



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0824/5
PJK:wlj&kg:ijs

v m i r u n

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
(1-21)
D-note*

*do not
gen cat* → *persons*

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~~ 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

→ *Insert A*

~~business~~
~~business~~
~~business~~
 financing to a ~~business~~ ^{person} 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~~ ^{person}" means ~~an existing business~~ ^{a person} 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~~ ^{person} 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.

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(3) The department may not make a grant or loan to a qualified ~~business~~^{person} 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.

(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.

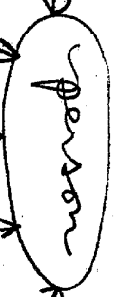
(b) The department may forgive all or any part of a loan made under this section.

SECTION 14. 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.



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

7 (END)

D-note

This redraft changes "business" to
"person" in s. 560.137 so that
more entities will be eligible for
the grants and loans.

PJK

Insert A ✓

no # person (defined in the statutes
~~to include~~ as including
all partnerships, associations
and bodies politic or
corporate)

(end of ins A)

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

LRB-0824/5dn
PJK:wj&kg:ijs

January 22, 1999

This redraft changes "business" to "person" in s. 560.137 so that more entities will be eligible for the grants and loans.

Pamela J. Kahler
Senior Legislative Attorney
266-2682

Kahler, Pam

From: Justus, Sarah
Sent: Monday, January 25, 1999 11:51 AM
To: Kahler, Pam
Subject: LRB #824

Please add language under each of the two grant/loan programs which states that any grants or loans for tourism businesses shall be awarded in consultation with the Department of Tourism.

Thanks
Sarah

Sarah Justus
State Budget Office
266-7329

*tourism - related bus.
or
bus related to tourism*



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0824/5
PJK:wlj&kg:ijs

r m is run

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
(1-25)
D-write*

*do not
get cut*

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

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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 person (defined in the statutes as including all partnerships, associations and bodies politic or corporate) 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

a federally recognized

in this state

legal or accounting services. The department may also make a grant or loan for fixed asset financing to a person located in a county, or in a county adjacent to a county, in which is located a casino that is operated by ~~a~~ 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 has been negatively impacted by the existence of the casino and that the recipient has a need for the grant or loan to improve its profitability. Unless the department waives the requirement for financial hardship reasons, any person 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 ~~a~~ 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

a federally recognized

in this state

1 from the appropriation account under s. 20.505 (8) (hm) 6f. 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 2. 20.143 (1) (dg) of the statutes is renumbered 20.143 (1) (kg) and
4 amended to read:

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

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

17 20.143 (1) (id) *Gaming economic diversification grants and loans; repayments.*
18 All moneys received in repayment of loans under s. 560.138 to be used for grants and
19 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.

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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 person" means a person located in this state in a county, or in a
14 county that is adjacent to a county in this state, in which is located a casino that is

15 operated by ~~a~~ American Indian tribe or band ^{in this state}

16 (2) Subject to subs. (3) ~~and~~ (4) ^{and (5)} 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 person for
19 professional services.

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

a federally recognized -

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

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

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

7 (4) As a condition of approval of a grant or loan under this section, the
8 department shall require that the qualified person 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 person is
11 subject to extreme financial hardship.

Insert 6-11

12 (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.

a federally recognized

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
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 American Indian tribe or band.

*
in this state

subs. (3) and (4)

1 (2) (a) Subject to ~~section~~, 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.

Insert 7-12

13 (5) 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) GAMING ECONOMIC DIVERSIFICATION GRANTS AND LOANS. The treatment of
5 sections 20.143 (1) (id) and (km), 20.505 (8) (hm) 6m, and 560.138 of the statutes
6 takes effect on July 1, 2000.

7 (END)

D-note

¶ This redraft adds the requirement
that commerce consult with tourism
the department of

before awarding any grant or loan for any
tourism-related purpose. The redraft also
specifies that the American Indian tribes or bands
operating the casinos are federally recognized
and in this state.

PJK

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

LRB-0824/6ins
PJK:wlj&kg:ijs

INSERT 6-11 ✓

(5) Before awarding a grant or loan to a qualified person for any purpose that is related to tourism, the department shall consult with the department of tourism.

(END OF INSERT 6-11)

INSERT 7-12 ✓

(4) Before awarding a grant or loan to a qualified business for any purpose that is related to tourism, the department shall consult with the department of tourism.

(END OF INSERT 7-12)

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

LRB-0824/6dn
PJK:wj&kg:lp

January 27, 1999

This redraft adds the requirement that the department of commerce consult with the department of tourism before awarding any grant or loan for any tourism-related purpose. The redraft also specifies that the American Indian tribes or bands operating the casinos are federally recognized and in this state.

Pamela J. Kahler
Senior Legislative Attorney
266-2682

Date: January 26, 1999
To: Pam Kahler
From: Sarah Justus *SJ*
Subject: Changes to gaming drafts

Draft #824, Commerce:

Between the two gaming programs there is 1.0 FTE position. The department should have the authority to pay that position out of the (1) (kj) or the 1(km) appropriations as well as the authority to spend up to \$100,000 from these appropriations for marketing of the programs.

*Sarah
S/b able to do
this*

✓ Grants to tourism businesses should be made "in concurrence with Tourism" instead of "in consultation with Tourism".

→ fudge?

Draft #820, Tourism

Leave the JEM match at its current level, 50%, for both the gaming program and the regular program. Remove the LCVB grants from the draft. The language for use of the gaming money should now mimic the (1) (b) appropriation, for direct marketing expenses and JEM grants.

Brown County may be put back into a draft to specify the earmark, but I'm not sure where yet. I'll let you know ASAP.



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0824/7
PJK:wj&kg:lp
r m is run

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

Very Soon (1-2-8)
D-note

do not give out

businesses

- 1 AN ACT relating to: the use of Indian gaming revenue for programs to provide
- 2 grants and loans to ~~persons~~ affected by Indian gaming or located in proximity
- 3 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 ~~person defined in the statute as including partnerships, associations and both public and private corporations~~ located in a county, or in a county adjacent to a county, in which is located a casino that is operated by a federally recognized American Indian tribe or band in this state. The grant must be used for professional services, such as engineering studies, feasibility studies,

business that is

business that is

marketing assistance or legal or accounting services. The department may also make a grant or loan for fixed asset financing to a ~~person~~ located in a county, or in a county adjacent to a county, in which is located a casino that is operated by a federally recognized American Indian tribe or band in this state. The grant or loan may not exceed \$100,000. For any grant or loan under the program, the department must determine that the recipient has been negatively impacted by the existence of the casino and that the recipient has a need for the grant or loan to improve its profitability. Unless the department waives the requirement for financial hardship reasons, any ~~person~~ 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 a federally recognized American Indian tribe or band in this state. 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

business

Insert 2-A

Insert 2-B

1 from the appropriation account under s. 20.505 (8) (hm) 6f. 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 2. 20.143 (1) (dg) of the statutes is renumbered 20.143 (1) (kg) and
4 amended to read:

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

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

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

12 20.143 (1) (kh) *American Indian economic development; liaison — grants*. The
13 amounts in the schedule for grants under s. 560.87 (6). All moneys transferred from
14 the appropriation account under s. 20.505 (8) (hm) 6h. 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 4. 20.143 (1) (id) of the statutes is created to read:

17 20.143 (1) (id) *Gaming economic diversification grants and loans; repayments*.
18 All moneys received in repayment of loans under s. 560.138 to be used for grants and
19 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.

20 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:

and for
under

Insert 4-8

and for marketing the
program under s. 560.138

Insert 4-11

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 ~~person~~" means ~~person~~ located in this state in a county, or in a
14 county that is adjacent to a county in this state, in which is located a casino that is
15 operated by a federally recognized American Indian tribe or band in this state.

16 (2) Subject to subs. (3), (4) and (5), from the appropriations under s. 20.143 (1)
17 (ig) and (kj), the department may do all of the following:

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

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

business that is
business

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

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

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

7 (4) As a condition of approval of a grant or loan under this section, the
8 department shall require that the qualified ~~person~~ 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 ~~person~~ is
11 subject to extreme financial hardship.

Insert 6-13

12 (5) Before awarding a grant or loan to a qualified person for any purpose that
13 is related to tourism, the department shall consult with the department of tourism.

14 (6) (a) The department shall deposit into the appropriation account under s.
15 20.143 (1) (ig) all moneys received in repayment of loans made under this section.

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

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

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

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

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

4 (2) (a) Subject to subs. (3) and (4), from the appropriations under s. 20.143 (1)
5 (id) and (km), the department may make a grant or loan to a qualified business for
6 a project for the purpose of diversifying the economy of a community in proximity to
7 a casino.

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

- 10 1. A project's potential to retain or increase the number of jobs.
- 11 2. A project's potential to provide for significant capital investment.
- 12 3. A project's contribution to the economy of the community in proximity to the
13 casino and of the state.

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

17 (4) Before awarding a grant or loan to a qualified business for any purpose that
18 is related to tourism, the department shall consult with the department of tourism.

19 (5) The department shall deposit into the appropriation account under s.
20 20.143 (1) (id) all moneys received in repayment of loans made under this section.

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

22 560.87 (6) From the appropriation under s. 20.143 (1) ~~(dh)~~ (kh), make an
23 annual grant to the Great Lakes inter-tribal council in an amount equal to the
24 amount appropriated under s. 20.143 (1) ~~(dh)~~ (kh), to partially fund in the Great
25 Lakes inter-tribal council a liaison between American Indians, Indian businesses

Insert 7 - 18

1 and Indian tribes interested in targeted programs and the state agencies that
2 administer targeted programs.

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

4 560.875 (1) Annually, the department shall grant to the Great Lakes
5 inter-tribal council the amount appropriated under s. 20.143 (1) (d) (k) to partially
6 fund a program to provide technical assistance for economic development on Indian
7 reservations if the conditions under subs. (2) and (3) are satisfied.

8 SECTION 9410. Effective dates; commerce.

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

12 (END)

Handwritten notes:
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A large arrow points from the handwritten text to the word "takes" in line 11.
A large arrow points from the handwritten text to the word "takes" in line 11.

Insert 8-7

*(CS)
4(2) GAMING ECONOMIC DEVELOPMENT
GRANTS AND LOANS. The amendment of
section 20.143 (1) (KJ) of the statutes
takes effect on July 1, 2001.*

D-note

Insert 2-A ✓

, including marketing the
programs,

(end of ins 2-A)

Insert 2-B ✓

no H In addition, the appropriation
is to be used for economic
development ^{grants} for Brown County
in fiscal years 1999-2000 and
2000-01.

(end of ins 2-B)

1999-2000 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0824/7ins
PJK:wlj&kg:lp

INSERT 4-8 ✓

20.143 (1) (kj) *Gaming economic development grants and loans.* The amounts in the schedule for grants and loans under s. 560.137, for marketing the program under s. 560.137 and for the grants to Brown County under 1999 Wisconsin Act ... (this act), section 9110 (✓). From this appropriation, the department may expend in each fiscal year for marketing the program under s. 560.137 no more than the difference between \$100,000 and the amount ^{that} the department spends in the same fiscal year from the appropriation under par. (km) for marketing the program under s. 560.138. All moneys transferred from the appropriation account under s. 20.505 (8) (hm) 6j. shall be credited to this appropriation account.

SECTION 1. 20.143 (1) (kj) of the statutes, as created by 1999 Wisconsin Act ... (this act), is amended to read:

20.143 (1) (kj) *Gaming economic development grants and loans.* The amounts in the schedule for grants and loans under s. 560.137, and for marketing the program under s. 560.137 ~~and for the grants to Brown County under 1999 Wisconsin Act ...~~ (this act), section 9110 (✓). From this appropriation, the department may expend in each fiscal year for marketing the program under s. 560.137 no more than the difference between \$100,000 and the amount ^{that} the department spends in the same fiscal year from the appropriation under par. (km) for marketing the program under s. 560.138. All moneys transferred from the appropriation account under s. 20.505 (8) (hm) 6j. shall be credited to this appropriation account.

(END OF INSERT 4-8)

INSERT 4-11 ✓



auto
ref #

ins 4-11

no 4) From this appropriation, the department may expend in each fiscal year for marketing the program under s. 560.138 no more than the difference between \$100,000 and the amount ^{that} the department spends in the same fiscal year from the appropriation under par. (kj) for marketing the program under s. 560.137.

(END OF INSERT 4-11)

INSERT 6-13 ✓

(5) The department may not award a grant or loan under this section to a qualified business for any purpose that is related to tourism unless the department of tourism concurs in the award.

(END OF INSERT 6-13)

INSERT 7-18 ✓

(4) The department may not award a grant or loan under this section to a qualified business for any purpose that is related to tourism unless the department of tourism concurs in the award.

(END OF INSERT 7-18)

INSERT 8-7 ✓

SECTION 9110. Nonstatutory provisions; commerce.

auto ref A

(1) GRANTS TO ^BBROWN ^CCOUNTY. From the appropriation under section 20.143 (1) (kj) of the statutes, the department of commerce shall make grants to Brown County of \$500,000 in fiscal year 1999-2000 and \$1,000,000 in fiscal year 2000-01 for economic development.

(END OF INSERT 8-7)

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

LRB-0824/7dn
PJK:wlj&kg:lp

5/24/05

This redraft does all of the following:

1. Requires the department of tourism to concur in a grant or loan award before the department of commerce may award the grant or loan.
2. Allows for marketing of the programs under ss. 560.137 and 560.138 to be paid from the appropriations under s. 20.143 (1) (kj) and (km). The marketing expenditures are limited to \$100,000 in a fiscal year from both of those appropriations combined.
3. Pays for the grants to Brown County out of the appropriation under s. 20.143 (1) (kj) and adds a nonstatutory provision requiring the grants.
4. Changes "person" back to "business" under s. 560.137 since the grants to Brown County will not come from that program due to the monetary limits under that program.

As I'm sure you are aware but which I should mention, this legislation (the Brown County grants) could be determined to be a "private or local law", which may not validly be enacted as part of a multi-subject bill (see art. IV, sec. 18, of the Wisconsin Constitution). You may wish to have your legal counsel review the proposal in that regard.

Pamela J. Kahler
Senior Legislative Attorney
266-2682

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0824/7dn
PJK:wlj&kg:jf

January 29, 1999

This redraft does all of the following:

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Pamela J. Kahler
Senior Legislative Attorney
266-2682



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-08248
PJK:wj&kg:jf
v m is run

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

See
(1-29)
D-17
(P. 9)

do not
get cut

- 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 a federally recognized American Indian tribe or band in this state. 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 a federally recognized American Indian tribe or band in this state. The grant or loan may not exceed \$100,000. For any grant or loan under the program, the department must determine that the recipient has been negatively impacted by the existence of the casino and that the recipient 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.

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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:

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- 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

1 from the appropriation account under s. 20.505 (8) (hm) 6f. shall be credited to this
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****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

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7 under s. 560.137 and for the grants to Brown County under 1999 Wisconsin Act
8 (this act), section 9110 (1). From this appropriation, the department may expend in
9 each fiscal year for marketing the program under s. 560.137 no more than the
10 difference between \$100,000 and the amount that the department spends in the
11 same fiscal year from the appropriation under par. (km) for marketing the program
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17 in the schedule for grants and loans under s. 560.137, ~~and~~ for marketing the program
18 under s. 560.137 ~~and for the grants to Brown County under 1999 Wisconsin Act~~
19 ~~(this act), section 9110 (1).~~ From this appropriation, the department may expend in
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21 difference between \$100,000 and the amount that the department spends in the
22 same fiscal year from the appropriation under par. (km) for marketing the program

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

16 20.505 (8) (hm) 6g. The amount transferred to s. 20.143 (1) (kg) shall be the
17 amount in the schedule under s. 20.143 (1) (kg).

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

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

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

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

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

4 20.505 (8) (hm) 6m. The amount transferred to s. 20.143 (1) (km) shall be the
5 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.

6 **SECTION 14.** 560.137 of the statutes is created to read:

7 **560.137 Gaming economic development grants and loans.** (1) In this
8 section:

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

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

14 (2) Subject to subs. (3), (4) and (5), from the appropriations under s. 20.143 (1)
15 (ig) and (kj), the department may do all of the following:

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

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

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

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

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

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

10 (5) The department may not award a grant or loan under this section to a
11 qualified business for any purpose that is related to tourism unless the department
12 of tourism concurs in the award.

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

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

17 **SECTION 15.** 560.138 of the statutes is created to read:

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

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

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

1 (2) (a) Subject to subs. (3) and (4), from the appropriations under s. 20.143 (1)
2 (id) and (km), the department may make a grant or loan to a qualified business for
3 a project for the purpose of diversifying the economy of a community in proximity to
4 a casino.

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

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

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

14 (4) The department may not award a grant or loan under this section to a
15 qualified business for any purpose that is related to tourism unless the department
16 of tourism concurs in the award.

17 (5) The department shall deposit into the appropriation account under s.
18 20.143 (1) (id) all moneys received in repayment of loans made under this section.

19 **SECTION 16.** 560.87 (6) of the statutes is amended to read:

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

1 SECTION 17. 560.875 (1) of the statutes is amended to read:

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

6 SECTION 9110. Nonstatutory provisions; commerce.

7 (1) GRANTS TO BROWN COUNTY. From the appropriation under section 20.143 (1)
8 (kj) of the statutes, the department of commerce shall make grants to Brown County
9 of \$500,000 in fiscal year 1999-2000 and \$1,000,000 in fiscal year 2000-01 for
10 economic development.

11 SECTION 9410. Effective dates; commerce.

12 (1) GAMING ECONOMIC DIVERSIFICATION GRANTS AND LOANS. The treatment of
13 sections 20.143 (1) (id) and (km), 20.505 (8) (hm) 6m. and 560.138 of the statutes
14 takes effect on July 1, 2000.

15 (2) GAMING ECONOMIC DEVELOPMENT GRANTS AND LOANS. The amendment of
16 sections 20.143 (1) (kj) of the statutes takes effect on July 1, 2001.

17 (END)

D-note

Sarah:
This redraft merely makes "sections"
singular in SECTION 9410 (2).
CSB

PJK

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

LRB-0824/8dn
PJK:wlj&kg:jf

January 31, 1999

Sarah:

This redraft merely makes "sections" singular in SECTION 9410 (2).

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State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0824/5
PJK:wlj&kg:jf

r m is new

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

*today
(2-3)
D-vote*

(p.6)

*do not
insert*

- 1 AN ACT ~~relating to~~; 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 a federally recognized American Indian tribe or band in this state. 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 a federally recognized American Indian tribe or band in this state. The grant or loan may not exceed \$100,000. For any grant or loan under the program, the department must determine that the recipient has been negatively impacted by the existence of the casino and that the recipient 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 a federally recognized American Indian tribe or band in this state. 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, including marketing the programs, come from the DOA appropriation into which is deposited Indian gaming receipts. In addition, the appropriation is to be used for economic development grants for Brown County in fiscal years 1999-2000 and 2000-01.

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

1 from the appropriation account under s. 20.505 (8) (hm) 6f. 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 2. 20.143 (1) (dg) of the statutes is renumbered 20.143 (1) (kg) and
4 amended to read:

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

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

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

12 20.143 (1) (kh) *American Indian economic development; liaison — grants*. The
13 amounts in the schedule for grants under s. 560.87 (6). All moneys transferred from
14 the appropriation account under s. 20.505 (8) (hm) 6h. 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 4. 20.143 (1) (id) of the statutes is created to read:

17 20.143 (1) (id) *Gaming economic diversification grants and loans; repayments*.
18 All moneys received in repayment of loans under s. 560.138 to be used for grants and
19 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.

20 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, for marketing the program
7 under s. 560.137 and for the grants to Brown County under 1999 Wisconsin Act
8 (this act), section 9110 (1). From this appropriation, the department may expend in
9 each fiscal year for marketing the program under s. 560.137 no more than the
10 difference between \$100,000 and the amount that the department spends in the
11 same fiscal year from the appropriation under par. (km) for marketing the program
12 under s. 560.138. All moneys transferred from the appropriation account under s.
13 20.505 (8) (hm) 6j. shall be credited to this appropriation account.

14 **SECTION 7.** 20.143 (1) (kj) of the statutes, as created by 1999 Wisconsin Act
15 (this act), is amended to read:

16 20.143 (1) (kj) *Gaming economic development grants and loans.* The amounts
17 in the schedule for grants and loans under s. 560.137, ~~and~~ for marketing the program
18 under s. 560.137 ~~and for the grants to Brown County under 1999 Wisconsin Act~~
19 ~~(this act), section 9110 (1).~~ From this appropriation, the department may expend in
20 each fiscal year for marketing the program under s. 560.137 no more than the
21 difference between \$100,000 and the amount that the department spends in the
22 same fiscal year from the appropriation under par. (km) for marketing the program

1 under s. 560.138. All moneys transferred from the appropriation account under s.
2 20.505 (8) (hm) 6j. 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.

3 SECTION 8. 20.143 (1) (km) of the statutes is created to read:

4 20.143 (1) (km) *Gaming economic diversification grants and loans.* The
5 amounts in the schedule for grants and loans under s. 560.138 and for marketing the
6 program under s. 560.138. From this appropriation, the department may expend in
7 each fiscal year for marketing the program under s. 560.138 no more than the
8 difference between \$100,000 and the amount that the department spends in the
9 same fiscal year from the appropriation under par. (kj) for marketing the program
10 under s. 560.137. All moneys transferred from the appropriation account under s.
11 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.

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

13 20.505 (8) (hm) 6f. The amount transferred to s. 20.143 (1) (kf) shall be the
14 amount in the schedule under s. 20.143 (1) (kf).

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

16 20.505 (8) (hm) 6g. The amount transferred to s. 20.143 (1) (kg) shall be the
17 amount in the schedule under s. 20.143 (1) (kg).

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

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

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

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

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

4 20.505 (8) (hm) 6m. The amount transferred to s. 20.143 (1) (km) shall be the
5 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.

6 **SECTION 14.** 560.137 of the statutes is created to read:

7 **560.137 Gaming economic development grants and loans.** (1) In this
8 section:

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

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

14 (2) Subject to subs. (3), (4) and (5), from the appropriations under s. 20.143 (1)
15 (ig) and (kj), the department may do all of the following:

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

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

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

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

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

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

10 (5) The department may not award a grant or loan under this section to a
11 qualified business for any purpose that is related to tourism unless the department
12 of tourism concurs in the award.

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

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

17 **SECTION 15.** 560.138 of the statutes is created to read:

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

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

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

1 (2) (a) Subject to subs. (3) and (4), from the appropriations under s. 20.143 (1)
2 (id) and (km), the department may make a grant or loan to a qualified business for
3 a project for the purpose of diversifying the economy of a community in proximity to
4 a casino.

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

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

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

14 (4) The department may not award a grant or loan under this section to a
15 qualified business for any purpose that is related to tourism unless the department
16 of tourism concurs in the award.

17 (5) The department shall deposit into the appropriation account under s.
18 20.143 (1) (id) all moneys received in repayment of loans made under this section.

19 **SECTION 16.** 560.87 (6) of the statutes is amended to read:

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

1 SECTION 17. 560.875 (1) of the statutes is amended to read:

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

6 SECTION 9110. Nonstatutory provisions; commerce.

7 (1) GRANTS TO BROWN COUNTY. From the appropriation under section 20.143 (1)
8 (kj) of the statutes, the department of commerce shall make grants to Brown County
9 of \$500,000 in fiscal year 1999-2000 and \$1,000,000 in fiscal year 2000-01 for
10 economic development.

11 SECTION 9410. Effective dates; commerce.

12 (1) GAMING ECONOMIC DIVERSIFICATION GRANTS AND LOANS. The treatment of
13 sections 20.143 (1) (id) and (km), 20.505 (8) (hm) 6m. and 560.138 of the statutes
14 takes effect on July 1, 2000.

15 (2) GAMING ECONOMIC DEVELOPMENT GRANTS AND LOANS. The amendment of
16 section 20.143 (1) (kj) of the statutes takes effect on July 1, 2001.

17 (END)

D-note
Sarah:
This redraft makes a technical correction.
It deletes "person" in s. 560.137 (3) (intro).
after "business"
PJK

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

LRB-0824/9dn
PJK:wj&kg:km

February 3, 1999

Sarah:

This redraft makes a technical correction. It deletes "person" after "business" in s. 560.137 (3) (intro.)

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State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-0824/9
PJK:wlj&kg:km

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

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 a federally recognized American Indian tribe or band in this state. 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 a federally recognized American Indian tribe or band in this state. The grant or loan may not exceed \$100,000. For any grant or loan under the program, the department must determine that the recipient has been negatively impacted by the existence of the casino and that the recipient 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 a federally recognized American Indian tribe or band in this state. 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, including marketing the programs, come from the DOA appropriation into which is deposited Indian gaming receipts. In addition, the appropriation is to be used for economic development grants for Brown County in fiscal years 1999–2000 and 2000–01.

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

1 from the appropriation account under s. 20.505 (8) (hm) 6f. 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 2.** 20.143 (1) (dg) of the statutes is renumbered 20.143 (1) (kg) and
4 amended to read:

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

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

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

12 20.143 (1) (kh) *American Indian economic development; liaison — grants.* The
13 amounts in the schedule for grants under s. 560.87 (6). All moneys transferred from
14 the appropriation account under s. 20.505 (8) (hm) 6h. 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 4.** 20.143 (1) (id) of the statutes is created to read:

17 20.143 (1) (id) *Gaming economic diversification grants and loans; repayments.*
18 All moneys received in repayment of loans under s. 560.138 to be used for grants and
19 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.

20 **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, for marketing the program
7 under s. 560.137 and for the grants to Brown County under 1999 Wisconsin Act
8 (this act), section 9110 (1). From this appropriation, the department may expend in
9 each fiscal year for marketing the program under s. 560.137 no more than the
10 difference between \$100,000 and the amount that the department spends in the
11 same fiscal year from the appropriation under par. (km) for marketing the program
12 under s. 560.138. All moneys transferred from the appropriation account under s.
13 20.505 (8) (hm) 6j. shall be credited to this appropriation account.

14 **SECTION 7.** 20.143 (1) (kj) of the statutes, as created by 1999 Wisconsin Act
15 (this act), is amended to read:

16 20.143 (1) (kj) *Gaming economic development grants and loans.* The amounts
17 in the schedule for grants and loans under s. 560.137, and for marketing the program
18 under s. 560.137 ~~and for the grants to Brown County under 1999 Wisconsin Act~~
19 ~~(this act), section 9110 (1).~~ From this appropriation, the department may expend in
20 each fiscal year for marketing the program under s. 560.137 no more than the
21 difference between \$100,000 and the amount that the department spends in the
22 same fiscal year from the appropriation under par. (km) for marketing the program

1 under s. 560.138. All moneys transferred from the appropriation account under s.
2 20.505 (8) (hm) 6j. 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.

3 **SECTION 8.** 20.143 (1) (km) of the statutes is created to read:

4 20.143 (1) (km) *Gaming economic diversification grants and loans.* The
5 amounts in the schedule for grants and loans under s. 560.138 and for marketing the
6 program under s. 560.138. From this appropriation, the department may expend in
7 each fiscal year for marketing the program under s. 560.138 no more than the
8 difference between \$100,000 and the amount that the department spends in the
9 same fiscal year from the appropriation under par. (kj) for marketing the program
10 under s. 560.137. All moneys transferred from the appropriation account under s.
11 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.

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

13 20.505 (8) (hm) 6f. The amount transferred to s. 20.143 (1) (kf) shall be the
14 amount in the schedule under s. 20.143 (1) (kf).

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

16 20.505 (8) (hm) 6g. The amount transferred to s. 20.143 (1) (kg) shall be the
17 amount in the schedule under s. 20.143 (1) (kg).

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

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

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

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

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

4 20.505 (8) (hm) 6m. The amount transferred to s. 20.143 (1) (km) shall be the
5 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.

6 **SECTION 14.** 560.137 of the statutes is created to read:

7 **560.137 Gaming economic development grants and loans. (1)** In this
8 section:

9 (a) “Professional services” has the meaning given in s. 560.17 (1) (c).

10 (b) “Qualified business” means an existing business that is located in this state
11 in a county, or in a county that is adjacent to a county in this state, in which is located
12 a casino that is operated by a federally recognized American Indian tribe or band in
13 this state.

14 (2) Subject to subs. (3), (4) and (5), from the appropriations under s. 20.143 (1)
15 (ig) and (kj), the department may do all of the following:

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

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

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

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

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

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

10 (5) The department may not award a grant or loan under this section to a
11 qualified business for any purpose that is related to tourism unless the department
12 of tourism concurs in the award.

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

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

17 **SECTION 15.** 560.138 of the statutes is created to read:

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

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

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

1 (2) (a) Subject to subs. (3) and (4), from the appropriations under s. 20.143 (1)
2 (id) and (km), the department may make a grant or loan to a qualified business for
3 a project for the purpose of diversifying the economy of a community in proximity to
4 a casino.

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

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

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

14 (4) The department may not award a grant or loan under this section to a
15 qualified business for any purpose that is related to tourism unless the department
16 of tourism concurs in the award.

17 (5) The department shall deposit into the appropriation account under s.
18 20.143 (1) (id) all moneys received in repayment of loans made under this section.

19 **SECTION 16.** 560.87 (6) of the statutes is amended to read:

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

