

CR 94-97

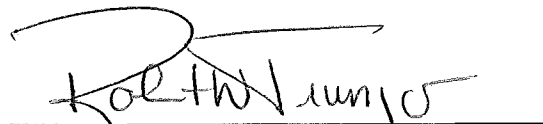
CERTIFICATE

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 Business Development Initiative Program were duly approved and adopted by this Department on August 16, 1994.

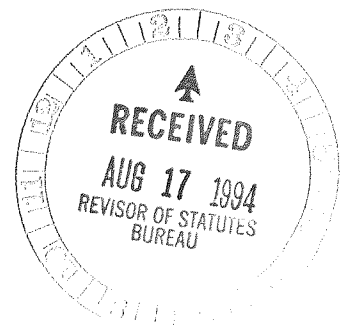
I further certify that said copy has been compared by me with the original on file in this Department and that the same is a true copy thereof, and of the whole of the original.

IN TESTIMONY WHEREOF, I have here-
unto set my hand as Secretary at
123 West Washington Avenue in the City
of Madison, this 16th day of August, 1994.



Robert N. Trunzo

18-007



11-1-94

Text of Rule:

SECTION 1. Section DOD 17.01 is amended to read:

DOD 17.01 PURPOSE. The purpose of this chapter is to establish a procedure for the administration of the business development initiative program as provided in ~~ss. 234.965 and s.~~ 560.20, Stats., and funded under s. 20.143 (1) (en) and (in), Stats.

SECTION 2. Section DOD 17.02 (3) is repealed

SECTION 3. Sections DOD 17.02 (4) and (5) are renumbered 17.02 (3) and (4).

SECTION 4. Section DOD 17.02 (5) is created to read:

DOD 17.02 (5) "Management assistance" has the meaning provided in s. 560.20 (1) (cf), Stats.

SECTION 5. Section DOD 17.03 is repealed and recreated to read:

DOD 17.03 DISTRIBUTION OF FUNDS.

From the appropriation under ss. 20.143 (1) (en) and (in), Stats., the department may expend up to \$25,000 for technical assistance grants made under s. DOD 17.045.

SECTION 6. Section DOD 17.05 is repealed and recreated to read:

DOD 17.05 FINANCING FOR WORKING CAPITAL, FIXED ASSET FINANCING AND MANAGEMENT ASSISTANCE.

(1) An eligible applicant may receive up to \$30,000 in a fiscal biennium. Up to the lesser of \$5,000 or 20 percent of the financing to any eligible applicant may be in the form of a grant to fund activities listed in sub. (6), and the remainder shall be in the form of a loan to fund activities listed in sub. (5).

(2) A match equal to the funds received is required. The match may not include an applicant's wages, the value of personal time contributed by the applicant to the business for which application is made or any other resources not directly related to the startup or expansion of the business for which application is made.

(3) To be an eligible applicant for funding under this section an individual, small business or nonprofit organization shall meet all of the requirements of s. 560.20 (3) (a) 1 to 2, Stats., shall have received funding under s. DOD 17.04 or 17.045, shall have demonstrated with the proceeds of such funding the feasibility of the business, and shall not be able to obtain financing from any other source on reasonably equivalent terms.

(4) Before awarding financing under this section, the department shall consider all of the following:

(a) Each of the considerations in s. 560.20 (3) (e), Stats.

- (b) The viability of the proposed business startup or expansion.
- (c) The technical and management capabilities of the applicant.
- (d) The availability of adequate financial resources to successfully complete the startup or expansion including the amount directly provided by the applicant.

(5) The proceeds of a loan under this section may be used only for working capital or fixed asset financing related to the start-up or expansion of the for-profit business and only in accordance with the terms of the contract required under s. DOD 17.06.

(6) The proceeds of a grant under this section may be used only for management assistance and only in accordance with the terms of the contract required under s. DOD 17.06.

(7) The terms and conditions of each loan and grant, including repayment terms, shall be determined by the department after considering the circumstances of the business for which application has been made.

SECTION 7. Section DOD 17.06 (1) is amended to read:

DOD 17.06 ~~(1)~~ Successful applicants for ~~technical assistance or technical assistance grants~~ financing under this chapter shall be required to enter into a contract with the department. The contracts shall be signed by the secretary and the chief executive officer of the successful applicant, or by their authorized representatives. The department may void a contract and seek a return of any funds released under the contract for failure by the applicant to perform its obligations under the contract. Amendments to these contracts may be adopted by the written consent of both parties.

SECTION 8. Section DOD 17.06 (2) is repealed:

SECTION 9. Section DOD 17.07 (1) is amended to read:

DOD 17.07 ~~(1)~~ Each successful applicant for ~~technical assistance grants~~ financing under this chapter shall provide to the department periodic financial and program reports. The financial and program reports shall be submitted to the department by a date specified in the contract. The financial and program reports become the property of the department and are open to public inspection.

SECTION 10. Section DOD 17.07 (2) is repealed.

SECTION 11. Sections DOD 17.08 and 17.09 are amended to read:

DOD 17.08 ADMINISTRATION. The department shall solicit applications, review applications, make ~~technical assistance and grant~~ determinations on the disposition of applications made under this chapter, authorize payments and otherwise implement contractual obligations entailed in grants and loans made under the terms of this chapter, monitor project activities, and receive and review the financial reports and program reports submitted under s. DOD 17.07.

DOD 17.09 APPLICATION MANUAL. The department shall prepare an application manual for ~~technical assistance and technical assistance grants~~ activities eligible for financing under this chapter which it may update as needed. The manual shall contain the application procedures, requirements and instructions for funding under this chapter.

NOTE: Written instructions for ~~technical assistance and technical assistance grant~~ and loan financing may be obtained at no charge from the Department of Development, Bureau of Minority Business, P.O. Box 7970, Madison, WI 53707.

EFFECTIVE DATE. The regulations set forth in this order shall be effective on the first day of the month following publication in the Wisconsin administrative register as provided in s. 227.22 (2) (intro.), stats.

Dated: 8/16/94

Agency: [Signature]

