

Publication Date: November 28, 2010
Effective Dates: November 28, 2010 through April 26, 2011

ORDER OF THE DEPARTMENT OF COMMERCE

EMERGENCY RULE RELATING TO RURAL OUTSOURCING GRANTS

Exemption From Finding of Emergency

The Legislature, by SECTION 45 (1) (b) of 2009 Wisconsin Act 265, exempts the Department from providing evidence that this emergency rule is necessary for the preservation of public peace, health, safety or welfare; and exempts the Department from providing a finding of emergency for the adoption of this rule.

Pursuant to section 227.24 of the Statutes, this rule is adopted as an emergency rule to take effect upon publication in the official state newspaper and filing with the Legislative Reference Bureau.

The Wisconsin Department of Commerce adopts an order to repeal Comm 139.20 (3) and to repeal and recreate Comm 139.20 (2) relating to rural outsourcing grants, and affecting small businesses.

Analysis of Rules

1. Statutes Interpreted.

SECTION 45 (1) in 2009 Wisconsin Act 265.

2. Statutory Authority.

Section 227.11 (2) (a) of the Statutes and SECTION 45 (1) (b) in 2009 Wisconsin Act 265.

3. Explanation of Agency Authority.

SECTION 45 (1) (b) in 2009 Wisconsin Act 265 requires the Department to promulgate rules for awarding the rural outsourcing grants established in SECTION 45 (1). Section 227.11 (2) (a) of the Statutes authorizes the Department to promulgate rules interpreting the provisions of any Statute administered by the Department.

4. Related Statute or Rule.

The Department has rules for several other programs associated with economic and business development grants, but those programs are not targeted specifically to grants to businesses for outsourcing work to rural municipalities.

5. Summary of Rule.

The rules in this order redefine the businesses that are eligible for the rural-outsourcing grants awarded under SECTION 45 (1) in 2009 Wisconsin Act 265.

6. Summary of, and Comparison With, Existing or Proposed Federal Regulations.

No similar existing or proposed federal regulations or programs were found through review of the Code of Federal Regulations and pertinent federal agency Web sites – including at the US Department of Agriculture, the US Department of Commerce, the US Economic Development Administration, and the US Small Business Administration.

7. Comparison With Rules in Adjacent States.

Review of existing rules and programs in adjacent States and review of proposed state legislation through the National Conference of State Legislatures did not reveal any similar rules or programs in the adjacent States.

8. Summary of Factual Data and Analytical Methodologies.

The data and methodology for developing these rules were derived from and consisted of (1) incorporating the applicable criteria in SECTION 45 in 2009 Wisconsin Act 265; (2) incorporating applicable best practices the Department has developed in administering similar programs for economic and business development, and (3) reviewing Internet-based sources of related federal, state, and private-sector information.

9. Analysis and Supporting Documents Used to Determine Effect on Small Business or in Preparation of an Economic Impact Report.

The primary documentation that was used to determine the effect of the rules on small business was SECTION 45 (1) in 2009 Wisconsin Act 265. This SECTION authorizes the Department to award grants to businesses for outsourcing work to rural municipalities and requires the Department to promulgate rules for administering the program. This SECTION applies its private-sector requirements only to businesses that chose to apply for the grants.

10. Effect on Small Business.

The rules are not expected to impose significant costs or other impacts on small businesses because the rules address submittal of documentation only by applicants that choose to pursue grants for outsourcing work to rural municipalities.

11. Agency Contact Person.

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SECTION 1. Comm 139.20 (2) is repealed and recreated to read:

Comm 139.20 (2) "Eligible business" means any of the following:

(a) A for-profit company that at the time of application to the department either performs or has work performed outside of this state, but will be shifting that work to a business operation or facility located in a rural municipality in this state.

(b) A for-profit company that will be performing the shifted work described in par. (a), for the company which is shifting the work.

SECTION 2. Comm 139.20 (3) is repealed.

(END)

EFFECTIVE DATE

Pursuant to s. 227.24 (1) (c), Stats., this rule shall take effect as an emergency rule upon publication in the official state newspaper.

FISCAL ESTIMATE
DOA-2048 (R06/99)

ORIGINAL
 CORRECTED

UPDATED
 SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
Chapter Comm 139
Amendment No. if Applicable

Subject
Rural Outsourcing Grants

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation

- Increase Existing Appropriation Increase Existing Revenues
- Decrease Existing Appropriation Decrease Existing Revenues
- Create New Appropriation

- Increase Costs - May be Possible to Absorb Within Agency's Budget Yes No
- Decrease Costs

Local: No local government costs

1. Increase Costs
 Permissive Mandatory

3. Increase Revenues
 Permissive Mandatory

5. Types of Local Governmental Units Affected:

- Towns Villages Cities
- Counties Others _____
- School Districts WTCS Districts

2. Decrease Costs
 Permissive Mandatory

4. Decrease Revenues
 Permissive Mandatory

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

Although the rules will newly result in review of documentation relating to issuing grants to businesses for outsourcing work to rural municipalities, the number of these reviews and grants is expected to be too small to result in significant changes in the Department's costs for administering its business development programs. Therefore, the proposed rules are not expected to have any significant fiscal effect on the Department.

The proposed rules are not expected to impose any significant costs on the private sector, because the rules address only voluntary submittal of documentation relating to grants for outsourcing work to rural municipalities.

Long-Range Fiscal Implications
None known.

Agency/Prepared by: (Name & Phone No.)
Commerce/Jim O'Keefe 264-7837

Authorized Signature/Telephone No.

Date