

2007 DRAFTING REQUEST

Bill

Received: 01/16/2007

Received By: csundber

Wanted: As time permits

Identical to LRB:

For: Administration-Budget

By/Representing: Griffin

This file may be shown to any legislator: NO

Drafter: csundber

May Contact:

Addl. Drafters:

Subject: Econ. Development - bus. dev.

Extra Copies:

Submit via email: YES

Requester's email:

Carbon copy (CC:) to: christopher.sundberg@legis.wisconsin.gov

Pre Topic:

DOA:.....Griffin, BB0380 -

Topic:

Raise limit on entrepreneurial and technology transfer grants

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	csundber 01/16/2007	kfollett 01/16/2007		_____			State
/1			rschluet 01/16/2007	_____	mbarman 01/16/2007		

FE Sent For:

<END>

2007 DRAFTING REQUEST

Bill

Received: 01/16/2007

Received By: csundber

Wanted: As time permits

Identical to LRB:

For: Administration-Budget

By/Representing: Griffin

This file may be shown to any legislator: NO

Drafter: csundber

May Contact:

Addl. Drafters:

Subject: Econ. Development - bus. dev.

Extra Copies:

Submit via email: YES

Requester's email:

Carbon copy (CC:) to: christopher.sundberg@legis.wisconsin.gov

Pre Topic:

DOA:.....Griffin, BB0380 -

Topic:

Raise limit on entrepreneurial and technology transfer grants

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	csundber	1/16 kjf	CS				

FE Sent For:

<END>

2007-09 Budget Bill Statutory Language Drafting Request

- Topic: Wisconsin Entrepreneurs Network Funding
- Tracking Code: BB0380
- SBO team: Environmental and Commercial Resources
- SBO analyst: Jenna Griffin
 - Phone: 608-266-7329
 - Email: jenna.griffin@doa.state.wi.us
- Agency acronym: COMM
- Agency number: 143
- Priority (Low, Medium, High): High

Please increase the amount under Wis. Stats. 560.275 (4) (e) from \$500,000 to \$600,000. Thank you!

560.27 DEPARTMENT OF COMMERCE

spending the full amount of the grant, a report detailing how the grant proceeds were used.

(c) The department may not make grants under this subsection that exceed \$200,000 in total in fiscal year 2000-01, or that exceed \$250,000 in total in any fiscal year thereafter.

(4) Annually, the high-technology business development corporation shall provide a report on its activities to the appropriate standing committees of each house of the legislature in the manner provided under s. 13.172 (3) and to the governor.

(5) The assets transferred to, and the assets and liabilities of, the high-technology business development corporation shall be separate from all other assets and liabilities of the state, of all political subdivisions of the state and of the department. Neither the state, any political subdivision of the state nor the department guarantees any obligation of or has any obligation to the high-technology business development corporation. Neither the state, any political subdivision of the state nor the department is liable for any debt or liability of the high-technology business development corporation.

History: 1999 a. 106.

560.275 Technology commercialization grant and loan program. (1) DEFINITION. In this section, "Project costs" means the total cost of a project financed, at least in part, by a grant or loan under sub. (2), calculated as provided by rule of the department.

(2) AUTHORIZED GRANTS AND LOANS. (a) *Early stage planning grants and loans.* The department may make a grant or loan from the appropriation under s. 20.143 (1) (c) or (ie) for the purpose of funding professional services related to completing an application to be submitted to the federal government for the purpose of obtaining early stage research and development funding or for the purpose of funding professional services that are required to accomplish specific tasks established as a condition of receiving early stage financing from 3rd parties that is necessary for business development.

(b) *Matching grants and loans.* 1. The department may make a grant or loan from the appropriation under s. 20.143 (1) (c) or (ie) for the purpose of funding professional activities related to developing a proposed technologically innovative product, process, or service, if the applicant has received a grant from the federal government for a substantially similar purpose.

2. The department may make a grant or loan from the appropriation under s. 20.143 (1) (c) or (ie) for the purpose of funding professional activities related to the accelerated commercialization of a technologically innovative product, process, or service, if the federal government has notified the applicant that the applicant will receive a grant from the federal government for a substantially similar purpose.

(c) *Bridge grants and loans.* The department may make a grant or loan from the appropriation under s. 20.143 (1) (c) or (ie) to a person who has received early stage financing from 3rd parties or a grant from the federal government to fund early stage research and development and who has sought additional early stage financing from 3rd parties or applied for an additional grant from the federal government to fund early stage research and development. A grant or loan under this paragraph shall be for the purpose of funding professional activities necessary to maintain the project research and management team and funding basic operations until the applicant's additional 3rd party financing request or federal grant application is approved or denied.

(d) *Venture capital grants and loans.* The department may make a grant or loan from the appropriation under s. 20.143 (1) (c) or (ie) for the purpose of enhancing the applicant's ability to obtain early stage financing from 3rd parties.

(e) *Entrepreneurial and technology transfer center grants.* The department may make a grant from the appropriation under s. 20.143 (1) (c) or (ie) for the purpose of supporting any entrepreneurial and technology transfer center that satisfies all of the following criteria:

1. The center serves multiple regions of this state.
2. The center provides assistance, other than financial assistance, to entrepreneurs to facilitate business development.
3. The center reviews and analyzes entrepreneurial business plans and offers advice concerning the improvement of the plans.
4. The center provides advice to entrepreneurs concerning patent, trademark, and copyright issues.
5. The center provides appropriate referral services to entrepreneurs.

(3) GRANT AND LOAN AMOUNTS. (a) *Early stage planning grants and loans.* In determining the amount of a grant or loan under sub. (2) (a), the department shall consider all of the following, in addition to any other information the department considers relevant:

1. The amount of economic impact the applicant, if successful, will have in this state.
2. The quality of any businesses assisting the applicant.
3. The level of need demonstrated by the applicant.
4. The applicant's record of obtaining early stage financing in the past.

(b) *Matching grants and loans.* In determining the amount of a grant or loan under sub. (2) (b), the department shall consider all of the following criteria, in addition to any other information the department considers relevant:

1. The viability of the applicant's business.
2. The likelihood that the applicant will successfully commercialize technology.
3. The applicant's management plan and management team.
4. The amount of economic impact the applicant, if successful, will have in this state.
5. The applicant's record of obtaining early stage financing in the past.

(4) LIMITATIONS ON GRANT AND LOAN AMOUNTS. (a) *Early stage planning grants and loans.* A grant or loan under sub. (2) (a) may not exceed \$15,000.

(b) *Matching grants and loans.* A grant or loan under sub. (2) (b) may not exceed 20 percent of the project costs or \$250,000, whichever is less.

(c) *Bridge grants and loans.* A grant or loan under sub. (2) (c) may not exceed 75 percent of the project costs or \$100,000, whichever is less.

(d) *Venture capital grants and loans.* A grant or loan under sub. (2) (d) may not exceed 50 percent of the project costs or \$250,000, whichever is less.

(e) *Entrepreneurial and technology transfer grants.* The total amount of grants under sub. (2) (e) may not exceed \$500,000 in any fiscal year.

(5) ELIGIBILITY. The department may make a grant or loan under sub. (2) (a) to (d) to an applicant only if all of the following apply:

- (a) The applicant:
 1. Is a small business, or individual entrepreneur who intends to form a small business, that is completing a grant application to be submitted to the federal government for the purpose of obtaining early stage research and development funding, except that if the application is for a grant under sub. (2) (b), the requirement that the applicant be completing a federal grant application does not apply; or
 2. Is an individual who is starting or developing a business which has significant growth potential, as evidenced by the potential to attract and receive early stage financing from 3rd parties, but who needs assistance with a specific facet of starting or developing the business.

(b) If the applicant seeks a grant or loan under sub. (2) (a), the applicant has sufficient funding from sources other than the state to finance at least 25% of the project costs.



DOA:.....Griffin, BB0380 - Raise limit on entrepreneurial and technology transfer grants

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

Don + Gen

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

Analysis by the Legislative Reference Bureau

Currently, under the Technology Commercialization Grant and Loan Program, the Department of Commerce awards entrepreneurial and technology transfer center grants to eligible recipients. Under current law, the Department of Commerce may not award more than \$500,000 in such grants in any fiscal year. This bill increases the limit to \$600,000 in a fiscal year.

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:

2 SECTION 1. 560.275 (4) (e) of the statutes is amended to read:

3 560.275 (4) (e) *Entrepreneurial and technology transfer grants.* The total
4 amount of grants under sub. (2) (e) may not exceed ~~\$500,000~~ \$600,000 in any fiscal
5 year.

History: 2003 a. 255; 2005 a. 25, 97.



State of Wisconsin
2007 - 2008 LEGISLATURE

LRB-1529/1
CTS:kjfrs

DOA:.....Griffin, BB0380 - Raise limit on entrepreneurial and technology transfer grants

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

Currently, under the Technology Commercialization Grant and Loan Program, the Department of Commerce awards entrepreneurial and technology transfer center grants to eligible recipients. Under current law, the Department of Commerce may not award more than \$500,000 in such grants in any fiscal year. This bill increases the limit to \$600,000 in a fiscal year.

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:

2 **SECTION 1.** 560.275 (4) (e) of the statutes is amended to read:

3 560.275 (4) (e) *Entrepreneurial and technology transfer grants.* The total
4 amount of grants under sub. (2) (e) may not exceed ~~\$500,000~~ \$600,000 in any fiscal
5 year.

6 (END)