

1           227.01 (13) (rm) Is a form prescribed by the attorney general for an accounting  
2 under s. 846.40 (8) (b) 2.

3           **SECTION 653.** 227.01 (13) (zy) of the statutes is created to read:

4           227.01 (13) (zy) Relates to any form prescribed by the division of banking in  
5 the department of financial institutions in connection with the licensing of mortgage  
6 bankers or mortgage brokers under s. 224.72 or the licensing of mortgage loan  
7 originators under s. 224.725.

8           **SECTION 654.** 229.68 (15) of the statutes is amended to read:

9           229.68 (15) Impose, by the adoption of a resolution, the taxes under subch. V  
10 of ch. 77. A district may not levy any taxes that are not expressly authorized under  
11 subch. V of ch. 77 and that do not receive the affirmative vote of a supermajority of  
12 the district board. If a district adopts a resolution which imposes taxes, it shall  
13 deliver a certified copy of the resolution to the secretary of revenue at least 30 120  
14 days before its effective date.

15           **SECTION 655.** 229.824 (15) of the statutes is amended to read:

16           229.824 (15) Impose, by the adoption of a resolution, the taxes under subch. V  
17 of ch. 77, except that the taxes imposed by the resolution may not take effect until  
18 the resolution is approved by a majority of the electors in the district's jurisdiction  
19 voting on the resolution at a referendum, to be held at the first spring primary or  
20 September primary following by at least 45 days the date of adoption of the  
21 resolution. Two questions shall appear on the ballot. The first question shall be:  
22 "Shall a sales tax and a use tax be imposed at the rate of 0.5% in .... County for  
23 purposes related to football stadium facilities in the .... Professional Football  
24 Stadium District?" The 2nd question shall be: "Shall excess revenues from the 0.5%  
25 sales tax and use tax be permitted to be used for property tax relief purposes in ....

1 County?" Approval of the first question constitutes approval of the resolution of the  
2 district board. Approval of the 2nd question is not effective unless the first question  
3 is approved. The clerk of the district shall publish the notices required under s. 10.06  
4 (4) (c), (f) and (i) for any referendum held under this subsection. Notwithstanding  
5 s. 10.06 (4) (c), the type A notice under s. 10.01 (2) (a) relating to the referendum is  
6 valid even if given and published late as long as it is given and published prior to the  
7 election as early as practicable. A district may not levy any taxes that are not  
8 expressly authorized under subch. V of ch. 77. The district may not levy any taxes  
9 until the professional football team and the governing body of the municipality in  
10 which the football stadium facilities are located agree on how to fund the  
11 maintenance of the football stadium facilities. The district may not levy any taxes  
12 until the professional football team and the governing body of the municipality in  
13 which the football stadium facilities are located agree on how to distribute the  
14 proceeds, if any, from the sale of naming rights related to the football stadium  
15 facilities. If a district board adopts a resolution that imposes taxes and the resolution  
16 is approved by the electors, the district shall deliver a certified copy of the resolution  
17 to the secretary of revenue at least ~~30~~ 120 days before its effective date. If a district  
18 board adopts a resolution that imposes taxes and the resolution is not approved by  
19 the electors, the district is dissolved.

INS  
252-20  
20 SECTION 656. 234.01 (4n) (a) 3m. e. of the statutes is amended to read:

21 234.01 (4n) (a) 3m. e. The facility is located in a targeted area, as determined  
22 by the authority after considering the factors set out in s. 560.605 (2m) (c), 2005  
23 stats., s. 560.605 (2m) (d), 2005 stats., s. 560.605 (2m) (e), 2005 stats., s. 560.605 (2m)  
24 (g), 2007 stats., and s. 560.605 (2m) (a), (b), and (f) ~~to~~ and (h).

25 SECTION 657. 234.01 (5k) of the statutes is amended to read:

1           234.01 (5k) "Financial institution" means a bank, savings bank, savings and  
2 loan association, credit union, insurance company, finance company, mortgage  
3 banker ~~registered~~ licensed under s. 224.72, community development corporation,  
4 small business investment corporation, pension fund or other lender which provides  
5 commercial loans in this state.

6           **SECTION 658.** 234.03 (2m) of the statutes is amended to read:

7           234.03 (2m) To issue notes and bonds in accordance with ss. 234.08, 234.40,  
8 234.50, 234.60, 234.61, 234.626, ~~234.63~~, and 234.65.

9           **SECTION 659.** 234.03 (11) of the statutes is amended to read:

10          234.03 (11) To collect fees and charges on mortgage loans and economic  
11 development loans and airport development loans under s. 234.63 (3), 2007 stats.,  
12 for the purpose of paying all or a portion of authority costs as the authority  
13 determines are reasonable and as approved by the authority.

14          **SECTION 660.** 234.04 (2) of the statutes is amended to read:

15          234.04 (2) The authority may make or participate in the making and enter into  
16 commitments for the making of long-term mortgage loans to eligible sponsors of  
17 housing projects for occupancy by persons and families of low and moderate income,  
18 or for the making of homeownership mortgage loans or housing rehabilitation loans  
19 or loans for the refinancing of qualified subprime loans under s. 234.592 to persons  
20 and families of low and moderate income, an applicant under s. 234.59 or 234.592,  
21 or other eligible beneficiaries as defined in s. 234.49. The loans may be made only  
22 upon the determination by the authority that they are not otherwise available from  
23 private lenders upon reasonably equivalent terms and conditions. The authority  
24 may not make a loan to a person whose name appears on the statewide support lien  
25 docket under s. 49.854 (2) (b), unless the person provides to the authority a payment

1 agreement that has been approved by the county child support agency under s. 59.53  
2 (5) and that is consistent with rules promulgated under s. 49.858 (2) (a). The  
3 authority may employ, for such compensation as it determines, the services of any  
4 financial institution in connection with any loan.

5 **SECTION 661.** 234.08 (1) of the statutes is amended to read:

6 234.08 (1) The authority may issue its negotiable notes and bonds in such  
7 principal amount, as, in the opinion of the authority, is necessary to provide sufficient  
8 funds for achieving its corporate purposes, including the purchase of certain  
9 mortgages and securities and the making of secured loans for low- and  
10 moderate-income housing, for the rehabilitation of existing structures and for the  
11 construction of facilities appurtenant thereto as provided in this chapter; for the  
12 making of secured loans to assist eligible elderly homeowners in paying property  
13 taxes and special assessments; for the payment of interest on notes and bonds of the  
14 authority during construction; ~~for the awarding of airport development loans under~~  
15 ~~s. 234.63 (3);~~ for the establishment of reserves to secure such notes and bonds; for the  
16 provision of moneys for the housing development fund in order to make temporary  
17 loans to sponsors of housing projects as provided in this chapter; and for all other  
18 expenditures of the authority incident to and necessary or convenient to carry out its  
19 corporate purposes and powers.

20 **SECTION 662.** 234.265 (2) of the statutes is amended to read:

21 234.265 (2) Records or portions of records consisting of personal or financial  
22 information provided by a person seeking a grant or loan under s. 234.63, 2007 stats.,  
23 or s. 234.04, 234.08, 234.49, 234.59, 234.592, 234.61, 234.63, 234.65, 234.67, 234.83,  
24 234.84, 234.90, 234.905, 234.907, or 234.91, seeking a loan under ss. 234.621 to  
25 234.626, seeking financial assistance under s. 234.66, 2005 stats., seeking

1 investment of funds under s. 234.03 (18m), or in which the authority has invested  
2 funds under s. 234.03 (18m), unless the person consents to disclosure of the  
3 information.

4 **SECTION 663.** 234.40 (4) of the statutes is amended to read:

5 234.40 (4) The limitations established in ss. 234.18, 234.50, 234.60, 234.61,  
6 234.63, and 234.65 are not applicable to bonds issued under the authority of this  
7 section. The authority may not have outstanding at any one time bonds for veterans  
8 housing loans in an aggregate principal amount exceeding \$61,945,000, excluding  
9 bonds being issued to refund outstanding bonds.

10 **SECTION 664.** 234.49 (2) (a) 4. of the statutes is amended to read:

11 234.49 (2) (a) 4. To designate as an authorized lender the authority or any local  
12 government agency, housing authority under s. 59.53 (22), 61.73, 66.1201 or 66.1213,  
13 bank, savings bank, savings and loan institution, mortgage banker registered  
14 licensed under s. 224.72 or credit union, if the designee has a demonstrated history  
15 or potential of ability to adequately make and service housing rehabilitation loans.

16 **SECTION 665.** 234.50 (4) of the statutes is amended to read:

17 234.50 (4) The limitations established in ss. 234.18, 234.40, 234.60, 234.61,  
18 234.63, and 234.65 are not applicable to bonds issued under the authority of this  
19 section. The authority may not have outstanding at any one time bonds for housing  
20 rehabilitation loans in an aggregate principal amount exceeding \$100,000,000,  
21 excluding bonds being issued to refund outstanding bonds. The authority shall  
22 consult with and coordinate the issuance of bonds with the building commission prior  
23 to the issuance of bonds.

24 **SECTION 666.** 234.59 (1) (h) of the statutes is amended to read:

1           234.59 (1) (h) "Mortgage banker" means a mortgage banker ~~registered~~ licensed  
2 under s. 224.72, but does not include a person licensed under s. 138.09.

3           **SECTION 667.** 234.59 (1) (j) of the statutes is amended to read:

4           234.59 (1) (j) "Principal residence" means ~~an eligible~~ residential real property  
5 in this state ~~which~~ that an applicant maintains as a full-time residence, but does not  
6 use as a vacation home or for trade or business purposes.

7           **SECTION 668.** 234.59 (2) (intro.) of the statutes is amended to read:

8           234.59 (2) POWERS AND DUTIES OF THE AUTHORITY. (intro.) The authority shall  
9 establish and administer a homeownership mortgage loan program to encourage  
10 homeownership and to facilitate the acquisition or rehabilitation of eligible property  
11 by applicants. To implement the program, the authority:

12           **SECTION 669.** 234.59 (3) (c) of the statutes is amended to read:

13           234.59 (3) (c) The authority shall notify an eligible authorized lender if a  
14 person's name appears on the statewide support lien docket under s. 49.854 (2) (b).  
15 An eligible authorized lender may not make a loan to an applicant if it receives  
16 notification under this paragraph concerning the applicant, unless the applicant  
17 provides to the lender a payment agreement that has been approved by the county  
18 child support agency under s. 59.53 (5) and that is consistent with rules promulgated  
19 under s. 49.858 (2) (a).

20           **SECTION 670.** 234.592 of the statutes is created to read:

21           **234.592 Qualified subprime loan refinancing.** (1) DEFINITIONS. In this  
22 section:

23           (a) "Authorized lender" has the meaning given in s. 234.59 (1) (a).

24           (b) "Eligible property" has the meaning given in s. 234.59 (1) (d) 1.

25           (c) "Principal residence" has the meaning given in. s. 234.59 (1) (j).

1 (d) "Qualified subprime loan" means an adjustable rate single-family  
2 residential mortgage loan made after December 31, 2001, and before January 1,  
3 2008.

4 (2) POWERS AND DUTIES OF THE AUTHORITY. The authority shall establish and  
5 administer a qualified subprime loan refinancing program to encourage  
6 homeownership and to facilitate the retention of eligible property by applicants. To  
7 implement the program, the authority:

8 (a) May finance the acquisition or replacement of a qualified subprime loan and  
9 may enter into contracts permitting an authorized lender to finance the acquisition  
10 or replacement of a qualified subprime loan or both.

11 (b) Shall maintain a current list of authorized lenders.

12 (c) May enter into agreements to insure or provide additional security for loans  
13 or bonds or notes issued under s. 234.60.

14 (3) LOAN CONDITIONS. (a) Except as provided in par. (b), the authority may  
15 finance the acquisition or replacement of or enter into contracts permitting an  
16 authorized lender to finance the acquisition or replacement of an existing mortgage  
17 given by an applicant on an eligible property only if all of the following conditions are  
18 satisfied:

19 1. The eligible property is and will remain the principal residence of the  
20 applicant.

21 2. The existing mortgage was originally financed through a qualified subprime  
22 loan and has not subsequently been refinanced.

23 3. The authority makes a determination that the mortgage described in subd.  
24 2. will be reasonably likely to cause financial hardship to the applicant if not  
25 refinanced.

1           4. The term of any refinancing agreement entered into under this paragraph  
2 does not exceed 30 years.

3           5. The monthly payments to be made by an applicant under an agreement  
4 entered into under this paragraph include principal, interest, property taxes, and  
5 insurance. In this subdivision, "insurance" includes mortgage insurance,  
6 homeowner's insurance, and, if applicable, flood insurance.

7           6. The authority complies with special rules for subprime refinancing  
8 established under 26 USC 143 (k) (12).

9           (b) The authority may not enter into an agreement under this subsection if the  
10 applicant's name appears on the statewide support lien docket under s. 49.854 (2) (b),  
11 unless the applicant provides to the authority a payment agreement that has been  
12 approved by the county child support agency under s. 59.53 (5) and that is consistent  
13 with rules promulgated under s. 49.858 (2) (a).

14           **SECTION 671.** 234.60 (title) of the statutes is amended to read:

15           **234.60 (title) Bonds for homeownership mortgage loans and qualified**  
16 **subprime loan refinancing.**

17           **SECTION 672.** 234.60 (1) of the statutes is amended to read:

18           234.60 (1) The authority may issue its bonds or notes to fund homeownership  
19 mortgage loans or the refinancing of qualified subprime loans under s. 234.592.

20           **SECTION 673.** 234.60 (2) of the statutes is amended to read:

21           234.60 (2) The limitations in ss. 234.18, 234.40, 234.50, 234.61, ~~234.63~~, and  
22 234.65 do not apply to bonds or notes issued under this section.

23           **SECTION 674.** 234.60 (5) (c) of the statutes is created to read:



1           234.60 (5) (c) The secretary of administration shall determine the date after  
2           which no bond or note may be issued under this section for the purpose of financing  
3           the acquisition or replacement of an existing mortgage under s. 234.592.

4           **SECTION 675.** 234.60 (9) of the statutes is amended to read:

5           234.60 (9) The executive director of the authority shall make every effort to  
6           encourage participation in the homeownership mortgage loan program and the  
7           qualified subprime loan refinancing program by women and minorities.

8           **SECTION 676.** 234.61 (1) of the statutes is amended to read:

9           234.61 (1) Upon the authorization of the department of health services, the  
10          authority may issue bonds or notes and make loans for the financing of housing  
11          projects which are residential facilities as defined in s. 46.28 (1) (d) and the  
12          development costs of those housing projects, if the department of health services has  
13          approved the residential facilities for financing under s. 46.28 (2). The limitations  
14          in ss. 234.18, 234.40, 234.50, 234.60, ~~234.63~~, and 234.65 do not apply to bonds or  
15          notes issued under this section. The definition of "nonprofit corporation" in s. 234.01  
16          (9) does not apply to this section.

17          **SECTION 677.** 234.63 of the statutes is repealed.

18          **SECTION 678.** 321.60 (1) (a) 12. of the statutes is amended to read:

19          321.60 (1) (a) 12. A license or certificate of registration issued by the  
20          department of financial institutions, or a division of it, under ss. 138.09, 138.12,  
21          217.06, 218.0101 to 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, or 224.93 or  
22          subch. IV of ch. 551.

23          **SECTION 679.** 422.501 (2) (b) 8. of the statutes is amended to read:

1           422.501 (2) (b) 8. A person registered licensed as a mortgage banker, mortgage  
2 loan originator, or mortgage broker under s. 224.72 or 224.725 if the person is acting  
3 within the course and scope of ~~that registration~~ the license.

4           **SECTION 680.** 428.202 (6) of the statutes is renumbered 428.202 (9) and  
5 amended to read:

6           428.202 (9) "Loan Mortgage loan originator" has the meaning given in s. 224.71  
7 (~~1r~~) (6).

8           **SECTION 681.** 428.203 (9) (title) of the statutes is amended to read:

9           428.203 (9) (title) ~~UNREGISTERED~~ UNLICENSED MORTGAGE BANKERS AND BROKERS.

10          **SECTION 682.** 428.204 of the statutes is amended to read:

11          **428.204 False statements.** No lender, licensed lender, mortgage loan  
12 originator, mortgage banker, or mortgage broker may knowingly make, propose, or  
13 solicit fraudulent, false, or misleading statements on any document relating to a  
14 covered loan.

15          **SECTION 683.** 428.206 of the statutes is amended to read:

16          **428.206 Recommending default.** No lender, licensed lender, mortgage loan  
17 originator, mortgage banker, or mortgage broker may recommend or encourage an  
18 individual to default on an existing loan or other obligation before and in connection  
19 with the making of a covered loan that refinances all or any portion of that existing  
20 loan or obligation.

21          **SECTION 684.** 452.01 (3) (g) of the statutes is amended to read:

22          452.01 (3) (g) A person registered licensed as a mortgage banker under s.  
23 224.72 who does not engage in activities described under sub. (2).

24          **SECTION 685.** 560.205 (1) (intro.) of the statutes is amended to read:

1           560.205 (1) ANGEL INVESTMENT TAX CREDITS. (intro.) The department shall  
2           implement a program to certify businesses for purposes of s. 71.07 (5d). A business  
3           desiring certification shall submit an application to the department in each taxable  
4           year for which the business desires certification. The business shall specify in its  
5           application the investment amount it wishes to raise and the department may certify  
6           the business and determine the amount that qualifies for purposes of s. 71.07 (5d).  
7           Unless otherwise provided under the rules of the department, a business may be  
8           certified under this subsection, and may maintain such certification, only if the  
9           business satisfies all of the following conditions:

10           **SECTION 686.** 560.205 (1) (f) of the statutes is repealed and recreated to read:

11           560.205 (1) (f) It has the potential for increasing jobs in this state, increasing  
12           capital investment in this state, or both, and any of the following apply:

13           1. It is engaged in, or has committed to engage in, innovation in any of the  
14           following:

15           a. Manufacturing, biotechnology, nanotechnology, communications,  
16           agriculture, or clean energy creation or storage technology.

17           b. Processing or assembling products, including medical devices,  
18           pharmaceuticals, computer software, computer hardware, semiconductors, any  
19           other innovative technology products, or other products that are produced using  
20           manufacturing methods that are enabled by applying proprietary technology.

21           c. Services that are enabled by applying proprietary technology.

22           2. It is undertaking pre-commercialization activity related to proprietary  
23           technology that includes conducting research, developing a new product or business  
24           process, or developing a service that is principally reliant on applying proprietary  
25           technology.

1           **SECTION 687.** 560.205 (1) (g) of the statutes is amended to read:

2           560.205 (1) (g) It is not primarily engaged in real estate development,  
3 insurance, banking, lending, lobbying, political consulting, professional services  
4 provided by attorneys, accountants, business consultants, physicians, or health care  
5 consultants, wholesale or retail trade, leisure, hospitality, transportation, or  
6 construction, except construction of power production plants that derive energy from  
7 a renewable resource, as defined in s. 196.378 (1) (h).

8           **SECTION 688.** 560.205 (1) (k) of the statutes is amended to read:

9           560.205 (1) (k) ~~It~~ For taxable years beginning before January 1, 2008, it has  
10 not received more than \$1,000,000 in investments that have qualified for tax credits  
11 under s. 71.07 (5d).

12           **SECTION 689.** 560.205 (1) (kn) of the statutes is created to read:

13           560.205 (1) (kn) For taxable years beginning after December 31, 2007 and  
14 before January 1, 2011, it has not received more than \$4,000,000 in investments that  
15 have qualified for tax credits under ss. 71.07 (5b) and (5d), 71.28 (5b), 71.47 (5b), and  
16 76.638.

17           **SECTION 690.** 560.205 (1) (L) of the statutes is created to read:

18           560.205 (1) (L) For taxable years beginning after December 31, 2010, it has not  
19 received more than \$8,000,000 in investments that have qualified for tax credits  
20 under ss. 71.07 (5b) and (5d), 71.28 (5b), 71.47 (5b), and 76.638.

21           **SECTION 691.** 560.205 (2) of the statutes is amended to read:

22           560.205 (2) **EARLY STAGE SEED INVESTMENT TAX CREDITS.** The department shall  
23 implement a program to certify investment fund managers for purposes of ss. 71.07  
24 (5b), 71.28 (5b), ~~and~~, 71.47 (5b), and 76.638. An investment fund manager desiring  
25 certification shall submit an application to the department. The investment fund

1 manager shall specify in the application the investment amount that the manager  
2 wishes to raise and the department may certify the manager and determine the  
3 amount that qualifies for purposes of ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638.

4 In determining whether to certify an investment fund manager, the department  
5 shall consider the investment fund manager's experience in managing venture  
6 capital funds, the past performance of investment funds managed by the applicant,  
7 the expected level of investment in the investment fund to be managed by the  
8 applicant, and any other relevant factors. The department may certify only  
9 investment fund managers that commit to consider placing investments in  
10 businesses certified under sub. (1).

11 **SECTION 692.** 560.205 (3) (d) of the statutes is amended to read:

12 560.205 (3) (d) *Rules.* The department of commerce, in consultation with the  
13 department of revenue, shall promulgate rules to administer this section. The rules  
14 shall further define "bona fide angel investment" for purposes of s. 71.07 (5d) (a) 1.  
15 The rules shall limit the aggregate amount of tax credits under s. 71.07 (5d) that may  
16 be claimed for investments in businesses certified under sub. (1) at \$3,000,000 per  
17 calendar year for calendar years beginning after December 31, 2004, and before  
18 January 1, 2008, \$5,500,000 per calendar year for calendar years beginning after  
19 December 31, 2007, and before January 1, 2011, and \$18,000,000 per calendar year  
20 for calendar years beginning after December 31, 2010. The rules shall also limit the  
21 aggregate amount of the tax credits under ss. 71.07 (5b), 71.28 (5b), and 71.47 (5b),  
22 and 76.638 that may be claimed for investments paid to fund managers certified  
23 under sub. (2) at \$3,500,000 per calendar year for calendar years beginning after  
24 December 31, 2004, and before January 1, 2008, \$6,000,000 per calendar year for  
25 calendar years beginning after December 31, 2007, and before January 1, 2011, and

1 \$18,500,000 per calendar year for calendar years beginning after December 31, 2010.

2 The rules shall also provide that, for calendar years beginning after December 31,  
3 2007, no person may receive a credit under ss. 71.07 (5b) and (5d), 71.28 (5b), or 71.47  
4 (5b), or 76.638 unless the person's investment is kept in a certified business, or with  
5 a certified fund manager, for no less than 3 years.

6 **SECTION 693.** 560.205 (3) (e) of the statutes is created to read:

7 560.205 (3) (e) *Transfer.* A person who is eligible to claim a credit under s. 71.07  
8 (5b), 71.28 (5b), 71.47 (5b), or 76.638 may sell or otherwise transfer the credit to  
9 another person who is subject to the taxes or fees imposed under s. 71.02, 71.23,  
10 71.47, or subch. III of ch. 76, if the person receives prior authorization from the  
11 investment fund manager and the manager then notifies the department of  
12 commerce and the department of revenue of the transfer and submits with the  
13 notification a copy of the transfer documents. No person may sell or otherwise  
14 transfer a credit as provided in this paragraph more than once. The department may  
15 charge any person selling or otherwise transferring a credit under this paragraph a  
16 fee equal to 1 percent of the credit amount sold or transferred. The department shall  
17 deposit all fees collected under this paragraph in the appropriation account under  
18 s. 20.143 (1) (gm).

19 **SECTION 694.** 560.207 (1) of the statutes is amended to read:

20 560.207 (1) The department of commerce shall implement a program to certify  
21 taxpayers, including taxpayers who are members of dairy cooperatives, as eligible  
22 for the dairy manufacturing facility investment credit under ss. 71.07 (3p), 71.28  
23 (3p), and 71.47 (3p).

24 **SECTION 695.** 560.207 (2) of the statutes is amended to read:

1           560.207 (2) If the department of commerce certifies a taxpayer under sub. (1),  
2           the department of commerce shall determine the amount of credits to allocate to that  
3           taxpayer. The total amount of dairy manufacturing facility investment credits  
4           allocated to taxpayers in fiscal year 2007-08 may not exceed \$600,000 and the total  
5           amount of dairy manufacturing facility investment credits allocated to taxpayers  
6           who are not members of dairy cooperatives in fiscal year 2008-09, and in each fiscal  
7           year thereafter, may not exceed \$700,000. The total amount of dairy manufacturing  
8           facility investment credits allocated to taxpayers who are members of dairy  
9           cooperatives in fiscal year 2009-10 may not exceed \$600,000 and the total amount  
10           of dairy manufacturing facility investment credits allocated to taxpayers who are  
11           members of dairy cooperatives in fiscal year 2010-11, and in each fiscal year  
12           thereafter, may not exceed \$700,000.

13           **SECTION 696.** 560.208 of the statutes is created to read:

14           **560.208 Meat processing facility investment credit.** (1) The department  
15           of commerce shall implement a program to certify taxpayers as eligible for the meat  
16           processing facility investment credit under ss. 71.07 (3r), 71.28 (3r), and 71.47 (3r).

17           (2) If the department of commerce certifies a taxpayer under sub. (1), the  
18           department of commerce shall determine the amount of credits to allocate to that  
19           taxpayer. The total amount of meat processing facility investment credits allocated  
20           to taxpayers in fiscal year 2009-10 may not exceed \$300,000 and the total amount  
21           of meat processing facility investment credits allocated to taxpayers in fiscal year  
22           2010-11, and in each fiscal year thereafter, may not exceed \$700,000.

23           (3) The department of commerce shall inform the department of revenue of  
24           every taxpayer certified under sub. (1) and the amount of credits allocated to the  
25           taxpayer.





1           560.70 (2m) (b) The department may by rule specify circumstances under  
2           which the department may grant exceptions to the requirement under par. (a) that  
3           a full-time job means a job in which an individual, as a condition of employment, is  
4           required to work at least 2,080 hours per year, but under no circumstances may a  
5           full-time job mean a job in which an individual, as a condition of employment, is  
6           required to work less than 37.5 hours per week.

7           **SECTION 704.** 560.70 (4m) of the statutes is created to read:

8           560.70 (4m) "Member of a targeted group" means a person who resides in an  
9           area designated by the federal government as an economic revitalization area, a  
10          person who is employed in an unsubsidized job but meets the eligibility requirements  
11          under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who  
12          is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work, real pay  
13          project position under s. 49.147 (3m), a person who is eligible for child care assistance  
14          under s. 49.155, a person who is a vocational rehabilitation referral, an economically  
15          disadvantaged youth, an economically disadvantaged veteran, a supplemental  
16          security income recipient, a general assistance recipient, an economically  
17          disadvantaged ex-convict, a dislocated worker, as defined in 29 USC 2801 (9), or a  
18          food stamp recipient, if the person has been certified in the manner under 26 USC  
19          51 (d) (13) (A) by a designated local agency, as defined in 26 USC 51 (d) (12).

20          **SECTION 705.** 560.70 (7) (a) of the statutes is amended to read:

21          560.70 (7) (a) Except as provided in pars. (b) ~~and~~, (c), and (d), "tax benefits"  
22          means the development zones credit under ss. 71.07 (2dx), 71.28 (1dx), 71.47 (1dx),  
23          and 76.636.

24          **SECTION 706.** 560.70 (7) (d) of the statutes is created to read:

1           560.70 (7) (d) In ss. 560.701 to 560.706, "tax benefits" means the economic  
2 development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637.

3           **SECTION 707.** 560.701 of the statutes is created to read:

4           **560.701 Certification for tax benefits. (1) APPLICATION.** Any person may  
5 apply to the department on a form prepared by the department for certification under  
6 this section. The application shall include all of the following:

7           (a) The name and address of the person.

8           (b) The federal tax identification number of the person.

9           (c) The names and addresses of the locations where the person conducts  
10 business and a description of the business activities conducted at those locations.

11           (d) A description of each eligible activity conducted or proposed to be conducted  
12 by the person.

13           (e) Other information required by the department or the department of  
14 revenue.

15           **(2) CERTIFICATION.** (a) The department may certify a person who submits an  
16 application under sub. (1) if, after conducting an investigation, the department  
17 determines that the person is conducting or intends to conduct at least one eligible  
18 activity.

19           (b) The department shall provide a person certified under this section and the  
20 department of revenue with a copy of the certification.

21           **(3) CONTRACT.** A person certified under this section shall enter into a written  
22 contract with the department. The contract shall include provisions that detail all  
23 of the following:

24           (a) A description of each eligible activity being conducted or proposed to be  
25 conducted by the person.

1 (b) Whether any of the eligible activities will occur in an economically  
2 distressed area, as designated by the department under s. 560.704 (1).

3 (c) Whether any of the eligible activities will benefit members of a targeted  
4 group, as determined by the department under s. 560.704 (2).

5 (d) A compliance schedule that includes a sequence of anticipated actions to be  
6 taken or goals to be achieved by the person before the person may receive tax benefits  
7 under s. 560.703.

8 (e) The reporting requirements with which the person must comply.

9 (f) If feasible, a determination of the tax benefits the person will be authorized  
10 to claim under s. 560.703 (2) if the person fulfills the terms of the contract.

11 **SECTION 708.** 560.702 of the statutes is created to read:

12 **560.702 Eligible activities.** A person who conducts or proposes to conduct  
13 any of the following may be certified under s. 560.701 (2):

14 (1) **JOB CREATION PROJECT.** A project that creates and maintains for a period of  
15 time established by the department by rule full-time jobs in addition to any existing  
16 full-time jobs provided by the person.

17 (2) **CAPITAL INVESTMENT PROJECT.** A project that involves a significant  
18 investment of capital, as defined by the department by rule under s. 560.706 (2) (b),  
19 by the person in new equipment, machinery, real property, or depreciable personal  
20 property.

21 (3) **EMPLOYEE TRAINING PROJECT.** A project that involves significant investments  
22 in the training or reeducation of employees, as defined by the department by rule  
23 under s. 560.706 (2) (c), by the person for the purpose of improving the productivity  
24 or competitiveness of the business of the person.

1           **(4) PROJECT RELATED TO PERSONS WITH CORPORATE HEADQUARTERS IN WISCONSIN.**  
2           A project that will result in the location or retention of a person's corporate  
3           headquarters in Wisconsin or that will result in the retention of employees holding  
4           full-time jobs in Wisconsin if the person's corporate headquarters are located in  
5           Wisconsin.

6           **SECTION 709.** 560.703 of the statutes is created to read:

7           **560.703 Limits on tax benefits and claiming tax benefits. (1) LIMITS.** (a)  
8           Except as provided in par. (b), the total tax benefits available to be allocated by the  
9           department under ss. 560.701 to 560.706 may not exceed the sum of the tax benefits  
10          remaining to be allocated under ss. 560.71 to 560.785, 560.797, 560.798, 560.7995,  
11          and 560.96 on the effective date of this paragraph .... [LRB inserts date].

12          (b) The department may submit to the joint committee on finance a request in  
13          writing to exceed the total tax benefits specified in par. (a). The department shall  
14          submit with its request a justification for seeking an increase under this paragraph.  
15          The joint committee on finance, following its review, may approve or disapprove an  
16          increase in the total tax benefits available to be allocated under ss. 560.701 to  
17          560.706.

18          **(2) AUTHORITY TO CLAIM TAX BENEFITS.** The department may authorize a person  
19          certified under s. 560.701 (2) to claim tax benefits only after the person has submitted  
20          a report to the department that documents to the satisfaction of the department that  
21          the person has complied with the terms of the contract under s. 560.701 (3) and the  
22          requirements of any applicable rules promulgated under s. 560.706 (2).

23          **(3) NOTICE OF ELIGIBILITY.** The department shall provide to the person and to  
24          the department of revenue a notice of eligibility to receive tax benefits that reports  
25          the amount of tax benefits for which the person is eligible.

1           **SECTION 710.** 560.704 of the statutes is created to read:

2           **560.704 Eligible activities in economically distressed areas and**  
3 **benefiting members of targeted groups.** The department may authorize a  
4 person certified under s. 560.701 (2) to claim additional tax benefits under s. 560.703  
5 if, after conducting an investigation, the department determines any of the  
6 following:

7           (1) The person conducts at least one eligible activity in an area designated by  
8 the department as economically distressed. In designating an area as economically  
9 distressed under this subsection, the department shall follow the methodology  
10 established by rule under s. 560.706 (2) (e).

11           (2) The person conducts at least one eligible activity that benefits, creates,  
12 retains, or significantly upgrades full-time jobs for, that trains, or that reeducates,  
13 members of a targeted group.

14           **SECTION 711.** 560.705 of the statutes is created to read:

15           **560.705 Revocation of certification.** The department shall revoke the  
16 certification of a person who does any of the following:

17           (1) Supplies false or misleading information to obtain certification under s.  
18 560.701 (2).

19           (2) Supplies false or misleading information to obtain tax benefits under s.  
20 560.703.

21           (3) Leaves the state to conduct substantially the same business outside of the  
22 state.

23           (4) Ceases operations in the state and does not renew operation of the business  
24 or a similar business within 12 months.

25           **SECTION 712.** 560.706 of the statutes is created to read:

1           **560.706 Responsibilities of the department.** The department shall do all  
2 of the following:

3           **(1) ACCOUNTABILITY.** (a) Annually verify information submitted to the  
4 department of revenue under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637 by  
5 persons certified under s. 560.701 (2) and eligible to receive tax benefits under s.  
6 560.703.

7           (b) Notify and obtain written approval from the secretary for any certification  
8 under sub. (2) (j).

9           **(2) RULES.** Establish by rule all of the following:

10           (a) A schedule of hourly wage ranges to be paid, and health insurance benefits  
11 to be provided, to an employee by a person certified under s. 560.701 (2) and the  
12 corresponding per employee tax benefit for which a person certified under s. 560.701  
13 (2) may be eligible.

14           (b) A definition of "significant investment of capital" for purposes of s. 560.702  
15 (2), together with a corresponding schedule of tax benefits for which a person who is  
16 certified under s. 560.701 (2) and who conducts a project described in s. 560.702 (2)  
17 may be eligible. The department shall include in the definition required under this  
18 paragraph a schedule of investments that takes into consideration the size or nature  
19 of the business.

20           (c) A definition of "significant investments in the training or reeducation of  
21 employees" for purposes of s. 560.702 (3), together with a corresponding schedule of  
22 tax benefits for which a person who is certified under s. 560.701 (2) and who conducts  
23 a project under s. 560.702 (3) may be eligible.

1 (d) A schedule of tax benefits for which a person who is certified under s.  
2 560.701 (2) and who conducts a project that will result in the location or retention  
3 of a person's corporate headquarters in Wisconsin may be eligible.

4 (e) The methodology for designating an area as economically distressed under  
5 s. 560.704 (1). The methodology under this paragraph shall require the department  
6 to consider the most current data available for the area and for the state on the  
7 following indicators:

8 1. Unemployment rate.

9 2. Percentage of families with incomes below the poverty line established under  
10 42 USC 9902 (2).

11 3. Median family income.

12 4. Median per capita income.

13 5. Average annual wage.

14 6. Real property values.

15 7. Other significant or irregular indicators of economic distress, such as a  
16 natural disaster.

17 (f) A schedule of additional tax benefits for which a person who is certified  
18 under s. 560.701 (2) and who conducts an eligible activity described under s. 560.704  
19 may be eligible.

20 (g) Reporting requirements, minimum benchmarks, and outcomes expected of  
21 a person certified under s. 560.701 (2) before that person may receive tax benefits  
22 under s. 560.703.

23 (h) Policies, criteria, and methodology for allocating a portion of the tax benefits  
24 available under s. 560.703 to rural areas.

1 (i) Policies, criteria, and methodology for allocating a portion of the tax benefits  
2 available under s. 560.703 to small businesses.

3 (j) Policies and criteria for certifying a person who may be eligible for tax  
4 benefits greater than or equal to \$3,000,000.

5 (k) Procedures for implementing ss. 560.701 to 560.706.

6 **(3) REPORTING.** Annually, 6 months after the report has been submitted under  
7 s. 560.01 (2) (am), submit to the joint legislative audit committee and to the  
8 appropriate standing committees of the legislature under s. 13.172 (3) a  
9 comprehensive report assessing the program under ss. 560.701 to 560.706. The  
10 report under this subsection shall update the applicable information provided in the  
11 report under s. 560.01 (2) (am).

12 **SECTION 713.** 560.71 (4) of the statutes is created to read:

13 560.71 (4) No development zone may be designated under this section after the  
14 effective date of this subsection .... [LRB inserts date].

15 **SECTION 714.** 560.737 (4) of the statutes is created to read:

16 560.737 (4) No premises of a business incubator may be designated as part of  
17 a development zone under this section after the effective date of this subsection ....  
18 [LRB inserts date].

19 **SECTION 715.** 560.74 (1) of the statutes is amended to read:

20 560.74 (1) ~~At~~ Except as provided under sub. (6), at any time after a  
21 development zone is designated by the department, a local governing body may  
22 submit an application to change the boundaries of the development zone. If the  
23 boundary change reduces the size of a development zone, the local governing body  
24 shall explain why the area excluded should no longer be in a development zone. The  
25 department may require the local governing body to submit additional information.



1           **SECTION 716.** 560.74 (6) of the statutes is created to read:

2           560.74 (6) The department may not accept any applications under sub. (1) to  
3 change the boundaries of a development zone designated under s. 560.71 on or after  
4 the effective date of this subsection .... [LRB inserts date].

5           **SECTION 717.** 560.745 (1) (b) of the statutes is amended to read:

6           560.745 (1) (b) The local governing body may apply to the department for one  
7 60-month extension of the designation. The department shall promulgate rules  
8 establishing criteria for approving an extension of a designation of an area as a  
9 development zone under this subsection. No applications may be accepted by the  
10 department under this paragraph on or after the effective date of this paragraph ....  
11 [LRB inserts date].

12           **SECTION 718.** 560.745 (2) (am) of the statutes is amended to read:

13           560.745 (2) (am) Notwithstanding par. (a), the department may increase the  
14 established limit for tax benefits for a development zone. The department may not  
15 increase the limit for tax benefits established for any development zone designated  
16 under s. 560.71 on or after the effective date of this paragraph .... [LRB inserts date].

17           **SECTION 719.** 560.78 (1m) of the statutes is created to read:

18           560.78 (1m) No person may be certified under s. 560.765 (3) on or after the  
19 effective date of this subsection .... [LRB inserts date].

20           **SECTION 720.** 560.78 (3) (a) of the statutes is amended to read:

21           560.78 (3) (a) Except as provided in ~~par.~~ pars. (b) and (c), if the economic activity  
22 for which a person is seeking certification under s. 560.765 (3) is the relocation of a  
23 business into a development zone from a location that is outside the development  
24 zone but within the limits of a city, village, town or federally recognized American  
25 Indian reservation in which that development zone is located, the local governing

1 body that nominated that area as a development zone under s. 560.72 shall  
2 determine whether sub. (2) (a) or (b) applies.

3 **SECTION 721.** 560.78 (3) (c) of the statutes is created to read:

4 560.78 (3) (c) No local governing body may make any determination under this  
5 subsection on or after the effective date of this paragraph .... [LRB inserts date].

6 **SECTION 722.** 560.785 (1) (intro.) of the statutes is amended to read:

7 560.785 (1) (intro.) For the development zone program under ss. 560.70 and  
8 560.71 to 560.78, the development opportunity zone program under s. 560.795 and  
9 the enterprise development zone program under s. 560.797, the department shall  
10 promulgate rules that further define a person's eligibility for tax benefits. The rules  
11 shall do at least all of the following:

12 **SECTION 723.** 560.797 (2) (a) (intro.) of the statutes is amended to read:

13 560.797 (2) (a) (intro.) Subject to pars. (c) and, (d), and (e), the department may  
14 designate an area as an enterprise development zone for a project if the department  
15 determines all of the following:

16 **SECTION 724.** 560.797 (2) (bg) (intro.) of the statutes is amended to read:

17 560.797 (2) (bg) (intro.) Notwithstanding par. (a) and subject to pars. (c) and,  
18 (d), and (e), the department may designate an area as an enterprise development  
19 zone for a project if the department determines all of the following:

20 **SECTION 725.** 560.797 (2) (e) of the statutes is created to read:

21 560.797 (2) (e) The department may not designate any area as an enterprise  
22 development zone on or after the effective date of this paragraph .... [LRB inserts  
23 date].

24 **SECTION 726.** 560.797 (3) (c) of the statutes is created to read:

1           560.797 (3) (c) The department may not accept or approve any applications or  
2 project plans submitted under par. (a) on or after the effective date of this paragraph  
3 .... [LRB inserts date].

4           **SECTION 727.** 560.797 (4) (a) of the statutes is amended to read:

5           560.797 (4) (a) If Except as provided in par. (h), if the department approves a  
6 project plan under sub. (3) and designates the area in which the person submitting  
7 the project plan conducts or intends to conduct the project as an enterprise  
8 development zone under the criteria under sub. (2), the department shall certify the  
9 person as eligible for tax benefits.

10          **SECTION 728.** 560.797 (4) (h) of the statutes is created to read:

11          560.797 (4) (h) No person may be certified under this subsection on or after the  
12 effective date of this paragraph .... [LRB inserts date].

13          **SECTION 729.** 560.798 (2) (a) of the statutes is amended to read:

14          560.798 (2) (a) The Except as provided under par. (c), the department may  
15 designate one area in the state as an agricultural development zone. The area must  
16 be located in a rural municipality. An agricultural business that is located in an  
17 agricultural development zone and that is certified by the department under sub. (3)  
18 is eligible for tax benefits as provided in sub. (3).

19          **SECTION 730.** 560.798 (2) (c) of the statutes is created to read:

20          560.798 (2) (c) No area may be designated as an agricultural development zone  
21 on or after the effective date of this paragraph .... [LRB inserts date].

22          **SECTION 731.** 560.798 (3) (a) of the statutes is amended to read:

23          560.798 (3) (a) The Except as provided under par. (c), the department may  
24 certify for tax benefits in an agricultural development zone a new or expanding  
25 agricultural business that is located in the agricultural development zone. In

1 determining whether to certify a business under this subsection, the department  
2 shall consider, among other things, the number of jobs that will be created or retained  
3 by the business.

4 **SECTION 732.** 560.798 (3) (c) of the statutes is created to read:

5 560.798 (3) (c) No business may be certified under this subsection on or after  
6 the effective date of this paragraph .... [LRB inserts date].

7 **SECTION 733.** 560.7995 (2) (a) (intro.) of the statutes is amended to read:

8 560.7995 (2) (a) (intro.) Subject to ~~par.~~ pars. (c) and (e), the department may  
9 designate an area as an airport development zone if the department determines all  
10 of the following:

11 **SECTION 734.** 560.7995 (2) (d) of the statutes is amended to read:

12 560.7995 (2) (d) Notwithstanding pars. (a) to (c), and except as provided in par.  
13 (e), the department shall designate as an airport development zone the area within  
14 the boundaries of Adams, Fond du Lac, Green Lake, Juneau, Langlade, Lincoln,  
15 Marathon, Marquette, Menominee, Oneida, Portage, Price, Shawano, Taylor,  
16 Waupaca, Waushara, Winnebago, Wood, and Vilas counties.

17 **SECTION 735.** 560.7995 (2) (e) of the statutes is created to read:

18 560.7995 (2) (e) No area may be designated as an airport development zone  
19 under this subsection on or after the effective date of this paragraph .... [LRB inserts  
20 date].

21 **SECTION 736.** 560.7995 (4) (ar) of the statutes is created to read:

22 560.7995 (4) (ar) The department may not accept or approve any applications  
23 or business plans submitted under par. (a) on or after the effective date of this  
24 paragraph .... [LRB inserts date].

1           **SECTION 737.** 560.7995 (4) (b) of the statutes is renumbered 560.7995 (4) (b) 1.  
2 and amended to read:

3           560.7995 (4) (b) 1. If Except as provided in subd. 2., if the department approves  
4 a business plan under par. (a) or (am), the department shall certify the person as  
5 eligible for tax benefits. The department shall notify the department of revenue  
6 within 30 days of certifying a person under this paragraph.

7           **SECTION 738.** 560.7995 (4) (b) 2. of the statutes is created to read:

8           560.7995 (4) (b) 2. No person may be certified under this paragraph on or after  
9 the effective date of this subdivision .... [LRB inserts date].

10          **SECTION 739.** 560.84 (2) (c) 2. of the statutes is amended to read:

11          560.84 (2) (c) 2. ~~A development zone designated under s. 560.71, a development~~  
12 ~~opportunity zone designated under s. 560.795 or an enterprise development zone~~  
13 ~~designated under s. 560.797.~~

14          **SECTION 740.** 560.96 (2) (a) of the statutes is amended to read:

15          560.96 (2) (a) The Except as provided in par. (c), the department may designate  
16 up to 8 areas in the state as technology zones. A business that is located in a  
17 technology zone and that is certified by the department under sub. (3) is eligible for  
18 a tax credit as provided in sub. (3).

19          **SECTION 741.** 560.96 (2) (c) of the statutes is created to read:

20          560.96 (2) (c) No area may be designated as a technology zone under this  
21 subsection on or after the effective date of this paragraph .... [LRB inserts date].

22          **SECTION 742.** 560.96 (3) (a) (intro.) of the statutes is amended to read:

23          560.96 (3) (a) (intro.) The Except as provided in par. (e), the department may  
24 certify for tax credits in a technology zone a business that satisfies all of the following  
25 requirements:

1           **SECTION 743.** 560.96 (3) (e) of the statutes is created to read:

2           560.96 (3) (e) No business may be certified under this subsection on or after the  
3 effective date of this paragraph .... [LRB inserts date].

4           **SECTION 744.** 704.35 of the statutes is created to read:

5           **704.35 Residential rental property in foreclosure. (1) DUTY OF LANDLORD**  
6 **TO PROVIDE NOTICE OF FORECLOSURE.** If a foreclosure action has been commenced  
7 against residential rental property, during the pendency of the action and before the  
8 expiration of the redemption period, the owner of the property shall notify any  
9 prospective tenant in writing of all of the following:

10           (a) That a foreclosure action has been commenced against the rental property.

11           (b) If judgment has been entered, the date on which the redemption period  
12 expires.

13           **(2) RENTAL AGREEMENT MUST VERIFY NOTICE OR IS VOIDABLE.** Any rental  
14 agreement entered into between the property owner and a tenant during the  
15 pendency of the foreclosure action and before the expiration of the redemption period  
16 shall include a separate written statement, signed by the tenant, that the owner has  
17 provided written notice as required under sub. (1). A rental agreement that does not  
18 include the statement signed by the tenant is voidable at the option of the tenant.

19           **(3) TENANT PROTECTIONS.** The protections under s. 846.35 apply to a residential  
20 tenant if a foreclosure action is or has been commenced against the real property  
21 containing the dwelling unit occupied by the tenant.

22           **SECTION 745.** 799.40 (4) of the statutes is renumbered 799.40 (4) (a).

23           **SECTION 746.** 799.40 (4) (b) of the statutes is created to read:

1           799.40 (4) (b) The court shall stay the proceedings in a civil action of eviction  
2           against a foreclosed homeowner, as defined in s. 846.40 (1) (b), under the  
3           circumstances and as provided in s. 846.40 (9).

4           **SECTION 747.** 846.35 of the statutes is created to read:

5           **846.35 Protections for tenants in foreclosure actions. (1) NOTICES FROM**  
6           **PLAINTIFF.** (a) If residential rental property is the subject of a foreclosure action, the  
7           plaintiff shall provide the following notices at the following times to the tenants who  
8           are in possession of each rental unit when a notice is given:

9           1. No later than 5 days after the foreclosure action is filed, notice that the  
10          plaintiff has commenced a foreclosure action with respect to the rental property.

11          2. No later than 5 days after the judgment of foreclosure is entered, notice that  
12          the plaintiff has been granted a judgment of foreclosure with respect to the rental  
13          property and notice of the date on which the redemption period ends.

14          3. When the confirmation of sale hearing has been scheduled, notice of the date  
15          and time of the hearing.

16          (b) The notices under par. (a) may be given in any of the following ways:

17          1. By personal service as provided in s. 801.11 (1).

18          2. By certified mail with return receipt requested. Notice given under this  
19          subdivision is considered completed when it is mailed, unless the envelope enclosing  
20          the notice is returned unopened to the plaintiff. All notices mailed under this  
21          subdivision shall be mailed in envelopes upon which the plaintiff's, or the plaintiff's  
22          attorney's, return address appears, with a request to return to that address.

23          (c) If a plaintiff fails to provide a notice under par. (a) in accordance with pars.

24          (a) and (b), the court shall award the tenant to whom the notice should have been

1 given \$250 in damages, plus reasonable attorney fees. A tenant may not recover  
2 under this paragraph for more than one notice violation.

3 **(2) EXTENDED POSSESSION OF PREMISES; WITHHOLDING LAST MONTH'S RENT. (a)**

4 Notwithstanding ch. 704, all of the following apply to a tenant whose tenancy is  
5 terminated as a result of a foreclosure judgment and sale with respect to the rental  
6 property:

7 1. Subject to subd. 3., the tenant may retain possession of the tenant's rental  
8 unit for up to 2 months after the end of the month in which the sale of the property  
9 is confirmed.

10 2. The tenant may withhold rent in an amount equal to the security deposit  
11 during the last period the tenant actually retains possession of the rental unit,  
12 regardless of whether the tenant retains possession after the sale of the property is  
13 confirmed, as authorized under subd. 1.

14 3. The tenant's right to retain possession of the rental unit expires at the end  
15 of the month for which the tenant withholds rent, as authorized under subd. 2.

16 (b) Subject to par. (a) 2., a tenant who retains possession of the rental unit after  
17 the sale of the property is confirmed shall pay rent for the period during which the  
18 tenant retains possession at the same rate that applied immediately before the  
19 confirmation of the sale of the property.

20 **(3) EXECUTION OF WRIT OF ASSISTANCE OR RESTITUTION.** No writ of assistance or  
21 writ of restitution for the removal of a tenant whose tenancy is terminated as a result  
22 of a foreclosure judgment and sale may be executed before the end of the 2nd month  
23 beginning after the month in which the sale of the property is confirmed, unless the  
24 tenant has waived in writing the right under sub. (2) (a) 1. to retain possession of the  
25 rental unit.



1           (4) EXCLUSION OF INFORMATION FROM THE CONSOLIDATED COURT AUTOMATION  
2 PROGRAMS. No information in a civil action, including a writ of assistance, writ of  
3 restitution, or entry of judgment of eviction, concerning the removal of a tenant from  
4 residential rental property may be included in the consolidated court automation  
5 programs that are accessible to the public through the circuit court public access Web  
6 site if that removal is the result of a mortgage foreclosure of that residential rental  
7 property.

8           **SECTION 748.** 846.40 of the statutes is created to read:

9           **846.40 Regulation of foreclosure reconveyances. (1) DEFINITIONS.** In this  
10 section:

11           (a) "Closing" means an in-person meeting to complete final documents incident  
12 to the sale of real property or the creation of a mortgage on real property that is  
13 conducted by a closing agent who is not employed by, an affiliate of, or employed by  
14 an affiliate of, any foreclosure purchaser involved in the closing, and who does not  
15 have a business or personal relationship with any foreclosure purchaser involved in  
16 the closing other than the provision of real estate settlement services.

17           (b) "Foreclosed homeowner" means an owner of a residence in foreclosure.

18           (c) "Foreclosure purchaser" means a person that has acted as the acquirer in  
19 a foreclosure reconveyance. "Foreclosure purchaser" also includes a person that has  
20 acted in joint venture or joint enterprise with one or more acquirers in a foreclosure  
21 reconveyance. "Foreclosure purchaser" does not include any of the following:

22           1. A natural person who shows that he or she is not in the business of  
23 foreclosure purchasing and who has a prior personal relationship with the foreclosed  
24 homeowner.

1           2. A federal or state chartered bank, savings bank, savings and loan  
2 association, or credit union.

3           (d) "Foreclosure reconveyance" means a transaction involving all of the  
4 following:

5           1. The transfer of title to real property by a foreclosed homeowner during a  
6 foreclosure proceeding, either by a transfer of interest from the foreclosed  
7 homeowner or by the creation of a mortgage or other lien or encumbrance during the  
8 foreclosure process.

9           2. The subsequent conveyance, or promise of a subsequent conveyance, of an  
10 interest back to the foreclosed homeowner by the acquirer or a person acting in  
11 participation with the acquirer that allows the foreclosed homeowner to possess  
12 either the residence in foreclosure or other real property, which interest includes an  
13 interest in a land contract, purchase agreement, option to purchase, or lease.

14           (e) "Primary housing expenses" means the sum of payments for regular  
15 principal, interest, rent, utilities, fire and casualty insurance, real estate taxes, and  
16 association dues.

17           (f) "Resale" means a bona fide market sale of the property subject to the  
18 foreclosure reconveyance by the foreclosure purchaser to an unaffiliated 3rd party.

19           (g) "Resale price" means the gross sale price of the property on resale.

20           (h) "Residence in foreclosure" means residential real property located in this  
21 state that consists of one to 4 family dwelling units and with respect to which real  
22 property there is a delinquency or default on any loan payment or debt secured by  
23 or attached to the residential real property, including land contract payments. The  
24 owner of the residential real property may, but is not required to, occupy the  
25 residential real property as the owner's principal place of residence.

1           **(2) CONTRACT REQUIREMENT; FORM AND LANGUAGE.** A foreclosure purchaser that  
2 enters into any foreclosure reconveyance shall do so by a written contract. Every  
3 contract must be written in letters of not less than 12-point boldface type, both in  
4 English and in the same language principally used by the foreclosure purchaser and  
5 foreclosed homeowner to negotiate the sale of the residence in foreclosure if other  
6 than English, and must be fully completed, signed, and dated by the foreclosed  
7 homeowner and foreclosure purchaser before the execution of any instrument of  
8 conveyance of the residence in foreclosure.

9           **(3) CONTRACT TERMS.** (a) Every contract required by sub. (2) must contain the  
10 entire agreement of the parties and must include all of the following terms:

11           1. The name, business address, and telephone number of the foreclosure  
12 purchaser.

13           2. The address of the residence in foreclosure.

14           3. The total consideration to be given by the foreclosure purchaser in connection  
15 with or incident to the sale.

16           4. A complete description of the terms of payment or other consideration,  
17 including any services of any nature that the foreclosure purchaser represents he or  
18 she will perform for the foreclosed homeowner before or after the sale.

19           5. The time at which possession is to be transferred to the foreclosure  
20 purchaser.

21           6. A complete description of the terms of any related agreement designed to  
22 allow the foreclosed homeowner to remain in possession of the home, such as a rental  
23 agreement, repurchase agreement, land contract, or lease with option to purchase.

24           7. The time for determining the fair market value of the property, as provided  
25 under sub. (8) (b) 2. b.

1 8. A notice of cancellation as provided in sub. (5) (b).

2 9. Immediately above the statement required by sub. (5) (a), in not less than  
3 14-point boldface type if the contract is printed or in capital letters if the contract  
4 is typed, and completed with the name of the foreclosure purchaser, the following  
5 notice:

6 NOTICE REQUIRED BY WISCONSIN LAW

7 Until your right to cancel this contract has ended, .... (Name of foreclosure  
8 purchaser) or anyone working for .... (Name of foreclosure purchaser) CANNOT ask  
9 you to sign or have you sign any deed or any other document.

10 (b) The contract required by this subsection survives delivery of any  
11 instrument of conveyance of the residence in foreclosure and has no effect on persons  
12 other than the parties to the contract.

13 (4) CONTRACT CANCELLATION. (a) In addition to any other right of rescission, the  
14 foreclosed homeowner has the right to cancel any contract with a foreclosure  
15 purchaser until midnight of the 5th business day following the day on which the  
16 foreclosed homeowner signs a contract that complies with subs. (2) to (6) or until 8:00  
17 a.m. on the last day of the period during which the foreclosed homeowner has a right  
18 of redemption, whichever occurs first.

19 (b) Cancellation occurs when the foreclosed homeowner delivers to the  
20 foreclosure purchaser, personally or by certified mail, a signed and dated written  
21 notice of cancellation. The contract and notice of cancellation form under sub. (5) (b)  
22 must contain a street or physical address to which notice of cancellation may be  
23 mailed by certified mail or personally delivered. A post office box may be designated  
24 for delivery by certified mail only if it is accompanied by a street or physical address  
25 at which the notice may be personally delivered. If the notice of cancellation is

1 personally delivered, the foreclosure purchaser must provide a receipt to the  
2 foreclosed homeowner. If cancellation is mailed by certified mail, delivery is effective  
3 when the notice of cancellation is deposited in the U.S. mail. If cancellation is  
4 personally delivered, delivery is effective when the notice of cancellation is handed  
5 to the foreclosure purchaser.

6 (c) A notice of cancellation given by the foreclosed homeowner need not take the  
7 particular form provided under sub. (5) (b).

8 (d) Within 10 days following receipt of a notice of cancellation given in  
9 accordance with this subsection, the foreclosure purchaser shall return without  
10 condition any original contract and any other documents signed by the foreclosed  
11 homeowner.

12 **(5) NOTICE OF CANCELLATION.** (a) 1. The contract must contain conspicuously  
13 and in immediate proximity to the space reserved for the foreclosed homeowner's  
14 signature, in not less than 14-point boldface type if the contract is printed or in  
15 capital letters if the contract is typed, the following statement: "You may cancel this  
16 contract for the sale of your house without any penalty or obligation at any time  
17 before .... (date and time of day). See the attached notice of cancellation form for an  
18 explanation of this right."

19 2. The foreclosure purchaser shall accurately enter the date and time of day on  
20 which the cancellation right ends.

21 (b) The contract must be accompanied by a completed form in duplicate,  
22 captioned "NOTICE OF CANCELLATION" in 12-point boldface type if the contract is  
23 printed or in capital letters if the contract is typed, followed by a space in which the  
24 foreclosure purchaser shall enter the date on which the foreclosed homeowner  
25 executes the contract. This form must be attached to the contract, must be easily

1 detachable, and must contain, in not less than 10-point type if the contract is printed  
2 or in capital letters if the contract is typed, the following statement:

3 NOTICE OF CANCELLATION

4 (Enter date contract signed)

5 1. You may cancel this contract for the sale of your house, without any penalty  
6 or obligation, at any time before .... (date and time of day).

7 2. To cancel this transaction, you may mail by certified mail or personally  
8 deliver a signed and dated copy of this notice of cancellation to .... (name of purchaser)  
9 at .... (street or physical address of purchaser's place of business) NOT LATER THAN  
10 .... (date and time of day). If you personally deliver this notice of cancellation, ....  
11 (name of purchaser) must give you a receipt.

12 3. I hereby cancel this transaction.

13 (Date) ....

14 (Seller's signature) ....

15 (c) The foreclosure purchaser shall provide the foreclosed homeowner with a  
16 copy of the contract and the attached notice of cancellation form at the time the  
17 contract is executed by all parties.

18 (d) The 5-day period under sub. (4) (a) during which the foreclosed homeowner  
19 may cancel the contract does not begin to run until all parties to the contract have  
20 executed the contract and the foreclosure purchaser has complied with this  
21 subsection.

22 (6) WAIVER. Any waiver of the provisions of this section is void and  
23 unenforceable as contrary to public policy, except that a foreclosed homeowner may  
24 waive the 5-day right to cancel under sub. (4) (a) if the property is subject to a  
25 foreclosure sale within the 5 business days and the foreclosed homeowner agrees to

1 waive his or her right to cancel in a handwritten statement signed by all parties  
2 holding title to the foreclosed property.

3 (7) LIABILITY. Any provision in a contract entered into on or after the effective  
4 date of this subsection ... [LRB inserts date], that attempts or purports to require  
5 arbitration of any dispute arising under this section is void at the option of the  
6 foreclosed homeowner.

7 (8) GENERAL PROHIBITIONS AND REQUIREMENTS. (a) A foreclosure purchaser may  
8 not enter into, or attempt to enter into, a foreclosure reconveyance with a foreclosed  
9 homeowner unless all of the following are satisfied:

10 1. The foreclosure purchaser verifies and can demonstrate that the foreclosed  
11 homeowner has a reasonable ability to pay for the subsequent conveyance of an  
12 interest back to the foreclosed homeowner. In the case of a lease with an option to  
13 purchase, payment ability also includes the reasonable ability to make the lease  
14 payments and purchase the property within the term of the option to purchase.  
15 There is a rebuttable presumption that a foreclosed homeowner is reasonably able  
16 to pay for the subsequent conveyance if the foreclosed homeowner's payments for  
17 primary housing expenses and regular principal and interest payments on other  
18 personal debt, on a monthly basis, do not exceed 60 percent of the foreclosed  
19 homeowner's monthly gross income. There is a rebuttable presumption that the  
20 foreclosure purchaser has not verified reasonable payment ability if the foreclosure  
21 purchaser has not obtained documents other than a statement by the foreclosed  
22 homeowner of assets, liabilities, and income.

23 2. The foreclosure purchaser and the foreclosed homeowner complete a closing  
24 for any foreclosure reconveyance in which the foreclosure purchaser obtains a deed  
25 or mortgage from a foreclosed homeowner.

1           3. The foreclosure purchaser obtains the written consent of the foreclosed  
2 homeowner to a grant by the foreclosure purchaser of any interest in the property  
3 during such times as the foreclosed homeowner maintains any interest in the  
4 property.

5           (b) A foreclosure purchaser shall do either of the following:

6           1. Ensure that title to the subject dwelling has been reconveyed to the  
7 foreclosed homeowner.

8           2. Make a payment to the foreclosed homeowner such that the foreclosed  
9 homeowner has received consideration in an amount of at least 82 percent of the fair  
10 market value of the property within 150 days after either the eviction of, or voluntary  
11 relinquishment of possession of the dwelling by, the foreclosed homeowner. The  
12 foreclosure purchaser shall make a detailed accounting of the basis for the payment  
13 amount, or a detailed accounting of the reasons for failure to make a payment,  
14 including providing written documentation of expenses, within this 150-day period.  
15 The accounting shall be on a form prescribed by the attorney general, in consultation  
16 with the secretary of agriculture, trade and consumer protection. For purposes of  
17 this subdivision, all of the following apply:

18           a. There is a rebuttable presumption that an appraisal by a person licensed or  
19 certified by an agency of the federal government or this state to appraise real estate  
20 constitutes the fair market value of the property.

21           b. The time for determining the fair market value amount shall be specified in  
22 the foreclosure reconveyance contract as either at the time of the execution of the  
23 foreclosure reconveyance contract or at resale. If the contract states that the fair  
24 market value shall be determined at the time of resale, the fair market value shall  
25 be the resale price if it is sold within 120 days after the eviction of, or voluntary



1 relinquishment of the property by, the foreclosed homeowner. If the contract states  
2 that the fair market value shall be determined at the time of resale, and the resale  
3 is not completed within 120 days after the eviction of, or voluntary relinquishment  
4 of the property by, the foreclosed homeowner, the fair market value shall be  
5 determined by an appraisal conducted during this 120-day period and payment, if  
6 required, shall be made to the foreclosed homeowner, but the fair market value shall  
7 be recalculated as the resale price on resale and an additional payment amount, if  
8 appropriate based on the resale price, shall be made to the foreclosed homeowner  
9 within 15 days after resale, and a detailed accounting of the basis for the payment  
10 amount, or a detailed accounting of the reasons for failure to make additional  
11 payment, shall be made within 15 days after resale, including providing written  
12 documentation of expenses. The accounting shall be on a form prescribed by the  
13 attorney general, in consultation with the secretary of agriculture, trade and  
14 consumer protection.

15 c. "Consideration" means any payment or thing of value provided to the  
16 foreclosed homeowner, including unpaid rent or land contract payments owed by the  
17 foreclosed homeowner prior to the date of eviction or voluntary relinquishment of the  
18 property, reasonable costs paid to 3rd parties necessary to complete the foreclosure  
19 reconveyance transaction, payment of money to satisfy a debt or legal obligation of  
20 the foreclosed homeowner, the reasonable cost of repairs for damage to the dwelling  
21 caused by the foreclosed homeowner, or a penalty imposed by a court for the filing  
22 of a frivolous claim in an eviction action under sub. (9). "Consideration" does not  
23 include amounts imputed as a down payment or fee to the foreclosure purchaser, or  
24 a person acting in participation with the foreclosure purchaser, incident to a land  
25 contract, lease, or option to purchase entered into as part of the foreclosure

1 reconveyance, except for reasonable costs paid to 3rd parties necessary to complete  
2 the foreclosure reconveyance.

3 (c) A foreclosure purchaser may not enter into repurchase or lease terms as part  
4 of the subsequent conveyance that are unfair or commercially unreasonable, or  
5 engage in any other unfair conduct.

6 (d) A foreclosure purchaser may not represent, directly or indirectly, any of the  
7 following:

8 1. That the foreclosure purchaser is acting as an advisor or consultant, or in any  
9 other manner represent that the foreclosure purchaser is acting on behalf of the  
10 foreclosed homeowner.

11 2. That the foreclosure purchaser has certification or licensure that the  
12 foreclosure purchaser does not have, or that the foreclosure purchaser is not a  
13 member of a licensed profession if that is untrue.

14 3. That the foreclosure purchaser is assisting the foreclosed homeowner to save  
15 the house, or a substantially similar phrase.

16 4. That the foreclosure purchaser is assisting the foreclosed homeowner in  
17 preventing a completed foreclosure if the result of the transaction is that the  
18 foreclosed homeowner will not complete a redemption of the property.

19 (e) A foreclosure purchaser may not make any other statements, directly or by  
20 implication, or engage in any other conduct that is false, deceptive, or misleading,  
21 or that has the likelihood to cause confusion or misunderstanding, including  
22 statements regarding the value of the residence in foreclosure, the amount of  
23 proceeds the foreclosed homeowner will receive after a foreclosure sale, any contract  
24 term, or the foreclosed homeowner's rights or obligations incident to or arising out  
25 of the foreclosure reconveyance.

1 (f) Until the time during which the foreclosed homeowner may cancel the  
2 transaction has fully elapsed, a foreclosure purchaser may not do any of the  
3 following:

4 1. Accept from the foreclosed homeowner an execution of, or induce the  
5 foreclosed homeowner to execute, any instrument of conveyance of any interest in the  
6 residence in foreclosure.

7 2. Record or file with the register of deeds any document, including any  
8 instrument of conveyance, signed by the foreclosed homeowner.

9 3. Transfer or encumber or purport to transfer or encumber any interest in the  
10 residence in foreclosure to any 3rd party, provided no grant of any interest or  
11 encumbrance is defeated or affected as against a bona fide purchaser or  
12 encumbrance for value and without notice of a violation of this subdivision.  
13 Knowledge on the part of any such person or entity that the property was residential  
14 real property in foreclosure does not constitute notice of a violation of this  
15 subdivision. This subdivision does not abrogate any duty of inquiry that exists as to  
16 rights or interests of persons in possession of the residence in foreclosure.

17 4. Pay the foreclosed homeowner any consideration.

18 (g) If a foreclosure purchaser extends credit to, or arranges for credit to be  
19 extended to, the foreclosed homeowner, the foreclosure purchaser or other person  
20 with whom the foreclosure purchaser has arranged for the extension of credit shall  
21 comply with all requirements specified in Regulation Z under the federal Truth in  
22 Lending Act, 12 CFR 226, that apply to a creditor, as defined in 12 CFR 226.2 (a) (17)  
23 (i), in a residential mortgage transaction, as defined in 12 CFR 226.2 (24), regardless  
24 of whether the foreclosure purchaser or other person extending credit actually meets  
25 the definition of a creditor under 12 CFR 226.2 (a) (17) (i).

1           **(9) STAY OF PROCEEDINGS IN EVICTION ACTIONS.** (a) A court hearing an eviction  
2 action against a foreclosed homeowner shall stay the proceedings, without the  
3 imposition of a bond, if a defendant makes a prima facie showing of all of the  
4 following:

5           1. That any of the following applies to the defendant:

6           a. The defendant has commenced an action concerning a foreclosure  
7 reconveyance with respect to the property that is the subject of the eviction action.

8           b. The defendant asserts, in connection with a foreclosure reconveyance, any  
9 violation of this section or a claim or affirmative defense of fraud, false pretense, false  
10 promise, misrepresentation, misleading statement, or deceptive practice.

11           2. That the defendant owned the foreclosed residence.

12           3. That the defendant conveyed title to the foreclosed residence to a 3rd party  
13 upon a promise that the defendant would be allowed to occupy the foreclosed  
14 residence or other real property in which the foreclosure purchaser or a person acting  
15 in participation with the foreclosure purchaser has an interest and that the  
16 foreclosed residence or other real property would be the subject of a foreclosure  
17 reconveyance.

18           4. That since the conveyance to the 3rd party, the defendant has continuously  
19 occupied the foreclosed residence or other real property in which the foreclosure  
20 purchaser or a person acting in participation with the foreclosure purchaser has an  
21 interest.

22           (b) For purposes of par. (a), notarized affidavits are acceptable means of proof  
23 for meeting the defendant's burden of proof. A defendant may request, and upon a  
24 showing of good cause the court may grant, up to an additional 2 weeks to produce  
25 evidence to make the prima facie showing required under par. (a).

1 (c) The stay under this subsection shall remain in effect for 90 days if the  
2 defendant has not yet commenced and does not commence, within 90 days from the  
3 issuance of the stay, an action in connection with a foreclosure reconveyance  
4 transaction. If the defendant has commenced, or commences within 90 days from the  
5 issuance of the stay, an action in connection with a foreclosure reconveyance  
6 transaction, the stay shall remain in effect until the court hearing the action related  
7 to the foreclosure reconveyance renders a final decision in the matter.

8 **(10) ENFORCEMENT.** (a) A violation of this section shall be considered a fraud.

9 (b) A foreclosed homeowner against whom a violation of this section is  
10 committed may bring an action for damages.

11 (c) A court may order punitive damages under s. 895.043 for a violation of this  
12 section.

13 (d) 1. A foreclosure purchaser who violates this section by engaging in any  
14 practice that would operate as a fraud or deceit upon a foreclosed homeowner may  
15 be fined not more than \$50,000 or imprisoned for not more than one year in the  
16 county jail or both.

17 2. In the absence of additional misconduct, a failure of the parties to complete  
18 a foreclosure reconveyance transaction shall not subject a foreclosure purchaser to  
19 the criminal penalties under subd. 1.

20 **SECTION 749.** 846.45 of the statutes is created to read:

21 **846.45 Regulation of foreclosure consultants. (1) DEFINITIONS.** In this  
22 section, unless the context requires otherwise:

23 (a) "Contract" means an agreement, or any term in an agreement, between a  
24 foreclosure consultant and a foreclosed homeowner for the rendition of any service.

25 (b) "Foreclosed homeowner" has the meaning given in s. 846.40 (1) (b).

1 (c) 1. Except as provided in subd. 2., "foreclosure consultant" means a person  
2 who, directly or indirectly, makes a solicitation, representation, or offer to a  
3 foreclosed homeowner to perform for compensation, or who for compensation  
4 performs, any service that the person in any manner represents will in any manner  
5 do any of the following:

6 a. Stop or postpone the foreclosure sale.

7 b. Obtain any forbearance from a beneficiary or mortgagee.

8 c. Obtain a waiver of an acceleration clause contained in a promissory note or  
9 contract secured by a mortgage on the residence in foreclosure or contained in the  
10 mortgage.

11 d. Assist the foreclosed homeowner to obtain a loan or advance of funds.

12 e. Avoid or ameliorate the impairment of the foreclosed homeowner's credit  
13 resulting from the recording of a lis pendens or the conduct of a foreclosure sale.

14 f. Save the residence in foreclosure from foreclosure.

15 2. "Foreclosure consultant" does not include any of the following:

16 a. A person licensed to practice law in this state when the person renders  
17 service in the course of his or her practice as an attorney at law.

18 b. A person licensed as a real estate broker or salesperson under ch. 452 when  
19 the person engages in acts for which licensure under that chapter is required, unless  
20 the person is engaged in offering services designed to, or purportedly designed to,  
21 enable the foreclosed homeowner to retain possession of the residence in foreclosure.

22 c. A person certified or licensed to practice as a certified public accountant  
23 under ch. 442 when the person is acting in any capacity for which the person is  
24 certified or licensed under that chapter.

1           d. A person, or the person's authorized agent, acting under the express  
2 authority or written approval of the department of housing and urban development  
3 or other department or agency of the United States or this state to provide services.

4           e. A person who holds or is owed an obligation secured by a lien on any residence  
5 in foreclosure when the person performs services in connection with this obligation  
6 or lien if the obligation or lien did not arise as the result of or as part of a proposed  
7 foreclosure reconveyance.

8           f. A person or entity doing business under any law of this state, or of the United  
9 States, relating to a financial institution, as defined in s. 214.01 (1) (jn), to a lender  
10 licensed under s. 138.09, to an insurance company, or to a mortgagee that is a United  
11 States department of housing and urban development approved mortgagee; a  
12 subsidiary or affiliate of any of these persons or entities; or an agent or employee of  
13 any of these persons or entities while engaged in the business of these persons or  
14 entities.

15           g. A person registered under s. 224.72 as a mortgage banker, loan originator,  
16 or mortgage broker, when acting under the authority of that registration.

17           h. A judgment creditor of the foreclosed homeowner, to the extent that the  
18 judgment creditor's claim accrued prior to the recording of the lis pendens in the  
19 foreclosure action.

20           i. A foreclosure purchaser.

21           j. An adjustment service company licensed under s. 218.02, but only when  
22 engaged in business unrelated to real estate.

23           (d) "Foreclosure purchaser" has the meaning given in s. 846.40 (1) (c).

24           (e) "Foreclosure reconveyance" has the meaning given in s. 846.40 (1) (d).

1 (f) "Person" means any individual, partnership, corporation, limited liability  
2 company, association, or other group, however organized.

3 (g) "Residence in foreclosure" has the meaning given in s. 846.40 (1) (h).

4 (h) "Service" includes any of the following:

5 1. Debt, budget, or financial counseling of any type.

6 2. Receiving money for the purpose of distributing it to creditors in payment  
7 or partial payment of any obligation secured by a lien on a residence in foreclosure.

8 3. Contacting creditors on behalf of a foreclosed homeowner.

9 4. Arranging or attempting to arrange for a delay or postponement of the time  
10 of sale of the residence in foreclosure.

11 5. Advising the filing of any document, or assisting in any manner in the  
12 preparation of any document for filing, with a bankruptcy court.

13 6. Giving any advice, explanation, or instruction to a foreclosed homeowner  
14 that in any manner relates to curing a default in or reinstating an obligation secured  
15 by a lien on the residence in foreclosure, the full satisfaction of that obligation, or the  
16 postponement or avoidance of a sale of a residence in foreclosure, under a power of  
17 sale contained in any mortgage.

18 **(2) CANCELLATION OF FORECLOSURE CONSULTANT CONTRACT.** (a) In addition to any  
19 other right under law to rescind a contract, a foreclosed homeowner has the right to  
20 cancel a contract until midnight of the 3rd business day after the day on which the  
21 foreclosed homeowner signs a contract that complies with sub. (3).

22 (b) 1. Cancellation occurs when the foreclosed homeowner delivers, personally  
23 or by certified mail, written notice of cancellation to the foreclosure consultant at the  
24 foreclosure consultant's address specified in the contract.



1           2. If notice of cancellation is given by certified mail, cancellation is effective  
2 when the notice is deposited in the U.S. mail, properly addressed with postage  
3 prepaid. If notice of cancellation is personally delivered, the foreclosure consultant  
4 must give the foreclosed homeowner a receipt. Cancellation, if personally delivered,  
5 is effective when the foreclosed homeowner hands the notice to the foreclosure  
6 consultant.

7           (c) Notice of cancellation given by the foreclosed homeowner need not take the  
8 particular form provided with the contract under sub. (3) (e). However expressed,  
9 notice is effective if it indicates the intention of the foreclosed homeowner not to be  
10 bound by the contract.

11           **(3) CONTRACT.** (a) Every contract must be in writing and must fully disclose  
12 the exact nature of the foreclosure consultant's services and the total amount and  
13 terms of compensation.

14           (b) The following notice, printed in not less than 14-point boldface type and  
15 completed with the name of the foreclosure consultant, must be printed immediately  
16 above the statement required by par. (c):

17           **NOTICE REQUIRED BY WISCONSIN LAW**

18           ... (name of foreclosure consultant) or anyone working for him or her CANNOT  
19 do any of the following:

20           1. Take any money from you or ask you for money until .... (name of foreclosure  
21 consultant) has completely finished doing everything he or she said he or she would  
22 do.

23           2. Ask you to sign or have you sign any lien, mortgage, or deed.

24           (c) The contract must be written both in English and in the same language as  
25 principally used by the foreclosure consultant to describe his or her services or to

1 negotiate the contract if other than English, must be dated and signed by the  
2 foreclosed homeowner, and must contain in immediate proximity to the space  
3 reserved for the foreclosed homeowner's signature, in not less than 10-point boldface  
4 type, the following statement: "You, the owner, may cancel this transaction at any  
5 time prior to midnight of the 3rd business day after the date of this transaction. See  
6 the attached notice of cancellation form for an explanation of this right."

7 (d) The notice of cancellation form under par. (e) must contain, and the contract  
8 must contain on the first page, in a type size that is no smaller than that generally  
9 used in the body of the document, both of the following:

10 1. The name and street or physical address of the foreclosure consultant to  
11 which the notice of cancellation is to be mailed by certified mail or personally  
12 delivered. A post office box does not constitute a physical address. A post office box  
13 may be designated for delivery by certified mail only if it is accompanied by a street  
14 or physical address at which the notice may be personally delivered.

15 2. The date the foreclosed homeowner signed the contract.

16 (e) The contract must be accompanied by a completed form in duplicate,  
17 captioned "NOTICE OF CANCELLATION." This form must be attached to the contract,  
18 must be easily detachable, and must contain, in not less than 10-point type and  
19 written in the same language or languages as used in the contract, the following  
20 statement:

21 NOTICE OF CANCELLATION

22 (Enter date of transaction)

23 1. You may cancel this transaction, without any penalty or obligation, within  
24 3 business days from the above date.