

RULES CERTIFICATE

Department of Commerce

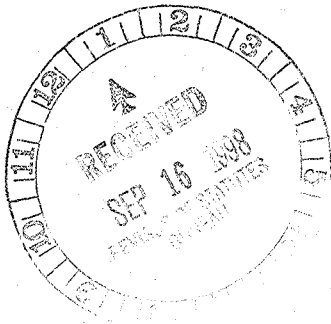
TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Philip Edw. Albert,
William J. McGoshen Deputy Secretary of the Department of Commerce,

and custodian of the official records of said department, do hereby certify that the annexed rule(s) relating to
Mining Economic Development Grant and Loans Program
(Subject)

were duly approved and adopted by this department.

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



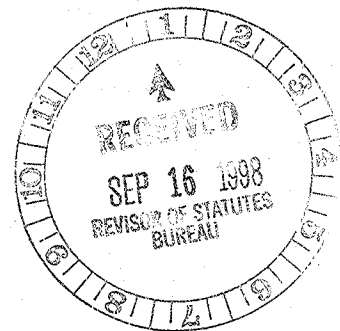
IN TESTIMONY WHEREOF, I have hereunto set
my hand at 201 West Washington Avenue
in the city of Madison, this 25th
day of August A.D. 1998

Philip Edw. Albert
Deputy Secretary



State of Wisconsin \ Department of Commerce

RULES in FINAL DRAFT FORM



Rule No.: Comm 119

Relating to: Mining Economic Development Grants and Loans
Program

Clearinghouse Rule No.: 98-061

Pursuant to the authority vested in the Department of Commerce by ss. 560.02 (4), 560.135 (7), and 227.11 (2), Stats., the Department of Commerce hereby creates rules interpreting s. 560.135, Stats., relating to the mining economic development grants and loans program.

SECTION 1. Chapter Comm 119 is created to read:

COMM 119 - MINING ECONOMIC DEVELOPMENT GRANTS AND LOANS

Comm 119.01 Purpose	Comm 119.06 Application Content
Comm 119.02 Policy Statement	Comm 119.07 Evaluation Criteria
Comm 119.03 Definitions	Comm 119.08 Contracts
Comm 119.04 Eligible Applicants	Comm 119.09 Reporting and Auditing
Comm 119.05 Grant and Loan Amounts and Restrictions	Comm 119.10 Administration
	Comm 119.11 Board Operations

COMM 119.01 PURPOSE. The purpose of this chapter is to establish a procedure for the administration of the mining economic development grants and loans program as provided by s. 560.135, Stats.

COMM 119.02 POLICY STATEMENT. As the state economic development agency, the department shall administer and coordinate economic and business development programs to foster investment, job creation, and diversification of the state's economy. The department shall provide financial and technical assistance to businesses for economic development and diversification purposes in areas affected by metallic mineral mining. Through the use of the mining economic development grant and loan program, the department shall seek to maximize the use of limited funds by leveraging private investment and utilizing other sources of available funds

COMM 119.03 DEFINITIONS. In this chapter:

- (1) "Area affected by mining" has the meaning given in s. 560.135 (1) (a), Stats.
- (2) "Board" has the meaning given in s. 15.155 (1), Stats.
- (3) "Business" has the meaning given in s. 560.60 (2), Stats.
- (4) "Community based organization" has the meaning given in s. 560.14 (1) (c), Stats.
- (5) "Department" means the department of commerce.
- (6) "Local development corporation" has the meaning given in s. 560.135 (1) (e), Stats.
- (7) "Mining" has the meaning given in s. 560.135 (1) (f), Stats.

COMM 119.04 ELIGIBLE APPLICANTS (1) An eligible applicant includes any of the following:

(1) A business, to finance costs associated with start-up, maintenance or expansion in an area affected by mining.

(2) A city, village, town or county, to develop an economic diversification plan.

(3) A city, village, town, county, community-based organization or local development corporation, to establish a local revolving loan fund to finance businesses that will create long-term employment opportunities.

(4) A community-based organization or local development corporation, to conduct a local economic development project that will create long-term employment opportunities and to provide assistance to businesses or entrepreneurs.

(5) A business, to obtain professional services related to the start-up maintenance or expansion of the business, including assistance with feasibility studies or financial and marketing plans and managerial assistance after the start-up or expansion.

COMM 119.05 GRANT AND LOAN AMOUNTS AND RESTRICTIONS (1) The amount of funding for a project and 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 loan funds plus a reasonable return on the loan. The repayment provisions shall be determined on a case-by-case basis by the board.

(2) An applicant that is awarded funds for a revolving loan fund project under this chapter shall administer and use the fund in accordance with the revolving loan fund manual established by the department. The department shall prepare a revolving loan fund manual 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 a revolving loan fund manual may be obtained at no charge from the Department of Commerce, Bureau of Business Finance, P. O. Box 7970, Madison, Wisconsin 53707, telephone 608/266-1018.

(3) The board may not award a grant or loan under this chapter if the proceeds will be used to establish or expand a business that is solely dependent on mining activity.

(4) The maximum award the board can make for any one project is:

(a) For a project under s. Comm 119.04 (1), (2), or (4), \$100,000.

(b) For a project under s. Comm 119.04 (3), \$200,000.

(c) For a project under s. Comm 119.04 (5), \$15,000.

COMM 119.06 APPLICATION MANUAL. The department shall prepare an application manual 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 applications may be obtained at no charge from the Department of Commerce, Bureau of Business Finance, P. O. Box 7970, Madison, Wisconsin 53707, telephone 608/266-1018.

COMM 119.07 EVALUATION CRITERIA. (1) In awarding grants and loans under this chapter, the board shall consider all of the criteria in s. 560.135 (5), Stats.

(2) The board may develop other evaluation criteria in order to make a determination in accordance with the provisions of this chapter and s. 560.135, Stats..

COMM 119.08 CONTRACTS. Successful applicants shall be required to enter into a contract with the department for the purpose of implementing the proposed grant or loan. The contract shall be signed by the secretary of the department and the person or persons authorized by the applicant to enter into the contract. The department may void a contract and seek a return of any funds released under the contract for failure by the recipient to perform its obligations under the contract. Amendments to these contracts may be adopted by the consent of both parties.

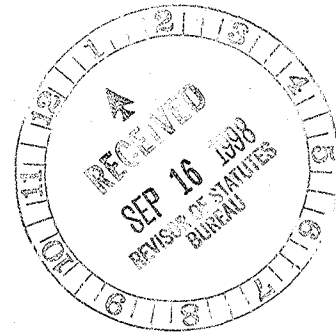
COMM 119.09 REPORTING AND AUDITING. Each successful applicant shall provide the department periodic reimbursement documentation and program reports on the project. A financial audit and final program report shall be submitted at the end of each contract. The financial audit shall be performed to the satisfaction of the department. The cost of the audit may be covered by the grant or loan. The reimbursement documentation, audit and program reports shall be submitted to the department by a date specified in the contract. The reimbursement documentation, financial audit and the program reports become the property of the department and are open to public inspection.

COMM 119.10 ADMINISTRATION. The department shall solicit applications; review applications; make recommendations to the board on the disposition of applications; enter into contracts with successful applicants; authorize payments and otherwise implement contractual obligations entailed in grants or loans made under this chapter; monitor project activities; receive and review the reimbursement documentation and program reports submitted under s. Comm 119.07; and collect any repayments of loans from successful applicants.

COMM 119.11 BOARD OPERATIONS. The board shall consider the recommendation of the department relating to the project. The board shall approve an application before the department may enter into a contract for a grant or loan under this chapter. The department shall maintain records of the board proceedings and provide staff support as may be necessary to the board.

(THE END)

Pursuant to s. 227.22 (2) (Intro). Stats, these rules shall take effect on the first day of the month following publication in the Wisconsin Administrative Register.



August 25, 1998

Gary Poulson
Assistant Revisor of Statutes
Suite 800
131 West Wilson Street
Madison, Wisconsin 53703-3233

Douglas LaFollette
Secretary of State
10th Floor
30 West Mifflin Street
Madison, Wisconsin 53703

Dear Messrs. Poulson and LaFollette:

TRANSMITTAL OF RULE ADOPTION

CLEARINGHOUSE RULE NO.: 98-061

RULE NO.: Comm 119

RELATING TO: Mining Economic Development Grants and Loans Programs

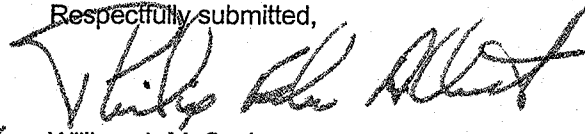
Pursuant to section 227.20, Stats., agencies are required to file a certified copy of every rule adopted by the agency with the offices of the Secretary of State and the Revisor of Statutes.

At this time, the following material is being submitted to you:

1. Order of Adoption.
2. Rules Certificate Form.
3. Rules in Final Draft Form.

Pursuant to section 227.114, Stats., a summary of the final regulatory flexibility analysis is also included.

Respectfully submitted,



William J. McCoshen
Secretary

