

SECTION 1. Chapter Comm 139 is created to read:

CHAPTER Comm 139, RURAL OUTSOURCING GRANTS

Comm 139.10 Authority and purpose. The purpose of this chapter is to set forth the criteria the department will use to administer the rural outsourcing grants established under SECTION 45 (1) of 2009 Wisconsin Act 265.

Comm 139.20 Definitions. In this chapter:

(1) "Department" means the department of commerce.

(2) "Eligible business" means a for-profit company that at the time of application to the department outsources work to outside of this state but will be shifting that work to a business operation or facility located in a rural municipality in this state.

(3) "Eligible uses" means costs incurred by an eligible business to transfer the outsourced work to an operation in a rural municipality.

(4) "Rural municipality" means any of the following:

(a) A city, town or village that is located in a county with a population density of less than 150 persons per square mile.

(b) A city, town or village with a population of 6,000 or less.

Comm 139.30 Outsourcing Grants. (1) The department may award grants from the appropriation under s. 20.143 (1) (cp), Stats., only to the extent the unencumbered balances of the appropriations under ss. 20.143 (1) (ie), (ig), (im), and (ir), Stats., are insufficient to fund the grant. The total amount of grants under this chapter may not exceed \$500,000.

(2) (a) The department may award a grant to an eligible business for a project that shifts work from being performed outside of this state, to instead be performed in a rural municipality.

(b) The grant funds may be used only for the following capital or operating expenses incurred in establishing, equipping, or maintaining a facility for the work in the rural municipality:

1. Facility-related costs.

2. Equipment purchases.

3. Employee training costs.

4. Other expenditures deemed by the department to be related to the project.

(3) Prior to receiving a grant, an eligible business shall demonstrate that it will provide a match of at least 50% from sources other than the department. Eligible match sources include

costs related to the project that the business has incurred or will incur for any of the following:

- (a) Capital expenditures.
- (b) Family supporting wages.
- (c) Rent or other facility costs.
- (d) Electricity costs.
- (e) Equipment leases.
- (f) Software expenses.

(4) In addition to submitting the demonstration information in sub. (3), the applicant shall submit information enabling the department to consider the factors addressed in subs. (2) (b) and (5) (b).

(5) (a) Due to the \$500,000 maximum available under this program for awards during the 2009-2011 fiscal biennium, the department may allocate the grant funds in a manner that the department believes is most likely to promote economic development.

(b) In determining the allocation of grant funds under par. (a), the department shall consider all of the following:

1. The jobs created by the project.
2. The salaries, wages and other employee benefits of the jobs created by the project.
3. The impact of the project on the rural municipality.
4. The extent to which the area served by the project is economically distressed.
5. The amount of new, eligible capital investment in the project.
6. The impact of the project on business in Wisconsin.
7. Any previous assistance from the department.

Comm 139.40 Remaining allocation. If after the first day of the 12th month beginning after the effective date of the rules the department has not received completed applications and made awards totaling \$500,000, the department may use the remaining funds, but not more than \$250,000, for other eligible uses under s. 20.143 (1) (c), Stats.

Note: See chapter Comm 149 for additional requirements relating to (1) contracts between the Department and recipients of economic-development grants; (2) submittal of statements for such grants; and (3) penalties for submitting false or misleading information, or for failing to comply with the terms of a contract..

(END)

EFFECTIVE DATE

Pursuant to s. 227.22 (2) (intro.), Stats., these rules shall become effective on the first day of the month commencing after publication in the Wisconsin administrative register.

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