

CR 93-177

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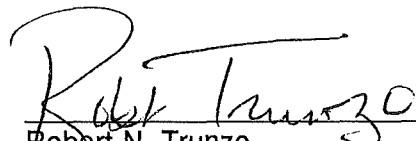
CERTIFICATE

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 Rural Economic Development Program were duly approved and adopted by this Department on December 6, 1993.

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 6th day of December,
1993.



Robert N. Trunzo

18-007



2-1-94

Text of Rule:

SECTION 1. DOD 16.03 is amended to read:

16.03 (title) GRANTS AND LOANS FOR PROFESSIONAL SERVICES. (1) Rural economic development grants and loans made under this section may be for up to \$30,000. A cash or in kind match equal to not less than 25% of the funds received is required.

(2) To be eligible to apply for funding under this ~~chapter~~ section, a business, together with any affiliate, subsidiary or parent entity shall have fewer than 25 employees, shall be located in a rural municipality and shall be in the process of starting or expanding operations.

(3) The proceeds of a grant or loan made under this ~~chapter~~ section may be used only for professional services related to the startup or expansion of the business which has made application or management assistance required for the continued operation of that business and only in accordance with the terms of the contract required under s. DOD 16.06

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

SECTION 2. DOD 16.035 is created to read:

16.035 LOANS FOR WORKING CAPITAL OR FIXED ASSET FINANCING. (1) Loans made under this section may be for up to \$25,000. A cash or in kind match of not less than 50% of the funds received is required.

(2) To be eligible to apply for funding under this section, a business shall meet the requirements of s. DOD 16.03 (2), shall have received funding under s. DOD 16.03, with the proceeds of such funding shall have successfully demonstrated the feasibility of the business, and shall not be able to obtain financing from any other source on reasonably equivalent terms.

(3) The proceeds of a loan made under this section may be used only for working capital or fixed asset financing related to the startup or expansion of the business for which application has been made and only in accordance with the terms of the contract required under s. DOD 16.06.

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

SECTION 3. DOD 16.04 (1), (2) (intro.) and (h) are amended to read:

16.04 (1) A business which is eligible according to s. DOD 16.03 (2), may make application to the department at any time for funding under s. DOD 16.03. A business which is eligible according to s. DOD 16.035 (2), may make application to the department at any time for funding under s. DOD 16.035.

(2) (intro.) An application for a grant or loan under ~~this chapter~~ s. DOD 16.03 shall be in such form as the department may require and shall include all of the following:

(h) A discussion of the ~~financial needs~~ economic conditions of the rural municipality in which the business is or will be located.

SECTION 4. DOD 16.04 (3) is created to read:

16.04 (3) An application for a loan under s. DOD 16.305 shall be in such form as the department may require and shall include all of the following:

(a) An analysis of the need for fixed asset financing or operating capital proposed in the application.

(b) A business plan which includes projections for at least 2 years.

(c) Evidence of adequate financial resources to successfully operate the business.

(d) An estimate of the number of new jobs that will be created by the new or expanded business.

(e) Evidence of other funds available for the business startup or expansion at least equal to the amount being requested.

(f) Any other information the department may require to enable the board to make a determination in accordance with s. 560.17, Stats., and this chapter.

SECTION 5. DOD 16.05 (1) and (2) (intro.) are amended to read:

16.05 (1) The board shall render a determination on an application ~~within 90 days of the date of receipt of a completed application~~ at its next regularly scheduled meeting after the department determines that the application is complete.

(2) Before awarding a grant or loan under s. DOD 16.03, the board shall consider all of the following:

SECTION 6. DOD 16.05 (3) is created to read:

16.05 (3) Before awarding a loan under s. DOD 16.035, the board shall consider all of the following:

(a) Each of the items contained in s. 560.17 (4), 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.

SECTION 7. DOD 16.09 is amended to read:

16.09 BOARD OPERATIONS. The board shall consider the recommendations of the department relating to grants and loans. ~~A majority of the members of the~~ The board shall approve an application before the department can enter into a contract for a grant or loan. The department shall maintain records of the board's proceedings and provide other staff support as may be necessary to the board.

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: 12-6-93

Agency: Robert N. Trunzo
Robert N. Trunzo, Secretary

