

Proposed Rules  
of the  
Tennessee Department of Treasury - 1700

Chapter 1700-06-01  
Small and Minority-Owned Business  
Assistance Program

Presented herein are proposed rule amendments of the Tennessee Department of Treasury submitted pursuant to T.C.A. § 4-5-202 in lieu of a rulemaking hearing. It is the intent of the Department to promulgate these rule amendments without a rulemaking hearing unless a petition requesting such hearing is filed within thirty (30) days of the publication date of the issue of the Tennessee Administrative Register in which the proposed rule amendments are published. Such petition to be effective must be filed in the Treasury Department, Small and Minority-Owned Business Assistance Program located on the 9<sup>th</sup> Floor of the Andrew Jackson State Office Building located at Fifth and Deaderick, Nashville, Tennessee 37243, and in the Department of State, 8<sup>th</sup> Floor, Tennessee Tower, William Snodgrass Building, 312 8<sup>th</sup> Avenue North, Nashville, Tennessee 37243, and must be signed by twenty-five (25) persons who will be affected by the rule amendments, or submitted by a municipality which will be affected by the amendments, or an association of twenty-five (25) or more members, or any standing committee of the General Assembly.

For a copy of the proposed rule amendments, contact: Mary Krause, General Counsel, Tennessee Treasury Department; 10<sup>th</sup> Floor, Andrew Jackson State Office Building; Nashville, Tennessee 37243; (615) 741-7063.

The text of the proposed rule amendments is as follows:

Amendments

1700-6-1-.05 Allocation of Funds is amended by deleting paragraph (1) thereof in its entirety and by substituting instead the following:

- (1) Intent. It is the intent that the Program be designed with consideration of fair distribution of Program Assistance. To effectuate this intent, Program Assistance is to be fairly distributed among the geographic divisions of the State, with a maximum of forty percent (40%) of such assistance allocated to any grand division.

Authority: T.C.A. § 65-5-113.

1700-6-1-.09 Loan Program is amended by deleting paragraph (1) thereof in its entirety and by substituting instead the following:

- (1) In General. The Program will loan funds at no cost to selected Qualified Organizations. Qualified Organizations shall be responsible for originating and servicing loans, and for coordinating with the Program Administrator for needed Program Services to Qualifying Businesses receiving loans from such organizations. Selected Qualified Organizations may retain the interest rate earnings to finance their cost for operations and to earn a profit. In making a determination of the number of Qualified Organizations to be selected, primary consideration will be given to assure that geographic coverage is sufficient to service the Program. Qualified Organizations shall be competitively selected, with no more than two (2) organizations selected for each grand division of the State. The Tennessee State Treasurer may waive in whole or in part the grand division restriction where it is determined to the Treasurer's satisfaction that the restriction would hinder the adequate distribution of Program Assistance from a geographic and service standpoint.

Authority: T.C.A. § 65-5-113.

The proposed rules set out herein were properly filed in the Department of State on the 26th day of January, 2007, and pursuant to the instructions set out above, and in the absence of the filing of an appropriate petition calling for a rulemaking hearing, will become effective on the 31st day of May, 2007. (FS 01-29-07, DBID 2323)