

**2017 DRAFTING REQUEST****Assembly Amendment (AA-AB912)**For: **Travis Tranel (608) 266-1170**Drafter: **mgallagh**By: **Jeff**

Secondary Drafters:

Date: **2/12/2018**

May Contact:

Same as LRB:

Submit via email: **YES**Requester's email: **Rep.Tranel@legis.wisconsin.gov**Carbon copy (CC) to: **michael.gallagher@legis.wisconsin.gov****Pre Topic:**

No specific pre topic given

**Topic:**

Add grants for revolving loan funds and program operations and marketing.

**Instructions:**

See attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mgallagh 2/13/2018	aernstr 2/13/2018			
/P1	mgallagh 2/13/2018	aernstr 2/13/2018	dwalker 2/13/2018		
/P2	mgallagh 2/13/2018	aernstr 2/13/2018	lparisi 2/13/2018		
/1			dwalker 2/13/2018	dwalker 2/13/2018	

FE Sent For:

&lt;END&gt;



State of Wisconsin  
2017 - 2018 LEGISLATURE

now

LRBa2101/02

MPG:...

ahc  
1/7/1

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**  
**ASSEMBLY AMENDMENT ,**  
**TO ASSEMBLY BILL 912**

1 At the locations indicated, amend the bill as follows:

2 1. Page 4, line 19: after that line insert:

3 “(3g) GRANTS FOR REVOLVING LOAN FUNDS. (a) In this subsection and in sub. (3r),  
4 “eligible organization” means each county economic development organization  
5 serving a rural county and each regional economic development organization serving  
6 a rural county that the corporation determines under par. (d) is eligible for a grant  
7 under par. (c).

8 (b) From the appropriation under s. 20.192 (1) (bm), the corporation shall  
9 allocate \$5,000,000 for grants under this subsection and under sub. (3r). In  
10 determining eligibility under par. (d) and awarding grants under this subsection and  
11 under sub. (3r), the corporation shall make every effort to ensure that underserved  
12 communities are prioritized.

1           (c) The corporation shall award a onetime grant of \$250,000 to each eligible  
2 organization, or shall grant a smaller amount if the eligible organization so elects.  
3 An eligible organization receiving a grant under this paragraph shall expend the  
4 grant moneys only for the purpose of creating or expanding a revolving loan fund that  
5 promotes economic development and entrepreneurial start-ups in a rural county  
6 served by the eligible organization.

7           (d) In determining whether a county economic development organization  
8 serving a rural county or regional economic development organization serving a  
9 rural county is eligible for a grant under par. (c), the corporation shall consider all  
10 of the following:

11           1. Whether the organization maintains a manual containing fiscal and  
12 administrative policies and procedures.

13           2. Whether the organization has a mechanism in place for recording revolving  
14 loan fund outcomes and maintaining all required revolving loan fund  
15 documentation.

16           3. Whether the organization's staff is sufficient and qualified by education or  
17 experience to administer a revolving loan fund or whether the organization has  
18 concrete plans to gain such staff.

19           4. Whether the organization can provide at least 2 examples of projects  
20 financed with public funding that the organization has taken from grant application  
21 to project completion.

22           5. Whether the organization has experience or a history of serving the  
23 community with economic development projects.

1 (3r) GRANTS FOR PROGRAM OPERATIONS AND MARKETING. (a) The corporation shall  
2 award a grant of up to \$50,000 per fiscal year to each eligible organization, subject  
3 to all of the following:

4 1. The eligible organization shall expend all grants received under this  
5 paragraph only for the purpose of program operations and marketing within a rural  
6 county served by the eligible organization.

7 2. The eligible organization shall submit an annual report to the corporation  
8 concerning the organization's use of <sup>each grant</sup> all grants under this paragraph. The report  
9 shall include all of the following:

10 a. A description and estimate of the number of all jobs created or retained as  
11 a result of the grants.

12 b. A description and estimate of the number of all entrepreneurial ventures  
13 created as a result of the grants.

14 c. A description and estimate of the number of all out-of-state direct  
15 investments occurring as a result of the grants.

16 d. A description and estimate of the number of businesses retained or expanded  
17 as a result of the grants.

18 e. c. A description of all marketing efforts undertaken as a result of the grant.

19 (b) A rural county served by an eligible organization receiving a grant under  
20 par. (a) may not reduce its aid to the organization based solely on the organization's  
21 receipt of the grant.".

22 (END)



State of Wisconsin  
2017 - 2018 LEGISLATURE

LRBa2101/P1  
MPG:ahe

1/2

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**  
**ASSEMBLY AMENDMENT ,**  
**TO ASSEMBLY BILL 912**

Insert

1 At the locations indicated, amend the bill as follows:

2 1. Page 4, line 19: after that line insert:

3 “(3g) GRANTS FOR REVOLVING LOAN FUNDS. (a) In this subsection and in sub. (3r),  
4 “eligible organization” means each county economic development organization  
5 serving a rural county and each regional economic development organization serving  
6 a rural county that the corporation determines under par. (d) is eligible for a grant  
7 under par. (c).

8 (b) From the appropriation under s. 20.192 (1) (bm), the corporation shall  
9 allocate \$5,000,000 for grants under this subsection and under sub. (3r). In  
10 determining eligibility under par. (d) and awarding grants under this subsection and  
11 under sub. (3r), the corporation shall make every effort to ensure that underserved  
12 communities are prioritized.

1           (c) The corporation shall award a onetime grant of \$250,000 to each eligible  
2 organization, or shall grant a smaller amount if the eligible organization so elects.  
3 An eligible organization receiving a grant under this paragraph shall expend the  
4 grant moneys only for the purpose of creating or expanding a revolving loan fund that  
5 promotes economic development and entrepreneurial start-ups in a rural county  
6 served by the eligible organization.

7           (d) In determining whether a county economic development organization  
8 serving a rural county or regional economic development organization serving a  
9 rural county is eligible for a grant under par. (c), the corporation shall consider all  
10 of the following:

11           1. Whether the organization maintains a manual containing fiscal and  
12 administrative policies and procedures.

13           2. Whether the organization has a mechanism in place for recording revolving  
14 loan fund outcomes and maintaining all required revolving loan fund  
15 documentation.

16           3. Whether the organization's staff is sufficient and qualified by education or  
17 experience to administer a revolving loan fund or whether the organization has  
18 concrete plans to gain such staff.

19           4. Whether the organization can provide at least 2 examples of projects  
20 financed with public funding that the organization has taken from grant application  
21 to project completion.

22           5. Whether the organization has experience or a history of serving the  
23 community with economic development projects.

*Now shall grant a smaller amount if the eligible organization so elects;*

1 **(3r)** GRANTS FOR PROGRAM OPERATIONS AND MARKETING. (a) The corporation shall  
2 award a grant of up to \$50,000 per fiscal year to each eligible organization, subject  
3 to all of the following:

4 1. The eligible organization shall expend all grants received under this  
5 paragraph only for the purpose of program operations and marketing within a rural  
6 county served by the eligible organization.

7 2. The eligible organization shall submit an annual report to the corporation  
8 concerning the organization's use of each grant under this paragraph. The report  
9 shall include all of the following:

10 a. A description and estimate of the number of all jobs created or retained as  
11 a result of the grant.

12 b. A description and estimate of the number of all entrepreneurial ventures  
13 created as a result of the grant.

14 c. A description and estimate of the number of all out-of-state direct  
15 investments occurring as a result of the grant.

16 d. A description and estimate of the number of businesses retained or expanded  
17 as a result of the grant.

18 e. A description of all marketing efforts undertaken as a result of the grant.

19 (b) A rural county served by an eligible organization receiving a grant under  
20 par. (a) may not reduce its aid to the organization based solely on the organization's  
21 receipt of the grant.”.

*From the appropriation order S. Co. 192 (15) (b)(1) 5*

*money's*

22

(END)

*12-15-21*

**2017-2018 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRBa2101/P2ins  
MPG:ahe

**INSERT 3-21**

- 1            **1.** Page 5, line 7: delete “sub. (2)” and substitute “this section”.
- 2            **2.** Page 5, line 7: after that line insert:
- 3            **“(5m) FOCUS ON UNDERSERVED COMMUNITIES. In administering this section, the**
- 4            **corporation shall make every effort to ensure that underserved communities in rural**
- 5            **counties are prioritized.”.**

**END INSERT 3-21**



## Gallagher, Michael

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**From:** Curry, Jeff  
**Sent:** Monday, February 12, 2018 6:56 PM  
**To:** Gallagher, Michael  
**Subject:** Rep. Tranel's Office - drafting instructions amendment to AB 912

WEDC puts \$5,000,000 into a fund that gets distributed to the regions and the counties who qualify. The qualifying regions and counties get \$250,000 to use for their revolving loan fund. WEDC was to come up with the language as to determine who qualifies. The intent though is that they basically already have a revolving loan fund that is being run effectively. (Grant County) WEDC was also going to make sure that \$5,000,000 would be enough to cover everyone that qualifies.

\*\*After hearing, Justin said they were concerned some counties wouldn't want \$250,000. If a county or region wants less, then okay.

All of the entities that qualify for the \$250,000 revolving loan dollars – would also qualify for the \$50,000 grant program and marketing grant.

Finally, after hearing it was suggested that we add language that says:

“WEDC shall make every effort when disbursing funds to ensure underserved communities are prioritized.”

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Use below language for now until we get something different from WEDC)

Suggested eligibility criteria language:

- A Manual(s) containing fiscal and administrative policies and procedures.
- A mechanism for recording RLF outcomes and maintaining all required RLF documentation.
- Staff capacity sufficient to administer a RLF project or concrete plans to gain staff capacity.
- Two examples of projects with public grant funding or financing which the organization has taken from grant application to completion.
- Experience or history of serving the community with economic development projects.

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Source: *[Community Development Block Grant – Rural Economic and Area Development Initiative*

*(CDBG-READI) COMMUNITY DEVELOPMENT ORGANIZATION - APPLICATION PACKET, Page 24]*

Ple

## Gallagher, Michael

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**From:** Curry, Jeff  
**Sent:** Tuesday, February 13, 2018 9:57 AM  
**To:** Gallagher, Michael  
**Subject:** FW: Rep. Tranel's Office - Amendment Draft

Can you make these changes please and then jacket the amendment. It needs to get to finance ! Jeff

On page 1 under Sub (C) line 11, please add "a consortia of counties may apply for more than \$250,000"

On page 2 Under sub (d) strike points 2 and 4. Under 1 instead of the words "maintains a manual containing", use the words "has appropriate fiscal and administrative policies and procedures in place" Eliminate 'or whether the organization has concrete plans to gain such staff" from section 3.

On Page 3 under section 2, eliminate A through D

-  
-  
Reword sub (b). I believe what you're trying to get at is "Counties may not use awarded grants to supplant existing funds"



11

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**  
**ASSEMBLY AMENDMENT,**  
**TO ASSEMBLY BILL 912**

The corporation may award a grant of more than \$250,000  
onetime.  
to a consortium of rural counties or a  
consortium of eligible organizations.

1 At the locations indicated, amend the bill as follows:

2 1. Page 4, line 19: after that line insert:

3 “(3g) GRANTS FOR REVOLVING LOAN FUNDS. (a) In this subsection and in sub. (3r),  
4 “eligible organization” means each county economic development organization  
5 serving a rural county and each regional economic development organization serving  
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7 under par. (c).

8 (b) From the appropriation under s. 20.192 (1) (bm), the corporation shall  
9 allocate \$5,000,000 for grants under this subsection.

10 (c) The corporation shall award a onetime grant of \$250,000 to each eligible  
11 organization, or shall grant a smaller amount if the eligible organization so elects.

12 An eligible organization receiving a grant under this paragraph shall expend the

or consortium

1 grant moneys only for the purpose of creating or expanding a revolving loan fund that  
 2 promotes economic development and entrepreneurial start-ups in a rural county  
 3 served by the eligible organization *of in rural counties served by the consortium*

4 (d) In determining whether a county economic development organization  
 5 serving a rural county or regional economic development organization serving a  
 6 rural county is eligible for a grant under par. (c), the corporation shall consider all  
 7 of the following:

8 1. Whether the organization *has appropriate* maintains a manual containing fiscal and  
 9 administrative policies and procedures *in place*

10 2. Whether the organization has a mechanism in place for recording revolving  
 11 loan fund outcomes and maintaining all required revolving loan fund  
 12 documentation.

13 3. Whether the organization's staff is sufficient and qualified by education or  
 14 experience to administer a revolving loan fund *or whether the organization has*  
 15 *concrete plans to gain such staff.*

16 4. Whether the organization can provide at least 2 examples of projects  
 17 financed with public funding that the organization has taken from grant application  
 18 to project completion.

19 5. Whether the organization has experience or a history of serving the  
 20 community with economic development projects.

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 22 appropriation under s. 20.192 (1) (bm), the corporation shall award a grant of  
 23 \$50,000, or shall grant a smaller amount if the eligible organization so elects, per  
 24 fiscal year to each eligible organization, subject to all of the following:

1            1. The eligible organization shall expend all grant moneys received under this  
2 paragraph only for the purpose of program operations and marketing within a rural  
3 county served by the eligible organization.

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17 par. (a) may not reduce its aid to the organization based solely on the organization's  
18 receipt of the grant".

19           2. Page 5, line 7: delete "sub. (2)" and substitute "this section".

20           3. Page 5, line 7: after that line insert:

21           "(5m) FOCUS ON UNDERSERVED COMMUNITIES. In administering this section, the  
22 corporation shall make every effort to ensure that underserved communities in rural  
23 counties are prioritized."

24           (END)

may not use or depend on grant moneys to supplement existing funding for economic development purposes