

SENATE BILL 2, SEPTEMBER 2011 SPECIAL SESSION (LRB -1875)

An Act to repeal 234.83 (1c) (a) and 234.83 (2) (a) 1. and 2.; to consolidate, renumber and amend 234.83 (1c) (intro.) and (b) and 234.83 (2) (a) (intro.) and 3.; and to amend 234.83 (3) (a) 3. and 234.83 (4) of the statutes; relating to: small business loan guarantees by the Wisconsin Housing and Economic Development Authority. (FE)

2011

10-11.	S.	Introduced by committee on SENATE ORGANIZATION , by request of Governor Scott Walker, Senator Leibham, and Representatives Petryk, Bernier, and Larson.	
10-11.	S.	Read first time and referred to committee on Economic Development and Veterans and Military Affairs	489
10-11.	S.	Senator Leibham added as a coauthor	490
10-11.	S.	Representatives Petryk, Bernier and T. Larson added as a cosponsors	490
10-13.	S.	LRB correction	494
10-13.	S.	Senate amendment 1 offered by Senator Leibham (LRB a1603).	
10-18.	S.	Public hearing held.	
10-19.	S.	Fiscal estimate received.	
10-20.	S.	Executive action taken.	
10-20.	S.	Report adoption of Senate Amendment 1 recommended by committee on Economic Development and Veterans and Military Affairs, Ayes 7, Noes 0	514
10-20.	S.	Report passage as amended recommended by committee on Economic Development and Veterans and Military Affairs, Ayes 7, Noes 0	514
10-20.	S.	Available for scheduling.	
10-24.	S.	Placed on calendar 10-25-2011 pursuant to Senate Rule 18(1)	525
10-25.	S.	Read a second time	529
✓10-25.	S.	Senate amendment 1 adopted	529
10-25.	S.	Ordered to a third reading	529
10-25.	S.	Rules suspended	529
✓10-25.	S.	Read a third time and passed , Ayes 33, Noes 0	529
10-25.	S.	Senator Lassa added as a coauthor	529
10-25.	S.	Ordered immediately messaged	530
10-31.	A.	Received from Senate	630
10-31.	A.	Read first time and referred to calendar 11-1-2011 pursuant to Assembly Rule 93	630
11-03.	A.	Rules suspended to withdraw from calendar and take up.	
11-03.	A.	Read a second time.	
11-03.	A.	Representative Fields added as a cosponsor.	
11-03.	A.	Assembly amendment 1 offered by Representatives Danou, Vruwink, Jorgensen, Ringhand and Doyle (LRB a1908).	
11-03.	A.	Assembly amendment 1 laid on table, Ayes 71, Noes 24.	
11-03.	A.	Assembly amendment 2 offered by Representatives Ringhand, Vruwink, Danou, Molepske Jr, Zamarripa and Bewley (LRB a1894).	
11-03.	A.	Assembly amendment 2 laid on table, Ayes 59, Noes 36.	
11-03.	A.	Assembly amendment 3 offered by Representatives Vruwink and Clark (LRB a1916).	
11-03.	A.	Assembly amendment 3 laid on table, Ayes 66, Noes 29.	
11-03.	A.	Assembly amendment 4 offered by Representatives Clark, Vruwink and Danou (LRB a1891).	
11-03.	A.	Assembly amendment 4 laid on table, Ayes 60, Noes 35.	
11-03.	A.	Ordered to a third reading.	
11-03.	A.	Rules suspended.	
✓11-03.	A.	Read a third time and concurred in .	
11-03.	A.	Ordered immediately messaged.	
11-04.	S.	Received from Assembly concurred in.	

9/13

Sept 2011 Special Session ✓

**2011
ENROLLED BILL**

11en SB-2

ADOPTED DOCUMENTS:

Orig **Engr** **SubAmdt**

11 1875/2 ✓ ✓

Amendments to above (if none, write "NONE"): SA1 (a1603/1) ✓

Corrections - show date (if none, write "NONE"): 10-12-11 ✓

and 11-9-11 (ccc in enrolling)

Topic Rel

11-4-11
Date

Len F. Kuepp
Enrolling Drafter



State of Wisconsin
2011-2012 LEGISLATURE

CORRECTIONS IN:

September 2011 Special Session

2011 SENATE BILL 2

Prepared by the Legislative Reference Bureau
(October 12, 2011)

1. Page 2, line 4: delete "560.60 (2)" and substitute "84.185 (1) (a)".

Ins.
ccc-1
↙

✓✓

(END)



State of Wisconsin
2011-2012 LEGISLATURE

CORRECTIONS IN:

September 2011 Special Session

SENATE BILL 2

Prepared by the Legislative Reference Bureau
(November 9, 2011)

In enrolling, the following correction was made:

1. Page 2, line 1: after "statutes" insert ", as affected by 2011 Wisconsin Act 32,".

NOTE: SECTION 1 of the bill treats s. 234.83 (1c) (intro.) and (b). The chief clerk's correction dated October 12, 2011, adjusted the statutory text shown in SECTION 1 to reflect the prior treatment of s. 234.83 (1c) (b) by 2011 Wisconsin Act 32. This correction adjusts the section heading of SECTION 1 to acknowledge that the statutory text shown reflects the Act 32 treatment.

(END)



State of Wisconsin
2011 - 2012 LEGISLATURE

September 2011 Special Session



LRB-1875/1
FFK:sbb&kjf:rs

SENATE BILL 2

October 11, 2011 – Introduced by COMMITTEE ON SENATE ORGANIZATION, by request of Governor Scott Walker, Senator Leibham, and Representatives Petryk, Bernier, and Larson. Referred to Committee on Economic Development and Veterans and Military Affairs.

1 **AN ACT to repeal** 234.83 (1c) (a) and 234.83 (2) (a) 1. and 2.; **to consolidate,**
2 **renumber and amend** 234.83 (1c) (intro.) and (b) and 234.83 (2) (a) (intro.)
3 and 3.; and **to amend** 234.83 (3) (a) 3. and 234.83 (4) of the statutes; **relating**
4 **to:** small business loan guarantees by the Wisconsin Housing and Economic
5 Development Authority.

Analysis by the Legislative Reference Bureau

Under current law, the Wisconsin Housing and Economic Development Authority (WHEDA) administers the small business development loan guarantee program (program). Under the program, WHEDA may guarantee repayment of up to the lesser of \$200,000 or 80 percent of the principal of a loan made by a private lender to a small business or the elected governing body of a federally recognized American Indian tribe in this state. A small business development loan that is guaranteed by WHEDA may be used for expenses associated with the expansion or acquisition of a business, with the start-up of a day care business, or the start-up of a small business in a vacant storefront in the downtown area of a rural community. Under current law, a “small business” means a business that employs fewer than 50 full-time employees.

This bill makes the following changes to the program:

1. The cap on the amount of a loan that may be guaranteed under the program is raised from \$200,000 or 80 percent of the principal of the loan to \$500,000 or 80 percent of the principal of the loan.

2. The definition of "small business" is expanded from businesses that employ up to 50 full-time employees to businesses that employ up to 250 full-time employees.

3. The requirement that the owner of a small business be actively engaged in the small business in order to qualify for the program is deleted.

4. The permitted use of proceeds of a loan for the start-up of a small business in a vacant storefront in a downtown area is expanded to apply to a community of any size by removing the limitation to rural communities.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 234.83 (1c) (intro.) and (b) of the statutes are consolidated,
2 renumbered 234.83 (1c) and amended to read:

3 234.83 (1c) **DEFINITIONS DEFINITION.** In this section: (b) "Small section, "small
4 business" means a business, as defined in s. 560.60 (2), that employs 50 250 or fewer
5 employees on a full-time basis.

6 **SECTION 2.** 234.83 (1c) (a) of the statutes is repealed.

7 **SECTION 3.** 234.83 (2) (a) (intro.) and 3. of the statutes are consolidated,
8 renumbered 234.83 (2) (a) and amended to read:

9 234.83 (2) (a) A small business to which all of the following apply: 3. ~~The,~~
10 provided that the name of the owner of the small business does not appear on the
11 statewide support lien docket under s. 49.854 (2) (b) or, if the name of the owner of
12 the small business appears on that docket, the owner of the small business provides
13 to the authority a payment agreement that has been approved by the county child
14 support agency under s. 59.53 (5) and that is consistent with rules promulgated
15 under s. 49.858 (2) (a).

16 **SECTION 4.** 234.83 (2) (a) 1. and 2. of the statutes are repealed.

17 **SECTION 5.** 234.83 (3) (a) 3. of the statutes is amended to read:

as affected
by 2011
Wisconsin
Act
32A
ccc

1 234.83 (3) (a) 3. The start-up of a small business in a vacant storefront in the
2 downtown area of a ~~rural community~~ city, town, or village in this state, including the
3 purchase or improvement of land, buildings, machinery, equipment, or inventory.

4 **SECTION 6.** 234.83 (4) of the statutes is amended to read:

5 234.83 (4) GUARANTEE OF REPAYMENT. The authority may guarantee repayment
6 of a portion of the principal of any loan eligible for a guarantee under sub. (1m). That
7 portion may not exceed 80% of the principal of the loan or \$200,000 ~~\$500,000~~
8 whichever is less. The authority shall establish the portion of the principal of an
9 eligible loan that will be guaranteed, using the procedures described in the
10 agreement under s. 234.93 (2) (a). The authority may establish a single portion for

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all guaranteed loans that do not exceed \$250,000 ~~\$625,000~~ ^{Ins. SA1-2} and a single portion for
all guaranteed loans that exceed \$250,000 ~~\$625,000~~ ^{Ins. SA1-3} or establish on an individual
basis different portions for eligible loans that do not exceed \$250,000 ~~\$625,000~~ ^{Ins. SA1-4} and
different portions for eligible loans that exceed \$250,000 ~~\$625,000~~ ^{Ins. SA1-5}

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(END)

Ins. SA1-1 ✓

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State of Wisconsin
2011 - 2012 LEGISLATURE

September 2011 Special Session



LRBa1603/1

FFK:cjs:ph

SENATE AMENDMENT 1,
TO SENATE BILL 2

October 13, 2011 - Offered by Senator LEIBHAM.

- 1 At the locations indicated, amend the bill as follows:
- 2 1. Page 3, line 7: substitute \$750,000 for \$500,000. ^{Ins SA1-1} ✓✓
- 3 2. Page 3, line 11: substitute \$937,500 for \$625,000. ^{Ins SA1-2} ✓✓
- 4 3. Page 3, line 12: substitute \$937,500 for \$625,000. ^{Ins SA1-3} ✓✓
- 5 4. Page 3, line 13: substitute \$937,500 for \$625,000. ^{Ins SA1-4} ✓✓
- 6 5. Page 3, line 14: substitute \$937,500 for \$625,000. ^{Ins SA1-5} ✓✓
- 7 (END)