



**Fiscal Estimate Narratives**

**COMM 11/12/2009**

LRB Number <b>09-3484/1</b>	Introduction Number <b>AB-0532</b>	Estimate Type <b>Original</b>
<b>Description</b> Directing the Department of Commerce to award grants to community development corporations to establish capital access programs, providing an exemption from emergency rule procedures, requiring the exercise of rule-making authority, and making an appropriation		

**Assumptions Used in Arriving at Fiscal Estimate**

This bill requires the Department of Commerce to award grants not exceeding \$350,000 annually to the Wisconsin Business Development Finance Corporation (WBDFC). The WBDFC must use the funds to fund capital access programs that encourage lending to small and medium sized businesses and non-profit organizations. A recipient must have an existing portfolio of revolving loans and must have as its primary purpose and mission the promotion of community development in a limited geographic area of this state that is experiencing economic distress. A recipient must use the funds to establish a reserve pool to reduce risk to lenders. Commerce must enter into an agreement with WBDFC that specifies the uses for the grant proceeds and reporting and auditing requirements.

This bill will not have a fiscal effect on the Department of Commerce; Commerce will be able to administer its requirements within existing budgetary authority.

**Long-Range Fiscal Implications**