

CR 91-148

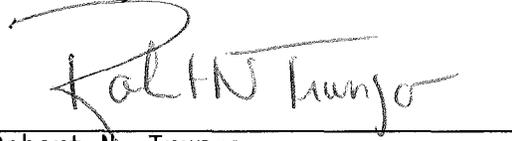
CERTIFICATE

STATE OF WISCONSIN)
) SS
DEPARTMENT OF DEVELOPMENT)

I, Robert N. Trunzo, Secretary and custodian of the official records of the Department of Development, do hereby certify that the annexed rules relating to the Wisconsin Development Fund were duly approved and adopted by this Department on December 13, 1991.

I further certify that said copy has been compared by me with the original on file in this Department and that the same is a true copy thereof, and of the whole of the original.

IN TESTIMONY WHEREOF, I have hereunto set my hand as Secretary at 123 West Washington Avenue in the City of Madison, this 13th day of December, 1991.



Robert N. Trunzo

18-007

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2-1-92

ORDER OF THE DEPARTMENT OF DEVELOPMENT
AMENDING CHAPTER DOD 6

The Department of Development adopts an order amending Ch. DOD 6, relating to the Wisconsin Development Fund.

Analysis Prepared by the Department of Development

Subchapter V, Ch. 560, Stats., creates the Wisconsin Development Fund which includes programs for the Customized Labor Training (CLT), Major Economic Development (MED), Technology Development Fund (TDF) and Technology Based Incubator (TBI) programs. Section 560.685, Stats., provides the department with the authority to adopt rules to implement these programs.

1991 Wisconsin Act 39, the budget act of the 1991 Legislature, included changes to the legislation governing the Wisconsin Development Fund. This rule amends the Wisconsin Development Fund rules to make the rules consistent with current law and to make a change to the procedures for approval of an application by the Wisconsin Development Finance Board.

1991 Wisconsin Act 39 included provisions which require the Wisconsin Development Finance Board to give consideration and preference to projects that are located in targeted areas. The proposed rule adds the consideration and preference to the CLT, MED, TDF and TBI program regulations.

The current rules state that match for a CLT or MED project may include in-kind costs. The law does not provide authority for in-kind match so the rules governing each program have been amended to indicate the match must be cash.

The rules for each of the WDF programs state "A majority of the members of the board shall approve an application before the department can enter into a contract under the terms of the fund." The Department is amending the applicable rules to allow a majority of the Board members present to approve an application.

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Text of Rule:

SECTION I. DOD 6.45 is amended to read:

DOD 6.45 MATCH REQUIREMENTS. The applicant business shall provide a match for the grant or loan received. The match shall be in cash ~~or in-kind~~ and shall not be less than 50 percent of the value of the training provided if the project for which funding is requested is located outside a targeted area. Up to 20 percent of the contribution of a participating business may consist of funds which the business receives under the federal job training partnership act, 29 USC 1501 to 1781.

SECTION II. DOD 6.47 (2) (1) is created to read:

DOD 6.47 (2) (1) Whether the project is in a targeted area based on the following indices.

1. The level of unemployment in the area.
2. The average household income in the area.
3. The percentage of households in the area receiving aid to families with dependent children under s. 49.19, Stats..
4. The rate of decline in the population in the area.
5. The reduction of property values in the area.
6. The number of workers in the area that have been permanently laid off by their employers or the existence of public notice by an employer of either a plant closing or a substantial reduction in work force that will result in a significant number of workers in the area being laid off permanently.
7. Designation of the area as a development zone under s. 560.71, Stats..

SECTION III. DOD 6.51, 6.63 (1) and 6.64 (2) are amended to read:

DOD 6.51 BOARD OPERATIONS. The board shall consider the recommendation of the department relating to the criteria under s. DOD 6.47. ~~A majority of the members of the~~ The board shall approve an application before the department can enter into a contract under the terms of the fund. The department shall maintain records of its proceedings and provide other staff support as may be necessary to the board.

DOD 6.63 GRANT AND LOAN AMOUNTS. (1) Wisconsin development funds expended or encumbered under this subchapter ~~in any fiscal year~~ for technology development ~~grants and loans projects~~ located outside a targeted area may not exceed 40 percent of the total budgets of all ~~technical research~~ technology development projects located outside a targeted area which are awarded grants or loans under this subsection in that any fiscal year. A determination as to

whether the project will be funded as a grant or loan will be at the discretion of the board. Insofar as it is practical, the board will require repayment of the funds plus a reasonable return on the investment. The repayment provision shall be determined on a case-by-case basis by the board.

DOD 6.64 (2) The nonprofit business development organization shall provide a match for the technology-based incubator grant or loan received. The match shall not be less than 50 percent of the cost of the project if the project is located outside a targeted area. The board may require a higher match to the extent that the financial documentation in the application indicates the ability on the part of the nonprofit business development organization to finance a greater share of the project.

SECTION IV. DOD 6.66 (2) (n) is created to read:

DOD 6.66 (2) (n) Whether the project is in a targeted area based on the following indices:

1. The level of unemployment in the area.
2. The average household income in the area.
3. The percentage of households in the area receiving aid to families with dependent children under s. 49.19, Stats..
4. The rate of decline in the population in the area.
5. The reduction of property values in the area.
6. The number of workers in the area that have been permanently laid off by their employers or the existence of public notice by an employer of either a plant closing or a substantial reduction in work force that will result in a significant number of workers in the area being laid off permanently.
7. Designation of the area as a development zone under s. 560.71, Stats..

SECTION V. DOD 6.70, 6.81 (4) and 6.83 are amended to read:

DOD 6.70 BOARD OPERATIONS. The board shall consider the recommendation of the department relating to the criteria under s. DOD 6.47. ~~A majority of the members of the~~ The board shall approve an application before the department can enter into a contract under the terms of the fund. The department shall maintain records of its proceedings and provide other staff support as may be necessary to the board.

DOD 6.81 (4) "Consortium" means an association of a business and a higher educational institution; or the Great Lakes composities consortium, which association is subject to an agreement complying with this subchapter.

DOD 6.83 MATCH REQUIREMENTS. Applicants shall provide a match for the grant or loan received. The match ~~may~~ shall be in cash ~~or in-kind~~ and shall be a minimum of 25 percent of the project cost. The board may establish a higher match requirement. A determination as to whether the project will be funded as a grant or loan will be at the discretion of the board. Insofar as it is practical, the board will require repayment of the funds plus a reasonable return on the investment. The repayment provisions shall be determined on a case-by-case basis by the board.

SECTION VI. DOD 6.85 (2) (o) is created to read:

DOD 6.85 (2) (o) Whether the project is in a targeted area based on the following indices.

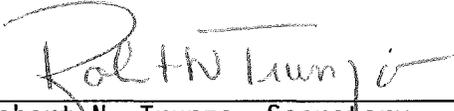
1. The level of unemployment in the area.
2. The average household income in the area.
3. The percentage of households in the area receiving aid to families with dependent children under s. 49.19, Stats..
4. The rate of decline in the population in the area.
5. The reduction of property values in the area.
6. The number of workers in the area that have been permanently laid off by their employers or the existence of public notice by an employer of either a plant closing or a substantial reduction in work force that will result in a significant number of workers in the area being laid off permanently.
7. Designation of the area as a development zone under s. 560.71, Stats..

SECTION VII. DOD 6.89 is amended to read:

DOD 6.89 BOARD OPERATIONS. The board shall consider the recommendation of the department relating to the criteria under s. DOD 6.47. ~~A majority of the members of the~~ The board shall approve an application before the department can enter into a contract under the terms of the fund. The department shall maintain records of its proceedings and provide other staff support as may be necessary to the board.

EFFECTIVE DATE: This rule shall take effect on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22 (2) (intro.), Stats.

Dated 12.13.91

Agency 
Robert N. Trunzo, Secretary

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