



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0880/3  
PJK/hmb/km  
Stays  
v m is m

DOA:.....Walker - Allow loan guarantees under the small business  
guarantee program for certain start-up businesses

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

Soon  
(1-8)  
D. J. J.

do not  
for cut

1 AN ACT ~~...~~; relating to: the budget.

*Analysis by the Legislative Reference Bureau*  
**COMMERCE AND ECONOMIC DEVELOPMENT**

**ECONOMIC DEVELOPMENT**

WHEDA administers a number of loan guarantee programs under which WHEDA guarantees repayment of a percentage of the outstanding principal amounts of loans made by private lenders to qualified borrowers for various business and agricultural purposes. Under the small business development loan guarantee program, WHEDA may guarantee repayment of up to the lesser of \$200,000 or 80% of the principal of a loan made by a private lender to a small business (a business with 50 or fewer full-time employees) or the elected governing body of a federally recognized American Indian tribe or band in this state. The proceeds of a small business development loan may be used only for expenses associated with the expansion or acquisition of a business or with the start-up of a day care business. The bill adds to the eligible uses of a small business development loan expenses associated with the start-up of a small business in a vacant storefront in the downtown area of a rural community, which is defined in the bill as a city, town, or village with a population of less than 50,000.

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 (1) of the statutes is renumbered 234.83 (1m).

2 SECTION 2. 234.83 (1c) of the statutes is created to read:

3 234.83 (1c) DEFINITIONS. In this section:

4 (a) "Rural community" means a city, town, or village in this state with a  
5 population of less than 50,000.

6 (b) "Small business" means a business, as defined in s. 560.60 (2), that employs  
7 50 or fewer employees on a full-time basis.

8 SECTION 3. 234.83 (2) (a) (intro.) of the statutes is amended to read:

9 234.83 (2) (a) (intro.) A business, ~~as defined in s. 560.60 (2),~~ to which all of the  
10 following apply:

11 SECTION 4. 234.83 (2) (a) 2. of the statutes is amended to read:

12 234.83 (2) (a) 2. The business ~~employs 50 or fewer employees on a full-time~~  
13 basis is a small business.

14 SECTION 5. 234.83 (2) (a) 3. of the statutes is amended to read:

15 234.83 (2) (a) 3. The name of the owner of the business does not appear on the  
16 statewide support lien docket under s. 49.854 (2) (b). ~~The condition under this~~  
17 ~~subdivision is met for an owner whose name does appear if or, if the name of the~~  
18 owner of the business appears on that docket, the owner of the business provides to  
19 the authority a payment agreement that has been approved by the county child  
20 support agency under s. 59.53 (5) and that is consistent with rules promulgated  
21 under s. 49.858 (2) (a).

Appendix 2-1

1 SECTION 6. 234.83 (3) (a) 2. of the statutes is amended to read:

2 234.83 (3) (a) 2. The start-up, ~~expansion or acquisition~~ of a day care business,  
3 including the purchase or improvement of land, buildings, machinery, equipment, or  
4 inventory.

5 SECTION 7. 234.83 (3) (a) 3. of the statutes is created to read:

6 234.83 (3) (a) 3. The start-up of a small business in a vacant storefront in the  
7 downtown area of a rural community, including the purchase or improvement of  
8 land, buildings, machinery, equipment, or inventory.

9 SECTION 8. 234.83 (4) (a) of the statutes is amended to read:

10 234.83 (4) (a) Subject to par. (b), the authority may guarantee repayment of a  
11 portion of the principal of any loan eligible for a guarantee under sub. ~~(1)~~ (1m). That  
12 portion may not exceed 80% of the principal of the loan or \$200,000, whichever is less.  
13 The authority shall establish the portion of the principal of an eligible loan that will  
14 be guaranteed, using the procedures described in the agreement under s. 234.93 (2)  
15 (a). The authority may establish a single portion for all guaranteed loans that do not  
16 exceed \$250,000 and a single portion for all guaranteed loans that exceed \$250,000  
17 or establish on an individual basis different portions for eligible loans that do not  
18 exceed \$250,000 and different portions for eligible loans that exceed \$250,000.

19

(END)

*Insert 3-18*

*D-note*

2001-2002 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0880/ins  
PJK:lmh:km

3

INSERT 2-1

1 SECTION 1. 234.65 (3) (f) of the statutes is amended to read:

2 234.65 (3) (f) The name of the person receiving the loan does not appear on the  
3 statewide support lien docket under s. 49.854 (2) (b). ~~The condition under this~~  
4 ~~paragraph is met for a person whose name does appear if or, if the person's name~~  
5 appears on that docket, the person provides to the authority a payment agreement  
6 that has been approved by the county child support agency under s. 59.53 (5) and that  
7 is consistent with rules promulgated under s. 49.858 (2) (a).

NOTE: NOTE: Par. (f) is shown as amended eff. the date stated in the notice published by the Department of Workforce Development in the Wisconsin Administrative Register under s. 49.854 (2) (e) by 1999 Wis. Act 9. Prior to the date stated in the notice published by the Department of Workforce Development in the Wisconsin Administrative Register under s. 49.854 (2) (e) it reads: NOTE:

8 (f) The authority has not received a certification under s. 49.855 (7) that the person receiving the loan is delinquent in child support or maintenance payments or owes past support, medical expenses or birth expenses.

History: 1983 a. 83, 192; 1985 a. 29 s. 3202 (28); 1985 a. 299, 334; 1987 a. 27, 186; 1989 a. 31, 78, 281; 1991 a. 37; 1993 a. 112, 243, 437; 1995 a. 27 s. 9116 (5); 1995 a. 56, 404; 1997 a. 27; 1999 a. 9, 85.

(END OF INSERT 2-1)

INSERT 3-18

10 SECTION 2. 234.90 (3) (d) of the statutes is amended to read:

11 234.90 (3) (d) The farmer's name does not appear on the statewide support lien  
12 docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a farmer~~  
13 ~~whose name does appear if or, if the farmer's name appears on that docket~~, the farmer  
14 provides to the authority a payment agreement that has been approved by the county  
15 child support agency under s. 59.53 (5) and that is consistent with rules promulgated  
16 under s. 49.858 (2) (a).

NOTE: NOTE: Par. (d) is shown as amended eff. the date stated in the notice published by the Department of Workforce Development in the Wisconsin Administrative Register under s. 49.854 (2) (e) by 1999 Wis. Act 9. Prior to the date stated in the notice published by the Department of Workforce Development in the Wisconsin Administrative Register under s. 49.854 (2) (e) it reads: NOTE:

17 (d) The authority has not received a certification under s. 49.855 (7) that the farmer is delinquent in making child support or maintenance payments or owes past support, medical expenses or birth expenses.

18 History: 1985 a. 9, 29, 153, 332, 334; 1987 a. 27, 178, 421; 1989 a. 1, 10, 31, 336; 1991 a. 4, 39, 221; 1993 a. 1; 1995 a. 5, 150, 404; 1999 a. 9.

19 SECTION 3. 234.90 (3g) (c) of the statutes is amended to read:

20 234.90 (3g) (c) The farmer's name does not appear on the statewide support lien  
21 docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a farmer~~

1 ~~whose name does appear if or, if the farmer's name appears on that docket,~~ the farmer  
 2 provides to the authority a payment agreement that has been approved by the county  
 3 child support agency under s. 59.53 (5) and that is consistent with rules promulgated  
 4 under s. 49.858 (2) (a).

NOTE: NOTE: Par. (c) is shown as amended eff. the date stated in the notice published by the Department of Workforce Development in the Wisconsin Administrative Register under s. 49.854 (2) (e) by 1999 Wis. Act 9. Prior to the date stated in the notice published by the Department of Workforce Development in the Wisconsin Administrative Register under s. 49.854 (2) (e) it reads: NOTE:

5 (c) The authority has not received a certification under s. 49.855 (7) that the farmer is delinquent in making child support or maintenance payments or owes past  
 6 support, medical expenses or birth expenses.  
 7 History: 1985 a. 9, 29, 153, 332, 334; 1987 a. 7, 27, 278, 421; 1989 a. 1, 10, 31, 336; 1991 a. 4, 39, 221; 1993 a. 1; 1995 a. 5, 150, 404; 1999 a. 9.

**SECTION 4. 234.905 (3) (d) of the statutes is amended to read:**

8 234.905 (3) (d) The farmer's name does not appear on the statewide support  
 9 lien docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a~~  
 10 ~~farmer whose name does appear if or, if the farmer's name appears on that docket,~~  
 11 the farmer provides to the authority a payment agreement that has been approved  
 12 by the county child support agency under s. 59.53 (5) and that is consistent with rules  
 13 promulgated under s. 49.858 (2) (a).

NOTE: NOTE: Par. (d) is shown as amended eff. the date stated in the notice published by the Department of Workforce Development in the Wisconsin Administrative Register under s. 49.854 (2) (e) by 1999 Wis. Act 9. Prior to the date stated in the notice published by the Department of Workforce Development in the Wisconsin Administrative Register under s. 49.854 (2) (e) it reads: NOTE:

14 (d) The authority has not received a certification under s. 49.855 (7) that the farmer is delinquent in making child support or maintenance payments or owes past  
 15 support, medical expenses or birth expenses.  
 History: 1987 a. 421; 1989 a. 2, 10, 31, 336; 1991 a. 4, 39, 221; 1995 a. 404; 1999 a. 9.

→ ✓ \*\*\*\*NOTE: I realize that s. 234.905 is repealed in LRB-0878. These two provisions will be reconciled later if both drafts go into the budget.

(END OF INSERT 3-18)

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0880/2dn  
PJK:kph/ksm

3

stays

Date

**Bill:**

I redrafted this only to make the language of ss. 234.65 (3) (f), 234.90 (3) (d) and (3g) (c), and 234.905 (3) (d) consistent with the language of s. 234.83 (2) (a) 3. No other changes were made from the /2 version.

Pamela J. Kahler  
Senior Legislative Attorney  
Phone: (608) 266-2682  
E-mail: pam.kahler@legis.state.wi.us

## Kahler, Pam

---

**From:** James.Langdon@wheda.com  
**Sent:** Friday, January 05, 2001 3:50 PM  
**To:** ~~Kahler, Pam~~  
**Subject:** RE: 01-0880

Thanks, Pam. Our policy is that any eligible business under 234.83 must have 50 or fewer employees at the time of application. An acquisition typically involves the purchase of an existing business by an individual or by a small business. Our interpretation is that the business referred to in 234.83(3)(a)1 must be a small business, regardless of whether the project involves an expansion or acquisition.

Jim

"Kahler, Pam"  
<Pam.Kahler@legis.st  
ate.wi.us> To: "Langdon, James" <james.langdon@wheda.com>  
cc: "Walker, William" <William.Walker@doa.state.wi.us>  
Subject: RE: 01-0880  
01/04/2001 01:18 PM

Jim:

Thanks for responding to the latest draft version. My concern with the "small business" issue is that it is not clear whether the business that is being started, expanded, or acquired is a small business or whether it is even the same or a different business from the business that is receiving the loan (presumably, a small business using loan proceeds to acquire a business is not acquiring itself?). We know that the business receiving the loan must be a small business, and we know that a business started in a vacant storefront must be a small business. Most likely any day care business would be a small business. I think it would be a rare day care business that had more than 50 employees. We have no idea, however, whether the business referred to in s. 234.83 (3) (a) 1. is a small business - and maybe it doesn't matter. If the small business that is getting the loan uses it to expand its own business, it may then have more than 50 employees and maybe that is okay. If it doesn't matter, or if you have rules or policies that sort out all the details, we don't need to worry about it.

Pam

-----Original Message-----

From: James.Langdon@wheda.com [mailto:James.Langdon@wheda.com]  
Sent: Thursday, January 04, 2001 11:25 AM  
To: Pam.Kahler@legis.state.wi.us; Pam.Kahler@legis.state.wi.us  
Cc: William.Walker@doa.state.wi.us; William.Walker@doa.state.wi.us  
Subject: 01-0880

Pam,

Thanks for this revised draft. I can clarify two issues addressed in your

drafter's note:

1. WHEDA defines a start-up business as one that has been in operation for less than one year. This has worked well and should take care of your concern in point 1.

2. I think your concern in point 3 about using "small business" in 234.83 (3)

(a) 3. (and not in 1. and 2.) is addressed in Section 4 of the draft.

However,

if you want to make subsections 1-3 consistent, feel free to adopt either "small business" or "business" in each.

Many thanks,

Jim Langdon  
Executive Assistant  
Wisconsin Housing and Economic Development Authority  
201 West Washington Avenue, Suite 700  
Madison, Wisconsin 53701-1728  
(608) 266-3529  
(608) 267-1099 FAX

**CONFIDENTIALITY NOTE:**

This e-mail and any attachments are confidential. Any disclosure, copying, or distribution of this e-mail or any attachment is prohibited. If you have received this e-mail in error, please return it to me immediately and delete this copy from your system. Thank you for your cooperation.

----- Forwarded by James Langdon/WHEDA on 01/04/2001 11:21 AM -----

"Williams, Landon"

<Landon.Williams@legis.st      To: James Langdon  
<james.langdon@wheda.com>  
ate.wi.us>                      cc:

Subject: 01-0880

12/28/2000 03:42 PM

Landon T. Williams  
Legislative Program Assistant/IT Specialist  
Legislative Reference Bureau  
100 N. Hamilton  
(608) 266-3561  
landon.williams@legis.state.wi.us



(See attached file: 01-08802.pdf)(See attached file: 01-08800.pdf)

## Kahler, Pam

---

**From:** James.Langdon@wheda.com  
**Sent:** Thursday, January 04, 2001 11:25 AM  
**To:** Pam.Kahler@legis.state.wi.us; Pam.Kahler@legis.state.wi.us  
**Cc:** William.Walker@doa.state.wi.us; William.Walker@doa.state.wi.us  
**Subject:** 01-0880



Adobe Portable  
Document



Adobe Portable  
Document

Pam,

Thanks for this revised draft. I can clarify two issues addressed in your drafter's note:

1. WHEDA defines a start-up business as one that has been in operation for less than one year. This has worked well and should take care of your concern in point 1.
2. I think your concern in point 3 about using "small business" in 234.83 (3) (a) 3. (and not in 1. and 2.) is addressed in Section 4 of the draft. However, if you want to make subsections 1-3 consistent, feel free to adopt either "small business" or "business" in each.

Many thanks,

Jim Langdon  
Executive Assistant  
Wisconsin Housing and Economic Development Authority  
201 West Washington Avenue, Suite 700  
Madison, Wisconsin 53701-1728  
(608) 266-3529  
(608) 267-1099 FAX

### CONFIDENTIALITY NOTE:

This e-mail and any attachments are confidential. Any disclosure, copying, or distribution of this e-mail or any attachment is prohibited. If you have received this e-mail in error, please return it to me immediately and delete this copy from your system. Thank you for your cooperation.

----- Forwarded by James Langdon/WHEDA on 01/04/2001 11:21 AM -----

"Williams, Landon"  
<Landon.Williams@legis.state.wi.us>  
To: James Langdon <james.langdon@wheda.com>  
cc:  
Subject: 01-0880  
12/28/2000 03:42 PM

Landon T. Williams  
Legislative Program Assistant/IT Specialist  
Legislative Reference Bureau  
100 N. Hamilton

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0880/3dn

PJK:hmh:km

January 8, 2001

**Bill:**

I redrafted this only to make the language of ss. 234.65 (3) (f), 234.90 (3) (d) and (3g) (c), and 234.905 (3) (d) consistent with the language of s. 234.83 (2) (a) 3. No other changes were made from the /2 version.

Pamela J. Kahler  
Senior Legislative Attorney  
Phone: (608) 266-2682  
E-mail: [pam.kahler@legis.state.wi.us](mailto:pam.kahler@legis.state.wi.us)



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0880/8

PJK:lmh:km

4  
v m isher

DOA:.....Walker - Allow loan guarantees under the small business  
guarantee program for certain start-up businesses

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

SOON  
(1-11)

do not  
get cut

1 AN ACT, relating to: the budget.

*Analysis by the Legislative Reference Bureau*

**COMMERCE AND ECONOMIC DEVELOPMENT**

**ECONOMIC DEVELOPMENT**

WHEDA administers a number of loan guarantee programs under which WHEDA guarantees repayment of a percentage of the outstanding principal amounts of loans made by private lenders to qualified borrowers for various business and agricultural purposes. Under the small business development loan guarantee program, WHEDA may guarantee repayment of up to the lesser of \$200,000 or 80% of the principal of a loan made by a private lender to a small business (a business with 50 or fewer full-time employees) or the elected governing body of a federally recognized American Indian tribe or band in this state. The proceeds of a small business development loan may be used only for expenses associated with the expansion or acquisition of a business or with the start-up of a day care business. The bill adds to the eligible uses of a small business development loan expenses associated with the start-up of a small business in a vacant storefront in the downtown area of a rural community, which is defined in the bill as a city, town, or village with a population of less than 50,000.

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:*

SECTION 1. 234.65 (3) (f) of the statutes is amended to read:

234.65 (3) (f) The name of the person receiving the loan does not appear on the statewide support lien docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a person whose name does appear if or, if the person's name appears on that docket,~~ the person provides to the authority a payment agreement that has been approved by the county child support agency under s. 59.53 (5) and that is consistent with rules promulgated under s. 49.858 (2) (a).

SECTION 2. 234.83 (1) of the statutes is renumbered 234.83 (1m).

SECTION 3. 234.83 (1c) of the statutes is created to read:

234.83 (1c) DEFINITIONS. In this section:

(a) "Rural community" means a city, town, or village in this state with a population of less than 50,000.

(b) "Small business" means a business, as defined in s. 560.60 (2), that employs 50 or fewer employees on a full-time basis.

SECTION 4. 234.83 (2) (a) (intro.) of the statutes is amended to read:

234.83 (2) (a) (intro.) A business, ~~as defined in s. 560.60 (2),~~ to which all of the following apply:

SECTION 5. 234.83 (2) (a) 2. of the statutes is amended to read:

234.83 (2) (a) 2. The business employs ~~50 or fewer employees on a full-time basis~~ is a small business.

SECTION 6. 234.83 (2) (a) 3. of the statutes is amended to read:

as affected by 1999 Wisconsin Act 9,

1           234.83 (2) (a) 3. The name of the owner of the business does not appear on the  
2 statewide support lien docket under s. 49.854 (2) (b). ~~The condition under this~~  
3 ~~subdivision is met for an owner whose name does appear if~~ or, if the name of the  
4 owner of the business appears on that docket, the owner of the business provides to  
5 the authority a payment agreement that has been approved by the county child  
6 support agency under s. 59.53 (5) and that is consistent with rules promulgated  
7 under s. 49.858 (2) (a).

8           **SECTION 7.** 234.83 (3) (a) 2. of the statutes is amended to read:

9           234.83 (3) (a) 2. The ~~start-up, expansion or acquisition~~ of a day care business,  
10 including the purchase or improvement of land, buildings, machinery, equipment, or  
11 inventory.

12           **SECTION 8.** 234.83 (3) (a) 3. of the statutes is created to read:

13           234.83 (3) (a) 3. The start-up of a small business in a vacant storefront in the  
14 downtown area of a rural community, including the purchase or improvement of  
15 land, buildings, machinery, equipment, or inventory.

16           **SECTION 9.** 234.83 (4) (a) of the statutes is amended to read:

17           234.83 (4) (a) Subject to par. (b), the authority may guarantee repayment of a  
18 portion of the principal of any loan eligible for a guarantee under sub. ~~(1)~~ (1m). That  
19 portion may not exceed 80% of the principal of the loan or \$200,000, whichever is less.  
20 The authority shall establish the portion of the principal of an eligible loan that will  
21 be guaranteed, using the procedures described in the agreement under s. 234.93 (2)  
22 (a). The authority may establish a single portion for all guaranteed loans that do not  
23 exceed \$250,000 and a single portion for all guaranteed loans that exceed \$250,000  
24 or establish on an individual basis different portions for eligible loans that do not  
25 exceed \$250,000 and different portions for eligible loans that exceed \$250,000.

1 SECTION 10. 234.90 (3) (d) of the statutes is amended to read:

2 234.90 (3) (d) The farmer's name does not appear on the statewide support lien  
3 docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a farmer~~  
4 ~~whose name does appear if or, if the farmer's name appears on that docket,~~ the farmer  
5 provides to the authority a payment agreement that has been approved by the county  
6 child support agency under s. 59.53 (5) and that is consistent with rules promulgated  
7 under s. 49.858 (2) (a).

8 SECTION 11. 234.90 (3g) (c) of the statutes is amended to read:

9 234.90 (3g) (c) The farmer's name does not appear on the statewide support lien  
10 docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a farmer~~  
11 ~~whose name does appear if or, if the farmer's name appears on that docket,~~ the farmer  
12 provides to the authority a payment agreement that has been approved by the county  
13 child support agency under s. 59.53 (5) and that is consistent with rules promulgated  
14 under s. 49.858 (2) (a).

15 SECTION 12. 234.905 (3) (d) of the statutes is amended to read:

16 234.905 (3) (d) The farmer's name does not appear on the statewide support  
17 lien docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a~~  
18 ~~farmer whose name does appear if or, if the farmer's name appears on that docket,~~  
19 the farmer provides to the authority a payment agreement that has been approved  
20 by the county child support agency under s. 59.53 (5) and that is consistent with rules  
21 promulgated under s. 49.858 (2) (a).

\*\*\*\*NOTE: I realize that s. 234.905 is repealed in LRB-0878. These two provisions will be reconciled later if both drafts go into the budget.

22

(END)

as affected by 1999 Wisconsin Act 9

Insert 4-22





**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0880/4dn

PJK:AM/km

WJ

Bill:

*otherwise*

This was redrafted to address the effective date. I had been under the impression that the notice (mentioned in the effective date provision) had already been published, but I have since learned ~~that has not~~. Therefore, the changes itemized in the effective date provision must be delayed until the date stated in the notice, when it is published.

Pamela J. Kahler  
Senior Legislative Attorney  
Phone: (608) 266-2682  
E-mail: pam.kahler@legis.state.wi.us

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0880/4dn  
PJK.wlj:jc

January 12, 2001

**Bill:**

This was redrafted to address the effective date. I had been under the impression that the notice (mentioned in the effective date provision) had already been published, but I have since learned otherwise. Therefore, the changes itemized in the effective date provision must be delayed until the date stated in the notice, when it is published.

Pamela J. Kahler  
Senior Legislative Attorney  
Phone: (608) 266-2682  
E-mail: [pam.kahler@legis.state.wi.us](mailto:pam.kahler@legis.state.wi.us)



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0880/5  
PJK:wlj:ef  
WL  
r m is h u n

DOA:.....Walker - Allow loan guarantees under the small business  
guarantee program for certain start-up businesses

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

SOON  
(2-6)  
D-note

do not  
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1 AN ACT relating to: the budget.

*Analysis by the Legislative Reference Bureau*

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**ECONOMIC DEVELOPMENT**

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

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

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4 statewide support lien docket under s. 49.854 (2) (b). ~~The condition under this~~  
5 ~~paragraph is met for a person whose name does appear if or, if the person's name~~  
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11          234.83 (1c) DEFINITIONS. In this section:

12          (a) "Rural community" means a city, town, or village in this state with a  
13 population of less than 50,000.

14          (b) "Small business" means a business, as defined in s. 560.60 (2), that employs  
15 50 or fewer employees on a full-time basis.

16          **SECTION 4.** 234.83 (2) (a) (intro.) of the statutes is amended to read:

17          234.83 (2) (a) (intro.) A business, ~~as defined in s. 560.60 (2)~~, to which all of the  
18 following apply:

19          **SECTION 5.** 234.83 (2) (a) 2. of the statutes is amended to read:

20          234.83 (2) (a) 2. The business ~~employs 50 or fewer employees on a full-time~~  
21 basis is a small business.

1           **SECTION 6.** 234.83 (2) (a) 3. of the statutes, as affected by 1999 Wisconsin Act  
2 9, is amended to read:

3           234.83 (2) (a) 3. The name of the owner of the business does not appear on the  
4 statewide support lien docket under s. 49.854 (2) (b). ~~The condition under this~~  
5 ~~subdivision is met for an owner whose name does appear if~~ or, if the name of the  
6 owner of the business appears on that docket, the owner of the business provides to  
7 the authority a payment agreement that has been approved by the county child  
8 support agency under s. 59.53 (5) and that is consistent with rules promulgated  
9 under s. 49.858 (2) (a).

10           **SECTION 7.** 234.83 (3) (a) 2. of the statutes is amended to read:

11           234.83 (3) (a) 2. The start-up, ~~expansion or acquisition~~ of a day care business,  
12 including the purchase or improvement of land, buildings, machinery, equipment, or  
13 inventory.

14           **SECTION 8.** 234.83 (3) (a) 3. of the statutes is created to read:

15           234.83 (3) (a) 3. The start-up of a small business in a vacant storefront in the  
16 downtown area of a rural community, including the purchase or improvement of  
17 land, buildings, machinery, equipment, or inventory.

18           **SECTION 9.** 234.83 (4) (a) of the statutes is amended to read:

19           234.83 (4) (a) Subject to par. (b), the authority may guarantee repayment of a  
20 portion of the principal of any loan eligible for a guarantee under sub. ~~(1)~~ (1m). That  
21 portion may not exceed 80% of the principal of the loan or \$200,000, whichever is less.  
22 The authority shall establish the portion of the principal of an eligible loan that will  
23 be guaranteed, using the procedures described in the agreement under s. 234.93 (2)  
24 (a). The authority may establish a single portion for all guaranteed loans that do not  
25 exceed \$250,000 and a single portion for all guaranteed loans that exceed \$250,000

1 or establish on an individual basis different portions for eligible loans that do not  
2 exceed \$250,000 and different portions for eligible loans that exceed \$250,000.

3 **SECTION 10.** 234.90 (3) (d) of the statutes, as affected by 1999 Wisconsin Act 9,  
4 is amended to read:

5 234.90 (3) (d) The farmer's name does not appear on the statewide support lien  
6 docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a farmer~~  
7 ~~whose name does appear if or, if the farmer's name appears on that docket,~~ the farmer  
8 provides to the authority a payment agreement that has been approved by the county  
9 child support agency under s. 59.53 (5) and that is consistent with rules promulgated  
10 under s. 49.858 (2) (a).

11 **SECTION 11.** 234.90 (3g) (c) of the statutes, as affected by 1999 Wisconsin Act  
12 9, is amended to read:

13 234.90 (3g) (c) The farmer's name does not appear on the statewide support lien  
14 docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a farmer~~  
15 ~~whose name does appear if or, if the farmer's name appears on that docket,~~ the farmer  
16 provides to the authority a payment agreement that has been approved by the county  
17 child support agency under s. 59.53 (5) and that is consistent with rules promulgated  
18 under s. 49.858 (2) (a).

19 **SECTION 12.** 234.905 (3) (d) of the statutes, as affected by 1999 Wisconsin Act  
20 9, is amended to read:

21 234.905 (3) (d) The farmer's name does not appear on the statewide support  
22 lien docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a~~  
23 ~~farmer whose name does appear if or, if the farmer's name appears on that docket,~~  
24 the farmer provides to the authority a payment agreement that has been approved

1 by the county child support agency under s. 59.53 (5) and that is consistent with rules  
2 promulgated under s. 49.858 (2) (a).

\*\*\*NOTE: I realize that s. 234.905 is repealed in LRB-0878. These two provisions  
will be reconciled later if both drafts go into the budget.

3 **SECTION 9426. Effective dates; Housing and Economic Development**

4 **Authority.**

5 (1) TECHNICAL CHANGE TO SUPPORT LIEN DOCKET LANGUAGE. The treatment of  
6 sections 234.65 (3) (f), 234.83 (2) (a) 3., <sup>and</sup> 234.90 (3) (d) and (3g) (c), and 234.905 (3) (d)  
7 of the statutes takes effect on the date stated in the notice published by the  
8 department of workforce development in the Wisconsin Administrative Register  
9 under section 49.854 (2) (e) of the statutes.

10 (END)

*D-note*  
*This redraft removes the*  
*embedded \*\*\* NOTE*  
*ASH*

*D-note*

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0880/5dn

PJK:wlj/jm

**Bill:**

This redraft removes, in addition to an embedded note, the treatment of s. 234.83 (4) (a), which is included in LRB-0878/2, and the treatment of s. 234.905 (3) (d), which is superseded by its treatment in LRB-0878/2, and thereby reconciles LRB-0878/1 and LRB-0880/4. Both of these drafts should continue to appear in the compiled bill.

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**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0880/5dn  
PJK:wlj:km

February 7, 2001

**Bill:**

This redraft removes, in addition to an embedded note, the treatment of s. 234.83 (4) (a), which is included in LRB-0878/2, and the treatment of s. 234.905 (3) (d), which is superseded by its treatment in LRB-0878/2, and thereby reconciles LRB-0878/1 and LRB-0880/4. Both of these drafts should continue to appear in the compiled bill.

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State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-0880/5  
PJK:wlj:km

DOA:.....Walker - Allow loan guarantees under the small business guarantee program for certain start-up businesses

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

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*Analysis by the Legislative Reference Bureau*

**COMMERCE AND ECONOMIC DEVELOPMENT**

**ECONOMIC DEVELOPMENT**

WHEDA administers a number of loan guarantee programs under which WHEDA guarantees repayment of a percentage of the outstanding principal amounts of loans made by private lenders to qualified borrowers for various business and agricultural purposes. Under the small business development loan guarantee program, WHEDA may guarantee repayment of up to the lesser of \$200,000 or 80% of the principal of a loan made by a private lender to a small business (a business with 50 or fewer full-time employees) or the elected governing body of a federally recognized American Indian tribe or band in this state. The proceeds of a small business development loan may be used only for expenses associated with the expansion or acquisition of a business or with the start-up of a day care business. The bill adds to the eligible uses of a small business development loan expenses associated with the start-up of a small business in a vacant storefront in the downtown area of a rural community, which is defined in the bill as a city, town, or village with a population of less than 50,000.

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

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

1           **SECTION 1.** 234.65 (3) (f) of the statutes, as affected by 1999 Wisconsin Act 9,  
2 is amended to read:

3           234.65 (3) (f) The name of the person receiving the loan does not appear on the  
4 statewide support lien docket under s. 49.854 (2) (b). ~~The condition under this~~  
5 ~~paragraph is met for a person whose name does appear if or, if the person's name~~  
6 appears on that docket, the person provides to the authority a payment agreement  
7 that has been approved by the county child support agency under s. 59.53 (5) and that  
8 is consistent with rules promulgated under s. 49.858 (2) (a).

9           **SECTION 2.** 234.83 (1) of the statutes is renumbered 234.83 (1m).

10          **SECTION 3.** 234.83 (1c) of the statutes is created to read:

11          234.83 (1c) DEFINITIONS. In this section:

12          (a) "Rural community" means a city, town, or village in this state with a  
13 population of less than 50,000.

14          (b) "Small business" means a business, as defined in s. 560.60 (2), that employs  
15 50 or fewer employees on a full-time basis.

16          **SECTION 4.** 234.83 (2) (a) (intro.) of the statutes is amended to read:

17          234.83 (2) (a) (intro.) A business, ~~as defined in s. 560.60 (2)~~, to which all of the  
18 following apply:

19          **SECTION 5.** 234.83 (2) (a) 2. of the statutes is amended to read:

20          234.83 (2) (a) 2. The business ~~employs 50 or fewer employees on a full-time~~  
21 basis is a small business.

1           **SECTION 6.** 234.83 (2) (a) 3. of the statutes, as affected by 1999 Wisconsin Act  
2           9, is amended to read:

3           234.83 (2) (a) 3. The name of the owner of the business does not appear on the  
4           statewide support lien docket under s. 49.854 (2) (b). ~~The condition under this~~  
5           ~~subdivision is met for an owner whose name does appear if or, if the name of the~~  
6           owner of the business appears on that docket, the owner of the business provides to  
7           the authority a payment agreement that has been approved by the county child  
8           support agency under s. 59.53 (5) and that is consistent with rules promulgated  
9           under s. 49.858 (2) (a).

10          **SECTION 7.** 234.83 (3) (a) 2. of the statutes is amended to read:

11          234.83 (3) (a) 2. The start-up, ~~expansion or acquisition~~ of a day care business,  
12          including the purchase or improvement of land, buildings, machinery, equipment, or  
13          inventory.

14          **SECTION 8.** 234.83 (3) (a) 3. of the statutes is created to read:

15          234.83 (3) (a) 3. The start-up of a small business in a vacant storefront in the  
16          downtown area of a rural community, including the purchase or improvement of  
17          land, buildings, machinery, equipment, or inventory.

18          **SECTION 9.** 234.90 (3) (d) of the statutes, as affected by 1999 Wisconsin Act 9,  
19          is amended to read:

20          234.90 (3) (d) The farmer's name does not appear on the statewide support lien  
21          docket under s. 49.854 (2) (b). ~~The condition under this paragraph is met for a farmer~~  
22          ~~whose name does appear if or, if the farmer's name appears on that docket~~, the farmer  
23          provides to the authority a payment agreement that has been approved by the county  
24          child support agency under s. 59.53 (5) and that is consistent with rules promulgated  
25          under s. 49.858 (2) (a).

