

1 **93.07 (3) PROMOTION OF AGRICULTURE.** To promote the interests of agriculture,
2 dairying, horticulture, manufacturing, commercial fishing and the domestic arts and
3 to advertise Wisconsin and its dairy, food, and agricultural products by conducting
4 campaigns of education throughout the United States and in foreign markets. Such
5 campaigns shall include the distribution of educational and advertising material
6 concerning Wisconsin and its plant, animal, food, and dairy products. The
7 department shall coordinate efforts by the state to advertise and promote
8 agricultural products of this state, with the ~~Wisconsin Economic Development~~
9 ~~Corporation~~ Forward Wisconsin Development Authority where appropriate. The
10 department shall submit its request and plan for market development program
11 expenditures for each biennium with its biennial budget request. The plan shall
12 include the identification and priority of expenditures for each market development
13 program activity.

14 **SECTION 332.** 93.07 (18) (b) (intro.) of the statutes is amended to read:

15 **93.07 (18) (b) (intro.)** In consultation with the ~~Wisconsin Economic~~
16 ~~Development Corporation~~ Forward Wisconsin Development Authority, to do all of
17 the following for each economic development program administered by the
18 department of agriculture, trade and consumer protection:

19 **SECTION 333.** 93.07 (20) (a) of the statutes is amended to read:

20 **93.07 (20) (a)** The department shall coordinate any economic development
21 assistance with the ~~Wisconsin Economic Development Corporation~~ Forward
22 Wisconsin Development Authority.

23 **SECTION 334.** 93.07 (20) (b) of the statutes is amended to read:

24 **93.07 (20) (b)** Annually, no later than October 1, to submit to the joint
25 legislative audit committee and to the appropriate standing committees of the

1 legislature under s. 13.172 (3) a comprehensive report assessing economic
2 development programs, as defined in sub. (18) (a), administered by the department.
3 The report shall include all of the information required under s. ~~238.07~~ 235.016 (2).
4 The department shall collaborate with the ~~Wisconsin Economic Development~~
5 ~~Corporation~~ Forward Wisconsin Development Authority to make readily accessible
6 to the public on an Internet-based system the information required under this
7 subsection.

8 **SECTION 335.** 93.33 (5) (intro.) of the statutes is amended to read:

9 93.33 (5) ANNUAL REPORT. (intro.) In September of each year, the council shall
10 submit a report to the appropriate standing committees of the legislature as
11 determined by the speaker of the assembly and the president of the senate, under s.
12 13.172 (3), the governor, the secretary of agriculture, trade and consumer protection,
13 the state superintendent of public instruction, the secretary of workforce
14 development, the secretary of natural resources, the chief executive officer of the
15 ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development
16 Authority, the president of the University of Wisconsin System, the director of the
17 technical college system, the chancellor of the University of Wisconsin-Extension,
18 the chancellor of the University of Wisconsin-Madison, the chancellor of the
19 University of Wisconsin-Platteville, the chancellor of the University of
20 Wisconsin-River Falls, and the chancellor of the University of Wisconsin-Stevens
21 Point. The council shall include all of the following in the report:

22 **SECTION 336.** 93.42 (5) of the statutes is amended to read:

23 93.42 (5) Cooperating with the ~~Wisconsin Economic Development Corporation~~
24 Forward Wisconsin Development Authority in promoting the state's products
25 through the state's foreign trade offices.

the university of wisconsin system Authority

1 SECTION 337. 100.45 (1) (dm) of the statutes is amended to read:

2 100.45 (1) (dm) "State agency" means any office, department, agency,
3 institution of higher education, association, society, or other body in state
4 government created or authorized to be created by the constitution or any law which
5 is entitled to expend moneys appropriated by law, including the legislature and the
6 courts, ~~the Wisconsin Housing and Economic Development Authority~~, the Bradley
7 Center Sports and Entertainment Corporation, the University of Wisconsin
8 Hospitals and Clinics Authority, the Wisconsin Health and Educational Facilities
9 Authority, the Wisconsin Aerospace Authority, the ~~Wisconsin Economic~~
10 ~~Development Corporation~~ Forward Wisconsin Development Authority, and the Fox
11 River Navigational System Authority.

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12 SECTION 338. 106.16 (2) of the statutes is amended to read:

13 106.16 (2) Any company that receives a loan or grant from a state agency or
14 an authority under ch. 231 or 234 shall notify the department and the local workforce
15 development board established under 29 USC 2832, of any position in the company
16 that is related to the project for which the grant or loan is received to be filled in this
17 state within one year after receipt of the loan or grant. The company shall provide
18 this notice at least 2 weeks prior to advertising the position.

19 SECTION 339. 106.16 (3) of the statutes is repealed.

20 SECTION 340. 106.27 (2m) of the statutes is amended to read:

21 106.27 (2m) CONSULTATION. The department shall consult with the technical
22 college system board and the ~~Wisconsin Economic Development Corporation~~
23 Forward Wisconsin Development Authority in implementing this section.

24 SECTION 341. 109.09 (2) (c) 1. a. of the statutes is amended to read:

1 109.09 (2) (c) 1. a. “Commercial lending institution” has the meaning given for
2 “financial institution” in s. ~~234.01~~ 235.40 (5k).

3 **SECTION 342.** 114.31 (6) of the statutes is amended to read:

4 114.31 (6) TECHNICAL SERVICES TO MUNICIPALITIES. The secretary may, insofar
5 as is reasonably possible, offer the engineering or other technical service of the
6 department, to any municipality desiring them in connection with the construction,
7 maintenance or operation or proposed construction, maintenance or operation of an
8 airport. The secretary may assess reasonable costs for services including services
9 performed while acting as agent for a municipality. Such assessment shall include
10 properly allocated administrative costs. Municipalities are authorized to cooperate
11 with the secretary in the development of aeronautics and aeronautical facilities in
12 this state. The ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin
13 Development Authority and all agencies are authorized and directed to make
14 available such facilities and services, and to cooperate as far as possible to promote
15 the best interests of aeronautics of the state.

16 **SECTION 343.** 196.49 (4) of the statutes is amended to read:

17 196.49 (4) The commission may not issue a certificate under sub. (1), (2), or (3)
18 for the construction of electric generating equipment and associated facilities unless
19 the commission determines that brownfields, as defined in s. ~~238.13~~ 235.13 (1) (a) or
20 s. 560.13 (1) (a), 2009 stats., are used to the extent practicable.

21 **SECTION 344.** 196.491 (3) (a) 2m. b. of the statutes is amended to read:

22 196.491 (3) (a) 2m. b. The applicant proposes alternative construction sites for
23 the facility that are contiguous or proximate, provided that at least one of the
24 proposed sites is a brownfield, as defined in s. ~~238.13~~ 235.13 (1) (a), or the site of a
25 former or existing large electric generating facility.

1 **SECTION 345.** 196.491 (3) (d) 8. of the statutes is amended to read:

2 196.491 (3) (d) 8. For a large electric generating facility, brownfields, as defined
3 in s. ~~238.13~~ 235.13 (1) (a), are used to the extent practicable.

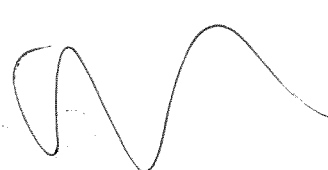
4 **SECTION 346.** 224.71 (1br) (intro.) of the statutes is amended to read:

5 224.71 (1br) (intro.) “Bona fide nonprofit organization” means an organization
6 that is described in section 501 (c) (3) of the Internal Revenue Code and exempt from
7 federal income tax under section 501 (a) of the Internal Revenue Code, that is
8 certified by the federal department of housing and urban development or the
9 Forward Wisconsin Housing and Economic Development Authority, and that does all
10 of the following:

11 **SECTION 347.** 230.03 (3) of the statutes, as affected by 2013 Wisconsin Act 20,
12 is amended to read:

13 230.03 (3) “Agency” means any board, commission, committee, council, or
14 department in state government or a unit thereof created by the constitution or
15 statutes if such board, commission, committee, council, department, unit, or the
16 head thereof, is authorized to appoint subordinate staff by the constitution or
17 statute, except the Board of Regents of the University of Wisconsin System, a
18 legislative or judicial board, commission, committee, council, department, or unit
19 thereof or an authority created under subch. II of ch. 114 or under ch. 231, 232, 233,
20 234 235, 237, 238, or 279. “Agency” does not mean any local unit of government or
21 body within one or more local units of government that is created by law or by action
22 of one or more local units of government.

23 **SECTION 348.** Chapter 234 (title) of the statutes is repealed.



1 235.40 (5m) “Homeownership mortgage loan” has the meaning given under s.
2 ~~234.59~~ 235.59 (1) (f).

3 **SECTION 361.** 234.01 (6) of the statutes is renumbered 235.40 (6), and 235.40
4 (6) (a) and (b), as renumbered, are amended to read:

5 235.40 (6) (a) If the corporation receives any loan or advance from the authority
6 under this ~~chapter~~ subchapter, it may enter into an agreement with the authority
7 providing for regulation with respect to rents, profits, dividends, and disposition of
8 property or franchises; ~~and~~.

9 (b) If the corporation receives a loan or advance under this ~~chapter~~ subchapter,
10 the chairperson of the board of the authority, or his or her designee, acting with the
11 prior approval of the ~~majority of the members of the authority board~~, may, if he or
12 she determines that any such loan or advance is in jeopardy of not being repaid, that
13 the proposed development for which such loan or advance was made is in jeopardy
14 of not being constructed, or that the corporation is not carrying out the intent and
15 purposes of this ~~chapter~~ subchapter, appoint to the board of directors of such
16 corporation a number of new directors, which number shall be sufficient to constitute
17 a majority of such ~~that~~ board of directors, notwithstanding any other provision of
18 such articles of incorporation or of any other provision of law.

19 **SECTION 362.** 234.01 (7) of the statutes is renumbered 235.40 (7).

20 **SECTION 363.** 234.01 (7m) of the statutes is renumbered 235.40 (7m) and
21 amended to read:

22 235.40 (7m) “Housing rehabilitation loan” means a low interest housing
23 rehabilitation loan as defined in s. ~~234.49~~ 235.49 (1) (f) and (fm).

24 **SECTION 364.** 234.01 (8) of the statutes is renumbered 235.40 (8), and 235.40
25 (8) (a) and (b), as renumbered, are amended to read:

1 235.40 (8) (a) As a condition of acceptance of a loan or advance under this
2 ~~chapter~~ subchapter, the limited-profit entity shall enter into an agreement with the
3 authority providing for limitations of rents, profits, dividends, and disposition of
4 property or franchises; ~~and.~~

5 (b) If the limited-profit entity receives a loan or advance under this ~~chapter~~
6 subchapter, the chairperson of the board of directors of the authority, or his or her
7 designee, acting with the prior approval of the ~~majority of members of the authority~~
8 board, may, if he or she determines that any such loan or advance is in jeopardy of
9 not being repaid, that the proposed development for which such loan or advance was
10 made is in jeopardy of not being constructed, or that the limited-profit entity is
11 otherwise not carrying out the intent and purposes of this ~~chapter~~ subchapter,
12 appoint to the board of directors or other comparable controlling body of such
13 limited-profit entity a number of new directors or persons, which number shall be
14 sufficient to constitute a voting majority of such board or controlling body,
15 notwithstanding any other provisions of the limited-profit entity's articles of
16 incorporation or other documents of organization, or of any other provisions of law.

17 **SECTION 365.** 234.01 (9) of the statutes is renumbered 235.40 (9), and 235.40
18 (9) (a) 5., as renumbered, is amended to read:

19 235.40 (9) (a) 5. That if the corporation receives a loan or advance under this
20 ~~chapter~~ subchapter, the chairperson of the board of directors of the authority, or his
21 or her designee, acting with the prior approval of the ~~majority of the members of the~~
22 authority board, may, on determination that any such loan or advance is in jeopardy
23 of not being repaid, that the proposed development for which such loan or advance
24 was made is in jeopardy of not being constructed, that some part of the net income
25 or net earnings of the corporation is inuring to the benefit of any private person, that

1 the corporation is in some manner controlled or under the direction of or acting in
2 the substantial interest of any private person seeking to derive benefit or gain
3 therefrom or seeking to eliminate or minimize losses in any dealings or transactions
4 therewith, or that the corporation is not carrying out the intent and purposes of this
5 ~~chapter~~ subchapter, appoint to the board of directors of such corporation a number
6 of new directors, which number shall be sufficient to constitute a majority of such
7 board, notwithstanding any other provisions of such articles of incorporation or of
8 any other provisions of law.

9 **SECTION 366.** 234.01 (10) of the statutes is renumbered 235.40 (10) and
10 amended to read:

11 235.40 (10) “Persons and families of low and moderate income” means persons
12 and families who cannot afford to pay the amounts at which private enterprise,
13 without ~~federally-aided~~ federally aided mortgages or loans from the authority, can
14 provide a substantial supply of decent, safe and sanitary housing and who fall within
15 income limitations set by the authority in its ~~rules~~ policies and procedures. In
16 determining such income limitations the authority shall consider the amounts of the
17 total income of such persons available for housing needs, the size of the family, the
18 cost and condition of available housing facilities, standards established for various
19 federal programs, and any other factors determined by the authority to be
20 appropriate in arriving at such limitations. Among low- or moderate-income
21 persons and families, preference shall be given to those displaced by governmental
22 action.

23 **SECTION 367.** 234.02 of the statutes is repealed.

24 **SECTION 368.** 234.03 of the statutes is repealed.

25 **SECTION 369.** 234.032 of the statutes is repealed.

1 **SECTION 370.** 234.034 of the statutes is renumbered 235.401.

2 **SECTION 371.** 234.04 of the statutes is renumbered 235.402, and 235.402 (2),
3 as renumbered, is amended to read:

4 235.402 (2) The authority may make or participate in the making and enter
5 into commitments for the making of long-term mortgage loans to eligible sponsors
6 of housing projects for occupancy by persons and families of low and moderate
7 income, or for the making of homeownership mortgage loans or housing
8 rehabilitation loans or loans for the refinancing of qualified subprime loans under
9 s. ~~234.592~~ 235.592 to persons and families of low and moderate income, an applicant
10 under s. ~~234.59~~ or ~~234.592~~ 235.59 to 235.592, or other eligible beneficiaries as defined
11 in s. ~~234.49~~ 235.49. The loans may be made only upon the determination by the
12 authority that they are not otherwise available from private lenders upon reasonably
13 equivalent terms and conditions. The authority may not make a loan to a person
14 whose name appears on the statewide support lien docket under s. 49.854 (2) (b),
15 unless the person provides to the authority a payment agreement that has been
16 approved by the county child support agency under s. 59.53 (5) and that is consistent
17 with rules promulgated under s. 49.858 (2) (a). The authority may employ, for such
18 compensation as it determines, the services of any financial institution in connection
19 with any loan.

20 **SECTION 372.** 234.05 of the statutes is renumbered 235.403.

21 **SECTION 373.** 234.06 of the statutes is renumbered 235.404.

22 **SECTION 374.** 234.07 of the statutes is renumbered 235.405, and 235.405 (1),
23 as renumbered, is amended to read:

24 235.405 (1) Except as provided in sub. (2), a limited-profit entity ~~which~~ that
25 receives loans from the authority may not make distributions, other than from funds

1 contributed to the limited-profit entity by stockholders, partners, members, or
2 holders of beneficial interest in the limited-profit entity, in any one year with respect
3 to a project financed by the authority in excess of 6% of its equity in such project on
4 a cumulative basis. The equity in a project shall consist of the difference between the
5 amount of the mortgage loan and the total project cost. Total project cost shall
6 include construction or rehabilitation costs including job overhead and a builder's
7 and sponsor's profit and risk fee, architectural, engineering, legal, and accounting
8 costs, organizational expenses, land value, interest, and financing charges paid
9 during construction, the cost of landscaping and off-site improvements, whether or
10 not such costs have been paid in cash or in a form other than cash. With respect to
11 every project the authority shall, pursuant to ~~rules~~ policies and procedures adopted
12 by it, establish the entity's equity at the time of making of the final mortgage advance
13 and, for purposes of this section, that figure shall remain constant during the life of
14 the authority's loan with respect to such project. Upon the dissolution of the
15 limited-profit entity any surplus in excess of the distributions allowed by this section
16 shall be paid to the authority. For this purpose surplus shall not be deemed to include
17 any increase in net worth of any limited-profit entity by reason of a reduction of
18 mortgage indebtedness, by amortization or similar payments or by reason of the sale
19 or disposition of any assets of a limited-profit entity to the extent such surplus can
20 be attributed to any increase in market value of any real or tangible personal
21 property accruing during the period the assets were owned and held by the
22 limited-profit entity.

23 **SECTION 375.** 234.08 (title) of the statutes is renumbered 235.02 (title).

24 **SECTION 376.** 234.08 (1) of the statutes is renumbered 235.02 (1) and amended
25 to read:

1 235.02 (1) The authority may issue its negotiable notes and bonds in such
2 principal amount, as, in the opinion of the authority, is necessary to provide sufficient
3 funds for achieving its corporate purposes, ~~including the purchase of certain~~
4 ~~mortgages and securities and the making of secured loans for low- and~~
5 ~~moderate-income housing, for the rehabilitation of existing structures and for the~~
6 ~~construction of facilities appurtenant thereto as provided in this chapter; for the~~
7 ~~making of secured loans to assist eligible elderly homeowners in paying property~~
8 ~~taxes and special assessments; for the payment of interest on notes and bonds of the~~
9 ~~authority during construction; for the establishment of reserves to secure such notes~~
10 ~~and bonds; for the provision of moneys for the housing development fund in order to~~
11 ~~make temporary loans to sponsors of housing projects as provided in this chapter;~~
12 ~~and for all other expenditures of the authority incident to and necessary or~~
13 ~~convenient to carry out its corporate purposes and powers.~~

14 **SECTION 377.** 234.08 (2) of the statutes is renumbered 235.02 (2).

15 **SECTION 378.** 234.08 (3) of the statutes is renumbered 235.02 (3).

16 **SECTION 379.** 234.08 (4) of the statutes is renumbered 235.02 (4).

17 **SECTION 380.** 234.08 (5) of the statutes is repealed.

18 **SECTION 381.** 234.08 (6) of the statutes is repealed.

19 **SECTION 382.** 234.08 (7) of the statutes is renumbered 235.02 (7).

20 **SECTION 383.** 234.09 of the statutes is renumbered 235.021 and amended to
21 read:

22 **235.021 Same Notes and bonds; authorization; terms.** The authority's
23 notes and bonds shall be authorized by resolution of the members of the authority
24 board; shall bear such date or dates, and shall mature at such time or times, in the
25 case of any note, or any renewal thereof, not exceeding 5 years, from the date of issue

1 of such original note, and in the case of any bond not exceeding 50 years from the date
2 of issue, as the resolution provides. The notes and bonds shall bear interest at such
3 rate or rates, be in such denominations of \$1,000 or more, be in such form, either
4 coupon or registered, carry such registration privileges, be executed in such manner,
5 be payable in such medium of payment, at such place and be subject to such terms
6 of redemption as the resolution provides. The bonds may be issued as serial bonds
7 payable in annual installments or as term bonds or as a combination thereof. The
8 notes and bonds of the authority may be sold by the authority, at public or private
9 sale, at the price determined by the authority.

10 **SECTION 384.** 234.10 of the statutes is renumbered 235.0215, and 235.0215
11 (title) and (9), as renumbered, are amended to read:

12 **235.0215 (title) Same Notes and bonds; resolution authorizing**
13 **issuance, contents.**

14 **(9)** Vesting in a trustee such property, rights, powers, and duties in trust as the
15 authority determines, which may include any or all of the rights, powers, and duties
16 of the trustee appointed by the noteholders or bondholders pursuant to s. ~~234.20~~
17 235.0265 and limiting or abrogating the right of the noteholders or bondholders to
18 appoint a trustee under s. ~~234.20~~ 235.0265 or limiting the rights, powers, and duties
19 of such trustee, in which event s. ~~234.20~~ 235.0265 shall not apply.

20 **SECTION 385.** 234.11 of the statutes is renumbered 235.022 and amended to
21 read:

22 **235.022 Same Notes and bonds; validity and effect of pledge.** Any pledge
23 made by the authority shall be valid and binding from the time when the pledge is
24 made; the moneys or property so pledged and thereafter received by the authority
25 shall immediately be subject to the lien of such pledge without any physical delivery

SECTION 385

1 thereof or further act; and the lien of any such pledge shall be valid and binding as
2 against all parties having claims of any kind in tort, contract, or otherwise against
3 the authority, irrespective of whether such parties have notice thereof. Neither the
4 resolution nor any other instrument by which a pledge is created need be recorded.

5 **SECTION 386.** 234.12 of the statutes is renumbered 235.0225 and amended to
6 read:

7 **235.0225 Same Notes and bonds; personal liability of members of**
8 **authority.** Neither the members of the authority board, nor the members of a
9 committee established by the board, nor any person executing the notes or bonds
10 shall be liable personally on the notes or bonds or be subject to any personal liability
11 or accountability by reason of the issuance thereof.

12 **SECTION 387.** 234.13 of the statutes is renumbered 235.023, and 235.023 (title),
13 as renumbered, is amended to read:

14 **235.023 (title) Same Notes and bonds; purchase for cancellation.**

15 **SECTION 388.** 234.14 of the statutes is renumbered 235.0235, and 235.0235
16 (title), as renumbered, is amended to read:

17 **235.0235 (title) Same Notes and bonds; liability of state.**

18 **SECTION 389.** 234.15 of the statutes is renumbered 235.024.

19 **SECTION 390.** 234.16 of the statutes is renumbered 235.0245.

20 **SECTION 391.** 234.165 of the statutes is renumbered 235.025, and 235.025 (2)
21 (dm), as renumbered, is amended to read:

22 235.025 (2) (dm) The authority shall allocate a portion of its surplus in a plan
23 prepared under par. (b) to the property tax deferral loan program under ss. ~~234.621~~
24 ~~to 234.626~~ 235.621 to 235.626.

25 **SECTION 392.** 234.17 of the statutes is repealed.

1 **SECTION 393.** 234.18 of the statutes is renumbered 235.0255 and amended to
2 read:

3 **235.0255 Limit on amount of outstanding bonds and notes.** The
4 authority may not issue notes and bonds that are secured by a capital reserve fund
5 to which s. ~~234.15~~ 235.024 (4) applies if, upon issuance, the total aggregate
6 outstanding principal amount of notes and bonds that are secured by a capital
7 reserve fund to which s. ~~234.15~~ 235.024 (4) applies would exceed \$600,000,000. This
8 section does not apply to bonds and notes issued to refund outstanding notes and
9 bonds.

10 **SECTION 394.** 234.19 of the statutes is renumbered 235.026.

11 **SECTION 395.** 234.20 of the statutes is renumbered 235.0265.

12 **SECTION 396.** 234.21 of the statutes is renumbered 235.027 and amended to
13 read:

14 **235.027 Trustee; additional powers.** The trustee, in addition to the powers
15 granted in s. ~~234.20~~ 235.0265 shall have all of the powers necessary or appropriate
16 for the exercise of any functions specifically set forth in this chapter or incident to
17 the general representation of noteholders or bondholders in the enforcement and
18 protection of their rights.

19 **SECTION 397.** 234.22 of the statutes is renumbered 235.0271 and amended to
20 read:

21 **235.0271 Venue.** The venue of any action or proceeding by the trustee under
22 ss. ~~234.19, 234.20 and 234.21~~ 235.026, 235.0265, and 235.027 shall be in Dane
23 County.

24 **SECTION 398.** 234.23 of the statutes is renumbered 235.0273.

25 **SECTION 399.** 234.24 of the statutes is renumbered 235.0275.

1 SECTION 400. 234.25 of the statutes is repealed.

2 SECTION 401. 234.255 of the statutes is repealed.

3 SECTION 402. 234.26 of the statutes is renumbered 235.0277.

4 SECTION 403. 234.265 of the statutes is renumbered 235.0279 and amended to
5 read:

6 **235.0279 Records of the authority.** All records of the authority or any
7 corporation established by the authority shall be open to the public as provided in
8 s. 19.35 (1), except:

9 (1) Those records relating to pending grants, ~~economic development loans,~~
10 economic development projects, or housing projects ~~which~~ that, in the opinion of the
11 authority, must remain confidential to protect the competitive nature of the grant,
12 loan, or project.

13 (2) Records or portions of records consisting of personal or financial
14 information provided by a person seeking a grant ~~or~~ loan under ~~s. 234.63, 2007~~
15 ~~stats., or s. 234.04, 234.08, 234.49, 234.59, 234.592, 234.605, 234.61, 234.65, 234.67,~~
16 ~~234.83, 234.84, 234.90, 234.905, 234.907, or 234.91, seeking a loan under ss. 234.621~~
17 ~~to 234.626, seeking financial assistance under s. 234.66, 2005 stats., seeking~~
18 ~~mortgage loan refinancing from a lender under s. 234.605, seeking investment of~~
19 ~~funds under s. 234.03 (18m), or in which the authority has invested funds under s.~~
20 ~~234.03 (18m), unless the person consents to disclosure of the information, tax credit,~~
21 or other assistance from the authority.

22 SECTION 404. 234.28 of the statutes is renumbered 235.028.

23 SECTION 405. 234.29 of the statutes is renumbered 235.0283.

24 SECTION 406. 234.30 of the statutes is renumbered 235.0285.

25 SECTION 407. 234.31 of the statutes is renumbered 235.0287.

1 SECTION 408. 234.32 of the statutes is renumbered 235.0289.

2 ~~SECTION 409. 234.35 of the statutes is renumbered 235.0291.~~

3 ~~SECTION 410. 234.36 of the statutes is renumbered 235.0293.~~

4 SECTION 411. 234.40 of the statutes is renumbered 235.409, and 235.409 (2),
5 (3) and (4), as renumbered, are amended to read:

6 235.409 (2) Bonds issued under the authority of this section are payable out
7 of revenues or moneys received from the repayment of veterans housing loans and
8 related funds made available in ss. ~~234.42~~ 235.42 and ~~234.43~~ 235.43. All assets and
9 liabilities created through the issuance of bonds to purchase mortgage loans
10 representing veterans housing loans are to be separate from all other assets and
11 liabilities of the authority. No funds of the veterans housing loan program may be
12 commingled with any other funds of the authority.

13 (3) It is the intent of the legislature that the authority be used to finance the
14 veterans housing program. Nothing in this ~~chapter~~ subchapter shall be construed
15 to supersede the powers vested by subch. III of ch. 45 in the department of veterans
16 affairs for carrying out program responsibilities for which debt has been incurred by
17 the authority.

18 (4) The limitations established in ss. ~~234.18, 234.50, 234.60, 234.61, and 234.65~~
19 235.0255, 235.50, 235.60, and 235.61 are not applicable to bonds issued under the
20 authority of this section. The authority may not have outstanding at any one time
21 bonds for veterans housing loans in an aggregate principal amount exceeding
22 \$61,945,000, excluding bonds being issued to refund outstanding bonds.

23 SECTION 412. 234.41 of the statutes is renumbered 235.41, and 235.41 (3), as
24 renumbered, is amended to read:

1 235.41 (3) Moneys of the veterans housing loan fund may be invested as
2 provided in ~~s. 234.03 (18)~~ policies and procedures established by the authority. All
3 such investments shall be the exclusive property of the fund. All earnings on or
4 income from such investments shall be credited to the fund, paid over to the
5 department of veterans affairs and deposited in the veterans trust fund after
6 payment or repayment of any deficits arising in the veterans capital reserve fund and
7 after payment of expenses contained in sub. (4).

8 **SECTION 413.** 234.42 of the statutes is renumbered 235.42, and 235.42 (1s) and
9 (4), as renumbered, are amended to read:

10 235.42 (1s) The authority shall establish the veterans capital reserve fund to
11 secure the veterans housing bonds sold pursuant to s. ~~234.40~~ 235.409, and shall pay
12 into the veterans capital reserve fund any moneys appropriated and made available
13 by the state for the purposes of such fund, any proceeds of sale of bonds, to the extent
14 provided in the resolution of the authority authorizing the issuance thereof and any
15 other moneys which are made available to the authority for the purpose of such fund
16 from any other source.

17 (4) To assure the continued operation and solvency of the authority for the
18 carrying out of the veterans housing loan program of this ~~chapter~~ subchapter, the
19 authority shall accumulate in the veterans capital reserve fund an amount equal to
20 the veterans capital reserve fund requirement. If at any time the veterans capital
21 reserve fund requirement exceeds the amount of the veterans capital reserve fund,
22 the chairperson of the authority shall certify to the secretary of administration, the
23 governor and the joint committee on finance, the amount necessary to restore the
24 veterans capital reserve fund to an amount equal to the veterans capital reserve fund
25 requirement. If such certification is received by the secretary of administration in

1 an even-numbered year prior to the completion of the budget compilation under s.
2 16.43, the secretary shall include the certified amount in the budget compilation. In
3 any case, the joint committee on finance shall introduce in either house, in bill form,
4 an appropriation of the amount so certified to the veterans capital reserve fund of the
5 authority. Recognizing its moral obligation to do so, the legislature hereby expresses
6 its expectation and aspiration that, if ever called upon to do so, it shall make such
7 appropriation.

8 **SECTION 414.** 234.43 of the statutes is renumbered 235.43, and 235.43 (1), as
9 renumbered, is amended to read:

10 235.43 (1) The authority shall establish the veterans housing bond redemption
11 fund. All mortgages purchased with moneys from the veterans housing loan fund
12 shall be the exclusive property of the bond redemption fund. All moneys received by
13 the authority from the repayment of veterans housing loans shall be deposited into
14 such fund to be used for the repayment of veterans housing bonds issued pursuant
15 to s. ~~234.40~~ 235.409.

16 **SECTION 415.** 234.44 of the statutes is renumbered 235.44 and amended to
17 read:

18 **235.44 Validation of certain obligations and proceedings.**
19 Notwithstanding any provision of this chapter or any other law, in the absence of
20 fraud, all obligations issued prior to May 4, 1976 purportedly pursuant to ~~this~~
21 ~~chapter~~ ch. 234, 2013 stats., and all proceedings prior to such time taken purportedly
22 pursuant to ~~this chapter~~ ch. 234, 2013 stats., for the authorization and issuance of
23 such obligations or of obligations not yet issued, and the sale, execution, and delivery
24 of such obligations issued prior to May 4, 1976, are hereby validated, ratified,
25 approved, and confirmed, notwithstanding any lack of power, however patent, other

1 than constitutional, of the issuing authority or the governing body or officer thereof,
2 to authorize such obligations, or to sell, execute, or deliver the same, and
3 notwithstanding any defects or irregularities, however patent, other than
4 constitutional, in such proceeding or in such sale, execution, or delivery of such
5 obligations. All such obligations issued prior to May 4, 1976 are binding, legal
6 obligations in accordance with their terms.

7 **SECTION 416.** 234.49 of the statutes is renumbered 235.49, and 235.49 (1)
8 (intro.) and (2) (a) (intro.), 6. and 8., as renumbered, are amended to read:

9 235.49 (1) DEFINITIONS. (intro.) In ss. ~~234.49~~ 235.49 to ~~234.55~~ 235.55:

10 (2) (a) (intro.) The authority has the following powers for the purpose of
11 implementing this section, in addition to all other powers granted by this ~~chapter~~
12 subchapter:

13 6. To enter into contracts or agreements with authorized lenders and sponsors
14 providing for the maximum and minimum acceptable rates of interest to be charged
15 for various classifications of housing rehabilitation loans. In no event may the stated
16 rate of interest on any housing rehabilitation loan under this section exceed the
17 greater of 8% per year or 3% plus the rate necessary to fully repay interest and
18 principal on housing rehabilitation loan program bonds issued pursuant to s. ~~234.50~~
19 235.50.

20 8. To adopt procedures and forms necessary to effectuate the rehabilitation
21 program or to facilitate the marketing of bonds issued under s. ~~234.50~~ 235.50.

22 **SECTION 417.** 234.50 of the statutes is renumbered 235.50, and 235.50 (1), (2)
23 and (4), as renumbered, are amended to read:

24 235.50 (1) The authority may issue its negotiable bonds in such principal
25 amount and of such length of maturity as, in the opinion of the authority, is necessary

1 to provide sufficient funds for purchasing housing rehabilitation loans or for funding
2 commitments for loans to lenders for housing rehabilitation loans; for purchasing
3 property tax deferral loans under s. ~~234.49~~ 235.49 (2) (a) 10.; for the establishment
4 of reserves to secure such bonds; and for all other expenditures of the authority
5 incident to or necessary and convenient in connection therewith. The authority may,
6 whenever it deems refunding expedient, refund any bonds by the issuance of new
7 bonds whether the bonds to be refunded have or have not matured, and issue bonds
8 partly to refund bonds then outstanding and partly for the purpose authorized by
9 this section.

10 (2) Bonds issued under the authority of this section shall be special obligations
11 of the authority payable solely out of revenues, moneys or other property received in
12 connection with the housing rehabilitation loan program, including, without
13 limitation, repayments of housing rehabilitation loans, federal insurance or
14 guarantee payments, the proceeds of bonds issued under the authority of this
15 section, and the amounts made available under ss. ~~234.54~~ 235.54 and ~~234.55~~ 235.55.
16 All assets and liabilities created through the issuance of bonds to purchase housing
17 rehabilitation loans shall be separate from all other assets and liabilities of the
18 authority. No funds of the housing rehabilitation loan program may be commingled
19 with any other funds of the authority.

20 (4) The limitations established in ss. ~~234.18, 234.40, 234.60, 234.61, and 234.65~~
21 235.0255, 235.409, 235.60, and 235.61 are not applicable to bonds issued under the
22 authority of this section. The authority may not have outstanding at any one time
23 bonds for housing rehabilitation loans in an aggregate principal amount exceeding
24 \$100,000,000, excluding bonds being issued to refund outstanding bonds. The

1 authority shall consult with and coordinate the issuance of bonds with the building
2 commission prior to the issuance of bonds.

3 **SECTION 418.** 234.51 of the statutes is renumbered 235.51, and 235.51 (1), (2)
4 (a) and (3), as renumbered, are amended to read:

5 235.51 (1) There is established under the jurisdiction of the authority a housing
6 rehabilitation loan program administration fund. There shall be paid into such fund
7 the amounts appropriated under s. ~~20.490~~ 20.885 (2) ~~(a)~~ (ad), the amounts provided
8 in s. ~~234.55~~ 235.55, any amounts transferred by the authority to such fund from other
9 funds or sources and any other moneys which may be available to the authority for
10 the purpose of such fund from any other source.

11 (2) (a) To pay all administrative costs, expenses, and charges, including
12 origination fees and servicing fees, incurred in conducting the housing rehabilitation
13 loan program other than those described in ss. ~~234.53~~ 235.53 (4) and ~~234.55~~ 235.55
14 (2) (b).

15 (3) Moneys of the fund may be invested as provided in s. ~~234.03~~ (18) policies
16 and procedures established by the authority. All such investments shall be the
17 exclusive property of the fund. All earnings on or income from such investments
18 shall be credited to the fund.

19 **SECTION 419.** 234.52 of the statutes is renumbered 235.52, and 235.52 (1), (2)
20 and (3), as renumbered, are amended to read:

21 235.52 (1) There is established under the jurisdiction of the authority a housing
22 rehabilitation loan program loan-loss reserve fund. There shall be paid into such
23 fund the amounts appropriated under s. ~~20.490~~ 20.885 (2) (q), the amounts provided
24 under s. ~~234.55~~ 235.55, any amounts transferred by the authority to such fund from

1 other funds or sources and any other moneys which may be available to the authority
2 for the purposes of such fund from any other source.

3 (2) Subject to agreements with bondholders, the authority shall use moneys in
4 the fund solely for transfer to the housing rehabilitation loan program bond
5 redemption fund in amounts equal to losses on housing rehabilitation loans owned
6 by that fund which are not made good by federal insurance or guarantee payments,
7 and solely for the purposes described in s. ~~234.55~~ 235.55 (2) (a). Any balance
8 remaining after payment or due provision for payment of all outstanding bonds
9 issued under the authority of s. ~~234.50~~ 235.50 shall be transferred to the housing
10 rehabilitation loan program administration fund.

11 (3) Moneys of the fund may be invested as provided in s. ~~234.03 (18)~~ policies
12 and procedures established by the authority. All such investments shall be the
13 exclusive property of the fund. All earnings on or income from such investments
14 shall be credited to the fund.

15 **SECTION 420.** 234.53 of the statutes is renumbered 235.53, and 235.53 (1), (2)
16 and (3), as renumbered, are amended to read:

17 235.53 (1) The authority shall establish the housing rehabilitation loan fund.
18 All moneys resulting from the sale of bonds issued under the authority of s. ~~234.50~~
19 235.50, not including bonds issued to refund outstanding bonds, and unless credited
20 to the housing rehabilitation loan program capital reserve or bond redemption funds,
21 shall be credited to such fund.

22 (2) The authority shall use moneys in the fund for the purpose of purchasing
23 housing rehabilitation loans or for funding commitments for loans to lenders for
24 housing rehabilitation loans. All disbursements of funds under this section for

1 purchasing such loans shall be made payable to an authorized lender as defined in
2 s. ~~234.49~~ 235.49 (1) (b) or a duly authorized agent thereof.

3 (3) Moneys of the fund may be invested as provided in ~~s. 234.03 (18)~~ policies
4 and procedures established by the authority. All such investments shall be the
5 exclusive property of the fund. All earnings on or income from such investments
6 shall be credited to the fund.

7 **SECTION 421.** 234.54 of the statutes is renumbered 235.54, and 235.54 (1r) and
8 (4) (a), as renumbered, are amended to read:

9 235.54 (1r) The authority shall establish the housing rehabilitation loan
10 program capital reserve fund to secure the bonds issued under the authority of s.
11 ~~234.50~~ 235.50, and shall pay into such fund any moneys appropriated and made
12 available by the state for the purposes of such fund, any proceeds of sale of housing
13 rehabilitation bonds to the extent provided in the resolution of the authority
14 authorizing the issuance thereof and any other moneys which are made available to
15 the authority for the purpose of such fund from any other source.

16 (4) (a) To assure the continued operation and solvency of the authority for the
17 carrying out of the public purposes of this ~~chapter~~ subchapter, the authority shall
18 accumulate in the capital reserve fund an amount equal to the capital reserve fund
19 requirement for such fund.

20 **SECTION 422.** 234.55 of the statutes is renumbered 235.55, and 235.55 (1) and
21 (4), as renumbered, are amended to read:

22 235.55 (1) The authority shall establish the housing rehabilitation loan
23 program bond redemption fund. All housing rehabilitation loans purchased with
24 moneys from the housing rehabilitation loan fund or notes evidencing loans to
25 lenders from such fund for housing rehabilitation loans shall be the exclusive

1 property of such redemption fund. All moneys received from the repayment of such
2 loans, any amounts transferred by the authority to such fund pursuant to s. ~~234.52~~
3 235.52 or from other funds or sources, any federal insurance or guarantee payments
4 with respect to such loans, all moneys resulting from the sale of bonds for the purpose
5 of refunding outstanding housing rehabilitation bonds unless credited to the housing
6 rehabilitation loan program capital reserve fund, and any other moneys which may
7 be available to the authority for the purpose of such fund, shall be deposited into such
8 fund to be used for the repayment of housing rehabilitation bonds issued under the
9 authority of s. ~~234.50~~ 235.50.

10 (4) Moneys of the fund may be invested as provided in s. ~~234.03-(18)~~ policies
11 and procedures established by the authority. All such investments shall be the
12 exclusive property of the fund. All earnings on or income from such investments
13 shall be credited to the fund.

14 **SECTION 423.** 234.59 of the statutes is renumbered 235.59, and 235.59 (2) (e)
15 and (3) (bc) 3., as renumbered, are amended to read:

16 235.59 (2) (e) May enter into agreements to insure or provide additional
17 security for homeownership mortgage loans or bonds or notes issued under s. ~~234.60~~
18 235.60.

19 (3) (bc) 3. If the authority sets aside at least 20% of the proceeds of a bond or
20 note issuance under s. ~~234.60~~ 235.60 to fund home ownership mortgage loans for
21 eligible properties that are targeted area residences, the authority may apply up to
22 33% of the proceeds that are set aside for that purpose without regard to the income
23 of the applicant.

24 **SECTION 424.** 234.592 of the statutes is renumbered 235.592, and 235.592 (1)
25 (a), (b) and (c) and (2) (c), as renumbered, are amended to read:

1 235.592 (1) (a) “Authorized lender” has the meaning given in s. ~~234.59~~ 235.59

2 (1) (a).

3 (b) “Eligible property” has the meaning given in s. ~~234.59~~ 235.59 (1) (d) 1.

4 (c) “Principal residence” has the meaning given in. s. ~~234.59~~ 235.59 (1) (j).

5 (2) (c) May enter into agreements to insure or provide additional security for
6 loans or bonds or notes issued under s. ~~234.60~~ 235.60.

7 **SECTION 425.** 234.60 of the statutes is renumbered 235.60, and 235.60 (1), (2),
8 (5) (c) and (9), as renumbered, are amended to read:

9 235.60 (1) The authority may issue its bonds or notes to fund homeownership
10 mortgage loans or the refinancing of qualified subprime loans under s. ~~234.592~~
11 235.592.

12 (2) The limitations in ss. ~~234.18, 234.40, 234.50, 234.61, and 234.65~~ 235.0255,
13 235.409, 235.50, and 235.61 do not apply to bonds or notes issued under this section.

14 (5) (c) The secretary of administration shall determine the date after which no
15 bond or note may be issued under this section for the purpose of financing the
16 acquisition or replacement of an existing mortgage under s. ~~234.592~~ 235.592.

17 (9) ~~The executive director of the authority shall make every effort to encourage~~
18 participation in the homeownership mortgage loan program and the qualified
19 subprime loan refinancing program by women and minorities.

20 **SECTION 426.** 234.605 of the statutes is renumbered 235.605, and 235.605 (1)
21 (a) and (2), as renumbered, are amended to read:

22 235.605 (1) (a) “Eligible property” has the meaning given in s. ~~234.59~~ 235.59
23 (1) (d) 1.

24 (2) Subject to the approval of all members of the board of directors of the
25 authority, the authority may establish and administer a homeowner eviction and

1 lien protection program to encourage the refinancing of mortgage loans by lenders
2 in order to facilitate the retention of eligible property by persons and families.

3 **SECTION 427.** 234.61 of the statutes is renumbered 235.61, and 235.61 (1), as
4 renumbered, is amended to read:

5 235.61 (1) Upon the authorization of the department of health services, the
6 authority may issue bonds or notes and make loans for the financing of housing
7 projects which are residential facilities as defined in s. 46.28 (1) (d) and the
8 development costs of those housing projects, if the department of health services has
9 approved the residential facilities for financing under s. 46.28 (2). The limitations
10 in ss. ~~234.18, 234.40, 234.50, 234.60, and 234.65~~ 235.0255, 235.409, 235.50, and
11 235.60 do not apply to bonds or notes issued under this section. The definition of
12 “nonprofit corporation” in s. ~~234.01~~ 235.40 (9) does not apply to this section.

13 **SECTION 428.** 234.621 of the statutes is renumbered 235.621.

14 **SECTION 429.** 234.622 (intro.) of the statutes is renumbered 235.622 (intro.)
15 and amended to read:

16 **235.622 Definitions.** (intro.) In ss. ~~234.621 to 234.626~~ 235.621 to 235.626:

17 **SECTION 430.** 234.622 (1) of the statutes is renumbered 235.622 (1).

18 **SECTION 431.** 234.622 (2m) of the statutes is repealed.

19 **SECTION 432.** 234.622 (3) of the statutes is renumbered 235.622 (3).

20 **SECTION 433.** 234.622 (3m) of the statutes is renumbered 235.622 (3m).

21 **SECTION 434.** 234.622 (4) of the statutes is renumbered 235.622 (4).

22 **SECTION 435.** 234.622 (5) of the statutes is renumbered 235.622 (5) and
23 amended to read:

24 235.622 (5) “Permitted obligations” means the total amount of outstanding
25 liens and judgments on the qualifying dwelling unit if that amount does not exceed

1 33% of the value of the unit as determined by the most recent assessment for property
2 tax purposes. For purposes of ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, housing and
3 rehabilitation loans under s. ~~234.49~~ 235.49 and liens arising under ss. ~~234.621~~
4 235.621 to ~~234.626~~ 235.626 shall not be considered outstanding liens or judgments
5 in computing the amount of permitted obligations.

6 **SECTION 436.** 234.622 (6) of the statutes is renumbered 235.622 (6) and
7 amended to read:

8 235.622 (6) “Program” means the program under ss. ~~234.621~~ 235.621 to
9 ~~234.626~~ 235.626.

10 **SECTION 437.** 234.622 (7) of the statutes is renumbered 235.622 (7) and
11 amended to read:

12 235.622 (7) “Qualifying dwelling unit” means a dwelling unit, not including a
13 mobile home as defined in s. 101.91 (10), located in this state, habitable as a
14 permanent residence and to which property taxes or special assessments are, or may
15 conveniently be, allocated and up to one acre of land appertaining to it held in the
16 same ownership as the dwelling unit. For purposes of ss. ~~234.621~~ 235.621 to ~~234.626~~
17 235.626, “qualifying dwelling unit” includes a unit in a condominium or in a
18 cooperative or an unincorporated cooperative association or in a multiunit dwelling
19 with 4 or fewer units, but in all of these 3 cases only the portion of taxes or special
20 assessments allocable to the unit lived in by the participant may qualify for loans
21 under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626.

22 **SECTION 438.** 234.623 of the statutes is renumbered 235.623, and 235.623 (1)
23 and (3), as renumbered, are amended to read:

24 235.623 (1) The participant applies on forms prescribed by the authority for a
25 loan to pay property taxes or special assessments by June 30 of the year in which the

1 taxes or special assessments are payable on a qualifying dwelling unit and, except
2 as provided in s. ~~234.625~~ 235.625 (5), specifies the names of all co-owners.

3 (3) The participant keeps continuously in effect during the period that a loan
4 is outstanding under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 a fire and extended
5 casualty insurance policy on the qualifying dwelling unit satisfactory to the
6 authority and permits the authority to be named on the policy as a lienholder.

7 **SECTION 439.** 234.624 of the statutes is renumbered 235.624.

8 **SECTION 440.** 234.625 of the statutes is renumbered 235.625, and 235.625 (1),
9 (2), (3), (4) (b) 1. and 6., (5), (9) and (10), as renumbered, are amended to read:

10 235.625 (1) The authority shall enter into agreements with participants and
11 their co-owners to loan funds to pay property taxes and special assessments on their
12 qualifying dwelling units. The maximum loan under ss. ~~234.621~~ 235.621 to ~~234.626~~
13 235.626 in any one year is limited to the lesser of \$3,525 or the amount obtained by
14 adding the property taxes levied on the qualifying dwelling unit for the year for
15 which the loan is sought, the special assessments levied on the dwelling unit, and the
16 interest and penalties for delinquency attributable to the property taxes or special
17 assessments. Loans shall bear interest at a rate equal to the prime lending rate at
18 the time the rate is set, as reported by the federal reserve board in federal reserve
19 statistical release H. 15, plus 1%. ~~The executive director~~ authority shall set the rate
20 no later than October 15 of each year, and that rate shall apply to loans made in the
21 following year.

22 (2) The authority shall have all powers ~~under s. 234.03~~ that are necessary or
23 convenient to the operation of a loan program, including, without limitation because
24 of enumeration, the power to enter into contracts, to pay or be paid for the
25 performance of services, to exercise all rights of a lienholder under subch. I of ch. 779,

1 and to perform other administrative actions that are necessary in the conduct of its
2 duties under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626.

3 (3) The authority shall adopt ~~rules~~ policies and ~~establish~~ procedures under
4 which applications for loans under this section may be submitted, reviewed, and
5 approved; under which repayment of the loans are to be obtained; under which
6 disputes and claims concerning the loans are to be settled; and under which records
7 concerning are to be maintained.

8 (4) (b) 1. Transfer of the qualifying dwelling unit by any means except upon
9 transfer to a co-owner who resides in the unit and who is permitted to assume the
10 participant's account as provided in s. ~~234.624~~ 235.624.

11 6. The participant ceases to meet the eligibility requirements of s. ~~234.623~~
12 235.623, except as provided in sub. (5).

13 (5) If a participant in the program ceases to meet the eligibility requirements
14 of this section, the authority, rather than demanding repayment under sub. (4) (b),
15 may allow the participant to continue in the program, may allow the participant to
16 continue in the program but be ineligible for additional loans, or may require partial
17 settlement. The authority may also allow co-owners to be added to the loan
18 agreement if, ~~in the judgment of the executive director,~~ the authority determines that
19 the addition of co-owners does not significantly increase the authority's exposure to
20 risk under the loan agreement.

21 (9) Upon the making of the initial loan, a nonconsensual statutory lien in favor
22 of the authority to secure payment of the principal, interest, fees and charges due on
23 all loans, including loans made after the lien is filed, to the participant made under
24 ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 shall attach to the qualifying dwelling unit
25 in respect to which the loan is made. The qualifying dwelling unit shall remain

1 subject to the statutory lien until the payment in full of all loans and charges. If the
2 authority funds such loans from the proceeds of notes or bonds under s. ~~234.626~~
3 235.626, its right under the lien shall automatically accrue to the benefit of the
4 holders of those notes or bonds, without any action or assignment by the authority.
5 When a loan becomes due and payable, the statutory lien hereby conferred may be
6 enforced by the authority or the holders of the notes or bonds or their representative,
7 as the case may be, in the same manner as a construction lien under ss. 779.09 to
8 779.12, except that neither the participant nor any co-owners or their personal
9 representatives, successors or assigns shall be personally liable for any deficiency
10 which may arise from the sale. At the time of disbursing the initial loan to a
11 participant, the authority shall record with the register of deeds of the county in
12 which the qualifying dwelling unit is located, on a form prescribed by the authority
13 which shall contain a legal description of the qualifying dwelling unit, a notice of the
14 loan made under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 and the existence of the
15 statutory lien arising therefrom. The register of deeds shall record the notice in the
16 land records and index it in the indexes maintained by the register of deeds. The
17 statutory lien created by this section shall have priority over any lien that originates
18 subsequent to the recording of the notice.

19 (10) If the property taxes or special assessments are paid, using a loan made
20 under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, after the taxes or assessments are due,
21 the participant shall be liable for interest and penalty charges for delinquency under
22 ch. 74. Subject to sub. (1), the principal amount of loans made under this program
23 may include delinquency charges.

24 SECTION 441. ~~234.626~~ of the statutes is renumbered 235.626, and ~~235.626~~ (1),
25 (2), (2m), (4), (6) and (7), as renumbered, are amended to read:

1 235.626 (1) Loans made or authorized to be made under ss. ~~234.621~~ 235.621
2 to ~~234.626~~ 235.626 may be funded from the proceeds of notes and bonds issued
3 subject to and in accordance with ss. ~~234.08 to 234.14~~ 235.02 to 235.0235 and from
4 the fund under s. ~~234.165~~ 235.025.

5 (2) The authority may create a system of funds and accounts, separate and
6 distinct from all other funds and accounts of the authority, consisting of moneys
7 received from notes and bonds, all revenues received in the repayment of loans made
8 under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, except as provided in sub. (2m), and
9 any other revenues dedicated to it by the authority. The authority may pledge
10 moneys and revenues received or to be received by this system of funds and accounts
11 to secure bonds or notes issued for the program. The authority shall have all other
12 powers necessary and convenient to distribute the proceeds of the bonds, notes, and
13 loan repayments in accordance with its powers under this ~~chapter~~ subchapter.

14 (2m) Revenues received in the repayment of loans made under s. ~~234.165~~
15 235.025 shall be paid into the fund under s. ~~234.165~~ 235.025.

16 (4) The authority may adopt ~~rules~~ policies and procedures that restrict
17 eligibility in addition to the requirements of s. ~~234.623~~ 235.623 or require the
18 provision of additional security if, ~~in the executive director's judgment,~~ the authority
19 determines that the rules or security are required for the satisfactory issuance of
20 bonds or notes.

21 (6) Unless otherwise expressly provided in resolutions authorizing the
22 issuance of bonds or notes or in other agreements with the holders of bonds or notes,
23 each bond or note issued shall be on a parity with every other bond or note issued for
24 the funding of loans under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626.

1 (7) Recognizing its moral obligation to do so, the legislature expresses its
2 expectation and aspiration that, if ever called to do so, it shall make an appropriation
3 to make the authority whole for defaults on loans issued under ss. ~~234.621~~ 235.621
4 to ~~234.626~~ 235.626.

5 **SECTION 442.** 234.65 of the statutes is repealed.

6 **SECTION 443.** Subchapter II (title) of chapter 234 [precedes 234.67] of the
7 statutes is renumbered subchapter V of chapter 235 [precedes 235.67].

8 **SECTION 444.** 234.67 of the statutes is renumbered 235.67, and 235.67 (1) (e),
9 (2) (intro.) and (3), as renumbered, are amended to read:

10 235.67 (1) (e) “Participating lender” means a bank, credit union, savings bank,
11 savings and loan association or other person, who makes loans for working capital
12 or to finance physical plant needs, equipment or machinery and who has entered into
13 an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

14 (2) (intro.) A loan made by a participating lender before December 3, 1993, is
15 eligible for guarantee of collection from the Wisconsin development reserve fund
16 under s. ~~234.93~~ 235.93 if all of the following apply:

17 (3) **GUARANTEE OF COLLECTION.** The authority shall guarantee collection of a
18 percentage, not exceeding 90%, of the principal of any loan eligible for a guarantee
19 under sub. (2). The authority shall establish the percentage of the unpaid principal
20 of an eligible loan that will be guaranteed, using the procedures described in the
21 guarantee agreement under s. ~~234.93~~ 235.93 (2) (a). The authority may establish a
22 single percentage for all guaranteed loans or establish different percentages for
23 eligible loans on an individual basis.

24 **SECTION 445.** 234.75 of the statutes is renumbered 235.75, and 235.75 (2) (c)
25 and (5) (a) and (c) (intro.), as renumbered, are amended to read:

1 235.75 (2) (c) The lender is the authority or a financial institution that enters
2 into an agreement under s. ~~234.93~~ 235.93 (2) (a).

3 (5) (a) Subject to par. (b), the authority may guarantee collection of all or part
4 of the unpaid principal of a loan eligible for guarantee under sub. (3). If the authority
5 guarantees all or part of a loan under this subsection, the authority shall establish
6 the amount of the unpaid principal of an eligible loan that will be guaranteed using
7 the procedures described in the guarantee agreement under s. ~~234.93~~ 235.93 (2) (a).

8 (c) (intro.) Notwithstanding s. ~~234.51~~ 235.51 (2), the authority may transfer
9 moneys from the housing rehabilitation loan program administration fund to the
10 Wisconsin development reserve fund for a loan guarantee under this subsection if all
11 of the following conditions are met:

12 **SECTION 446.** 234.83 of the statutes is renumbered 235.83, and 235.83 (1m) (c),
13 (3) (intro.) and (4), as renumbered, are amended to read:

14 235.83 (1m) (c) The lender enters into an agreement under s. ~~234.93~~ 235.93 (2)
15 (a).

16 (3) ELIGIBLE LOANS. (intro.) A loan is eligible for guarantee of collection from
17 the Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following
18 apply:

19 (4) GUARANTEE OF REPAYMENT. The authority may guarantee repayment of a
20 portion of the principal of any loan eligible for a guarantee under sub. (1m). That
21 portion may not exceed 80% of the principal of the loan or \$750,000, whichever is less.
22 The authority shall establish the portion of the principal of an eligible loan that will
23 be guaranteed, using the procedures described in the agreement under s. ~~234.93~~
24 235.93 (2) (a). The authority may establish a single portion for all guaranteed loans
25 that do not exceed \$937,500 and a single portion for all guaranteed loans that exceed

1 \$937,500 or establish on an individual basis different portions for eligible loans that
2 do not exceed \$937,500 and different portions for eligible loans that exceed \$937,500.

3 **SECTION 447.** 234.84 (title) of the statutes is renumbered 235.84 (title).

4 **SECTION 448.** 234.84 (1) of the statutes is repealed.

5 **SECTION 449.** 234.84 (2) of the statutes is renumbered 235.84 (2), and 235.84
6 (2) (c), as renumbered, is amended to read:

7 235.84 (2) (c) The lender is a financial institution that enters into an agreement
8 under s. ~~234.932~~ 235.932 (3) (a).

9 **SECTION 450.** 234.84 (3) of the statutes is renumbered 235.84 (3), and 235.84
10 (3) (intro.) and (c), as renumbered, are amended to read:

11 235.84 (3) ELIGIBLE LOANS. (intro.) A loan is eligible for guarantee of collection
12 from the Wisconsin job training reserve fund under s. ~~234.932~~ 235.932 if all of the
13 following apply:

14 (c) The interest rate on the loan, including any origination fees or other charges,
15 is approved by the ~~corporation~~ authority.

16 **SECTION 451.** 234.84 (4) of the statutes is renumbered 235.84 (4) and amended
17 to read:

18 235.84 (4) GUARANTEE OF COLLECTION. (a) Subject to par. (b), the authority shall
19 guarantee collection of a percentage of the principal of, and all interest and any other
20 amounts outstanding on, any loan eligible for a guarantee under sub. (2). The
21 ~~corporation~~ authority shall establish the percentage of the principal of an eligible
22 loan that will be guaranteed, using the procedures described in the agreement under
23 s. ~~234.932~~ 235.932 (3) (a). The ~~corporation~~ authority may establish a single
24 percentage for all guaranteed loans or establish different percentages for eligible
25 loans on an individual basis.

1 (b) Except as provided in s. ~~234.932~~ 235.932 (4), the total outstanding
2 guaranteed principal amount of all loans that the authority may guarantee under
3 par. (a) may not exceed \$8,000,000.

4 **SECTION 452.** 234.84 (5) (a) of the statutes is repealed.

5 **SECTION 453.** 234.84 (5) (b) of the statutes is renumbered 235.84 (5) and
6 amended to read:

7 **235.84 (5)** The ~~corporation~~ authority may charge a premium, fee, or other
8 charge to a borrower of a guaranteed loan under this section for the administration
9 of the loan guarantee.

10 **SECTION 454.** 234.86 of the statutes is renumbered 235.86, and 235.86 (2)
11 (intro.) and (c) and (4) (a) and (b), as renumbered, are amended to read:

12 **235.86 (2) GUARANTEE REQUIREMENTS.** (intro.) The authority may use money
13 from the Wisconsin drinking water reserve fund under s. ~~234.932~~ 235.932 to
14 guarantee a loan under this section if all of the following apply:

15 (c) The lender is a financial institution that enters into an agreement under s.
16 ~~234.933~~ 235.933 (3) (a).

17 (4) (a) Subject to par. (b), the authority may guarantee collection of a
18 percentage, not exceeding 80%, of the principal of any loan eligible for a guarantee
19 under this section. The authority shall establish the percentage of the unpaid
20 principal of an eligible loan that will be guaranteed using the procedures described
21 in the guarantee agreement under s. ~~234.933~~ 235.933 (3) (a). The authority may
22 establish a single percentage for all guaranteed loans or establish different
23 percentages for eligible loans on an individual basis.

24 (b) Except as provided in s. ~~234.933~~ 235.933 (4), the total outstanding principal
25 amount of all guaranteed loans under par. (a) may not exceed \$3,000,000.

1 **SECTION 455.** 234.88 of the statutes is renumbered 235.88, and 235.88 (1) (c),
2 (2) (intro.) and (6), as renumbered, are amended to read:

3 235.88 (1) (c) “Participating lender” means a bank, production credit
4 association, credit union, savings bank, savings and loan association, or other person
5 who makes emergency heating assistance loans and who has entered into an
6 agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

7 **(2) ELIGIBLE LOANS.** (intro.) An emergency heating assistance loan made by a
8 participating lender is eligible for guarantee of collection under sub. (5) from the
9 Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following
10 apply:

11 **(6) INTEREST REDUCTION.** The authority shall pay, from the moneys in the
12 Wisconsin development reserve fund under s. ~~234.93~~ 235.93, to each participating
13 lender an amount equal to 3.5 percent of the principal amount of any guaranteed loan
14 to reduce interest payments on the guaranteed loan paid by an individual.

15 **SECTION 456.** 234.90 of the statutes is renumbered 235.90, and 235.90 (1) (d)
16 and (2) (intro.), as renumbered, are amended to read:

17 235.90 (1) (d) “Participating lender” means a bank, production credit
18 association, credit union, savings bank, savings and loan association or other person
19 who makes agricultural production loans and who has entered into an agreement
20 with the authority under s. ~~234.93~~ 235.93 (2) (a).

21 **(2) ELIGIBLE LOANS.** (intro.) Except as provided in sub. (3j), an agricultural
22 production loan made by a participating lender is eligible for guarantee of collection
23 from the Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the
24 following apply:

1 **SECTION 457.** 234.905 of the statutes is renumbered 235.905, and 235.905 (1)
2 (f), (2) (intro.) and (4) (b), as renumbered, are amended to read:

3 235.905 (1) (f) “Participating lender” means a bank, production credit
4 association, credit union, savings bank, savings and loan association or other person
5 who makes agricultural production drought assistance loans and who has entered
6 into an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

7 **(2) ELIGIBLE LOANS.** (intro.) An agricultural production drought assistance loan
8 made by a participating lender is eligible for guarantee of collection from the
9 Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following
10 apply:

11 **(4) (b)** Except as provided in s. ~~234.93~~ 235.93 (3), the total principal amounts
12 of all agricultural production drought assistance loans which the authority may
13 guarantee under par. (a) may not exceed \$30,000,000.

14 **SECTION 458.** 234.907 of the statutes is renumbered 235.907, and 235.907 (1)
15 (e), (2) (intro.) and (3), as renumbered, are amended to read:

16 235.907 (1) (e) “Participating lender” means a bank, credit union, savings
17 bank, savings and loan association or other person, who makes loans for working
18 capital or to finance physical plant needs, equipment or machinery and who has
19 entered into an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

20 **(2) ELIGIBLE LOANS.** (intro.) A loan made by a participating lender is eligible
21 for guarantee of collection from the Wisconsin development reserve fund under s.
22 ~~234.93~~ 235.93 if all of the following apply:

23 **(3) GUARANTEE OF COLLECTION.** The authority shall guarantee collection of a
24 percentage, not exceeding 90%, of the principal of any loan eligible for a guarantee
25 under sub. (2). The authority shall establish the percentage of the unpaid principal

1 of an eligible loan that will be guaranteed, using the procedures described in the
2 guarantee agreement under s. ~~234.93~~ 235.93 (2) (a). The authority may establish a
3 single percentage for all guaranteed loans or establish different percentages for
4 eligible loans on an individual basis.

5 **SECTION 459.** 234.91 of the statutes is renumbered 235.91, and 235.91 (1) (e)
6 and (2) (intro.), as renumbered, are amended to read:

7 235.91 (1) (e) “Participating lender” means a bank, farm credit service, credit
8 union, savings bank, savings and loan association or other person who makes loans
9 for the acquisition or improvement of agricultural assets and who has entered into
10 an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a). The term does not
11 include a seller under a land contract.

12 **(2) ELIGIBLE LOANS.** (intro.) A loan made by a participating lender is eligible
13 for guarantee of collection from the Wisconsin development reserve fund under s.
14 ~~234.93~~ 235.93 if all of the following apply:

15 **SECTION 460.** 234.92 of the statutes is renumbered 235.92.

16 **SECTION 461.** 234.93 of the statutes is renumbered 235.93, and 235.93 (1) (a),
17 (b), (cm) and (d) and (4) (a) 2. and 3. and (b) (intro.), as renumbered, are amended to
18 read:

19 235.93 (1) (a) Moneys appropriated to the authority under s. ~~20.490 (5) (a), (q)~~
20 20.885 (2) (qm), (r), and (s) or (3) (ap) or received by the authority for the Wisconsin
21 development reserve fund from any other source.

22 (b) Any income from investment of money in the Wisconsin development
23 reserve fund by the authority ~~under s. 234.03 (18).~~

1 (cm) Any moneys transferred under 1999 Wisconsin Act 9, section 9125 (1), or
2 under s. ~~234.75~~ 235.75 (5) (c), from the housing rehabilitation loan program
3 administration fund.

4 (d) To be used for guaranteeing loans under s. ~~234.91~~ 235.91, fees collected
5 under s. ~~234.91~~ 235.91 (4).

6 (4) (a) 2. To fund guarantees under all of the programs guaranteed by funds
7 from the Wisconsin development reserve fund, except for the program under s.
8 234.935, 1997 stats., and the program under s. ~~234.75~~ 235.75, at a ratio of \$1 of
9 reserve funding to \$4.50 of total outstanding principal and outstanding guaranteed
10 principal that the authority may guarantee under all of those programs.

11 3. To fund guarantees under the program under s. 234.935, 1997 stats., and the
12 program under s. ~~234.75~~ 235.75 at a ratio of \$1 of reserve funding to \$4 of total
13 principal and outstanding guaranteed principal that the authority may guarantee
14 under that program.

15 (b) (intro.) Annually on August 31, the ~~executive director of the~~ authority shall
16 provide to the secretary of administration and to the joint committee on finance a
17 signed statement that includes all of the following:

18 **SECTION 462.** 234.932 of the statutes is renumbered 235.932, and 235.932 (2)
19 (intro.) and (b), as renumbered, are amended to read:

20 235.932 (2) ESTABLISHMENT OF FUND. (intro.) There is established under the
21 jurisdiction and control of the authority, for the purpose of providing funds for
22 guaranteeing loans under s. ~~234.84~~ 235.84, a Wisconsin job training reserve fund,
23 consisting of all of the following:

24 (b) Any income from investment of money in the Wisconsin job training reserve
25 fund by the authority under s. ~~234.03~~ (18).

1 **SECTION 463.** 234.933 of the statutes is renumbered 235.933, and 235.933 (1),
2 (2) (intro.) and (b), as renumbered, are amended to read:

3 235.933 (1) **DEFINITION.** In this section, “drinking water loan guarantee
4 program” means the program under s. ~~234.86~~ 235.86.

5 (2) **ESTABLISHMENT OF FUND.** (intro.) There is established under the jurisdiction
6 and control of the authority, for the purpose of providing funds for guaranteeing loans
7 under s. ~~234.86~~ 235.86, a Wisconsin drinking water reserve fund, consisting of all of
8 the following:

9 (b) Any income from investment of money in the Wisconsin drinking water
10 reserve fund by the authority ~~under s. 234.03 (18)~~.

11 **SECTION 464.** Subchapter III (title) of chapter 234 [precedes 234.94] of the
12 statutes is renumbered subchapter VI (title) of chapter 235 [precedes 235.94].

13 **SECTION 465.** 234.94 of the statutes is renumbered 235.94, and 235.94 (2) (b)
14 5. and (3), as renumbered, are amended to read:

15 235.94 (2) (b) 5. The corporation’s purpose is to promote the employment of
16 members of a target group through projects that meet the conditions specified in s.
17 ~~234.96~~ 235.96 (1) (a) to (d).

18 (3) “Community development finance company” means a corporation or a
19 limited partnership organized for profit under s. ~~234.95~~ 235.95.

20 **SECTION 466.** 234.95 of the statutes is renumbered 235.95, and 235.95 (2), as
21 renumbered, is amended to read:

22 235.95 (2) The community development finance company shall issue stock or
23 partnership interests. The community development finance company shall invest
24 funds it receives from the sale of stock or partnership interests by purchasing capital
25 participation instruments under s. ~~234.96~~ 235.96.

1 may be taken by the board upon a vote of a majority of a quorum. The board shall
2 elect a chairperson.

3 (3) A vacancy on the board shall be filled in the same manner as the original
4 appointment to the board for the remainder of the unexpired term.

5 (4) (a) A chief executive officer shall be nominated by the governor, approved
6 by the board, and with the advice and consent of the senate appointed, to serve at the
7 pleasure of the governor.

8 (b) A chief operating officer shall be nominated by the governor, and with the
9 approval of the board appointed, to serve at the pleasure of the governor.

10 (c) The board may delegate to the chief executive officer and chief operating
11 officer any powers and duties the board considers proper. The chief executive officer
12 and chief operating officer shall receive such compensation as may be determined by
13 the board.

14 (d) The governor shall coordinate with the chief executive officer as if the chief
15 executive officer were the secretary of a department in the executive branch of state
16 government who is appointed by the governor.

17 (5) All powers and duties assigned to the authority under this chapter shall be
18 exercised or carried out by the board, unless the board delegates the power or duty
19 to an employee of the authority or a committee established by the board.

20 **235.012 Powers of the board.** The board shall have all the powers necessary
21 or convenient to carry out the purposes and provisions of this chapter. In addition
22 to all other powers granted the board by law, the board may:

23 (1) Adopt, amend, and repeal any bylaws, policies, and procedures for the
24 regulation of its affairs and the conduct of its business.

25 (2) Have a seal and alter the seal at pleasure.

- 1 (3) Maintain offices.
- 2 (4) Sue and be sued.
- 3 (5) Accept gifts, grants, loans, or other contributions from private or public
4 sources.
- 5 (6) Establish the authority's annual budget and monitor the fiscal
6 management of the authority.
- 7 (7) Make equity investments and execute contracts, securities, mortgages, and
8 other instruments required for the operation of the authority.
- 9 (8) Employ any officers, agents, and employees that it may require and
10 determine their qualifications, duties, and compensation.
- 11 (9) Issue notes, bonds, and any other obligations.
- 12 (10) Make loans and provide grants.
- 13 (11) Incur debt.
- 14 (12) Procure liability insurance.
- 15 (13) Enter into agreements regarding compensation, space, and other
16 administrative matters as are necessary to operate offices in other states and foreign
17 countries. Such agreements shall be subject to the approval of the secretary of
18 administration.
- 19 (14) Agree and comply with any conditions attached to federal financial
20 assistance.
- 21 (15) Lease real or personal property and to accept federal funds for and
22 participate in such federal housing programs as are enacted on May 4, 1976, or at
23 any future time, except that the authority may not accept without the consent of the
24 governor federal funds under federal housing programs enacted after May 8, 1982,

1 if issuance of the authority's bonds or notes is not required to participate in the
2 programs.

3 (16) Establish and maintain a corporation organized under ch. 180 or 181.

4 **235.013 Duties of the board; mission.** The board shall develop and
5 implement economic development programs, and housing programs and projects to
6 provide business, housing, and other support and expertise and financial assistance
7 to companies that are investing or creating jobs in Wisconsin and to Wisconsin
8 residents to support new business start-ups, business expansion and growth, and
9 home ownership in Wisconsin, and to provide single and multifamily housing to
10 persons and families of low and moderate income in Wisconsin. The board may also
11 develop and implement any other programs and projects related to economic
12 development or housing in Wisconsin.

13 **SECTION 471.** 235.0279 (3) of the statutes is created to read:

14 235.0279 (3) Records consisting of information on the In Force Network or
15 other similar customer relationship management system maintained by the
16 authority, unless the information was published to the In Force Network or other
17 system by the authority or another economic development organization.

18 **SECTION 472.** Subchapter II (title) of chapter 235 [precedes 235.03] of the
19 statutes is created to read:

20 **CHAPTER 235**

21 **SUBCHAPTER II**

22 **ECONOMIC DEVELOPMENT**

23 **SECTION 473.** 235.03 (3) (ad), (ah), (ap) and (at) of the statutes are created to
24 read:

1 235.03 (3) (ad) That each recipient of a grant or loan under the program of at
2 least \$500,000 shall engage an independent certified public accountant to perform
3 procedures, approved by the authority and consistent with applicable professional
4 standards of the American Institute of Certified Public Accountants, to determine
5 whether the grant or loan funds and any matching cash or in-kind match were
6 expended in accordance with the grant or loan contract.

7 (ah) That each recipient make available for inspection the documents
8 supporting the attestation submitted under par. (a).

9 (ap) That the contract with each grant or loan recipient shall include the
10 requirements under pars. (a) to (ah).

11 (at) The requirements of pars. (a) to (ap) do not apply to a department, as
12 defined in s. 15.01 (5), an independent agency, as defined in s. 15.01 (9), an authority
13 created under subch. II of ch. 114 or under ch. 231, 233, 235, 237, or 279, or the
14 University of Wisconsin System.

15 **SECTION 474.** 235.609 of the statutes is created to read:

16 **235.609 Bonds for certain mortgages and securities and for the**
17 **housing development fund.** The authority may issue its negotiable notes and
18 bonds to do any of the following:

19 (1) Purchase certain mortgages and securities and make secured loans for
20 housing for persons and families of low and moderate income, for the rehabilitation
21 of existing structures, and for the construction of facilities appurtenant to existing
22 structures consistent with the provisions and purposes of this chapter.

23 (2) Make secured loans to assist eligible elderly homeowners in paying
24 property taxes and special assessments.

1 **(3)** Provide moneys for the housing development fund in order to make
2 temporary loans to sponsors of housing projects as provided in this subchapter.

3 **SECTION 475.** Chapter 238 (title) of the statutes is repealed.

4 **SECTION 476.** Subchapter I (title) of chapter 238 [precedes 238.01] of the
5 statutes is repealed.

6 **SECTION 477.** 238.01 (intro.) and (1) of the statutes are repealed.

7 **SECTION 478.** 238.01 (2) of the statutes is repealed.

8 **SECTION 479.** 238.01 (3) of the statutes is renumbered 235.01 (3).

9 **SECTION 480.** 238.02 of the statutes is repealed.

10 **SECTION 481.** 238.03 (title) of the statutes is renumbered 235.03 (title) and
11 amended to read:

12 **235.03 (title) Duties of ~~board~~ the authority concerning economic**
13 **development.**

14 **SECTION 482.** 238.03 (1) of the statutes is repealed.

15 **SECTION 483.** 238.03 (2) of the statutes is renumbered 235.03 (2), and 235.03
16 (2) (intro.) and (c), as renumbered, are amended to read:

17 235.03 (2) (intro.) For each program developed and implemented by the ~~board~~
18 authority under this subchapter, the ~~board~~ authority shall do all of the following:

19 (c) Require that each recipient of a grant or loan under the program submit a
20 report to the ~~corporation~~ authority. Each contract with a recipient of a grant or loan
21 under the program must specify the frequency and format of the report to be
22 submitted to the ~~corporation~~ authority and the performance measures to be included
23 in the report.

24 **SECTION 484.** 238.03 (3) of the statutes is renumbered 235.03 (3), and 235.03
25 (3) (intro.), (a) and (b) (intro.), as renumbered, are amended to read:

1 235.03 (3) (intro.) The ~~board~~ authority shall require for each economic
2 development program developed and implemented by the ~~board~~ authority all of the
3 following:

4 (a) That each recipient of a grant or loan under the program of at least \$100,000
5 submit to the ~~corporation~~ authority, within 120 days after the end of the recipient's
6 fiscal year in which any grant or loan funds were expended, ~~a schedule of~~
7 ~~expenditures of the grant or loan funds, including expenditures of any matching cash~~
8 ~~or in-kind match~~ or at a different time as provided in policies and procedures
9 approved by the board an attestation, signed by the director or principal officer of the
10 recipient ~~to attest to the accuracy of the schedule of expenditures. The recipient shall~~
11 ~~engage an independent certified public accountant to perform procedures, approved~~
12 ~~by the corporation and consistent with applicable professional standards of the~~
13 ~~American Institute of Certified Public Accountants, to determine whether the grant~~
14 ~~or loan funds and any matching cash or in-kind match were expended in accordance~~
15 ~~with the grant or loan contract. The board shall also require the recipient of such a~~
16 ~~grant or loan to make available for inspection the documents supporting the schedule~~
17 ~~of expenditures. The board shall include the requirements under this paragraph in~~
18 ~~the contract with grant or loan recipients. The attestation shall verify that the grant~~
19 or loan funds and any matching cash or in-kind match were expended in accordance
20 with the grant or loan contract.

21 (b) (intro.) That the ~~board~~ authority, if a recipient of a grant or loan under the
22 program submits false or misleading information to the ~~corporation~~ authority or fails
23 to comply with the terms of a contract entered into with the ~~corporation~~ authority,
24 without providing satisfactory explanation for the noncompliance, do all of the
25 following:

1 **SECTION 485.** 238.04 of the statutes is repealed.

2 **SECTION 486.** 238.045 of the statutes is repealed.

3 **SECTION 487.** 238.046 of the statutes is renumbered 235.014, and 235.014 (1)
4 and (2), as renumbered, are amended to read:

5 235.014 (1) A member of the board or an employee of the ~~corporation~~ authority
6 to whom the board delegates its authority to contract shall notify the ~~corporation's~~
7 authority's legal counsel or, if the ~~corporation's~~ legal counsel is unavailable, the chief
8 executive officer of the ~~corporation~~ authority if the member or employee has a direct
9 or indirect, private, pecuniary interest in a contract that is being negotiated, bid for,
10 or entered into with the ~~corporation~~ authority. If the ~~corporation's~~ authority's legal
11 counsel or chief executive officer is notified under this section, he or she shall report
12 the name of the individual from whom he or she received the notification and the
13 contract in which the individual has a private, pecuniary interest to the board. A
14 member or employee who notifies the ~~corporation's~~ authority's legal counsel or chief
15 executive officer under this section is not authorized to participate in the member's
16 or employee's capacity as a member of the board or an employee of the ~~corporation~~
17 authority in the making of the contract or to perform in regard to the contract some
18 official function requiring the exercise of discretion on the member's or employee's
19 part.

20 (2) An employee of the ~~corporation~~ authority shall notify the ~~corporation's~~
21 authority's legal counsel or, if the ~~corporation's~~ legal counsel is unavailable, the chief
22 executive officer of the ~~corporation~~ authority if the employee has a controlling
23 interest in an entity that is negotiating, bidding for, or entering into a contract with
24 the ~~corporation~~ authority. If the ~~corporation's~~ authority's legal counsel or chief
25 executive officer is notified under this section, he or she shall report the name of the

1 individual from whom he or she received the notification and the contract at issue
2 to the board. The board shall prohibit the ~~corporation~~ authority from entering into
3 any contract with an entity in which an employee of the ~~corporation~~ authority has
4 a controlling interest.

5 SECTION 488. 238.05 of the statutes is repealed.

6 SECTION 489. 238.06 of the statutes is renumbered 235.015 and amended to
7 read:

8 **235.015 Liability limited.** Neither the state nor any political subdivision of
9 the state, nor any officer, employee, or agent of the state or a political subdivision of
10 the state who is acting within the scope of employment or agency, is liable for any
11 debt, obligation, act, or omission of the ~~corporation~~ authority.

12 SECTION 490. 238.07 of the statutes is renumbered 235.016, and 235.016 (1),
13 (2) (intro.), (3) and (4), as renumbered, are amended to read:

14 235.016 (1) Annually, by ~~January~~ October 1, the ~~board~~ authority shall submit
15 to the chief clerk of each house of the legislature, for distribution to the legislature
16 under s. 13.172 (2), a report identifying the economic development and housing
17 programs and projects that the ~~board~~ authority intends to develop and implement
18 during the current ~~calendar~~ fiscal year.

19 (2) (intro.) Annually, no later than October 1, the ~~board~~ authority shall submit
20 to the joint legislative audit committee and the chief clerk of each house of the
21 legislature, for distribution to the legislature under s. 13.172 (2), a report for the
22 previous fiscal year on each of the economic development programs of the ~~corporation~~
23 authority that contains all of the following:

24 (3) The ~~board~~ authority shall make readily accessible to the public on an
25 Internet-based system the information required under sub. (2).