



2011 SENATE BILL 511

February 23, 2012 – Introduced by Senators HANSEN, KING, HOLPERIN, TAYLOR, LASSA, S. COGGS, T. CULLEN and MILLER, cosponsored by Representatives MASON, GRIGSBY, PASCH, MILROY, RICHARDS, JORGENSEN, ROYS, POCAN, STEINBRINK, BERCEAU, E. COGGS, MOLEPSKE JR, TOLES, SINICKI, BEWLEY, C. TAYLOR, FIELDS, HULSEY, BERNARD SCHABER, POPE-ROBERTS, TURNER, YOUNG, VRUWINK and KESSLER. Referred to Joint Committee on Finance.

1 **AN ACT** *to repeal* 20.115 (1) (dy), 20.144 (1) (b), 20.680 (2) (dy), 45.03 (13) (k) 2.
2 and 3. and 227.01 (13) (zz); *to consolidate, renumber and amend* 45.03 (13)
3 (k) (intro.) and 1.; *to amend* 20.485 (2) (b); and *to create* 20.115 (1) (dy), 20.144
4 (1) (b), 20.680 (2) (dy), 45.03 (13) (km) and 227.01 (13) (zz) of the statutes;
5 **relating to:** allocation of national mortgage foreclosure settlement proceeds
6 and making appropriations.

Analysis by the Legislative Reference Bureau

Of the moneys received by the state as a result of the national mortgage foreclosure settlement, \$25,600,000 will be deposited in the general fund as general purpose revenue (GPR). This bill allocates that GPR as follows:

1. The Department of Children and Families must provide \$10,000,000 in additional aid under its emergency assistance to needy persons program to eligible persons who are homeless or facing impending homelessness due to natural disaster or foreclosure.

2. The Department of Financial Institutions must provide \$10,000,000 in grants to assist nonprofit organizations and governmental bodies for the purpose of foreclosure mediation and foreclosure prevention.

3. The Department of Veterans Affairs must provide \$3,000,000 in housing vouchers for chronically homeless veterans and in grants to veterans for preventing foreclosures on veterans' primary residences.

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1 **20.144 Financial institutions, department of**

2 (1) SUPERVISION OF FINANCIAL INSTITUTIONS,
3 SECURITIES REGULATION AND OTHER FUNCTIONS

4 (b) Grants from national mortgage
5 settlement funds GPR B 10,000,000 -0-

6 **SECTION 3.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
7 the following amounts for the purposes indicated:

8 **2011-12** **2012-13**

9 **20.680 Supreme court**

10 (2) DIRECTOR OF STATE COURTS

11 (dy) Foreclosure mediation program
12 grant GPR A -0- 1,000,000

13 **SECTION 4.** 20.115 (1) (dy) of the statutes is created to read:

14 20.115 (1) (dy) *Tenant Resource Center grant*. The amounts in the schedule for
15 the grant under 2011 Wisconsin Act ... (this act), section 9103 (1).

16 **SECTION 5.** 20.115 (1) (dy) of the statutes, as created by 2011 Wisconsin Act ...
17 (this act), is repealed.

18 **SECTION 6.** 20.144 (1) (b) of the statutes is created to read:

19 20.144 (1) (b) *Grants from national mortgage settlement funds*. Biennially, the
20 amounts in the schedule for the purpose of awarding grants under 2011 Wisconsin
21 Act ... (this act), section 9117 (1).

22 **SECTION 7.** 20.144 (1) (b) of the statutes, as created by 2011 Wisconsin Act ...
23 (this act), is repealed.

24 **SECTION 8.** 20.485 (2) (b) of the statutes is amended to read:

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1 20.485 (2) (b) *Housing vouchers for homeless assistance for veterans*. From the
2 general fund, as a continuing appropriation, the amounts in the schedule to provide
3 housing vouchers to chronically homeless veterans under s. 45.03 (13) (k).—No
4 moneys may be encumbered from the appropriation under this paragraph after June
5 30, 2007 and to provide grants to veterans for foreclosure prevention under s. 45.03
6 (13) (km).

7 **SECTION 9.** 20.680 (2) (dy) of the statutes is created to read:

8 20.680 (2) (dy) *Foreclosure mediation program grant*. The amounts in the
9 schedule for the grant under 2011 Wisconsin Act (this act), section 9145 (1).

10 **SECTION 10.** 20.680 (2) (dy) of the statutes, as created by 2011 Wisconsin Act
11 (this act), is repealed.

12 **SECTION 11.** 45.03 (13) (k) (intro.) and 1. of the statutes are consolidated,
13 renumbered 45.03 (13) (k) and amended to read:

14 45.03 (13) (k) Provide \$117,300 in 2005–06 and \$117,300 in 2006–07 to a
15 housing authority in a 1st class city in a county with a population of at least 500,000
16 to supplement the housing costs of funding to distribute housing vouchers to
17 chronically homeless veterans and their families if the housing authority does all of
18 the following: 1. Provides. An organization is eligible to administer a program to
19 distribute the vouchers if the organization provides evidence that the money will be
20 used to provide multi-family rental housing for individuals and families that contain
21 at least one veteran who has been chronically homeless.

22 **SECTION 12.** 45.03 (13) (k) 2. and 3. of the statutes are repealed.

23 **SECTION 13.** 45.03 (13) (km) of the statutes is created to read:

24 45.03 (13) (km) Administer a program under which grants will be awarded to
25 veterans for the purposes of assisting veterans in preventing foreclosure on their

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1 primary residences. Notwithstanding 227.10 (1), eligibility guidelines for veterans
2 receiving grants and other requirements for the program shall not be promulgated
3 as a rule under ch. 227.

4 **SECTION 14.** 227.01 (13) (zz) of the statutes is created to read:

5 227.01 (13) (zz) Relates to grants awarded under 2011 Wisconsin Act (this
6 act), section 9117 (1).

7 **SECTION 15.** 227.01 (13) (zz) of the statutes, as created by 2011 Wisconsin Act
8 (this act), is repealed.

9 **SECTION 9103. Nonstatutory provisions; Agriculture, Trade and**
10 **Consumer Protection.**

11 (1) TENANT RESOURCE CENTER GRANT. From the appropriation under section
12 20.115 (1) (dy) of the statutes, as created by this act, the department of agriculture,
13 trade and consumer protection shall make a grant to the Tenant Resource Center in
14 Madison in the amount of \$1,600,000 if all of the following apply:

15 (a) The Tenant Resource Center agrees in writing to use the grant proceeds for
16 all of the following purposes:

- 17 1. To expand its operations statewide.
- 18 2. To establish physical office locations in the 5 counties that have the highest
19 foreclosure rates per capita on the effective date of this subdivision.
- 20 3. To provide services related to foreclosure prevention and tenant mediation.

21 (b) The Tenant Resource Center submits a plan to department of agriculture,
22 trade and consumer protection detailing the proposed use of the grant proceeds and
23 the secretary of agriculture, trade and consumer protection approves the plan.

24 (c) The Tenant Resource Center enters into a written agreement with the
25 department of agriculture, trade and consumer protection that specifies the

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1 conditions for the use of the grant proceeds, including reporting and auditing
2 requirements.

3 (d) The Tenant Resource Center agrees in writing to submit to the department
4 of agriculture, trade and consumer protection, within 6 months after spending the
5 full amount of the grant proceeds, a report detailing how the proceeds were used.

SECTION 9117. Nonstatutory provisions; Financial Institutions.

7 (1) GRANTS FROM NATIONAL MORTGAGE SETTLEMENT FUNDS.

8 (a) In this subsection:

9 1. “Department” means the department of financial institutions.

10 2. “Governmental body” has the meaning given in section 19.82 (1) of the
11 statutes.

12 3. “Nonprofit organization” has the meaning given in section 108.02 (19) of the
13 statutes.

14 (b) From the appropriation under section 20.144 (1) (b) of the statutes, as
15 created by this act, in the 2011–13 fiscal biennium, the department shall award
16 grants to assist nonprofit organizations and governmental bodies for the purpose of
17 foreclosure mediation and foreclosure prevention. To the extent possible, these
18 grants shall be funded from this state’s share of proceeds from the national mortgage
19 settlement on or about February 9, 2012, that are deposited into the general fund.

20 (c) The department shall establish a form and procedure for grant applications,
21 standards for grant eligibility, and procedures and criteria for evaluating
22 applications and awarding grants under this subsection.

SECTION 9145. Nonstatutory provisions; Supreme Court.

24 (1) FORECLOSURE MEDIATION PROGRAM GRANT. From the appropriation under
25 section 20.680 (2) (dy) of the statutes, as created by this act, the director of state

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1 courts shall make a grant in the amount of \$1,000,000 to the Milwaukee Foreclosure
2 Mediation Program to be used for the general operating expenses of the program.
3 The Milwaukee Foreclosure Mediation Program shall enter into a written agreement
4 with the director of state courts that specifies the conditions for the use of the grant
5 proceeds, including reporting and auditing requirements, and under which the
6 Milwaukee Foreclosure Mediation Program agrees to submit to the director of state
7 courts, within 6 months after spending the full amount of the grant proceeds, a report
8 detailing how the proceeds were used.

9 **SECTION 9155. Nonstatutory provisions; Other.**

10 (1) REQUIRED GENERAL FUND BALANCE. Section 20.003 (4) (gc) of the statutes does
11 not apply to the action of the legislature in enacting this act.

12 **SECTION 9208. Fiscal changes; Children and Families.**

13 (1) EMERGENCY ASSISTANCE. In the schedule under section 20.005 (3) of the
14 statutes for the appropriation to the department of children and families under
15 section 20.437 (2) (dz) of the statutes, as affected by the acts of 2011, the dollar
16 amount is increased by \$10,000,000 for the second fiscal year of the fiscal biennium
17 in which this subsection takes effect to provide aid under section 49.138 of the
18 statutes to eligible persons who are homeless or facing impending homelessness due
19 to foreclosure or natural disaster.

20 **SECTION 9253. Fiscal changes; Veterans Affairs.**

21 (1) HOUSING AND FORECLOSURE ASSISTANCE. In the schedule under section 20.005
22 (3) of the statutes for the appropriation to the department of veterans affairs under
23 section 20.485 (2) (b) of the statutes, as affected by the acts of 2011, the dollar amount
24 is increased by \$3,000,000 for the first fiscal year of the fiscal biennium in which this

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1 subsection takes effect to increase funding for the purposes for which the
2 appropriation is made.

3 **SECTION 9400. Effective dates; general.** Except as otherwise provided in
4 SECTIONS 9403 to 9445 of this act, this act takes effect on the day after publication.

5 **SECTION 9403. Effective dates; Agriculture, Trade and Consumer**
6 **Protection.**

7 (1) TENANT RESOURCE CENTER GRANT. The repeal of section 20.115 (1) (dy) of the
8 statutes takes effect on July 1, 2013.

9 **SECTION 9417. Effective dates; Financial Institutions.**

10 (1) GRANTS BY THE DEPARTMENT OF FINANCIAL INSTITUTIONS. The repeal of sections
11 20.144 (1) (b) and 227.01 (13) (zz) of the statutes takes effect on July 1, 2013.

12 **SECTION 9445. Effective dates; Supreme Court.**

13 (1) FORECLOSURE MEDIATION PROGRAM GRANT. The repeal of section 20.680 (2) (dy)
14 of the statutes takes effect on July 1, 2013.

15 (END)