

1 1. ~~Refused~~ Refuse to negotiate, to offer, or to attempt to negotiate a land
2 contract, residential mortgage loan or commitment for a residential mortgage loan,
3 or ~~refused~~ refuse to find a residential mortgage loan.

4 2. ~~Found a~~ Find a residential mortgage loan or ~~negotiated a~~ negotiate a
5 residential mortgage loan on terms less favorable than are usually offered.

6 *-1896/1.140* SECTION 682. 224.77 (1) (r) of the statutes is repealed.

7 *-1896/1.141* SECTION 683. 224.77 (1) (s), (t), (tm), (u), (um), (v), (w), (x) and
8 (y) of the statutes are created to read:

9 224.77 (1) (s) Violate, or fail to comply with, any lawful order of the division.

10 (t) Impede an investigation or examination of the division or deny the division
11 access to any books, records, or other information which the division is authorized
12 to obtain under s. 224.74 (2), 224.75 (6), or any other provision of this subchapter.

13 (tm) Make a material misstatement, or knowingly omit a material fact, or
14 knowingly mutilate, destroy, or secrete any books, records, or other information
15 requested by the division, in connection with any investigation or examination
16 conducted by the division or another governmental agency.

17 (u) Solicit or enter into a contract with a borrower that provides in substance
18 that the mortgage banker, mortgage broker, or mortgage loan originator may earn
19 a fee or commission through "best efforts" to obtain a residential mortgage loan even
20 though no residential mortgage loan is actually obtained for the borrower.

21 (um) Solicit, advertise, or enter into a contract for specific interest rates, points,
22 or other financing terms unless the terms are actually available at the time of
23 soliciting, advertising, or contracting.

24 (v) Assist, aid, or abet any person in unlawfully conducting business under this
25 subchapter without a valid license.

1 (w) Fail to make disclosures required under this subchapter or required under
2 any other applicable state or federal law, rule, or regulation.

3 (x) Withhold any payment or make any payment, threat, or promise, directly
4 or indirectly, to any person for the purpose of influencing the independent judgment
5 of the person in connection with a residential mortgage loan, or withhold any
6 payment or make any payment, threat, or promise, directly or indirectly, to any
7 appraiser of a property for the purpose of influencing the independent judgment of
8 the appraiser with respect to the value of the property.

9 (y) Cause or require a borrower to obtain property insurance coverage in an
10 amount exceeding the replacement cost of improvements on the property, as
11 determined by the property insurer.

12 ***-1896/1.142* SECTION 684.** 224.77 (1m) (a) of the statutes is amended to read:

13 224.77 (1m) (a) The division may assess against ~~a person who is registered~~
14 under this chapter any person who violates this subchapter a forfeiture of not more
15 than ~~\$2,000~~ \$25,000 for each violation ~~enumerated under sub. (1) (a) to (e) or (r) and~~
16 may further order restitution to any person suffering loss as a result of the violation.

17 ***-1896/1.143* SECTION 685.** 224.77 (1m) (b) of the statutes is amended to read:

18 224.77 (1m) (b) A person may contest an assessment of forfeiture, or a
19 restitution order, under par. (a) by sending, within 10 days after receipt of notice of
20 the assessment or order under par. (a), a written request for hearing under s. 227.44
21 to the division of hearings and appeals created under s. 15.103 (1). The
22 administrator of the division of hearings and appeals may designate a hearing
23 examiner to preside over the case and recommend a decision to the administrator
24 under s. 227.46. The decision of the administrator of the division of hearings and
25 appeals shall be the final administrative decision. The division of hearings and

1 appeals shall commence the hearing within 30 days after receipt of the request for
2 hearing and shall issue a final decision within 15 days after the close of the hearing.
3 Proceedings before the division of hearings and appeals are governed by ch. 227. In
4 any petition for judicial review of a decision by the division of hearings and appeals,
5 the party, other than the petitioner, who was in the proceeding before the division of
6 hearings and appeals shall be the named respondent.

7 ***-1896/1.144* SECTION 686.** 224.77 (1m) (c) of the statutes is renumbered
8 224.77 (1m) (c) 1.

9 ***-1896/1.145* SECTION 687.** 224.77 (1m) (c) 2. of the statutes is created to read:
10 224.77 (1m) (c) 2. All amounts ordered as restitution shall be paid to the person
11 suffering loss within 10 days after receipt of notice of the order or, if the restitution
12 order is contested under par. (b), within 10 days after receipt of the final decision
13 after exhaustion of administrative review.

14 ***-1896/1.146* SECTION 688.** 224.77 (1m) (d) of the statutes is amended to read:
15 224.77 (1m) (d) The attorney general may bring an action in the name of the
16 state to collect any forfeiture imposed, or amount ordered as restitution, under this
17 subsection if the forfeiture or restitution amount has not been paid following the
18 exhaustion of all administrative and judicial reviews. The only issue to be contested
19 in any such action shall be whether the forfeiture or restitution amount has been
20 paid.

21 ***-1896/1.147* SECTION 689.** 224.77 (2) (title) of the statutes is repealed.

22 ***-1896/1.148* SECTION 690.** 224.77 (2) of the statutes is renumbered 224.77
23 (2m) (a) 2. and amended to read:

24 224.77 (2m) (a) 2. The division may ~~revoke, suspend or limit a certificate of~~
25 ~~registration issued under this subchapter or reprimand~~ take any action specified in

1 ~~subd. 1. against~~ a mortgage banker or mortgage broker registered under this
2 ~~subchapter, if based upon any act or omission described in subd. 1. of a director,~~
3 ~~officer, trustee, partner, or member of the mortgage banker or mortgage broker or a~~
4 ~~person who has a financial interest in or is in any way connected with the operation~~
5 ~~of the mortgage banker's or mortgage broker's business is guilty of an act or omission~~
6 ~~which would be cause for refusing to issue a certificate of registration to that~~
7 ~~individual.~~

8 ***-1896/1.149* SECTION 691.** 224.77 (2m) of the statutes is created to read:

9 224.77 (2m) DIVISION ACTION ON LICENSE. (a) 1. In addition to any other
10 authority provided to the division under this subchapter, if the division finds that a
11 mortgage banker, mortgage loan originator, or mortgage broker has violated any
12 provision of this subchapter or any rule promulgated by the division under this
13 subchapter, the division may do any of the following:

14 a. Deny any application for initial issuance or renewal of a license.

15 b. Revoke, suspend, limit, or condition any license of the mortgage banker,
16 mortgage loan originator, or mortgage broker.

17 c. Reprimand the mortgage banker, mortgage loan originator, or mortgage
18 broker.

19 (b) In addition to any other authority provided to the division under this
20 subchapter, if the division finds that an applicant for initial issuance or renewal of
21 a license under this subchapter made any material misstatement in the application
22 or withheld material information, or that the applicant no longer satisfies the
23 requirements under s. 224.72 or 224.725 for issuance or renewal of the license, the
24 division may deny the application or, if the license has already been issued, suspend
25 or revoke the license.

1 ***-1896/1.150*** SECTION 692. 224.77 (3) (a) and (b) of the statutes are
2 consolidated, renumbered 224.77 (3) (a) (intro.) and amended to read:

3 224.77 (3) (a) *Orders to prevent or correct actions.* (intro.) The division may
4 issue general and special orders ~~necessary, including temporary orders that become~~
5 immediately effective, to prevent or correct actions by a mortgage banker, mortgage
6 loan originator, or mortgage broker that constitute cause under this section for
7 revoking, suspending or limiting a certificate of registration. (b) ~~Types of special~~
8 ~~orders.~~ Special a violation of any provision of this subchapter or of any rule
9 promulgated under this subchapter, including special orders may direct that do any
10 of the following:

11 1. Direct a mortgage banker, mortgage loan originator, or mortgage broker to
12 cease and desist from engaging in a particular activity or may direct the, from
13 conducting business, or from otherwise violating any provision of this subchapter or
14 any rule promulgated under this subchapter.

15 2. Direct a mortgage banker, mortgage loan originator, or mortgage broker to
16 refund or remit to a residential mortgage loan applicant or borrower amounts that
17 the mortgage banker, mortgage loan originator, or mortgage broker got from actions
18 which that constitute cause under this section for revoking, suspending or limiting
19 a certificate of registration a violation of any provision of this subchapter or of any
20 rule promulgated under this subchapter.

21 ***-1896/1.151*** SECTION 693. 224.77 (3) (a) 3. and 4. of the statutes are created
22 to read:

23 224.77 (3) (a) 3. Direct a mortgage banker, mortgage loan originator, or
24 mortgage broker to cease business under a license issued under this subchapter if
25 the division determines that the license was erroneously issued or the licensee is

1 currently in violation of any provision of this subchapter or of any rule promulgated
2 under this subchapter.

3 4. Direct a mortgage banker, mortgage loan originator, or mortgage broker to
4 undertake any affirmative action, consistent with the provisions of this subchapter,
5 that the division deems necessary.

6 ***-1896/1.152* SECTION 694.** 224.77 (3m) of the statutes is amended to read:

7 224.77 (3m) HEARING RIGHTS FOR ~~REGISTRATION~~ LICENSE DENIAL, REVOCATION, OR
8 SUSPENSION. A person whose ~~certificate of registration~~ license has been denied,
9 ~~revoked or, suspended, limited, or conditioned~~ under this section may request a
10 hearing under s. 227.44 within 30 days after the date of denial, revocation or,
11 ~~suspension, limitation, or conditioning~~ of the ~~certificate of registration~~ license. The
12 division may appoint a hearing examiner under s. 227.46 to conduct the hearing.

13 ***-1896/1.153* SECTION 695.** 224.77 (4) of the statutes is amended to read:

14 224.77 (4) PERIOD OF DISCIPLINARY ACTION; LICENSE INELIGIBILITY FOR
15 REGISTRATION. (a) *Period.* Except as provided in par. (b), the division shall determine
16 in each case the period that a revocation, suspension or, ~~limitation, or condition~~ of
17 a ~~certificate of registration~~ license is effective.

18 (b) *Ineligibility.* 1. Except as provided in subd. 2., if the division denies or
19 ~~revokes a certificate of registration~~ license under sub. (1) (2m) (a), the person is not
20 eligible for a ~~certificate of registration~~ license until the expiration of a period
21 determined in each case by the division.

22 2. If the division ~~revokes a certificate of registration~~ license under sub. (1) (p)
23 or (q), the person is not eligible for a ~~certificate of registration~~ license until 5 years
24 after the effective date of the revocation.

25 ***-1896/1.154* SECTION 696.** 224.77 (5) (a) of the statutes is amended to read:

1 224.77 (5) (a) *Mandatory revocation or suspension.* Notwithstanding sub. (1)
2 (intro.) subs. (2m) (a) and (4), if the division finds that a mortgage banker, mortgage
3 loan originator, or mortgage broker has violated sub. (1) (p) or (q), the division shall:

4 1. For the first offense, suspend the registration license of the mortgage banker,
5 mortgage loan originator, or mortgage broker for not less than 90 days.

6 2. For the 2nd offense, revoke the registration license of the mortgage banker,
7 mortgage loan originator, or mortgage broker.

8 *-1896/1.155* SECTION 697. 224.77 (6) (title) of the statutes is repealed.

9 *-1896/1.156* SECTION 698. 224.77 (6) of the statutes is renumbered 224.77
10 (2m) (c) and amended to read:

11 224.77 (2m) (c) The ~~department~~ division shall restrict or suspend the
12 registration license of a mortgage banker, mortgage loan originator, or mortgage
13 broker if the registrant licensee is an individual who fails to comply, after
14 appropriate notice, with a subpoena or warrant issued by the department of children
15 and families or a county child support agency under s. 59.53 (5) and related to
16 paternity or child support proceedings or who is delinquent in making court-ordered
17 payments of child or family support, maintenance, birth expenses, medical expenses,
18 or other expenses related to the support of a child or former spouse, as provided in
19 a memorandum of understanding entered into under s. 49.857. ~~A registrant~~ An
20 individual whose registration license is restricted or suspended under this
21 subsection is entitled to a notice and hearing only as provided in a memorandum of
22 understanding entered into under s. 49.857 and is not entitled to any other notice or
23 hearing under this section.

24 *-1896/1.157* SECTION 699. 224.77 (7) (title) of the statutes is repealed.

SECTION 700

1 ***-1896/1.158* SECTION 700.** 224.77 (7) of the statutes is renumbered 224.77
2 (2m) (d) and amended to read:

3 224.77 (2m) (d) The ~~department~~ division shall revoke the ~~certificate of~~
4 ~~registration~~ license of a mortgage banker, mortgage loan originator, or mortgage
5 broker if the department of revenue certifies under s. 73.0301 that the ~~registrant~~
6 licensee is liable for delinquent taxes. A ~~registrant~~ licensee whose ~~certificate of~~
7 ~~registration~~ license is revoked under this subsection for delinquent taxes is entitled
8 to a notice under s. 73.0301 (2) (b) 1. b. and a hearing under s. 73.0301 (5) (a) but is
9 not entitled to any other notice, hearing or review under this section.

10 ***-1896/1.159* SECTION 701.** 224.77 (8) of the statutes is amended to read:

11 224.77 (8) VOLUNTARY SURRENDER. A mortgage banker, mortgage loan
12 originator, or mortgage broker may voluntarily surrender a registration license to
13 the division, but the division may refuse to accept the surrender if the division has
14 an open investigation or examination or received allegations of unprofessional
15 conduct against the mortgage banker, mortgage loan originator, or mortgage broker.
16 The division may negotiate stipulations in consideration for accepting the surrender
17 of ~~registration~~ the license.

18 ***-1896/1.160* SECTION 702.** 224.77 (9) of the statutes is created to read:

19 224.77 (9) REPORTING VIOLATIONS. The division shall report regularly violations
20 of this subchapter or of rules promulgated under this subchapter, as well as
21 enforcement actions and other relevant information, to the nationwide mortgage
22 licensing system and registry. Except as provided in s. 224.728 (4) (b) and (c), these
23 reports shall be confidential.

24 ***-1896/1.161* SECTION 703.** 224.78 (title) of the statutes is repealed.

1 *~~1896/1.162~~* SECTION 704. 224.78 of the statutes is renumbered 224.77 (1)
2 (jm) and amended to read:

3 224.77 (1) (jm) ~~A mortgage banker, loan originator, or mortgage broker may~~
4 ~~not pay~~ Pay a person who is not registered licensed under this subchapter a
5 commission, money, or other thing of value for performing an act as a mortgage
6 banker, mortgage loan originator, or mortgage broker.

7 *~~1896/1.164~~* SECTION 705. 224.79 of the statutes is amended to read:

8 **224.79 Consumer mortgage Mortgage brokerage agreements and**
9 **consumer disclosures. (1) FORM AND CONTENT OF CONSUMER MORTGAGE BROKERAGE**
10 **AGREEMENTS.** Every contract between a mortgage broker and ~~a consumer~~ an
11 individual under which the mortgage broker agrees to provide brokerage services to
12 the ~~consumer~~ individual relating to a residential mortgage loan shall be in writing,
13 in the form prescribed by rule of the division, and shall contain all information
14 required by rule of the division. The division shall promulgate rules to administer
15 this subsection in consultation with the mortgage loan originator council under s.
16 15.187 (1). The division shall design these rules to facilitate the comparison of
17 similar charges and total charges assessed by different mortgage brokers.

18 **(2) CONSUMER DISCLOSURE DISCLOSURE STATEMENT.** Before entering into a
19 contract with ~~a consumer~~ an individual to provide brokerage services relating to a
20 residential mortgage loan, a mortgage broker shall give the ~~consumer~~ individual a
21 copy of a ~~consumer~~ disclosure statement, explain the content of the statement, and
22 ensure that the ~~consumer~~ individual initials or signs the statement, acknowledging
23 that the ~~consumer~~ individual has read and understands the statement. The
24 ~~consumer~~ disclosure statement shall contain a brief explanation of the relationship
25 between the ~~consumer~~ individual and the mortgage broker under the proposed

1 contract, a brief explanation of the manner in which the mortgage broker may be
2 compensated under the proposed contract, and any additional information required
3 by rule of the division. The division shall promulgate rules to administer this
4 subsection in consultation with the mortgage loan originator council under s. 15.187
5 (1) and, by rule, shall specify the form and content of the ~~consumer~~ disclosure
6 statement required under this subsection.

7 ***-1896/1.165* SECTION 706.** 224.80 (1) of the statutes is amended to read:

8 224.80 (1) PENALTIES. A person who violates s. ~~224.72 (1m)~~ any provision of this
9 subchapter or any rule promulgated under this subchapter may be fined not more
10 than \$~~2,000~~ \$25,000 or imprisoned for not more than 9 months or both. The district
11 attorney of the county where the violation occurs shall enforce the penalty under this
12 subsection on behalf of the state.

13 ***-1896/1.166* SECTION 707.** 224.80 (2) (intro.) of the statutes is amended to
14 read:

15 224.80 (2) PRIVATE CAUSE OF ACTION. (intro.) A person who is aggrieved by an
16 act which is committed by a mortgage banker, mortgage loan originator, or mortgage
17 broker ~~and which is described in s. 224.77 (1)~~ in violation of any provision of this
18 subchapter or of any rule promulgated under this subchapter may recover all of the
19 following in a private action:

20 ***-1896/1.167* SECTION 708.** 224.80 (2) (a) 1. of the statutes is amended to read:

21 224.80 (2) (a) 1. Twice the amount of the cost of loan origination connected with
22 the transaction, except that the liability under this subdivision may not be less than
23 \$100 nor greater than \$~~2,000~~ \$25,000 for each violation.

24 ***-1896/1.168* SECTION 709.** 224.81 of the statutes is amended to read:

1 **224.81 Limitation on actions for commissions and other**
2 **compensation.** A person who is engaged in the business or acting in the capacity
3 of a mortgage banker, mortgage loan originator, or mortgage broker in this state may
4 not bring or maintain an action in this state to collect a commission, money, or other
5 thing of value for performing an act as a mortgage banker, mortgage loan originator,
6 or mortgage broker without alleging and proving that the person was registered
7 licensed under this subchapter as a mortgage banker, mortgage loan originator, or
8 mortgage broker when the alleged cause of action arose.

9 ***-1896/1.169*** SECTION 710. 224.82 of the statutes is amended to read:

10 **224.82 Compensation presumed.** In a prosecution arising from a violation
11 of this subchapter, proof that a person acted as a mortgage banker, mortgage loan
12 originator, or mortgage broker is sufficient, unless rebutted, to establish that
13 compensation was received by, or promised to, that person.

14 ***-1896/1.170*** SECTION 711. 224.83 of the statutes is created to read:

15 **224.83 Loan processors and underwriters.** An individual engaging solely
16 in loan processor or underwriter activities may not represent to the public, through
17 advertising or another means of communication such as the use of business cards,
18 stationery, brochures, signs, rate lists, or other promotional items, that the
19 individual can or will perform any of the activities of a mortgage loan originator.

20 ***-1890/1.2*** SECTION 712. 227.01 (13) (rm) of the statutes is created to read:

21 227.01 (13) (rm) Is a form prescribed by the attorney general for an accounting
22 under s. 846.40 (8) (b) 2.

23 ***-1896/1.172*** SECTION 713. 227.01 (13) (zy) of the statutes is created to read:

24 227.01 (13) (zy) Relates to any form prescribed by the division of banking in
25 the department of financial institutions in connection with the licensing of mortgage

1 bankers or mortgage brokers under s. 224.72 or the licensing of mortgage loan
2 originators under s. 224.725.

3 ***-0377/P10.345* *-4294/P1.324* SECTION 714.** 229.68 (15) of the statutes is
4 amended to read:

5 229.68 (15) Impose, by the adoption of a resolution, the taxes under subch. V
6 of ch. 77. A district may not levy any taxes that are not expressly authorized under
7 subch. V of ch. 77 and that do not receive the affirmative vote of a supermajority of
8 the district board. If a district adopts a resolution which imposes taxes, it shall
9 deliver a certified copy of the resolution to the secretary of revenue at least ~~30~~ 120
10 days before its effective date.

11 ***-0377/P10.346* *-4294/P1.325* SECTION 715.** 229.824 (15) of the statutes is
12 amended to read:

13 229.824 (15) Impose, by the adoption of a resolution, the taxes under subch. V
14 of ch. 77, except that the taxes imposed by the resolution may not take effect until
15 the resolution is approved by a majority of the electors in the district's jurisdiction
16 voting on the resolution at a referendum, to be held at the first spring primary or
17 September primary following by at least 45 days the date of adoption of the
18 resolution. Two questions shall appear on the ballot. The first question shall be:
19 "Shall a sales tax and a use tax be imposed at the rate of 0.5% in County for
20 purposes related to football stadium facilities in the ... Professional Football
21 Stadium District?" The 2nd question shall be: "Shall excess revenues from the 0.5%
22 sales tax and use tax be permitted to be used for property tax relief purposes in
23 County?" Approval of the first question constitutes approval of the resolution of the
24 district board. Approval of the 2nd question is not effective unless the first question
25 is approved. The clerk of the district shall publish the notices required under s. 10.06

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

17 ***-1887/P1* SECTION 716.** 231.01 (4) (a) of the statutes is amended to read:

18 231.01 (4) (a) "Cost" means the sum of all costs incurred by a participating
19 health institution, participating educational institution, participating research
20 institution, or participating child care provider, as approved by the authority, as are
21 reasonable and necessary to accomplish the project, exclusive of any private or
22 federal, state, or local financial assistance received by the participating health
23 institution, participating educational institution, participating research institution,
24 or participating child care provider for the payment of the project cost.

25 ***-1887/P1*SECTION 717.** 231.01 (4) (b) 1. of the statutes is amended to read:

1 231.01 (4) (b) 1. The cost incurred by or on behalf of the participating health
2 institution, participating educational institution, participating research institution,
3 or participating child care provider of all necessary developmental, planning, and
4 feasibility studies, surveys, plans, and specifications, architectural, engineering,
5 legal, or other special services, the cost of acquisition of land and any buildings and
6 improvements on the land, site preparation, and development including demolition
7 or removal of existing structures, construction, reconstruction, and equipment,
8 including machinery, fixed equipment, and personal property.

9 *-1887/P1*SECTION 718. 231.01 (4) (b) 2. of the statutes is amended to read:

10 231.01 (4) (b) 2. The reasonable cost of financing incurred by a participating
11 health institution, participating educational institution, participating research
12 institution, or participating child care provider in the course of the development of
13 the project to the occupancy date.

14 *-1887/P1*SECTION 719. 231.01 (4) (c) of the statutes is amended to read:

15 231.01 (4) (c) All rents and other net revenues from the operation of the real
16 property, improvements, or personal property on the project site by a participating
17 health institution, participating educational institution, participating research
18 institution, or participating child care provider on and after the date on which the
19 contract between a participating health institution, participating educational
20 institution, participating research institution, or participating child care provider
21 and the authority was entered into, but prior to the occupancy date, shall reduce the
22 sum of all costs in this subsection.

23 *-1887/P1*SECTION 720. 231.01 (6t) of the statutes is created to read:

24 231.01 (6t) "Participating research institution" means an entity that provides
25 or operates a research facility and that undertakes the financing and construction

1 or acquisition of a project or undertakes the refunding or refinancing of obligations
2 or of a mortgage or of advances as provided in this chapter.

3 ***-1887/P1*SECTION 721.** 231.01 (7) (a) 1. of the statutes is amended to read:

4 231.01 (7) (a) 1. A specific health facility, educational facility, research facility,
5 or child care center work or improvement to be refinanced, acquired, constructed,
6 enlarged, remodeled, renovated, improved, furnished, or equipped by the authority
7 with funds provided in whole or in part under this chapter.

8 ***-1887/P1*SECTION 722.** 231.01 (7) (a) 2. of the statutes is amended to read:

9 231.01 (7) (a) 2. One or more structures suitable for use as a child care center,
10 research facility, health facility, laboratory, laundry, nurses' or interns' residence or
11 other multi-unit housing facility for staff, employees, patients or relatives of
12 patients admitted for treatment or care in a health facility, physician's facility,
13 administration building, research facility, maintenance, storage, or utility facility.

14 ***-1887/P1*SECTION 723.** 231.01 (7) (a) 4. of the statutes is amended to read:

15 231.01 (7) (a) 4. Any structure useful for the operation of a health facility,
16 educational facility, research facility, or child care center, including facilities or
17 supporting service structures essential or convenient for the orderly conduct of the
18 health facility, educational facility, research facility, or child care center.

19 ***-1887/P1*SECTION 724.** 231.01 (7) (c) of the statutes is amended to read:

20 231.01 (7) (c) "Project" may include any combination of projects undertaken
21 jointly by any participating health institution, participating educational institution,
22 participating research institution, or participating child care provider with one or
23 more other participating health institutions, participating educational institutions,
24 participating research institutions, or participating child care providers.

25 ***-1887/P1*SECTION 725.** 231.01 (8c) of the statutes is created to read:

1 231.01 (8c) "Research facility" means an institution, place, building, or agency
2 that satisfies all of the following:

3 (a) Is owned by an entity that is described in section 501 (c) (3) of the Internal
4 Revenue Code and that is exempt from federal income tax under section 501 (a) of
5 the Internal Revenue Code.

6 (b) Is or will be used in whole or in part for basic research for the advancement
7 of scientific, medical, or technological knowledge and that does not have a specific
8 commercial objective.

9 *-1887/P1*SECTION 726. 231.02 (6) (b) of the statutes is amended to read:

10 231.02 (6) (b) Notwithstanding any other provision of law, it is not a conflict
11 of interest or violation of this section or of any other law for a trustee, director, officer,
12 or employee of a participating health institution, participating educational
13 institution, participating research institution, or participating child care provider or
14 for a person having the required favorable reputation for skill, knowledge, and
15 experience in state and municipal finance or for a person having the required
16 favorable reputation for skill, knowledge, and experience in the field of health
17 facility, educational facility, research facility, or child care center architecture to
18 serve as a member of the authority; if in each case to which par. (a) is applicable, the
19 trustee, director, officer, or employee of the participating health institution,
20 participating educational institution, participating research institution, or
21 participating child care provider abstains from discussion, deliberation, action, and
22 vote by the authority in specific respect to any undertaking pursuant to this chapter
23 in which his or her participating health institution, participating educational
24 institution, participating research institution, or participating child care provider
25 has an interest, or the person having the required favorable reputation for skill,

1 knowledge, and experience in state and municipal finance abstains from discussion,
2 deliberation, action, and vote by the authority in specific respect to any sale,
3 purchase, or ownership of bonds of the authority in which any business of which such
4 person is a participant, owner, officer, or employee has a past, current, or future
5 interest, or such person having the required favorable reputation for skill,
6 knowledge, and experience in the field of health facility, educational facility, research
7 facility, or child care center architecture abstains from discussion, deliberation,
8 action, and vote by the authority in specific respect to construction or acquisition of
9 any project of the authority in which any business of which such person is a
10 participant, owner, officer, or employee has a past, current, or future interest.

11 *-1887/P1*SECTION 727. 231.03 (5) of the statutes is amended to read:

12 231.03 (5) Determine the location and character of any project to be financed
13 under this chapter, and construct, reconstruct, remodel, maintain, enlarge, alter, add
14 to, repair, lease as lessee or lessor and regulate the same, enter into contracts for any
15 such purpose, enter into contracts for the management and operation of a project or
16 other health facilities, educational facilities, research facilities, or child care centers
17 owned by the authority, and designate a participating health institution,
18 participating educational institution, participating research institution, or
19 participating child care provider as its agent to determine the location and character
20 of a project undertaken by the participating health institution, participating
21 educational institution, participating research institution, or participating child
22 care provider under this chapter and as the agent of the authority, to construct,
23 reconstruct, remodel, maintain, manage, enlarge, alter, add to, repair, operate, lease
24 as lessee or lessor and regulate the same, and as the agent of the authority, to enter
25 into contracts for any such purpose, including contracts for the management and

1 operation of such project or other health facilities, educational facilities, research
2 facilities, or child care centers owned by the authority.

3 ***-1887/P1*SECTION 728.** 231.03 (6) (h) of the statutes is created to read:

4 231.03 (6) (h) Finance any project undertaken for a research facility by a
5 participating research institution.

6 ***-1887/P1*SECTION 729.** 231.03 (6) (i) of the statutes is created to read:

7 231.03 (6) (i) Refinance outstanding debt of any participating research
8 institution.

9 ***-1887/P1*SECTION 730.** 231.03 (7) of the statutes is amended to read:

10 231.03 (7) Fix and revise from time to time and charge and collect rates, rents,
11 fees, and charges for the use of and for the services furnished or to be furnished by
12 a project or other health facilities, educational facilities, research facilities, or child
13 care centers owned by the authority or any portion thereof, contract with any person
14 in respect thereto and coordinate its policies and procedures, and cooperate with
15 recognized health facility, educational facility, research facility, or child care center
16 rate setting mechanisms.

17 ***-1887/P1*SECTION 731.** 231.03 (8) of the statutes is amended to read:

18 231.03 (8) Adopt rules for the use of a project or other health facility,
19 educational facility, research facility, or child care center or any portion of the project
20 or facility owned, financed, or refinanced in whole or in part by the authority,
21 including any property used as security for a loan secured through, from, or with the
22 assistance of the authority. The authority may designate a participating health
23 institution, participating educational institution, participating research institution,
24 or participating child care provider as its agent to establish rules for the use of a
25 project or other health facilities, educational facilities, research facilities, or child

1 care centers undertaken for that participating health institution, participating
2 educational institution, participating research institution, or participating child
3 care provider. The rules shall ensure that a project, health facility, educational
4 facility, research facility, child care center, or property may not be used primarily for
5 sectarian instruction or study or as a place for devotional activities or religious
6 worship.

7 ***-1887/P1*SECTION 732.** 231.03 (11) of the statutes is amended to read:

8 231.03 (11) Establish or contract with others to carry out on its behalf a health
9 facility, educational facility, research facility, or child care center project cost
10 estimating service, and make this service available on all projects to provide expert
11 cost estimates and guidance to the participating health institution, participating
12 educational institution, participating research institution, or participating child
13 care provider and to the authority. To implement this service and, through it, to
14 contribute to cost containment, the authority may require such reasonable reports
15 and documents from health facility, educational facility, research facility, or child
16 care center projects as are required for this service and for the development of cost
17 reports and guidelines. The authority shall appoint a technical committee on health
18 facility, educational facility, research facility, or child care center project costs and
19 cost containment.

20 ***-1887/P1*SECTION 733.** 231.03 (13) of the statutes is amended to read:

21 231.03 (13) Make loans to any participating health institution, participating
22 educational institution, participating research institution, or, before May 1, 2000,
23 participating child care provider for the cost of a project in accordance with an
24 agreement between the authority and the participating health institution,
25 participating educational institution, participating research institution, or

1 participating child care provider. The authority may secure the loan by a mortgage
2 or other security arrangement on the health facility, educational facility, research
3 facility, or child care center granted by the participating health institution,
4 participating educational institution, participating research institution, or
5 participating child care provider to the authority. The loan may not exceed the total
6 cost of the project as determined by the participating health institution,
7 participating educational institution, participating research institution, or
8 participating child care provider and approved by the authority.

9 ***-1887/P1*SECTION 734.** 231.03 (14) of the statutes is amended to read:

10 231.03 (14) Make loans to a health facility, educational facility, research
11 facility, or, before May 1, 2000, child care center for which bonds may be issued under
12 sub. (6) (b) or (d) or under s. 231.03 (6) (f), 1999 stats., to refinance the health
13 facility's, educational facility's, research facility's, or child care center's outstanding
14 debt. The authority may secure the loan or bond by a mortgage or other security
15 arrangement on the health facility, educational facility, research facility, or child care
16 center granted by the participating health institution, participating educational
17 institution, participating research institution, or participating child care provider to
18 the authority.

19 ***-1887/P1*SECTION 735.** 231.03 (15) of the statutes is amended to read:

20 231.03 (15) Mortgage all or any portion of a project and other health facilities,
21 educational facilities, research facilities, or child care centers and the site thereof,
22 whether owned or thereafter acquired, for the benefit of the holders of bonds issued
23 to finance the project, health facilities, educational facilities, research facilities, or
24 child care centers or any portion thereof or issued to refund or refinance outstanding

1 indebtedness of participating health institutions, educational institutions, research
2 institutions, or child care providers as permitted by this chapter.

3 ***-1887/P1*SECTION 736.** 231.03 (16) of the statutes is amended to read:

4 231.03 (16) Lease to a participating health institution, participating
5 educational institution, participating research institution, or participating child
6 care provider the project being financed or other health facilities, educational
7 facilities, research facilities, or child care centers conveyed to the authority in
8 connection with such financing, upon such terms and conditions as the authority
9 deems proper, and charge and collect rents therefor, and terminate any such lease
10 upon the failure of the lessee to comply with any of the obligations thereof; and
11 include in any such lease, if desired, provisions that the lessee thereof shall have
12 options to renew the term of the lease for such periods and at such rent as the
13 authority determines or to purchase all or any part of the health facilities,
14 educational facilities, research facilities, or child care centers or that, upon payment
15 of all of the indebtedness incurred by the authority for the financing of such project
16 or health facilities, educational facilities, research facilities, or child care centers or
17 for refunding outstanding indebtedness of a participating health institution,
18 participating educational institution, participating research institution, or
19 participating child care provider, the authority may convey all or any part of the
20 project or such other health facilities, educational facilities, research facilities, or
21 child care centers to the lessees thereof with or without consideration.

22 ***-1887/P1*SECTION 737.** 231.03 (17) of the statutes is amended to read:

23 231.03 (17) Charge to and apportion among participating health institutions,
24 participating educational institutions, participating research institutions, and

1 participating child care providers its administrative costs and expenses incurred in
2 the exercise of the powers and duties conferred by this chapter.

3 ***-1887/P1* SECTION 738.** 231.03 (18) of the statutes is amended to read:

4 231.03 (18) Make studies of needed health facilities, educational facilities,
5 research facilities, and child care centers that could not sustain a loan were it made
6 under this chapter and recommend remedial action to the legislature; and do the
7 same with regard to any laws or rules that prevent health facilities, educational
8 facilities, research facilities, and child care centers from benefiting from this chapter.

9 ***-1887/P1*SECTION 739.** 231.03 (19) of the statutes is amended to read:

10 231.03 (19) Obtain, or aid in obtaining, from any department or agency of the
11 United States or of this state or any private company, any insurance or guaranty
12 concerning the payment or repayment of, interest or principal, or both, or any part
13 thereof, on any loan, lease, or obligation or any instrument evidencing or securing
14 the same, made or entered into under the provisions of this chapter; and
15 notwithstanding any other provisions of this chapter, to enter into any agreement,
16 contract, or any other instrument with respect to that insurance or guaranty, to
17 accept payment in the manner and form provided therein in the event of default by
18 a participating health institution, participating educational institution,
19 participating research institution, or participating child care provider, and to assign
20 the insurance or guaranty as security for the authority's bonds.

21 ***-1887/P1*SECTION 740.** 231.04 of the statutes is amended to read:

22 **231.04 Expenses.** All expenses of the authority incurred in carrying out this
23 chapter shall be payable solely from funds provided under the authority of this
24 chapter, and no liability may be incurred by the authority beyond the extent to which
25 moneys have been provided under this chapter except that, for the purposes of

1 meeting the necessary expenses of initial organization and operation of the authority
2 for the period commencing on June 19, 1974 and continuing until such date as the
3 authority derives moneys from funds provided to it under the authority of this
4 chapter, the authority may borrow such moneys as it requires to supplement the
5 funds provided under s. 20.440. Such moneys borrowed by the authority shall
6 subsequently be charged to and apportioned among participating health
7 institutions, participating educational institutions, participating research
8 institutions, and participating child care providers in an equitable manner, and
9 repaid with appropriate interest over a reasonable period of time.

10 ***-1887/P1*SECTION 741.** 231.05 (1) of the statutes is amended to read:

11 231.05 (1) By means of this chapter, it is the intent of the legislature to provide
12 assistance and alternative methods of financing to nonprofit health institutions to
13 aid them in providing needed health services consistent with the state's health plan,
14 to nonprofit educational institutions to aid them in providing needed educational
15 services, to nonprofit research institutions to aid them in providing needed research
16 facilities, and to nonprofit child care providers to aid them in providing needed child
17 care services.

18 ***-1887/P1*SECTION 742.** 231.06 of the statutes is amended to read:

19 **231.06 Property acquisition.** The authority may acquire, directly or by and
20 through a participating health institution, participating educational institution,
21 participating research institution, or participating child care provider as its agent,
22 by purchase or by gift or devise, such lands, structures, property, rights,
23 rights-of-way, franchises, easements, and other interests in lands, including lands
24 lying under water and riparian rights, which are located within this state as it deems
25 necessary or convenient for the construction or operation of a project, upon such

1 terms and at such prices as it considers reasonable and can be agreed upon between
2 it and the owner thereof, and take title thereto in the name of the authority or in the
3 name of a health facility, educational facility, research facility, or child care center
4 as its agent.

5 ***-1887/P1*SECTION 743.** 231.07 (1) (b) of the statutes is amended to read:

6 231.07 (1) (b) Convey to the participating health institution, participating
7 educational institution, participating research institution, or participating child
8 care provider the authority's interest in the project and in any other health facility,
9 educational facility, research facility, or child care center leased, mortgaged, or
10 subject to a deed of trust or any other form of security arrangement to secure the
11 bond.

12 ***-1887/P1*SECTION 744.** 231.07 (2) (a) of the statutes is amended to read:

13 231.07 (2) (a) The principal of and interest on any bond issued by the authority
14 to finance a project or to refinance or refund outstanding indebtedness of one or more
15 participating health institutions, participating educational institutions,
16 participating research institutions, or participating child care providers, including
17 any refunding bonds issued to refund and refinance the bond, have been fully paid
18 and the bonds retired or if the adequate provision has been made to pay fully and
19 retire the bond; and

20 ***-1887/P1*SECTION 745.** 231.08 (5) of the statutes is amended to read:

21 231.08 (5) In addition to the other authorizations under this section, bonds of
22 the authority may be secured by a pooling of leases whereby the authority may assign
23 its rights, as lessor, and pledge rents under 2 or more leases of health facilities,
24 educational facilities, research facilities, or child care centers with 2 or more health
25 institutions, educational institutions, research institutions, or child care providers,

1 as lessees respectively, upon such terms as may be provided for in bond resolutions
2 of the authority.

3 ***-1887/P1*SECTION 746.** 231.10 (1) of the statutes is amended to read:

4 231.10 (1) The state is not liable on notes or bonds of the authority and the notes
5 and bonds are not a debt of the state. All notes and bonds of the authority shall
6 contain on the face thereof a statement to this effect. The issuance of bonds under
7 this chapter shall not, directly or indirectly or contingently, obligate the state or any
8 political subdivision thereof to levy any form of taxation therefor or to make any
9 appropriation for their payment. Nothing in this section prevents the authority from
10 pledging its full faith and credit or the full faith and credit of a health institution,
11 educational institution, research institution, or child care provider to the payment
12 of bonds authorized under this chapter.

13 ***-1887/P1*SECTION 747.** 231.12 of the statutes is amended to read:

14 **231.12 Studies and recommendations.** It is the intent and purpose of this
15 chapter that the exercise by the authority of the powers granted to it shall be in all
16 respects for the benefit of the people of this state to assist them to provide needed
17 health facilities, educational facilities, research facilities, and child care centers of
18 the number, size, type, distribution, and operation that will assure admission and
19 health care, education, research opportunities, or child care of high quality to all who
20 need it. The authority shall identify and study all projects which are determined by
21 health planning agencies to be needed, but which could not sustain a loan were such
22 to be made to it under this chapter. The authority shall formulate and recommend
23 to the legislature such amendments to this and other laws, and such other specific
24 measures as grants, loan guarantees, interest subsidies, or other actions the state
25 may provide which would render the construction and operation of needed health

1 facilities, educational facilities, research facilities, and child care centers feasible
2 and in the public interest. The authority also shall identify and study any laws or
3 rules which it finds handicaps or bars a needed health facility, educational facility,
4 research facility, or child care center from participating in the benefits of this chapter,
5 and recommend to the legislature such actions as will remedy such situation.

6 ***-1887/P1*SECTION 748.** 231.13 (1) (intro.) of the statutes is amended to read:

7 231.13 (1) (intro.) The authority shall collect rents for the use of, or other
8 revenues relating to the financing of, each project. The authority shall contract with
9 a participating health institution, participating educational institution,
10 participating research institution, or participating child care provider for each
11 issuance of bonds. The contract shall provide that the rents or other revenues
12 payable by the health facility, educational facility, research facility, or child care
13 center shall be sufficient at all times to:

14 ***-1887/P1*SECTION 749.** 231.13 (2) of the statutes is amended to read:

15 231.13 (2) The authority shall pledge the revenues derived and to be derived
16 from a project and other related health facilities, educational facilities, research
17 facilities, or child care centers for the purposes specified in sub. (1), and additional
18 bonds may be issued which may rank on a parity with other bonds relating to the
19 project to the extent and on the terms and conditions provided in the bond resolution.
20 Such pledge shall be valid and binding from the time when the pledge is made, the
21 revenues so pledged by the authority shall immediately be subject to the lien of such
22 pledge without any physical delivery thereof or further act and the lien of any such
23 pledge shall be valid and binding as against all parties having claims of any kind in
24 tort, contract, or otherwise against the authority, irrespective of whether such
25 parties have notice thereof. Neither the bond resolution nor any financing

1 statement, continuation statement, or other instrument by which a pledge is created
2 or by which the authority's interest in revenues is assigned need be filed or recorded
3 in any public records in order to perfect the lien thereof as against 3rd parties, except
4 that a copy thereof shall be filed in the records of the authority and with the
5 department of financial institutions.

6 ***-1887/P1*SECTION 750.** 231.16 (1) of the statutes is amended to read:

7 231.16 (1) The authority may issue bonds to refund any outstanding bond of
8 the authority or indebtedness that a participating health institution, participating
9 educational institution, participating research institution, or participating child
10 care provider may have incurred for the construction or acquisition of a project prior
11 to or after April 30, 1980, including the payment of any redemption premium on the
12 outstanding bond or indebtedness and any interest accrued or to accrue to the
13 earliest or any subsequent date of redemption, purchase, or maturity, or to pay all
14 or any part of the cost of constructing and acquiring additions, improvements,
15 extensions, or enlargements of a project or any portion of a project. Except for bonds
16 to refund bonds issued under s. 231.03 (6) (g), no bonds may be issued under this
17 section unless the authority has first entered into a new or amended agreement with
18 a participating health institution, participating educational institution,
19 participating research institution, or participating child care provider to provide
20 sufficient revenues to pay the costs and other items described in s. 231.13.

21 ***-1887/P1*SECTION 751.** 231.20 of the statutes is amended to read:

22 **231.20 Waiver of construction and bidding requirements.** In exercising
23 its powers under s. 101.12, the department of commerce or any city, village, town, or
24 county may, within its discretion for proper cause shown, waive any particular
25 requirements relating to public buildings, structures, grounds, works, and

1 improvements imposed by law upon projects under this chapter; the requirements
2 of s. 101.13 may not be waived, however. If, however, the prospective lessee so
3 requests in writing, the authority shall, through the participating health institution,
4 participating educational institution, participating research institution, or
5 participating child care provider as its agent, call for construction bids in such
6 manner as is determined by the authority with the approval of the lessee.

7 ***-1887/P1*SECTION 752.** 231.23 of the statutes is amended to read:

8 **231.23 Nonprofit institutions.** It is intended that all nonprofit health and
9 institutions, educational institutions, research institutions, and child care providers
10 in this state be enabled to benefit from and participate in this chapter. To this end,
11 all nonprofit health ~~and~~ institutions, educational institutions, research institutions,
12 and child care providers operating, or authorized to be operated, under any law of
13 this state may undertake projects and utilize the capital financing sources and
14 methods of repayment provided by this chapter, the provisions of any other laws to
15 the contrary notwithstanding.

16 ***-1942/P1.29* SECTION 753.** 234.01 (4n) (a) 3m. e. of the statutes is amended
17 to read:

18 234.01 (4n) (a) 3m. e. The facility is located in a targeted area, as determined
19 by the authority after considering the factors set out in s. 560.605 (2m) (c), 2005
20 stats., s. 560.605 (2m) (d), 2005 stats., s. 560.605 (2m) (e), 2005 stats., s. 560.605 (2m)
21 (g), 2007 stats., and s. 560.605 (2m) (a), (b), ~~and~~ (f) ~~to~~, and (h).

22 ***-1896/1.173* SECTION 754.** 234.01 (5k) of the statutes is amended to read:

23 234.01 (5k) "Financial institution" means a bank, savings bank, savings and
24 loan association, credit union, insurance company, finance company, mortgage
25 banker registered licensed under s. 224.72, community development corporation,

1 small business investment corporation, pension fund or other lender which provides
2 commercial loans in this state.

3 ***-1942/P1.30* SECTION 755.** 234.03 (2m) of the statutes is amended to read:

4 234.03 (2m) To issue notes and bonds in accordance with ss. 234.08, 234.40,
5 234.50, 234.60, 234.61, 234.626, ~~234.63~~, and 234.65.

6 ***-1942/P1.31* SECTION 756.** 234.03 (11) of the statutes is amended to read:

7 234.03 (11) To collect fees and charges on mortgage loans and economic
8 development loans and airport development loans under s. 234.63 (3), 2007 stats.,
9 for the purpose of paying all or a portion of authority costs as the authority
10 determines are reasonable and as approved by the authority.

11 ***-1899/P3.1* SECTION 757.** 234.04 (2) of the statutes is amended to read:

12 234.04 (2) The authority may make or participate in the making and enter into
13 commitments for the making of long-term mortgage loans to eligible sponsors of
14 housing projects for occupancy by persons and families of low and moderate income,
15 or for the making of homeownership mortgage loans or housing rehabilitation loans
16 or loans for the refinancing of qualified subprime loans under s. 234.592 to persons
17 and families of low and moderate income, an applicant under s. 234.59 or 234.592,
18 or other eligible beneficiaries as defined in s. 234.49. The loans may be made only
19 upon the determination by the authority that they are not otherwise available from
20 private lenders upon reasonably equivalent terms and conditions. The authority
21 may not make a loan to a person whose name appears on the statewide support lien
22 docket under s. 49.854 (2) (b), unless the person provides to the authority a payment
23 agreement that has been approved by the county child support agency under s. 59.53
24 (5) and that is consistent with rules promulgated under s. 49.858 (2) (a). The

INSERT 329-1

1 authority may employ, for such compensation as it determines, the services of any
2 financial institution in connection with any loan.

3 *-1942/P1.32* SECTION 758. 234.08 (1) of the statutes is amended to read:

4 234.08 (1) The authority may issue its negotiable notes and bonds in such
5 principal amount, as, in the opinion of the authority, is necessary to provide sufficient
6 funds for achieving its corporate purposes, including the purchase of certain
7 mortgages and securities and the making of secured loans for low- and
8 moderate-income housing, for the rehabilitation of existing structures and for the
9 construction of facilities appurtenant thereto as provided in this chapter; for the
10 making of secured loans to assist eligible elderly homeowners in paying property
11 taxes and special assessments; for the payment of interest on notes and bonds of the
12 authority during construction; ~~for the awarding of airport development loans under~~
13 ~~s. 234.63 (3);~~ for the establishment of reserves to secure such notes and bonds; for the
14 provision of moneys for the housing development fund in order to make temporary
15 loans to sponsors of housing projects as provided in this chapter; and for all other
16 expenditures of the authority incident to and necessary or convenient to carry out its
17 corporate purposes and powers.

18 *-1899/P3.2* SECTION 759. 234.265 (2) of the statutes is amended to read:

19 234.265 (2) Records or portions of records consisting of personal or financial
20 information provided by a person seeking a grant or loan under s. 234.63, 2007 stats.,
21 or s. 234.04, 234.08, 234.49, 234.59, 234.592, 234.61, 234.63, 234.65, 234.67, 234.83,
22 234.84, 234.90, 234.905, 234.907, or 234.91, seeking a loan under ss. 234.621 to
23 234.626, seeking financial assistance under s. 234.66, 2005 stats., seeking
24 investment of funds under s. 234.03 (18m), or in which the authority has invested

refinancing
seeking mortgage loan refinancing from
a lender under s. 234.6051

1 funds under s. 234.03 (18m), unless the person consents to disclosure of the
2 information.

3 ***-1942/P1.34* SECTION 760.** 234.40 (4) of the statutes is amended to read:

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

9 ***-1896/1.174* SECTION 761.** 234.49 (2) (a) 4. of the statutes is amended to read:

10 234.49 (2) (a) 4. To designate as an authorized lender the authority or any local
11 government agency, housing authority under s. 59.53 (22), 61.73, 66.1201 or 66.1213,
12 bank, savings bank, savings and loan institution, mortgage banker ~~registered~~
13 licensed under s. 224.72 or credit union, if the designee has a demonstrated history
14 or potential of ability to adequately make and service housing rehabilitation loans.

15 ***-1942/P1.35* SECTION 762.** 234.50 (4) of the statutes is amended to read:

16 234.50 (4) The limitations established in ss. 234.18, 234.40, 234.60, 234.61,
17 ~~234.63~~, and 234.65 are not applicable to bonds issued under the authority of this
18 section. The authority may not have outstanding at any one time bonds for housing
19 rehabilitation loans in an aggregate principal amount exceeding \$100,000,000,
20 excluding bonds being issued to refund outstanding bonds. The authority shall
21 consult with and coordinate the issuance of bonds with the building commission prior
22 to the issuance of bonds.

23 ***-1896/1.175* SECTION 763.** 234.59 (1) (h) of the statutes is amended to read:

24 234.59 (1) (h) "Mortgage banker" means a mortgage banker ~~registered~~ licensed
25 under s. 224.72, but does not include a person licensed under s. 138.09.

SECTION 764

1 ***-1899/P3.3* SECTION 764.** 234.59 (1) (j) of the statutes is amended to read:

2 234.59 (1) (j) "Principal residence" means ~~an eligible~~ residential real property
3 in this state ~~which~~ that an applicant maintains as a full-time residence, but does not
4 use as a vacation home or for trade or business purposes.

5 ***-1899/P3.4* SECTION 765.** 234.59 (2) (intro.) of the statutes is amended to
6 read:

7 234.59 (2) **POWERS AND DUTIES OF THE AUTHORITY.** (intro.) The authority shall
8 establish and administer a homeownership mortgage loan program to encourage
9 homeownership and to facilitate the acquisition or rehabilitation of eligible property
10 by applicants. To implement the program, the authority:

11 ***-1899/P3.5* SECTION 766.** 234.59 (3) (c) of the statutes is amended to read:

12 234.59 (3) (c) The authority shall notify an eligible authorized lender if a
13 person's name appears on the statewide support lien docket under s. 49.854 (2) (b).
14 An eligible authorized lender may not make a loan to an applicant if it receives
15 notification under this paragraph concerning the applicant, unless the applicant
16 provides to the lender a payment agreement that has been approved by the county
17 child support agency under s. 59.53 (5) and that is consistent with rules promulgated
18 under s. 49.858 (2) (a).

19 ***-1899/P3.6* SECTION 767.** 234.592 of the statutes is created to read:

20 **234.592 Qualified subprime loan refinancing.** (1) **DEFINITIONS.** In this
21 section:

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

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

24 (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 *-1899/P3.7* SECTION 768. 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 *-1899/P3.8* SECTION 769. 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 *-1942/P1.36* SECTION 770. 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 *-1899/P3.9* SECTION 771. 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 ***-1899/P3.10*** SECTION 772. 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 ***-1942/P1.37*** SECTION 773. 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 ***-1942/P1.38*** SECTION 774. 234.63 of the statutes is repealed.

18 ***-1896/1.176*** SECTION 775. 321.60 (1) (a) 12. of the statutes is amended to
19 read:

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

24 ***-1896/1.177*** SECTION 776. 422.501 (2) (b) 8. of the statutes is amended to
25 read:

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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 *-1896/1.178* SECTION 777. 428.202 (6) of the statutes is renumbered 428.202
5 (9) and amended to read:

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

8 *-1896/1.179* SECTION 778. 428.203 (9) (title) of the statutes is amended to
9 read:

10 428.203 (9) (title) ~~UNREGISTERED~~ UNLICENSED MORTGAGE BANKERS AND BROKERS.

11 *-1896/1.180* SECTION 779. 428.204 of the statutes is amended to read:

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

16 *-1896/1.181* SECTION 780. 428.206 of the statutes is amended to read:

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

22 *-1896/1.182* SECTION 781. 452.01 (3) (g) of the statutes is amended to read:

23 452.01 (3) (g) A person ~~registered~~ licensed as a mortgage banker under s.
24 224.72 who does not engage in activities described under sub. (2).

1 ***-1949/P1.5* SECTION 782.** 560.205 (1) (intro.) of the statutes is amended to
2 read:

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

12 ***-1949/P1.6* SECTION 783.** 560.205 (1) (f) of the statutes is repealed and
13 recreated to read:

14 560.205 (1) (f) It has the potential for increasing jobs in this state, increasing
15 capital investment in this state, or both, and any of the following apply:

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

18 a. Manufacturing, biotechnology, nanotechnology, communications,
19 agriculture, or clean energy creation or storage technology.

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

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

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

5 ***-1949/P1.7* SECTION 784.** 560.205 (1) (g) of the statutes is amended to read:

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

12 ***-1949/P1.9* SECTION 785.** 560.205 (1) (k) of the statutes is amended to read:

13 560.205 (1) (k) ~~It~~ For taxable years beginning before January 1, 2008, it has
14 not received more than \$1,000,000 in investments that have qualified for tax credits
15 under s. 71.07 (5d).

16 ***-1949/P1.10* SECTION 786.** 560.205 (1) (kn) of the statutes is created to read:

17 560.205 (1) (kn) For taxable years beginning after December 31, 2007 and
18 before January 1, 2011, it has not received more than \$4,000,000 in investments that
19 have qualified for tax credits under ss. 71.07 (5b) and (5d), 71.28 (5b), 71.47 (5b), and
20 76.638.

21 **SECTION 787.** 560.205 (1) (L) of the statutes is created to read:

22 560.205 (1) (L) For taxable years beginning after December 31, 2010, it has not
23 received more than \$8,000,000 in investments that have qualified for tax credits
24 under ss. 71.07 (5b) and (5d), 71.28 (5b), 71.47 (5b), and 76.638.

25 **SECTION 788.** 560.205 (2) of the statutes is amended to read:

1 560.205 (2) EARLY STAGE SEED INVESTMENT TAX CREDITS. The department shall
2 implement a program to certify investment fund managers for purposes of ss. 71.07
3 (5b), 71.28 (5b), ~~and, 71.47 (5b), and 76.638~~. An investment fund manager desiring
4 certification shall submit an application to the department. The investment fund
5 manager shall specify in the application the investment amount that the manager
6 wishes to raise and the department may certify the manager and determine the
7 amount that qualifies for purposes of ss. 71.07 (5b), 71.28 (5b), 71.47 (5b), and 76.638.
8 In determining whether to certify an investment fund manager, the department
9 shall consider the investment fund manager's experience in managing venture
10 capital funds, the past performance of investment funds managed by the applicant,
11 the expected level of investment in the investment fund to be managed by the
12 applicant, and any other relevant factors. The department may certify only
13 investment fund managers that commit to consider placing investments in
14 businesses certified under sub. (1).

15 *-1949/P1.11* SECTION 789. 560.205 (3) (d) of the statutes is amended to read:

16 560.205 (3) (d) *Rules*. The department of commerce, in consultation with the
17 department of revenue, shall promulgate rules to administer this section. The rules
18 shall further define "bona fide angel investment" for purposes of s. 71.07 (5d) (a) 1.
19 The rules shall limit the aggregate amount of tax credits under s. 71.07 (5d) that may
20 be claimed for investments in businesses certified under sub. (1) at \$3,000,000 per
21 calendar year for calendar years beginning after December 31, 2004, and before
22 January 1, 2008, \$5,500,000 per calendar year for calendar years beginning after
23 December 31, 2007, and before January 1, 2011, and \$18,000,000 per calendar year
24 for calendar years beginning after December 31, 2010, plus, for taxable years
25 beginning after December 31, 2010, an additional \$250,000 for tax credits that may

1 be claimed for investments in nanotechnology businesses certified under sub. (1).
2 The rules shall also limit the aggregate amount of the tax credits under ss. 71.07 (5b),
3 71.28 (5b), ~~and 71.47 (5b), and 76.638~~ that may be claimed for investments paid to
4 fund managers certified under sub. (2) at \$3,500,000 per calendar year for calendar
5 years beginning after December 31, 2004, and before January 1, 2008, \$6,000,000 per
6 calendar year for calendar years beginning after December 31, 2007, and before
7 January 1, 2011, and \$18,500,000 per calendar year for calendar years beginning
8 after December 31, 2010, plus, for taxable years beginning after December 31, 2010,
9 an additional \$250,000 for tax credits that may be claimed for investments in
10 nanotechnology businesses certified under sub. (1). The rules shall also provide that,
11 for calendar years beginning after December 31, 2007, no person may receive a credit
12 under ss. 71.07 (5b) and (5d), 71.28 (5b), ~~or 71.47 (5b), or 76.638~~ unless the person's
13 investment is kept in a certified business, or with a certified fund manager, for no less
14 than 3 years.

15 ***-1949/P1.12* SECTION 790.** 560.205 (3) (e) of the statutes is created to read:

16 560.205 (3) (e) *Transfer.* A person who is eligible to claim a credit under s. 71.07
17 (5b), 71.28 (5b), 71.47 (5b), or 76.638 may sell or otherwise transfer the credit to
18 another person who is subject to the taxes or fees imposed under s. 71.02, 71.23,
19 71.47, or subch. III of ch. 76, if the person receives prior authorization from the
20 investment fund manager and the manager then notifies the department of
21 commerce and the department of revenue of the transfer and submits with the
22 notification a copy of the transfer documents. No person may sell or otherwise
23 transfer a credit as provided in this paragraph more than once in a 12-month period.
24 The department may charge any person selling or otherwise transferring a credit
25 under this paragraph a fee equal to 1 percent of the credit amount sold or transferred.

1 The department shall deposit all fees collected under this paragraph in the
2 appropriation account under s. 20.143 (1) (gm).

3 ***-1947/P1.33* SECTION 791.** 560.207 (1) of the statutes is amended to read:

4 560.207 (1) The department of commerce shall implement a program to certify
5 taxpayers, including taxpayers who are members of dairy cooperatives, as eligible
6 for the dairy manufacturing facility investment credit under ss. 71.07 (3p), 71.28
7 (3p), and 71.47 (3p).

8 ***-1947/P1.34* SECTION 792.** 560.207 (2) of the statutes is amended to read:

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

21 ***-1948/P1.15* SECTION 793.** 560.208 of the statutes is created to read:

22 **560.208 Meat processing facility investment credit.** (1) The department
23 of commerce shall implement a program to certify taxpayers as eligible for the meat
24 processing facility investment credit under ss. 71.07 (3r), 71.28 (3r), and 71.47 (3r).

1 employment, is required to work at least 2,080 hours per year, including paid leave
2 and holidays, and for which the individual receives pay that is equal to at least 150%
3 of the federal minimum wage and benefits that are not required by federal or state
4 law. "Full-time job" does not include initial training before an employment position
5 begins.

6 ***-1942/P1.44* SECTION 799.** 560.70 (2m) (b) of the statutes is created to read:

7 560.70 (2m) (b) The department may by rule specify circumstances under
8 which the department may grant exceptions to the requirement under par. (a) that
9 a full-time job means a job in which an individual, as a condition of employment, is
10 required to work at least 2,080 hours per year, but under no circumstances may a
11 full-time job mean a job in which an individual, as a condition of employment, is
12 required to work less than 37.5 hours per week.

13 ***-1942/P1.45* SECTION 800.** 560.70 (4m) of the statutes is created to read:

14 560.70 (4m) "Member of a targeted group" means a person who resides in an
15 area designated by the federal government as an economic revitalization area, a
16 person who is employed in an unsubsidized job but meets the eligibility requirements
17 under s. 49.145 (2) and (3) for a Wisconsin Works employment position, a person who
18 is employed in a trial job, as defined in s. 49.141 (1) (n), or in a real work, real pay
19 project position under s. 49.147 (3m), a person who is eligible for child care assistance
20 under s. 49.155, a person who is a vocational rehabilitation referral, an economically
21 disadvantaged youth, an economically disadvantaged veteran, a supplemental
22 security income recipient, a general assistance recipient, an economically
23 disadvantaged ex-convict, a dislocated worker, as defined in 29 USC 2801 (9), or a
24 food stamp recipient, if the person has been certified in the manner under 26 USC
25 51 (d) (13) (A) by a designated local agency, as defined in 26 USC 51 (d) (12).

1 ***-1942/P1.46* SECTION 801.** 560.70 (7) (a) of the statutes is amended to read:

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

5 ***-1942/P1.47* SECTION 802.** 560.70 (7) (d) of the statutes is created to read:

6 560.70 (7) (d) In ss. 560.701 to 560.706, "tax benefits" means the economic
7 development tax credit under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637.

8 ***-1942/P1.48* SECTION 803.** 560.701 of the statutes is created to read:

9 **560.701 Certification for tax benefits. (1) APPLICATION.** Any person may
10 apply to the department on a form prepared by the department for certification under
11 this section. The application shall include all of the following:

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

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

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

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

18 (e) Other information required by the department or the department of
19 revenue.

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

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

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

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

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

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

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

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

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

16 ***-1942/P1.49*** **SECTION 804.** 560.702 of the statutes is created to read:

17 **560.702 Eligible activities.** A person who conducts or proposes to conduct
18 any of the following may be certified under s. 560.701 (2):

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

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

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

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

10 *-1942/P1.50* SECTION 805. 560.703 of the statutes is created to read:

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

16 (b) The department may submit to the joint committee on finance a request in
17 writing to exceed the total tax benefits specified in par. (a). The department shall
18 submit with its request a justification for seeking an increase under this paragraph.
19 The joint committee on finance, following its review, may approve or disapprove an
20 increase in the total tax benefits available to be allocated under ss. 560.701 to
21 560.706.

22 (2) AUTHORITY TO CLAIM TAX BENEFITS. The department may authorize a person
23 certified under s. 560.701 (2) to claim tax benefits only after the person has submitted
24 a report to the department that documents to the satisfaction of the department that

1 the person has complied with the terms of the contract under s. 560.701 (3) and the
2 requirements of any applicable rules promulgated under s. 560.706 (2).

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

6 *-1942/P1.51* SECTION 806. 560.704 of the statutes is created to read:

7 **560.704 Eligible activities in economically distressed areas and**
8 **benefiting members of targeted groups.** The department may authorize a
9 person certified under s. 560.701 (2) to claim additional tax benefits under s. 560.703
10 if, after conducting an investigation, the department determines any of the
11 following:

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

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

19 *-1942/P1.52* SECTION 807. 560.705 of the statutes is created to read:

20 **560.705 Revocation of certification.** The department shall revoke the
21 certification of a person who does any of the following:

22 (1) Supplies false or misleading information to obtain certification under s.
23 560.701 (2).

24 (2) Supplies false or misleading information to obtain tax benefits under s.
25 560.703.

1 (3) Leaves the state to conduct substantially the same business outside of the
2 state.

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

5 *-1942/P1.53* SECTION 808. 560.706 of the statutes is created to read:

6 **560.706 Responsibilities of the department.** The department shall do all
7 of the following:

8 (1) ACCOUNTABILITY. (a) Annually verify information submitted to the
9 department of revenue under ss. 71.07 (2dy), 71.28 (1dy), 71.47 (1dy), and 76.637 by
10 persons certified under s. 560.701 (2) and eligible to receive tax benefits under s.
11 560.703.

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

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

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

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

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

5 (d) A schedule of tax benefits for which a person who is certified under s.
6 560.701 (2) and who conducts a project that will result in the location or retention
7 of a person's corporate headquarters in Wisconsin may be eligible.

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

- 12 1. Unemployment rate.
- 13 2. Percentage of families with incomes below the poverty line established under
14 42 USC 9902 (2).
- 15 3. Median family income.
- 16 4. Median per capita income.
- 17 5. Average annual wage.
- 18 6. Real property values.
- 19 7. Other significant or irregular indicators of economic distress, such as a
20 natural disaster.

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

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

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

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

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

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

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

17 ***-1942/P1.54* SECTION 809.** 560.71 (4) of the statutes is created to read:

18 560.71 (4) No development zone may be designated under this section after the
19 effective date of this subsection [LRB inserts date].

20 ***-1942/P1.55* SECTION 810.** 560.737 (4) of the statutes is created to read:

21 560.737 (4) No premises of a business incubator may be designated as part of
22 a development zone under this section after the effective date of this subsection
23 [LRB inserts date].

24 ***-1942/P1.56* SECTION 811.** 560.74 (1) of the statutes is amended to read: