

1993 Senate Bill 705

Date of enactment: **April 20, 1994**

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1993 WISCONSIN ACT 394

AN ACT to repeal 234.93 (3) (b) and (c); to renumber and amend 234.765 (4) and 234.93 (3) (a); to amend 234.802, 234.82 (7) (b), 234.83 (4) (b) and 234.907 (3) (b); and to create 234.765 (4) (a) of the statutes; and to affect 1993 Wisconsin Act 75, section 40, relating to: the loan guarantee authority of the Wisconsin housing and economic development authority and transferring funds from the Wisconsin development reserve fund.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 234.765 (4) of the statutes is renumbered 234.765 (4) (b) and amended to read:

234.765 (4) (b) ~~The total~~ Except as provided in s. 234.93 (3), the total outstanding guaranteed principal amount of all loans that the authority may guarantee under this section par. (a) may not exceed \$5,000,000 ~~\$2,000,000~~.

SECTION 2. 234.765 (4) (a) of the statutes is created to read:

234.765 (4) (a) Subject to par. (b), the authority shall guarantee collection of a percentage, not exceeding 90%, of the principal of any loan eligible for a guarantee under sub. (1). The authority shall establish the percentage of the principal of an eligible loan that will be guaranteed, using the procedures described in the agreement under s. 234.93 (2) (a). The authority may establish a single percentage for all guaranteed loans or establish different percentages for eligible loans on an individual basis.

SECTION 3. 234.802 of the statutes is amended to read:

234.802 Financial assistance; fees. The authority may establish premiums, fees or other charges for providing financial assistance under ~~ss. 234.75 to 234.802~~ programs guaranteed by the Wisconsin development reserve fund.

SECTION 4. 234.82 (7) (b) of the statutes is amended to read:

234.82 (7) (b) Except as provided in s. 234.93 (3), the total outstanding guaranteed principal amounts amount of all loans ~~which that~~ the authority may guarantee under par. (a) may not exceed \$5,000,000 ~~\$8,000,000~~.

SECTION 5. 234.83 (4) (b) of the statutes is amended to read:

234.83 (4) (b) Except as provided in s. 234.93 (3), the total outstanding guaranteed principal amount of all loans ~~which that~~ the authority may guarantee under par. (a) may not exceed \$5,000,000 ~~\$10,000,000~~.

SECTION 6. 234.907 (3) (b) of the statutes is amended to read:

234.907 (3) (b) Except as provided in s. 234.93 (3), the total outstanding guaranteed principal amounts amount of all loans ~~which that~~ the authority may guarantee under par. (a) may not exceed ~~the difference between \$30,000,000 and the total principal amount of agricultural production drought assistance loans guaranteed under s. 234.905 (4)~~ \$5,000,000.

SECTION 7. 234.93 (3) (a) of the statutes, as affected by 1993 Wisconsin Act 16, is renumbered 234.93 (3) and amended to read:

234.93 (3) (title) INCREASES OR DECREASES IN LOAN GUARANTEES. The authority may request ~~permission from the secretary of administration~~ the joint committee on finance to take action under s. 13.10 to permit the authority to increase or decrease the total principal amount or total outstanding guaranteed principal amounts amount of loans that it may guarantee under a program guaranteed by the Wisconsin development

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reserve fund. Included with its request, the authority shall provide ~~to the secretary~~ a projection, for the next June 30, that compares the amounts required on that date to pay outstanding claims and to fund guarantees under all of the programs guaranteed by funds from the Wisconsin development reserve fund, and the balance remaining in the Wisconsin development reserve fund on that date after deducting such amounts, if the increase or decrease is approved, with such amounts and the balance remaining, if the increase or decrease is not approved.

SECTION 8. 234.93 (3) (b) and (c) of the statutes, as

affected by 1993 Wisconsin Act 16, are repealed.

SECTION 9. 1993 Wisconsin Act 75, section 40 is repealed.

SECTION 10. Nonstatutory provisions. (1) WISCONSIN DEVELOPMENT RESERVE FUND TRANSFER. Within 3 days after the effective date of this subsection, the Wisconsin housing and economic development authority shall transfer to the department of administration, for deposit in the recycling fund under section 25.49 of the statutes, \$817,031 from the Wisconsin development reserve fund under section 234.93 of the statutes.

