community in proximity to the casino and of the state.

(3) As a condition of approval of a grant or loan under this section, the department shall require that a qualified business provide matching funds for at least 25% of the cost of a project.

(4) The department shall deposit into the appropriation account under s. 20.143 (1) (id)^v all moneys received in repayment of loans made under this section.

(END OF INSERT 8-22)

Kahler, Pam

From: Justus, Sarah [sarah.justus@doa.state.wi.us]
Sent: Wednesday, January 13, 1999 10:50 AM
To: Kahler, Pam
Subject: draft changes

Draft #820 - Indian Gaming Revenue for Tourism: ^{3,400,000}

✓ -Gaming transfer for tourism programs: provide \$3,000,000 in FY00 and \$3,500,000 in FY01 and beyond. ^{4,500,000}

-I'd like to define area near gaming as the county in which the casino is located or an adjacent county

✓ -Brown County Grant: provide \$500,000 in FY00 and \$1,000,000 in FY01 and that's all.

✓ -Add under eligible uses of the \$3,000,000 gaming money the LCVB program laid out in draft #0994. I'd like to add this to #820 as opposed to doing another draft. Delete section 2 in the #994 draft because we set the match for JEM in #820 at 75% for businesses near gaming. Keep section 3 in there.

-Answers to ****notes in draft #994:
pg 4, line 2, I think twice annually would be good
pg 4, line 9, I think it's ok to let the department set a deadline for receiving applications each time they solicit them in the paper
pg 5, line 5, give me a call and lets discuss this one
pg 5, line 8, I think the name and address of the organization is sufficient

Lets limit grants under this program to a total of \$1,500,000 in each fiscal year. Can we leave it up to the department to make a rule as to how much could go to any one recipient? If it would be better to specify in the draft, give me a call to discuss the formula, the one they have using hotel rooms doesn't make much sense to me.

Commerce gaming drafts:
start the grants/loans to effected businesses in FY00 instead of FY01 but leave the grants/loans for economic diversification to start in FY01.

← 824

✓ Wheda gaming draft:
Put the one time transfer of funds in FY00 instead of FY01

← 821

Call me with questions.
Thanks,
Sarah
Sarah Justus
State Budget Office
266-7329

?
3 places -
change analysis too



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0824/4
PJK:wj&kg:ijs

h m vs ren

DOA:.....Justus - Creating a program to provide grants and low-interest loans to businesses negatively impacted by casinos and low-interest loans to businesses in the same county as a casino (Indian gaming initiative)

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

*SOON
(1-13)
D-date*

*do not
get out*

- 1 AN ACT relating to: the use of Indian gaming revenue for programs to provide
- 2 grants and loans to businesses affected by Indian gaming or located in
- 3 proximity to an Indian casino and making an appropriation.

Analysis by the Legislative Reference Bureau
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under current law, all Indian gaming receipts are deposited into an appropriation to the department of administration (DOA). This bill requires transfers from that appropriation for various purposes.

The bill creates two grant and loan programs to be administered by the department of commerce (department). Under one program, the department may make a grant that does not exceed \$15,000 to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by an American Indian tribe or band. The grant must be used for professional services, such as engineering studies, feasibility studies, marketing assistance or legal or accounting services. The department may also make a grant or loan for fixed asset

financing to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by an American Indian tribe or band. The grant or loan may not exceed \$100,000. For any grant or loan under the program, the department must determine that the recipient business has been negatively impacted by the existence of the casino and that the recipient business has a need for the grant or loan to improve its profitability. Unless the department waives the requirement for financial hardship reasons, any business receiving a grant or loan must provide matching funds for 25% of the cost of the project.

Under the other grant and loan program, for the purpose of diversifying the economy of a community in proximity to a casino, the department may make a grant or loan to a business that is located in a county, or in a county adjacent to a county, in which is located a casino that is operated by an American Indian tribe or band. In determining whether to award a grant or loan, the department must consider a project's potential to retain or increase jobs, potential for significant capital investment and contribution to the economy of the community in proximity to the casino and of the state. A business that receives a grant or loan must provide matching funds for at least 25% of the cost of the project. Moneys for both grant and loan programs come from the DOA appropriation into which is deposited Indian gaming receipts.

Also under current law, three appropriations to the department of commerce relate to economic development for American Indians: one is for an annual grant for a liaison between American Indians and state agencies administering programs assisting American Indians; another is for a program that provides various types of information and assistance to American Indians; and the third is for an annual grant to provide technical assistance for economic development on Indian reservations. All of these appropriations are funded from general purpose revenue. The bill changes the source of the funding to the DOA appropriation into which is deposited Indian gaming receipts.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

- 1 SECTION 1. 20.143 (1) (df) of the statutes is renumbered 20.143 (1) (kf) and
2 amended to read:
3 20.143 (1) (kf) *American Indian economic development; technical assistance.*
4 The amounts in the schedule for grants under s. 560.875 (1). All moneys transferred
5 from the appropriation account under s. 20.505 (8) (hm) 6f. shall be credited to this
6 appropriation account.

....NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1 **SECTION 2.** 20.143 (1) (dg) of the statutes is renumbered 20.143 (1) (kg) and
2 amended to read:

3 20.143 (1) (kg) *American Indian economic development; liaison.* The amounts
4 in the schedule for the American Indian economic liaison program under s. 560.87,
5 other than for grants under s. 560.87 (6). All moneys transferred from the
6 appropriation account under s. 20.505 (8) (hm) 6g. shall be credited to this
7 appropriation account.

....NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

8 **SECTION 3.** 20.143 (1) (dh) of the statutes is renumbered 20.143 (1) (kh) and
9 amended to read:

10 20.143 (1) (kh) *American Indian economic development; liaison — grants.* The
11 amounts in the schedule for grants under s. 560.87 (6). All moneys transferred from
12 the appropriation account under s. 20.505 (8) (hm) 6h. shall be credited to this
13 appropriation account.

....NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

14 **SECTION 4.** 20.143 (1) (id) of the statutes is created to read:

15 20.143 (1) (id) *Gaming economic diversification grants and loans; repayments.*
16 All moneys received in repayment of loans under s. 560.138 to be used for grants and
17 loans under s. 560.138.

....NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

18 **SECTION 5.** 20.143 (1) (ig) of the statutes is created to read:

1 20.143 (1) (ig) *Gaming economic development grants and loans; repayments.*
2 All moneys received in repayment of loans under s. 560.137 to be used for grants and
3 loans under s. 560.137.

 ****NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.

4 **SECTION 6.** 20.143 (1) (kj) of the statutes is created to read:

5 20.143 (1) (kj) *Gaming economic development grants and loans.* The amounts
6 in the schedule for grants and loans under s. 560.137. All moneys transferred from
7 the appropriation account under s. 20.505 (8) (hm) 6j. shall be credited to this
8 appropriation account.

 ****NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.

9 **SECTION 7.** 20.143 (1) (km) of the statutes is created to read:

10 20.143 (1) (km) *Gaming economic diversification grants and loans.* The
11 amounts in the schedule for grants and loans under s. 560.138. All moneys
12 transferred from the appropriation account under s. 20.505 (8) (hm) 6m. shall be
13 credited to this appropriation account.

 ****NOTE: This SECTION involves a change in an appropriation that must be
reflected in the revised schedule in s. 20.005, stats.

14 **SECTION 8.** 20.505 (8) (hm) 6f. of the statutes is created to read:

15 20.505 (8) (hm) 6f. The amount transferred to s. 20.143 (1) (kf) shall be the
16 amount in the schedule under s. 20.143 (1) (kf).

17 **SECTION 9.** 20.505 (8) (hm) 6g. of the statutes is created to read:

18 20.505 (8) (hm) 6g. The amount transferred to s. 20.143 (1) (kg) shall be the
19 amount in the schedule under s. 20.143 (1) (kg).

20 **SECTION 10.** 20.505 (8) (hm) 6h. of the statutes is created to read:

1 20.505 (8) (hm) 6h. The amount transferred to s. 20.143 (1) (kh) shall be the
2 amount in the schedule under s. 20.143 (1) (kh).

3 **SECTION 11.** 20.505 (8) (hm) 6j. of the statutes is created to read:

4 20.505 (8) (hm) 6j. The amount transferred to s. 20.143 (1) (kj) shall be the
5 amount in the schedule under s. 20.143 (1) (kj).

6 **SECTION 12.** 20.505 (8) (hm) 6m. of the statutes is created to read:

7 20.505 (8) (hm) 6m. The amount transferred to s. 20.143 (1) (km) shall be the
8 amount in the schedule under s. 20.143 (1) (km).

 ****NOTE: The renumbering and amendment s. 20.143 (1) (df), (dg) and (dh) and the
creation of ss. 20.143 (1) (kj) and (km) and 20.505 (8) (hm) 6f., 6g., 6h., 6j. and 6m. are
based on the creation of s. 20.505 (8) (hm) in LRB-0757. If LRB-0757 is not included in
the budget bill, the paragraphs and subdivisions mentioned above will have to be
redrafted.

9 **SECTION 13.** 560.137 of the statutes is created to read:

10 **560.137 Gaming economic development grants and loans.** (1) In this
11 section:

12 (a) "Professional services" has the meaning given in s. 560.17 (1) (c).

13 (b) "Qualified business" means an existing business that is located in this state
14 in a county, or in a county that is adjacent to a county in this state, in which is located
15 a casino that is operated by an American Indian tribe or band.

16 (2) Subject to subs. (3) and (4), from the appropriations under s. 20.143 (1) (ig)
17 and (kj), the department may do all of the following:

18 (a) Make a grant that does not exceed \$15,000 to a qualified business for
19 professional services.

20 (b) Make a grant or loan that does not exceed \$100,000 to a qualified business
21 for fixed asset financing.

1 (3) The department may not make a grant or loan to a qualified business under
2 this section unless the department determines all of the following:

3 (a) That the qualified business has been negatively impacted by the existence
4 of the casino.

5 (b) That the qualified business has a legitimate need for the grant or loan to
6 improve the profitability of the business.

7 (4) As a condition of approval of a grant or loan under this section, the
8 department shall require that the qualified business provide matching funds for at
9 least 25% of the cost of the project. The department may waive the requirement
10 under this subsection if the department determines that the qualified business is
11 subject to extreme financial hardship.

12 (5) (a) The department shall deposit into the appropriation account under s.
13 20.143 (1) (ig) all moneys received in repayment of loans made under this section.

14 (b) The department may forgive all or any part of a loan made under this
15 section.

16 **SECTION 14.** 560.138 of the statutes is created to read:

17 **560.138 Gaming economic diversification grants and loans.** (1) In this
18 section, "qualified business" means an existing business that is located in, or
19 expanding into, any of the following:

20 (a) A county in this state in which is located a casino that is operated by an
21 American Indian tribe or band.

22 (b) A county in this state that is adjacent to a county in this state in which is
23 located a casino that is operated by an American Indian tribe or band.

1 (2) (a) Subject to sub. (3), from the appropriations under s. 20.143 (1) (id) and
2 (km), the department may make a grant or loan to a qualified business for a project
3 for the purpose of diversifying the economy of a community in proximity to a casino.

4 (b) In determining whether to award a grant or loan under this section, the
5 department shall consider all of the following:

- 6 1. A project's potential to retain or increase the number of jobs.
- 7 2. A project's potential to provide for significant capital investment.
- 8 3. A project's contribution to the economy of the community in proximity to the
9 casino and of the state.

10 (3) As a condition of approval of a grant or loan under this section, the
11 department shall require that a qualified business provide matching funds for at
12 least 25% of the cost of a project.

13 (4) The department shall deposit into the appropriation account under s.
14 20.143 (1) (id) all moneys received in repayment of loans made under this section.

15 **SECTION 15.** 560.87 (6) of the statutes is amended to read:

16 560.87 (6) From the appropriation under s. 20.143 (1) ~~(dh)~~ (kh), make an
17 annual grant to the Great Lakes inter-tribal council in an amount equal to the
18 amount appropriated under s. 20.143 (1) ~~(dh)~~ (kh), to partially fund in the Great
19 Lakes inter-tribal council a liaison between American Indians, Indian businesses
20 and Indian tribes interested in targeted programs and the state agencies that
21 administer targeted programs.

22 **SECTION 16.** 560.875 (1) of the statutes is amended to read:

23 560.875 (1) Annually, the department shall grant to the Great Lakes
24 inter-tribal council the amount appropriated under s. 20.143 (1) ~~(df)~~ (kf) to partially

1 fund a program to provide technical assistance for economic development on Indian
2 reservations if the conditions under subs. (2) and (3) are satisfied.

3 **SECTION 9410. Effective dates; commerce.**

4 (1) AMERICAN INDIAN ECONOMIC DEVELOPMENT APPROPRIATIONS. The treatment of
5 sections 20.143 (1) (df), (dg) and (dh), 20.505 (8) (hm, 6f., 6g. and 6h), 560.87 (6) and
6 560.875 (1) of the statutes takes effect on July 1, 2000.

7 (2) GAMING ECONOMIC DEVELOPMENT AND DIVERSIFICATION GRANTS AND LOANS. The
8 treatment of sections 20.143 (1) (id, ~~ih~~ and (km), 20.505 (8) (hm) ~~6m~~
9 ~~560.137~~ and 560.138 of the statutes takes effect on July 1, 2000.

10 (END)

D note

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

LRB-0824/4dn
PJK:wj&ng:ijs
wj&ng

Sarah:

This redraft moves up the effective date of the draft to FY~~00~~, except for the gaming economic diversification grants and loans program (560.138) and related appropriations, which all become effective in FY~~00~~.

2000-01

Pamela J. Kahler
Senior Legislative Attorney
266-2682

A.
A ~~2000~~
1999-2000

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

LRB-0824/4dn
PJK:wlj&kg:ijs

January 14, 1999

Sarah:

This redraft moves up the effective date of the draft to FY 1999-2000, except for the gaming economic diversification grants and loans program (s. 560.138) and related appropriations, which all become effective in FY 2000-01.

Pamela J. Kahler
Senior Legislative Attorney
266-2682

Kahler, Pam

From: Justus, Sarah [sarah.justus@doa.state.wi.us]
Sent: Wednesday, January 20, 1999 12:01 PM
To: Kahler, Pam
Cc: Gates-Hendrix, Sherrie
Subject: changes to gaming drafts

Tourism Draft #820

Remove the Brown County arena grant from the draft:

- We no longer need to change the title of the appropriation to include "economic development"
- No longer need the non-statutory provision for the grant
- The total funds for the remaining tourism programs (direct marketing, JEM grants and LCVB grants) should be \$4,000,000 per year.

Commerce Draft (#824)

560.137 Gaming economic development grants and loans; should be available to a person instead of a business (so that Brown County would be eligible) we can still use the definition of qualified for where the person is located. There should be no mention of brown county, we'll do that outside of the budget.

The amounts in the schedule will be adjusted to add in the brown county amounts as well as additional amounts for the Racine/Kenosha grants, however this isn't reflected in the draft. Just for my clarification, the total amounts for gaming will be:

Tourism, draft #820	\$4,000,000	annually beginning in FY00	
Commerce draft (#824)	Negatively impacted persons program.....	\$2.75 million in FY00	
			\$3.25
million in FY01			\$1.5 million
annually FY02			
million annually, FY01	Economic Diversification program		\$2.5

Sarah Justus
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