

**2001 DRAFTING REQUEST**

**Bill**

Received: 10/03/2000

Received By: kahlepj

Wanted: As time permits

Identical to LRB:

For: Administration-Budget 6-7329

By/Representing: Walker

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Alt. Drafters:

Subject: Econ. Development - bus. dev.

Extra Copies:

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**Pre Topic:**

DOA:.....Walker -

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**Topic:**

Require that minority business grant and loan funds not be used for certain expenses

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**Instructions:**

See Attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj 10/04/2000	gilfokm 10/05/2000		_____			State
/1			pgreensl 10/06/2000	_____	lrb_docadmin 10/06/2000		State
/2	kahlepj 01/02/2001	gilfokm 01/03/2001	jfrantze 01/04/2001	_____	lrb_docadmin 01/04/2001		

FE Sent For:

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DOA:.....Walker -

#### Topic:

Eliminate requirement that minority business grant and loan funds not be used for expenses incurred before board approval

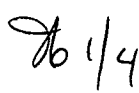

#### Instructions:

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FE Sent For:


  
 <END>  
 1/1/4

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May Contact:

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Subject: Econ. Development - bus. dev.

Extra Copies: Commerce

Pre Topic:

DOA:.....Walker -

Topic:

Eliminate requirement that minority business grant and loan funds may not be used for expenses incurred before board approval

Instructions:

See Attached

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<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1?	kahlepj	1-10/5 KMG	10/6 PCN	10/6 PCN KM			

FE Sent For:

<END>

RCT → When the staff related to tank plan review and installation were transferred from the Department of Industry, Labor and Human Relations, the tank plan review and installation revenues were left and have remained in the Safety and Buildings appropriation.

Medium

PJK

Trade Show Grant Program. The changes to this program will:

- Allow new companies that have developed high-tech products with worldwide applications to receive a trade show grant for an international show held in the United States.
- Allow Wisconsin companies that are independently run, but wholly owned by a holding company, to receive a grant.

Medium

PJK

Gaming Consolidation. Consolidate the Gaming Economic Development and Gaming Economic Diversification appropriations and the corresponding repayments appropriations. In addition, convert both of the consolidated appropriations from annual to biennial status. See DIN #4012.

Medium

PJK

Gaming Position. This change revises s. 20.143 (1) (kg), Stats., so that it encompasses both the Native American liaison position and the gaming grants specialist position in the Division of Economic Development. See DIN #4013.

Medium

PJK

Minority Business Board Action. This change deletes language that prohibits the funding of project costs which are incurred prior to formal action by the Minority Business Development Board. The language is inconsistent with other grant and loan programs that are subject to board approval, particularly those approved by the Rural Economic Development Board or the Wisconsin Development Finance Board. For RED or WDF awards, eligible project costs can be incurred after a recipient has received a commitment letter from the Department, but before the RED or WDF boards have officially approved the award. Commitment letters generally provide recipients with enough assurance to order long lead-time equipment prior to board action, but they do so with the understanding that they run the risk of incurring expenses that may not be funded by a board. The proposed change is as follows:

560.80(4)(b) "Eligible development project costs" does not include entertainment expenses or ~~expenses incurred before the board approves a grant or loan under s. 560.83 or 560.835.~~

Low

JK

Statutory Definitions of Target Group Members. Current definitions of types of target group members in Chapter 71 track the federal definitions in section 51(d) of the Internal Revenue Code, but also make numerous modifications. Defining all the terms in the Wisconsin Statutes would make them less confusing for users of the CDZ and EDZ programs, who frequently call for assistance in determining whether a person is a target group member. The "Target group member" statutory authority defined

E. Minority Business Board Action

The Department proposes to delete statutory language that prohibits the funding of project costs that are incurred prior to formal action by the minority business development board. The language is inconsistent with other grant and loan programs that are subject to board approval, particularly those approved by the Rural Economic Development Board or the Wisconsin Development Finance Board. For RED or WDF awards, eligible project costs can be incurred after a recipient has received a commitment letter from the Department, but before the RED or WDF boards have officially approved the award. Commitment letters generally provide recipients with enough assurance to order long lead-time equipment prior to board action, but recipients do so with the understanding that they run the risk of incurring expenses that may not be funded by a board.

Proposed Statutory Change:

560.80(4)(b) "Eligible development project costs" does not include entertainment expenses ~~or expenses incurred before the board approves a grant or loan under s. 560.83 or 560.835.~~



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0652/7

PJK.....

SOON

img

DOA:.....Walker – Eliminate requirement that minority business grant and loan funds may not be used for expenses incurred before board approval

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

SOON  
(10-4)

Fix requests  
sheet.

do not get cut

1 AN ACT relating to: the budget.

Analysis by the Legislative Reference Bureau  
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under the minority business development and revolving fund program in current law, the department of commerce pays grants and loans that are awarded by the minority business development board to minority group members, minority businesses, and local development corporations for costs that are appropriately incurred in connection with ~~the~~ start-up, expansion, or acquisition of ~~a~~ minority business<sup>es</sup> or ~~the~~ promotion of economic development and employment opportunities for minority group members or businesses. Expenses incurred for the proper purposes before the minority business development board actually approves the grant or loan and expenses incurred for entertainment, however, may not be paid with grant or loan proceeds. The bill eliminates the prohibition against using grant or loan proceeds for paying expenses incurred for the proper purposes before the minority business development board actually approves the grant or loan.

→

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

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

1           SECTION 1. 560.80 (4) (a) and (b) of the statutes are consolidated, renumbered  
2           560.80 (4) and amended to read:

3           560.80 (4) "Eligible development project costs" means costs that, in accordance  
4           with sound business and financial practices, are appropriately incurred in  
5           connection with a development project or a recycling development project. ~~(b)~~  
6           ~~"Eligible development project costs", but does not include entertainment expenses or~~  
7           ~~expenses incurred before the board approves a grant or loan under s. 560.83 or~~  
8           560.835.

9           History: 1989 a. 31, 335; 1995 a. 27; 1997 a. 27, 79; 1999 a. 9.

(END)

## Kahler, Pam

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**From:** Walker, William  
**Sent:** Friday, December 29, 2000 1:13 PM  
**To:** Kahler, Pam  
**Subject:** FW: LRB Draft: 01-0652/1 Eliminate requirement that minority business grant and loan funds not be used for expenses incurred before board approval

We need to modify this so that no costs incurred more than 6 months prior to board approval are eligible.

Thanks!

-----Original Message-----

**From:** Greenslet, Patty  
**Sent:** Friday, October 06, 2000 12:08 PM  
**To:** Walker, William  
**Cc:** Schmiedicke, David; Currier, Dawn; Hanaman, Cathlene; Haugen, Caroline  
**Subject:** LRB Draft: 01-0652/1 Eliminate requirement that minority business grant and loan funds not be used for expenses incurred before board approval

Following is the PDF version of draft 01-0652/1.



01-0652/1





missed

Requires

DOA:.....Walker - ~~Eliminate requirement~~ that minority business grant and loan funds not be used for expenses ~~incurred before board approval~~ incurred before board approval

Fix request sheet →

certain

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

SOON (1-2-01)

do not get cut

1 AN ACT... relating to: the budget.

Analysis by the Legislative Reference Bureau

COMMERCE AND ECONOMIC DEVELOPMENT

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Under the minority business development and revolving fund program in current law, the department of commerce pays grants and loans that are awarded by the minority business development board to minority group members, minority businesses, and local development corporations for costs that are appropriately incurred in connection with start-up, expansion, or acquisition of minority businesses, or promotion of economic development and employment opportunities for minority group members or businesses. Expenses incurred ~~for the proper purposes~~ before the minority business development board actually approves the grant or loan and expenses incurred for entertainment ~~purposes~~ may not be paid with grant or loan proceeds. The bill ~~disposes the prohibition against using~~ grant or loan proceeds for ~~using~~ expenses incurred ~~for the proper purposes~~ before the minority business development board actually approves the grant or loan.

however,

provides that

may not be used for entertainment expenses or

more than six months

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

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1 SECTION 1. 560.80 (4) (a) and (b) of the statutes are consolidated, renumbered  
2 560.80 (4) and amended to read:

3 560.80 (4) "Eligible development project costs" means costs that, in accordance  
4 with sound business and financial practices, are appropriately incurred in  
5 connection with a development project or a recycling development project. (b)

6 "Eligible development project costs", but does not include entertainment expenses or

7 expenses incurred before the board approves a grant or loan under s. 560.83 or

8 560.835.

9 (END)

*plain* (handwritten arrow pointing to line 6)  
*plain* (handwritten arrow pointing to line 7)  
*more than 6 months* (handwritten under line 7)  
*score* (handwritten in a circle with an arrow pointing to line 8)



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0652/2

PJK:kmg:jf

DOA:.....Walker – Require that minority business grant and loan funds not be used for certain expenses

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** the budget.

---

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

**ECONOMIC DEVELOPMENT**

Under the minority business development and revolving fund program in current law, the department of commerce pays grants and loans that are awarded by the minority business development board to minority group members, minority businesses, and local development corporations for costs that are appropriately incurred in connection with start-up, expansion, or acquisition of minority businesses, or promotion of economic development and employment opportunities for minority group members or businesses. Expenses incurred before the minority business development board actually approves the grant or loan, however, and expenses incurred for entertainment may not be paid with grant or loan proceeds. The bill provides that grant or loan proceeds may not be used for entertainment expenses or for expenses incurred more than six months before the minority business development board actually approves the grant or loan.

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

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

