

1 stats., by the number of full-time jobs created in a development zone and not filled  
2 by a member of a targeted group and by then subtracting the subsidies paid under  
3 s. 49.147 (3) (a) for those jobs.

4 **SECTION 312.** 76.636 (2) (d) of the statutes is amended to read:

5 76.636 (2) (d) The amount determined by multiplying the amount determined  
6 under s. 235.385 (1) (bm) or s. 238.385 (1) (bm), 2013 stats., or s. 560.785 (1) (bm),  
7 2009 stats., by the number of full-time jobs retained, as provided ~~in the rules~~ under  
8 s. 235.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., ~~excluding jobs for~~  
9 ~~which a credit has been claimed under s. 71.47 (1dj)~~, in an enterprise development  
10 zone under s. 235.397 or s. 238.397, 2013 stats., or s. 560.797, 2009 stats., and for  
11 which significant capital investment was made and by then subtracting the  
12 subsidies paid under s. 49.147 (3) (a) for those jobs.

\*\*\*\*NOTE: This is reconciled s. 76.636 (2) (d). This SECTION has been affected by  
drafts with the following LRB numbers: -1018/P1 and -1215/P2.

13 **SECTION 313.** 76.636 (2) (e) of the statutes is amended to read:

14 76.636 (2) (e) The amount determined by multiplying the amount determined  
15 under s. 235.385 (1) (c) or s. 238.385 (1) (c), 2013 stats., or s. 560.785 (1) (c), 2009  
16 stats., by the number of full-time jobs retained, as provided ~~in the rules~~ under s.  
17 235.385 or s. 238.385, 2013 stats., or s. 560.785, 2009 stats., ~~excluding jobs for which~~  
18 ~~a credit has been claimed under s. 71.47 (1dj)~~, in a development zone and not filled  
19 by a member of a targeted group and by then subtracting the subsidies paid under  
20 s. 49.147 (3) (a) for those jobs.

\*\*\*\*NOTE: This is reconciled s. 76.636 (2) (e). This SECTION has been affected by  
drafts with the following LRB numbers: -1018/P1 and -1215/P2.

21 **SECTION 314.** 76.636 (4) (intro.) of the statutes is amended to read:

1           76.636 (4) CREDIT PRECLUDED. (intro.) If the certification of a person for tax  
2 benefits under s. 235.365 (3), 235.397 (4), or 235.398 (3) or s. 238.365 (3), 2013 stats.,  
3 s. 238.397 (4), 2013 stats., or s. 238.398 (3), 2013 stats., or s. 560.765 (3), 2009 stats.,  
4 s. 560.797 (4), 2009 stats., or s. 560.798 (3), 2009 stats., is revoked, or if the person  
5 becomes ineligible for tax benefits under s. 235.395 (3) or s. 238.395 (3), 2013 stats.,  
6 or s. 560.795 (3), 2009 stats., that person may not do any of the following:

7           **SECTION 315.** 76.636 (5) of the statutes is amended to read:

8           76.636 (5) CARRY-OVER PRECLUDED. If a person who is entitled under s. 235.395  
9 (3) or s. 238.395 (3), 2013 stats., or s. 560.795 (3), 2009 stats., to claim tax benefits  
10 or certified under s. 235.365 (3), 235.397 (4), or 235.398 (3) or s. 238.365 (3), 2013  
11 stats., s. 238.397 (4), 2013 stats., or s. 238.398 (3), 2013 stats., or s. 560.765 (3), 2009  
12 stats., s. 560.797 (4), 2009 stats., or s. 560.798 (3), 2009 stats., for tax benefits ceases  
13 business operations in the development zone during any of the taxable years that  
14 that zone exists, that person may not carry over to any taxable year following the  
15 year during which operations cease any unused credits from the taxable year during  
16 which operations cease or from previous taxable years.

17           **SECTION 316.** 76.636 (6) of the statutes is amended to read:

18           76.636 (6) ADMINISTRATION. Any insurer who claims a credit under sub. (2) shall  
19 include with the insurer's annual return under s. 76.64 a copy of its certification for  
20 tax benefits and a copy of its verification of expenses from the department of  
21 commerce or the Wisconsin Economic Development Corporation or the Forward  
22 Wisconsin Development Authority.

23           **SECTION 317.** 76.637 (1) of the statutes is amended to read:

24           76.637 (1) DEFINITION. In this section, "claimant" means an insurer who files  
25 a claim under this section and is certified under s. 235.301 (2) or s. 238.301 (2), 2013

1 stats., or s. 560.701 (2), 2009 stats., and authorized to claim tax benefits under s.  
2 235.303 or s. 238.303, 2013 stats., or s. 560.703, 2009 stats.

3 **SECTION 318.** 76.637 (2) of the statutes is amended to read:

4 76.637 (2) FILING CLAIMS. Subject to the limitations under this section, ss.  
5 235.301 to 235.306, ss. 238.301 to 238.306, 2013 stats., and ss. 560.701 to 560.706,  
6 2009 stats., for taxable years beginning after December 31, 2008, and before January  
7 1, 2016, a claimant may claim as a credit against the fees due under s. 76.60, 76.63,  
8 76.65, 76.66, or 76.67 the amount authorized for the claimant under s. 235.303 or s.  
9 238.303, 2013 stats., or s. 560.703, 2009 stats.

\*\*\*\*NOTE: This is reconciled s. 76.637 (2). This SECTION has been affected by drafts  
with the following LRB numbers: -1018/P1 and -1215/P2.

10 **SECTION 319.** 76.637 (3) of the statutes is amended to read:

11 76.637 (3) LIMITATIONS. No credit may be allowed under this section unless the  
12 insurer includes with the insurer's annual return under s. 76.64 a copy of the  
13 claimant's certification under s. 235.301 (2) or s. 238.301 (2), 2013 stats., or s. 560.701  
14 (2), 2009 stats., and a copy of the claimant's notice of eligibility to receive tax benefits  
15 under s. 235.303 (3) or s. 238.303 (3), 2013 stats., or s. 560.703 (3), 2009 stats.

16 **SECTION 320.** 76.637 (4) of the statutes is amended to read:

17 76.637 (4) ADMINISTRATION. If an insurer's certification is revoked under s.  
18 235.305 or s. 238.305, 2013 stats., or s. 560.705, 2009 stats., or if an insurer becomes  
19 ineligible for tax benefits under s. 235.302 or s. 238.302, 2013 stats., or s. 560.702,  
20 2009 stats., the insurer may not claim credits under this section for the taxable year  
21 that includes the day on which the certification is revoked; the taxable year that  
22 includes the day on which the insurer becomes ineligible for tax benefits; or  
23 succeeding taxable years and the insurer may not carry over unused credits from

1 previous years to offset the fees imposed under ss. 76.60, 76.63, 76.65, 76.66, or 76.67  
2 for the taxable year that includes the day on which certification is revoked; the  
3 taxable year that includes the day on which the insurer becomes ineligible for tax  
4 benefits; or succeeding taxable years.

5 **SECTION 321.** 76.638 (1) of the statutes is amended to read:

6 76.638 (1) DEFINITIONS. In this section, “fund manager” means an investment  
7 fund manager certified under s. 235.15 (2) or s. 238.15 (2), 2013 stats., or s. 560.205  
8 (2), 2009 stats.

9 **SECTION 322.** 76.638 (2) of the statutes is amended to read:

10 76.638 (2) FILING CLAIMS. For taxable years beginning after December 31, 2008,  
11 subject to the limitations provided under this subsection and s. 235.15 or s. 238.15,  
12 2013 stats., or s. 560.205, 2009 stats., an insurer may claim as a credit against the  
13 fees imposed under s. 76.60, 76.63, 76.65, 76.66, or 76.67, 25 percent of the insurer’s  
14 investment paid to a fund manager that the fund manager invests in a business  
15 certified under s. 235.15 or s. 238.15, 2013 stats., or s. 560.205 (1), 2009 stats.

16 **SECTION 323.** 77.54 (9a) (a) of the statutes is amended to read:

17 77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin  
18 Hospitals and Clinics Authority, the University of Wisconsin System Authority, the  
19 Wisconsin Aerospace Authority, the ~~Wisconsin Economic Development Corporation~~  
20 Forward Wisconsin Development Authority, and the Fox River Navigational System  
21 Authority.

\*\*\*\*NOTE: This is reconciled s. 77.54 (9a) (a). This SECTION has been affected by  
drafts with the following LRB numbers:–0971/P4 and –1215/P2.

22 **SECTION 324.** 79.04 (7) (a) of the statutes is amended to read:

1           79.04 (7) (a) Beginning with payments in 2005, if a production plant, as  
2 described in sub. (6) (a), other than a nuclear-powered production plant, is built on  
3 the site of, or on a site adjacent to, an existing or decommissioned production plant;  
4 or is built on a site purchased by a public utility before January 1, 1980, that was  
5 identified in an advance plan as a proposed site for a production plant; or is built on,  
6 or on a site adjacent to, brownfields, as defined in s. ~~238.13~~ 235.13 (1) (a) or s. 560.13  
7 (1) (a), 2009 stats., after December 31, 2003, and has a name-plate capacity of at  
8 least one megawatt, each municipality and county in which such a production plant  
9 is located shall receive annually from the public utility account a payment in an  
10 amount that is equal to the number of megawatts that represents the production  
11 plant's name-plate capacity, multiplied by \$600.

12           **SECTION 325.** 84.01 (6m) (b) (intro.) of the statutes is amended to read:

13           84.01 (6m) (b) (intro.) The department, in consultation with the ~~Wisconsin~~  
14 ~~Economic Development Corporation~~ Forward Wisconsin Development Authority,  
15 shall do all of the following for each economic development program administered by  
16 the department:

17           **SECTION 326.** 84.01 (11m) (a) of the statutes is amended to read:

18           84.01 (11m) (a) The department shall coordinate any economic development  
19 assistance with the ~~Wisconsin Economic Development Corporation~~ Forward  
20 Wisconsin Development Authority.

21           **SECTION 327.** 84.01 (11m) (b) of the statutes is amended to read:

22           84.01 (11m) (b) Annually, no later than October 1, the department shall submit  
23 to the joint legislative audit committee and to the appropriate standing committees  
24 of the legislature under s. 13.172 (3) a comprehensive report assessing economic  
25 development programs, as defined in sub. (6m) (a), administered by the department.

1 The report shall include all of the information required under s. ~~238.07~~ 235.016 (2).  
2 The department shall collaborate with the ~~Wisconsin Economic Development~~  
3 ~~Corporation~~ Forward Wisconsin Development Authority to make readily accessible  
4 to the public on an Internet-based system the information required under this  
5 subsection.

6 SECTION 328. 85.25 (2) (a) of the statutes is amended to read:

7 85.25 (2) (a) “Business development organization” means the Forward  
8 ~~Wisconsin Housing and Economic Development Authority~~ created under s. ~~234.02~~  
9 235.011 or any private organization that prepares business and loan plans for and  
10 provides other financial, management, and technical assistance to disadvantaged  
11 businesses.

12 SECTION 329. 93.07 (3) of the statutes is amended to read:

13 93.07 (3) PROMOTION OF AGRICULTURE. To promote the interests of agriculture,  
14 dairying, horticulture, manufacturing, commercial fishing and the domestic arts and  
15 to advertise Wisconsin and its dairy, food, and agricultural products by conducting  
16 campaigns of education throughout the United States and in foreign markets. Such  
17 campaigns shall include the distribution of educational and advertising material  
18 concerning Wisconsin and its plant, animal, food, and dairy products. The  
19 department shall coordinate efforts by the state to advertise and promote  
20 agricultural products of this state, with the ~~Wisconsin Economic Development~~  
21 ~~Corporation~~ Forward Wisconsin Development Authority where appropriate. The  
22 department shall submit its request and plan for market development program  
23 expenditures for each biennium with its biennial budget request. The plan shall  
24 include the identification and priority of expenditures for each market development  
25 program activity.

1           **SECTION 330.** 93.07 (18) (b) (intro.) of the statutes is amended to read:

2           93.07 (18) (b) (intro.) In consultation with the ~~Wisconsin Economic~~  
3 ~~Development Corporation~~ Forward Wisconsin Development Authority, to do all of  
4 the following for each economic development program administered by the  
5 department of agriculture, trade and consumer protection:

6           **SECTION 331.** 93.07 (20) (a) of the statutes is amended to read:

7           93.07 (20) (a) The department shall coordinate any economic development  
8 assistance with the ~~Wisconsin Economic Development Corporation~~ Forward  
9 Wisconsin Development Authority.

10          **SECTION 332.** 93.07 (20) (b) of the statutes is amended to read:

11          93.07 (20) (b) Annually, no later than October 1, to submit to the joint  
12 legislative audit committee and to the appropriate standing committees of the  
13 legislature under s. 13.172 (3) a comprehensive report assessing economic  
14 development programs, as defined in sub. (18) (a), administered by the department.  
15 The report shall include all of the information required under s. ~~238.07~~ 235.016 (2).  
16 The department shall collaborate with the ~~Wisconsin Economic Development~~  
17 ~~Corporation~~ Forward Wisconsin Development Authority to make readily accessible  
18 to the public on an Internet-based system the information required under this  
19 subsection.

20          **SECTION 333.** 93.33 (5) (intro.) of the statutes is amended to read:

21          93.33 (5) ANNUAL REPORT. (intro.) In September of each year, the council shall  
22 submit a report to the appropriate standing committees of the legislature as  
23 determined by the speaker of the assembly and the president of the senate, under s.  
24 13.172 (3), the governor, the secretary of agriculture, trade and consumer protection,  
25 the state superintendent of public instruction, the secretary of workforce

1 development, the secretary of natural resources, the chief executive officer of the  
2 ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin Development  
3 Authority, the president of the University of Wisconsin System, the director of the  
4 technical college system, the chancellor of the University of Wisconsin–Extension,  
5 the chancellor of the University of Wisconsin–Madison, the chancellor of the  
6 University of Wisconsin–Platteville, the chancellor of the University of  
7 Wisconsin–River Falls, and the chancellor of the University of Wisconsin–Stevens  
8 Point. The council shall include all of the following in the report:

9       **SECTION 334.** 93.42 (5) of the statutes is amended to read:

10       93.42 (5) Cooperating with the ~~Wisconsin Economic Development Corporation~~  
11 Forward Wisconsin Development Authority in promoting the state’s products  
12 through the state’s foreign trade offices.

13       **SECTION 335.** 100.45 (1) (dm) of the statutes is amended to read:

14       100.45 (1) (dm) “State agency” means any office, department, agency,  
15 institution of higher education, association, society, or other body in state  
16 government created or authorized to be created by the constitution or any law which  
17 is entitled to expend moneys appropriated by law, including the legislature and the  
18 courts, ~~the Wisconsin Housing and Economic Development Authority~~, the Bradley  
19 Center Sports and Entertainment Corporation, the University of Wisconsin  
20 Hospitals and Clinics Authority, the University of Wisconsin System Authority, the  
21 Wisconsin Health and Educational Facilities Authority, the Wisconsin Aerospace  
22 Authority, the ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin  
23 Development Authority, and the Fox River Navigational System Authority.

\*\*\*\*NOTE: This is reconciled s. 100.45 (1) (dm). This SECTION has been affected by  
drafts with the following LRB numbers:–0971/P4 and –1215/P2.



1           **SECTION 336.** 106.16 (2) of the statutes is amended to read:

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

8           **SECTION 337.** 106.16 (3) of the statutes is repealed.

9           **SECTION 338.** 106.27 (2m) of the statutes is amended to read:

10          106.27 (2m) CONSULTATION. The department shall consult with the technical  
11          college system board and the ~~Wisconsin Economic Development Corporation~~  
12          Forward Wisconsin Development Authority in implementing this section.

13          **SECTION 339.** 109.09 (2) (c) 1. a. of the statutes is amended to read:

14          109.09 (2) (c) 1. a. “Commercial lending institution” has the meaning given for  
15          “financial institution” in s. ~~234.01~~ 235.40 (5k).

16          **SECTION 340.** 114.31 (6) of the statutes is amended to read:

17          114.31 (6) TECHNICAL SERVICES TO MUNICIPALITIES. The secretary may, insofar  
18          as is reasonably possible, offer the engineering or other technical service of the  
19          department, to any municipality desiring them in connection with the construction,  
20          maintenance or operation or proposed construction, maintenance or operation of an  
21          airport. The secretary may assess reasonable costs for services including services  
22          performed while acting as agent for a municipality. Such assessment shall include  
23          properly allocated administrative costs. Municipalities are authorized to cooperate  
24          with the secretary in the development of aeronautics and aeronautical facilities in  
25          this state. The ~~Wisconsin Economic Development Corporation~~ Forward Wisconsin

1 Development Authority and all agencies are authorized and directed to make  
2 available such facilities and services, and to cooperate as far as possible to promote  
3 the best interests of aeronautics of the state.

4 **SECTION 341.** 196.49 (4) of the statutes is amended to read:

5 196.49 (4) The commission may not issue a certificate under sub. (1), (2), or (3)  
6 for the construction of electric generating equipment and associated facilities unless  
7 the commission determines that brownfields, as defined in s. ~~238.13~~ 235.13 (1) (a) or  
8 s. 560.13 (1) (a), 2009 stats., are used to the extent practicable.

9 **SECTION 342.** 196.491 (3) (a) 2m. b. of the statutes is amended to read:

10 196.491 (3) (a) 2m. b. The applicant proposes alternative construction sites for  
11 the facility that are contiguous or proximate, provided that at least one of the  
12 proposed sites is a brownfield, as defined in s. ~~238.13~~ 235.13 (1) (a), or the site of a  
13 former or existing large electric generating facility.

14 **SECTION 343.** 196.491 (3) (d) 8. of the statutes is amended to read:

15 196.491 (3) (d) 8. For a large electric generating facility, brownfields, as defined  
16 in s. ~~238.13~~ 235.13 (1) (a), are used to the extent practicable.

17 **SECTION 344.** 224.71 (1br) (intro.) of the statutes is amended to read:

18 224.71 (1br) (intro.) “Bona fide nonprofit organization” means an organization  
19 that is described in section 501 (c) (3) of the Internal Revenue Code and exempt from  
20 federal income tax under section 501 (a) of the Internal Revenue Code, that is  
21 certified by the federal department of housing and urban development or the  
22 Forward Wisconsin Housing and Economic Development Authority, and that does all  
23 of the following:

24 **SECTION 345.** 230.03 (3) of the statutes, as affected by 2013 Wisconsin Act 20,  
25 is amended to read:



1           **SECTION 352.** 234.01 (3m) of the statutes is renumbered 235.40 (3m) and  
2 amended to read:

3           **235.40 (3m)** “Collateral” means a 3rd-party note, mortgage, guaranty,  
4 insurance policy, bond, letter of credit, security agreement, or other instrument  
5 securing the repayment of ~~an economic development loan or~~ a mortgage loan.

6           **SECTION 353.** 234.01 (4) of the statutes is renumbered 235.40 (4).

7           **SECTION 354.** 234.01 (4m) of the statutes is repealed.

8           **SECTION 355.** 234.01 (4n) of the statutes is repealed.

9           **SECTION 356.** 234.01 (5) of the statutes is renumbered 235.40 (5).

10          **SECTION 357.** 234.01 (5k) of the statutes is renumbered 235.40 (5k).

11          **SECTION 358.** 234.01 (5m) of the statutes is renumbered 235.40 (5m) and  
12 amended to read:

13          **235.40 (5m)** “Homeownership mortgage loan” has the meaning given under s.  
14 ~~234.59~~ 235.59 (1) (f).

15          **SECTION 359.** 234.01 (6) of the statutes is renumbered 235.40 (6), and 235.40  
16 (6) (a) and (b), as renumbered, are amended to read:

17          **235.40 (6) (a)** If the corporation receives any loan or advance from the authority  
18 under this ~~chapter~~ subchapter, it may enter into an agreement with the authority  
19 providing for regulation with respect to rents, profits, dividends, and disposition of  
20 property or franchises; ~~and~~.

21          (b) If the corporation receives a loan or advance under this ~~chapter~~ subchapter,  
22 the chairperson of the board of the authority, or his or her designee, acting with the  
23 prior approval of the ~~majority of the members of the authority~~ board, may, if he or  
24 she determines that any such loan or advance is in jeopardy of not being repaid, that  
25 the proposed development for which such loan or advance was made is in jeopardy

1 of not being constructed, or that the corporation is not carrying out the intent and  
2 purposes of this ~~chapter~~ subchapter, appoint to the board of directors of such  
3 corporation a number of new directors, which number shall be sufficient to constitute  
4 a majority of such ~~that~~ board of directors, notwithstanding any other provision of  
5 such articles of incorporation or of any other provision of law.

6 **SECTION 360.** 234.01 (7) of the statutes is renumbered 235.40 (7).

7 **SECTION 361.** 234.01 (7m) of the statutes is renumbered 235.40 (7m) and  
8 amended to read:

9 235.40 (7m) “Housing rehabilitation loan” means a low interest housing  
10 rehabilitation loan as defined in s. ~~234.49~~ 235.49 (1) (f) and (fm).

11 **SECTION 362.** 234.01 (8) of the statutes is renumbered 235.40 (8), and 235.40  
12 (8) (a) and (b), as renumbered, are amended to read:

13 235.40 (8) (a) As a condition of acceptance of a loan or advance under this  
14 ~~chapter~~ subchapter, the limited–profit entity shall enter into an agreement with the  
15 authority providing for limitations of rents, profits, dividends, and disposition of  
16 property or franchises; ~~and~~.

17 (b) If the limited–profit entity receives a loan or advance under this ~~chapter~~  
18 subchapter, the chairperson of the board of directors of the authority, or his or her  
19 designee, acting with the prior approval of the ~~majority of members of the authority~~  
20 board, may, if he or she determines that any such loan or advance is in jeopardy of  
21 not being repaid, that the proposed development for which such loan or advance was  
22 made is in jeopardy of not being constructed, or that the limited–profit entity is  
23 otherwise not carrying out the intent and purposes of this ~~chapter~~ subchapter,  
24 appoint to the board of directors or other comparable controlling body of such  
25 limited–profit entity a number of new directors or persons, which number shall be

1 sufficient to constitute a voting majority of such board or controlling body,  
2 notwithstanding any other provisions of the limited-profit entity's articles of  
3 incorporation or other documents of organization, or of any other provisions of law.

4 **SECTION 363.** 234.01 (9) of the statutes is renumbered 235.40 (9), and 235.40  
5 (9) (a) 5., as renumbered, is amended to read:

6 235.40 (9) (a) 5. That if the corporation receives a loan or advance under this  
7 ~~chapter subchapter~~, the chairperson of the board of directors of the authority, or his  
8 or her designee, acting with the prior approval of the ~~majority of the members of the~~  
9 authority board, may, on determination that any such loan or advance is in jeopardy  
10 of not being repaid, that the proposed development for which such loan or advance  
11 was made is in jeopardy of not being constructed, that some part of the net income  
12 or net earnings of the corporation is inuring to the benefit of any private person, that  
13 the corporation is in some manner controlled or under the direction of or acting in  
14 the substantial interest of any private person seeking to derive benefit or gain  
15 therefrom or seeking to eliminate or minimize losses in any dealings or transactions  
16 therewith, or that the corporation is not carrying out the intent and purposes of this  
17 ~~chapter subchapter~~, appoint to the board of directors of such corporation a number  
18 of new directors, which number shall be sufficient to constitute a majority of such  
19 board, notwithstanding any other provisions of such articles of incorporation or of  
20 any other provisions of law.

21 **SECTION 364.** 234.01 (10) of the statutes is renumbered 235.40 (10) and  
22 amended to read:

23 235.40 (10) "Persons and families of low and moderate income" means persons  
24 and families who cannot afford to pay the amounts at which private enterprise,  
25 without ~~federally-aided~~ federally aided mortgages or loans from the authority, can

1 provide a substantial supply of decent, safe and sanitary housing and who fall within  
2 income limitations set by the authority in its ~~rules~~ policies and procedures. In  
3 determining such income limitations the authority shall consider the amounts of the  
4 total income of such persons available for housing needs, the size of the family, the  
5 cost and condition of available housing facilities, standards established for various  
6 federal programs, and any other factors determined by the authority to be  
7 appropriate in arriving at such limitations. Among low- or moderate-income  
8 persons and families, preference shall be given to those displaced by governmental  
9 action.

10 **SECTION 365.** 234.02 of the statutes is repealed.

11 **SECTION 366.** 234.03 of the statutes is repealed.

12 **SECTION 367.** 234.032 of the statutes is repealed.

13 **SECTION 368.** 234.034 of the statutes is renumbered 235.401.

14 **SECTION 369.** 234.04 of the statutes is renumbered 235.402, and 235.402 (2),  
15 as renumbered, is amended to read:

16 235.402 (2) The authority may make or participate in the making and enter  
17 into commitments for the making of long-term mortgage loans to eligible sponsors  
18 of housing projects for occupancy by persons and families of low and moderate  
19 income, or for the making of homeownership mortgage loans or housing  
20 rehabilitation loans or loans for the refinancing of qualified subprime loans under  
21 s. ~~234.592~~ 235.592 to persons and families of low and moderate income, an applicant  
22 under s. ~~234.59~~ or ~~234.592~~ 235.59 to 235.592, or other eligible beneficiaries as defined  
23 in s. ~~234.49~~ 235.49. The loans may be made only upon the determination by the  
24 authority that they are not otherwise available from private lenders upon reasonably  
25 equivalent terms and conditions. The authority may not make a loan to a person

1 whose name appears on the statewide support lien docket under s. 49.854 (2) (b),  
2 unless the person provides to the authority a payment agreement that has been  
3 approved by the county child support agency under s. 59.53 (5) and that is consistent  
4 with rules promulgated under s. 49.858 (2) (a). The authority may employ, for such  
5 compensation as it determines, the services of any financial institution in connection  
6 with any loan.

7 **SECTION 370.** 234.05 of the statutes is renumbered 235.403.

8 **SECTION 371.** 234.06 of the statutes is renumbered 235.404.

9 **SECTION 372.** 234.07 of the statutes is renumbered 235.405, and 235.405 (1),  
10 as renumbered, is amended to read:

11 235.405 (1) Except as provided in sub. (2), a limited-profit entity ~~which~~ that  
12 receives loans from the authority may not make distributions, other than from funds  
13 contributed to the limited-profit entity by stockholders, partners, members, or  
14 holders of beneficial interest in the limited-profit entity, in any one year with respect  
15 to a project financed by the authority in excess of 6% of its equity in such project on  
16 a cumulative basis. The equity in a project shall consist of the difference between the  
17 amount of the mortgage loan and the total project cost. Total project cost shall  
18 include construction or rehabilitation costs including job overhead and a builder's  
19 and sponsor's profit and risk fee, architectural, engineering, legal, and accounting  
20 costs, organizational expenses, land value, interest, and financing charges paid  
21 during construction, the cost of landscaping and off-site improvements, whether or  
22 not such costs have been paid in cash or in a form other than cash. With respect to  
23 every project the authority shall, pursuant to ~~rules~~ policies and procedures adopted  
24 by it, establish the entity's equity at the time of making of the final mortgage advance  
25 and, for purposes of this section, that figure shall remain constant during the life of



1 the authority's loan with respect to such project. Upon the dissolution of the  
2 limited-profit entity any surplus in excess of the distributions allowed by this section  
3 shall be paid to the authority. For this purpose surplus shall not be deemed to include  
4 any increase in net worth of any limited-profit entity by reason of a reduction of  
5 mortgage indebtedness, by amortization or similar payments or by reason of the sale  
6 or disposition of any assets of a limited-profit entity to the extent such surplus can  
7 be attributed to any increase in market value of any real or tangible personal  
8 property accruing during the period the assets were owned and held by the  
9 limited-profit entity.

10 **SECTION 373.** 234.08 (title) of the statutes is renumbered 235.02 (title).

11 **SECTION 374.** 234.08 (1) of the statutes is renumbered 235.02 (1) and amended  
12 to read:

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

1           **SECTION 375.** 234.08 (2) of the statutes is renumbered 235.02 (2).

2           **SECTION 376.** 234.08 (3) of the statutes is renumbered 235.02 (3).

3           **SECTION 377.** 234.08 (4) of the statutes is renumbered 235.02 (4).

4           **SECTION 378.** 234.08 (5) of the statutes is repealed.

5           **SECTION 379.** 234.08 (6) of the statutes is repealed.

6           **SECTION 380.** 234.08 (7) of the statutes is renumbered 235.02 (7).

7           **SECTION 381.** 234.09 of the statutes is renumbered 235.021 and amended to  
8 read:

9           **235.021 Same Notes and bonds; authorization; terms.** The authority's  
10 notes and bonds shall be authorized by resolution of the members of the authority  
11 board; shall bear such date or dates, and shall mature at such time or times, in the  
12 case of any note, or any renewal thereof, not exceeding 5 years, from the date of issue  
13 of such original note, and in the case of any bond not exceeding 50 years from the date  
14 of issue, as the resolution provides. The notes and bonds shall bear interest at such  
15 rate or rates, be in such denominations of \$1,000 or more, be in such form, either  
16 coupon or registered, carry such registration privileges, be executed in such manner,  
17 be payable in such medium of payment, at such place and be subject to such terms  
18 of redemption as the resolution provides. The bonds may be issued as serial bonds  
19 payable in annual installments or as term bonds or as a combination thereof. The  
20 notes and bonds of the authority may be sold by the authority, at public or private  
21 sale, at the price determined by the authority.

22           **SECTION 382.** 234.10 of the statutes is renumbered 235.0215, and 235.0215  
23 (title) and (9), as renumbered, are amended to read:

24           **235.0215 (title) Same Notes and bonds; resolution authorizing**  
25 **issuance, contents.**

1           (9) Vesting in a trustee such property, rights, powers, and duties in trust as the  
2 authority determines, which may include any or all of the rights, powers, and duties  
3 of the trustee appointed by the noteholders or bondholders pursuant to s. ~~234.20~~  
4 235.0265 and limiting or abrogating the right of the noteholders or bondholders to  
5 appoint a trustee under s. ~~234.20~~ 235.0265 or limiting the rights, powers, and duties  
6 of such trustee, in which event s. ~~234.20~~ 235.0265 shall not apply.

7           **SECTION 383.** 234.11 of the statutes is renumbered 235.022 and amended to  
8 read:

9           **235.022 Same Notes and bonds; validity and effect of pledge.** Any pledge  
10 made by the authority shall be valid and binding from the time when the pledge is  
11 made; the moneys or property so pledged and thereafter received by the authority  
12 shall immediately be subject to the lien of such pledge without any physical delivery  
13 thereof or further act; and the lien of any such pledge shall be valid and binding as  
14 against all parties having claims of any kind in tort, contract, or otherwise against  
15 the authority, irrespective of whether such parties have notice thereof. Neither the  
16 resolution nor any other instrument by which a pledge is created need be recorded.

17           **SECTION 384.** 234.12 of the statutes is renumbered 235.0225 and amended to  
18 read:

19           **235.0225 Same Notes and bonds; personal liability of members of**  
20 **authority.** Neither the members of the authority board, nor the members of a  
21 committee established by the board, nor any person executing the notes or bonds  
22 shall be liable personally on the notes or bonds or be subject to any personal liability  
23 or accountability by reason of the issuance thereof.

24           **SECTION 385.** 234.13 of the statutes is renumbered 235.023, and 235.023 (title),  
25 as renumbered, is amended to read:

1           **235.023** (title) **Same Notes and bonds; purchase for cancellation.**

2           **SECTION 386.** 234.14 of the statutes is renumbered 235.0235, and 235.0235  
3 (title), as renumbered, is amended to read:

4           **235.0235** (title) **Same Notes and bonds; liability of state.**

5           **SECTION 387.** 234.15 of the statutes is renumbered 235.024.

6           **SECTION 388.** 234.16 of the statutes is renumbered 235.0245.

7           **SECTION 389.** 234.165 of the statutes is renumbered 235.025, and 235.025 (2)  
8 (dm), as renumbered, is amended to read:

9           235.025 (2) (dm) The authority shall allocate a portion of its surplus in a plan  
10 prepared under par. (b) to the property tax deferral loan program under ss. ~~234.621~~  
11 ~~to 234.626~~ 235.621 to 235.626.

12           **SECTION 390.** 234.17 of the statutes is repealed.

13           **SECTION 391.** 234.18 of the statutes is renumbered 235.0255 and amended to  
14 read:

15           **235.0255 Limit on amount of outstanding bonds and notes.** The  
16 authority may not issue notes and bonds that are secured by a capital reserve fund  
17 to which s. ~~234.15~~ 235.024 (4) applies if, upon issuance, the total aggregate  
18 outstanding principal amount of notes and bonds that are secured by a capital  
19 reserve fund to which s. ~~234.15~~ 235.024 (4) applies would exceed \$600,000,000. This  
20 section does not apply to bonds and notes issued to refund outstanding notes and  
21 bonds.

22           **SECTION 392.** 234.19 of the statutes is renumbered 235.026.

23           **SECTION 393.** 234.20 of the statutes is renumbered 235.0265.

24           **SECTION 394.** 234.21 of the statutes is renumbered 235.027 and amended to  
25 read:

1           **235.027 Trustee; additional powers.** The trustee, in addition to the powers  
2 granted in s. ~~234.20~~ 235.0265 shall have all of the powers necessary or appropriate  
3 for the exercise of any functions specifically set forth in this chapter or incident to  
4 the general representation of noteholders or bondholders in the enforcement and  
5 protection of their rights.

6           **SECTION 395.** 234.22 of the statutes is renumbered 235.0271 and amended to  
7 read:

8           **235.0271 Venue.** The venue of any action or proceeding by the trustee under  
9 ss. ~~234.19, 234.20 and 234.21~~ 235.026, 235.0265, and 235.027 shall be in Dane  
10 County.

11           **SECTION 396.** 234.23 of the statutes is renumbered 235.0273.

12           **SECTION 397.** 234.24 of the statutes is renumbered 235.0275.

13           **SECTION 398.** 234.25 of the statutes is repealed.

14           **SECTION 399.** 234.255 of the statutes is repealed.

15           **SECTION 400.** 234.26 of the statutes is renumbered 235.0277.

16           **SECTION 401.** 234.265 of the statutes is renumbered 235.0279 and amended to  
17 read:

18           **235.0279 Records of the authority.** All records of the authority or any  
19 corporation established by the authority shall be open to the public as provided in  
20 s. 19.35 (1), except:

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

1           (2) Records or portions of records consisting of personal or financial  
2 information provided by a person seeking a grant or loan under ~~s. 234.63, 2007~~  
3 ~~stats., or s. 234.04, 234.08, 234.49, 234.59, 234.592, 234.605, 234.61, 234.65, 234.67,~~  
4 ~~234.83, 234.84, 234.90, 234.905, 234.907, or 234.91, seeking a loan under ss. 234.621~~  
5 ~~to 234.626, seeking financial assistance under s. 234.66, 2005 stats., seeking~~  
6 ~~mortgage loan refinancing from a lender under s. 234.605, seeking investment of~~  
7 ~~funds under s. 234.03 (18m), or in which the authority has invested funds under s.~~  
8 ~~234.03 (18m), unless the person consents to disclosure of the information, tax credit,~~  
9 ~~or other assistance from the authority.~~

10           **SECTION 402.** 234.28 of the statutes is renumbered 235.028.

11           **SECTION 403.** 234.29 of the statutes is renumbered 235.0283.

12           **SECTION 404.** 234.30 of the statutes is renumbered 235.0285.

13           **SECTION 405.** 234.31 of the statutes is renumbered 235.0287.

14           **SECTION 406.** 234.32 of the statutes is renumbered 235.0289.

15           **SECTION 407.** 234.40 of the statutes is renumbered 235.409, and 235.409 (2),  
16 (3) and (4), as renumbered, are amended to read:

17           235.409 (2) Bonds issued under the authority of this section are payable out  
18 of revenues or moneys received from the repayment of veterans housing loans and  
19 related funds made available in ss. ~~234.42~~ 235.42 and ~~234.43~~ 235.43. All assets and  
20 liabilities created through the issuance of bonds to purchase mortgage loans  
21 representing veterans housing loans are to be separate from all other assets and  
22 liabilities of the authority. No funds of the veterans housing loan program may be  
23 commingled with any other funds of the authority.

24           (3) It is the intent of the legislature that the authority be used to finance the  
25 veterans housing program. Nothing in this ~~chapter~~ subchapter shall be construed

1 to supersede the powers vested by subch. III of ch. 45 in the department of veterans  
2 affairs for carrying out program responsibilities for which debt has been incurred by  
3 the authority.

4 (4) The limitations established in ss. ~~234.18, 234.50, 234.60, 234.61, and 234.65~~  
5 235.0255, 235.50, 235.60, and 235.61 are not applicable to bonds issued under the  
6 authority of this section. The authority may not have outstanding at any one time  
7 bonds for veterans housing loans in an aggregate principal amount exceeding  
8 \$61,945,000, excluding bonds being issued to refund outstanding bonds.

9 **SECTION 408.** 234.41 of the statutes is renumbered 235.41, and 235.41 (3), as  
10 renumbered, is amended to read:

11 235.41 (3) Moneys of the veterans housing loan fund may be invested as  
12 provided in ~~s. 234.03 (18) policies and procedures established by the authority.~~ All  
13 such investments shall be the exclusive property of the fund. All earnings on or  
14 income from such investments shall be credited to the fund, paid over to the  
15 department of veterans affairs and deposited in the veterans trust fund after  
16 payment or repayment of any deficits arising in the veterans capital reserve fund and  
17 after payment of expenses contained in sub. (4).

18 **SECTION 409.** 234.42 of the statutes is renumbered 235.42, and 235.42 (1s) and  
19 (4), as renumbered, are amended to read:

20 235.42 (1s) The authority shall establish the veterans capital reserve fund to  
21 secure the veterans housing bonds sold pursuant to s. ~~234.40~~ 235.409, and shall pay  
22 into the veterans capital reserve fund any moneys appropriated and made available  
23 by the state for the purposes of such fund, any proceeds of sale of bonds, to the extent  
24 provided in the resolution of the authority authorizing the issuance thereof and any

1 other moneys which are made available to the authority for the purpose of such fund  
2 from any other source.

3 (4) To assure the continued operation and solvency of the authority for the  
4 carrying out of the veterans housing loan program of this ~~chapter~~ subchapter, the  
5 authority shall accumulate in the veterans capital reserve fund an amount equal to  
6 the veterans capital reserve fund requirement. If at any time the veterans capital  
7 reserve fund requirement exceeds the amount of the veterans capital reserve fund,  
8 the chairperson of the authority shall certify to the secretary of administration, the  
9 governor and the joint committee on finance, the amount necessary to restore the  
10 veterans capital reserve fund to an amount equal to the veterans capital reserve fund  
11 requirement. If such certification is received by the secretary of administration in  
12 an even-numbered year prior to the completion of the budget compilation under s.  
13 16.43, the secretary shall include the certified amount in the budget compilation. In  
14 any case, the joint committee on finance shall introduce in either house, in bill form,  
15 an appropriation of the amount so certified to the veterans capital reserve fund of the  
16 authority. Recognizing its moral obligation to do so, the legislature hereby expresses  
17 its expectation and aspiration that, if ever called upon to do so, it shall make such  
18 appropriation.

19 **SECTION 410.** 234.43 of the statutes is renumbered 235.43, and 235.43 (1), as  
20 renumbered, is amended to read:

21 235.43 (1) The authority shall establish the veterans housing bond redemption  
22 fund. All mortgages purchased with moneys from the veterans housing loan fund  
23 shall be the exclusive property of the bond redemption fund. All moneys received by  
24 the authority from the repayment of veterans housing loans shall be deposited into



1 such fund to be used for the repayment of veterans housing bonds issued pursuant  
2 to s. ~~234.40~~ 235.409.

3 SECTION 411. 234.44 of the statutes is renumbered 235.44 and amended to  
4 read:

5 **235.44 Validation of certain obligations and proceedings.**

6 Notwithstanding any provision of this chapter or any other law, in the absence of  
7 fraud, all obligations issued prior to May 4, 1976 purportedly pursuant to ~~this~~  
8 ~~chapter ch. 234, 2013 stats.,~~ and all proceedings prior to such time taken purportedly  
9 pursuant to ~~this chapter ch. 234, 2013 stats.,~~ for the authorization and issuance of  
10 such obligations or of obligations not yet issued, and the sale, execution, and delivery  
11 of such obligations issued prior to May 4, 1976, are hereby validated, ratified,  
12 approved, and confirmed, notwithstanding any lack of power, however patent, other  
13 than constitutional, of the issuing authority or the governing body or officer thereof,  
14 to authorize such obligations, or to sell, execute, or deliver the same, and  
15 notwithstanding any defects or irregularities, however patent, other than  
16 constitutional, in such proceeding or in such sale, execution, or delivery of such  
17 obligations. All such obligations issued prior to May 4, 1976 are binding, legal  
18 obligations in accordance with their terms.

19 SECTION 412. 234.49 of the statutes is renumbered 235.49, and 235.49 (1)  
20 (intro.) and (2) (a) (intro.), 6. and 8., as renumbered, are amended to read:

21 235.49 (1) DEFINITIONS. (intro.) In ss. ~~234.49~~ 235.49 to ~~234.55~~ 235.55:

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

1           6. To enter into contracts or agreements with authorized lenders and sponsors  
2 providing for the maximum and minimum acceptable rates of interest to be charged  
3 for various classifications of housing rehabilitation loans. In no event may the stated  
4 rate of interest on any housing rehabilitation loan under this section exceed the  
5 greater of 8% per year or 3% plus the rate necessary to fully repay interest and  
6 principal on housing rehabilitation loan program bonds issued pursuant to s. ~~234.50~~  
7 235.50.

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

10           **SECTION 413.** ~~234.50~~ of the statutes is renumbered 235.50, and ~~235.50~~ (1), (2)  
11 and (4), as renumbered, are amended to read:

12           235.50 (1) The authority may issue its negotiable bonds in such principal  
13 amount and of such length of maturity as, in the opinion of the authority, is necessary  
14 to provide sufficient funds for purchasing housing rehabilitation loans or for funding  
15 commitments for loans to lenders for housing rehabilitation loans; for purchasing  
16 property tax deferral loans under s. ~~234.49~~ 235.49 (2) (a) 10.; for the establishment  
17 of reserves to secure such bonds; and for all other expenditures of the authority  
18 incident to or necessary and convenient in connection therewith. The authority may,  
19 whenever it deems refunding expedient, refund any bonds by the issuance of new  
20 bonds whether the bonds to be refunded have or have not matured, and issue bonds  
21 partly to refund bonds then outstanding and partly for the purpose authorized by  
22 this section.

23           (2) Bonds issued under the authority of this section shall be special obligations  
24 of the authority payable solely out of revenues, moneys or other property received in  
25 connection with the housing rehabilitation loan program, including, without

1 limitation, repayments of housing rehabilitation loans, federal insurance or  
2 guarantee payments, the proceeds of bonds issued under the authority of this  
3 section, and the amounts made available under ss. ~~234.54~~ 235.54 and ~~234.55~~ 235.55.  
4 All assets and liabilities created through the issuance of bonds to purchase housing  
5 rehabilitation loans shall be separate from all other assets and liabilities of the  
6 authority. No funds of the housing rehabilitation loan program may be commingled  
7 with any other funds of the authority.

8 (4) The limitations established in ss. ~~234.18, 234.40, 234.60, 234.61, and 234.65~~  
9 235.0255, 235.409, 235.60, and 235.61 are not applicable to bonds issued under the  
10 authority of this section. The authority may not have outstanding at any one time  
11 bonds for housing rehabilitation loans in an aggregate principal amount exceeding  
12 \$100,000,000, excluding bonds being issued to refund outstanding bonds. The  
13 authority shall consult with and coordinate the issuance of bonds with the building  
14 commission prior to the issuance of bonds.

15 **SECTION 414.** 234.51 of the statutes is renumbered 235.51, and 235.51 (1), (2)  
16 (a) and (3), as renumbered, are amended to read:

17 235.51 (1) There is established under the jurisdiction of the authority a housing  
18 rehabilitation loan program administration fund. There shall be paid into such fund  
19 the amounts appropriated under s. ~~20.490~~ 20.885 (2) ~~(a)~~ (ad), the amounts provided  
20 in s. ~~234.55~~ 235.55, any amounts transferred by the authority to such fund from other  
21 funds or sources and any other moneys which may be available to the authority for  
22 the purpose of such fund from any other source.

23 (2) (a) To pay all administrative costs, expenses, and charges, including  
24 origination fees and servicing fees, incurred in conducting the housing rehabilitation

1 loan program other than those described in ss. ~~234.53~~ 235.53 (4) and ~~234.55~~ 235.55  
2 (2) (b).

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 415. 234.52 of the statutes is renumbered 235.52, and 235.52 (1), (2)  
8 and (3), as renumbered, are amended to read:

9 235.52 (1) There is established under the jurisdiction of the authority a housing  
10 rehabilitation loan program loan-loss reserve fund. There shall be paid into such  
11 fund the amounts appropriated under s. ~~20.490~~ 20.885 (2) (q), the amounts provided  
12 under s. ~~234.55~~ 235.55, any amounts transferred by the authority to such fund from  
13 other funds or sources and any other moneys which may be available to the authority  
14 for the purposes of such fund from any other source.

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

23 (3) Moneys of the fund may be invested as provided in s. ~~234.03 (18)~~ policies  
24 and procedures established by the authority. All such investments shall be the

1 exclusive property of the fund. All earnings on or income from such investments  
2 shall be credited to the fund.

3 **SECTION 416.** 234.53 of the statutes is renumbered 235.53, and 235.53 (1), (2)  
4 and (3), as renumbered, are amended to read:

5 235.53 (1) The authority shall establish the housing rehabilitation loan fund.  
6 All moneys resulting from the sale of bonds issued under the authority of s. ~~234.50~~  
7 235.50, not including bonds issued to refund outstanding bonds, and unless credited  
8 to the housing rehabilitation loan program capital reserve or bond redemption funds,  
9 shall be credited to such fund.

10 (2) The authority shall use moneys in the fund for the purpose of purchasing  
11 housing rehabilitation loans or for funding commitments for loans to lenders for  
12 housing rehabilitation loans. All disbursements of funds under this section for  
13 purchasing such loans shall be made payable to an authorized lender as defined in  
14 s. ~~234.49~~ 235.49 (1) (b) or a duly authorized agent thereof.

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 417.** 234.54 of the statutes is renumbered 235.54, and 235.54 (1r) and  
20 (4) (a), as renumbered, are amended to read:

21 235.54 (1r) The authority shall establish the housing rehabilitation loan  
22 program capital reserve fund to secure the bonds issued under the authority of s.  
23 ~~234.50~~ 235.50, and shall pay into such fund any moneys appropriated and made  
24 available by the state for the purposes of such fund, any proceeds of sale of housing  
25 rehabilitation bonds to the extent provided in the resolution of the authority

1 authorizing the issuance thereof and any other moneys which are made available to  
2 the authority for the purpose of such fund from any other source.

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

7 **SECTION 418.** 234.55 of the statutes is renumbered 235.55, and 235.55 (1) and  
8 (4), as renumbered, are amended to read:

9 235.55 (1) The authority shall establish the housing rehabilitation loan  
10 program bond redemption fund. All housing rehabilitation loans purchased with  
11 moneys from the housing rehabilitation loan fund or notes evidencing loans to  
12 lenders from such fund for housing rehabilitation loans shall be the exclusive  
13 property of such redemption fund. All moneys received from the repayment of such  
14 loans, any amounts transferred by the authority to such fund pursuant to s. ~~234.52~~  
15 235.52 or from other funds or sources, any federal insurance or guarantee payments  
16 with respect to such loans, all moneys resulting from the sale of bonds for the purpose  
17 of refunding outstanding housing rehabilitation bonds unless credited to the housing  
18 rehabilitation loan program capital reserve fund, and any other moneys which may  
19 be available to the authority for the purpose of such fund, shall be deposited into such  
20 fund to be used for the repayment of housing rehabilitation bonds issued under the  
21 authority of s. ~~234.50~~ 235.50.

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

1           **SECTION 419.** 234.59 of the statutes is renumbered 235.59, and 235.59 (2) (e)  
2 and (3) (bc) 3., as renumbered, are amended to read:

3           235.59 (2) (e) May enter into agreements to insure or provide additional  
4 security for homeownership mortgage loans or bonds or notes issued under s. ~~234.60~~  
5 235.60.

6           (3) (bc) 3. If the authority sets aside at least 20% of the proceeds of a bond or  
7 note issuance under s. ~~234.60~~ 235.60 to fund home ownership mortgage loans for  
8 eligible properties that are targeted area residences, the authority may apply up to  
9 33% of the proceeds that are set aside for that purpose without regard to the income  
10 of the applicant.

11           **SECTION 420.** 234.592 of the statutes is renumbered 235.592, and 235.592 (1)  
12 (a), (b) and (c) and (2) (c), as renumbered, are amended to read:

13           235.592 (1) (a) “Authorized lender” has the meaning given in s. ~~234.59~~ 235.59  
14 (1) (a).

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

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

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

19           **SECTION 421.** 234.60 of the statutes is renumbered 235.60, and 235.60 (1), (2),  
20 (5) (c) and (9), as renumbered, are amended to read:

21           235.60 (1) The authority may issue its bonds or notes to fund homeownership  
22 mortgage loans or the refinancing of qualified subprime loans under s. ~~234.592~~  
23 235.592.

24           (2) The limitations in ss. ~~234.18, 234.40, 234.50, 234.61, and 234.65~~ 235.0255,  
25 235.409, 235.50, and 235.61 do not apply to bonds or notes issued under this section.

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

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

7           **SECTION 422.** 234.605 of the statutes is renumbered 235.605, and 235.605 (1)  
8 (a) and (2), as renumbered, are amended to read:

9           235.605 (1) (a) “Eligible property” has the meaning given in s. ~~234.59~~ 235.59  
10 (1) (d) 1.

11           (2) Subject to the approval of all members of the board of directors of the  
12 authority, the authority may establish and administer a homeowner eviction and  
13 lien protection program to encourage the refinancing of mortgage loans by lenders  
14 in order to facilitate the retention of eligible property by persons and families.

15           **SECTION 423.** 234.61 of the statutes is renumbered 235.61, and 235.61 (1), as  
16 renumbered, is amended to read:

17           235.61 (1) Upon the authorization of the department of health services, the  
18 authority may issue bonds or notes and make loans for the financing of housing  
19 projects which are residential facilities as defined in s. 46.28 (1) (d) and the  
20 development costs of those housing projects, if the department of health services has  
21 approved the residential facilities for financing under s. 46.28 (2). The limitations  
22 in ss. ~~234.18, 234.40, 234.50, 234.60, and 234.65~~ 235.0255, 235.409, 235.50, and  
23 235.60 do not apply to bonds or notes issued under this section. The definition of  
24 “nonprofit corporation” in s. ~~234.01~~ 235.40 (9) does not apply to this section.

25           **SECTION 424.** 234.621 of the statutes is renumbered 235.621.



1           **SECTION 425.** 234.622 (intro.) of the statutes is renumbered 235.622 (intro.)

2 and amended to read:

3           **235.622 Definitions.** (intro.) In ss. ~~234.621 to 234.626~~ 235.621 to 235.626:

4           **SECTION 426.** 234.622 (1) of the statutes is renumbered 235.622 (1).

5           **SECTION 427.** 234.622 (2m) of the statutes is repealed.

6           **SECTION 428.** 234.622 (3) of the statutes is renumbered 235.622 (3).

7           **SECTION 429.** 234.622 (3m) of the statutes is renumbered 235.622 (3m).

8           **SECTION 430.** 234.622 (4) of the statutes is renumbered 235.622 (4).

9           **SECTION 431.** 234.622 (5) of the statutes is renumbered 235.622 (5) and  
10 amended to read:

11           235.622 (5) “Permitted obligations” means the total amount of outstanding  
12 liens and judgments on the qualifying dwelling unit if that amount does not exceed  
13 33% of the value of the unit as determined by the most recent assessment for property  
14 tax purposes. For purposes of ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, housing and  
15 rehabilitation loans under s. ~~234.49~~ 235.49 and liens arising under ss. ~~234.621~~  
16 235.621 to ~~234.626~~ 235.626 shall not be considered outstanding liens or judgments  
17 in computing the amount of permitted obligations.

18           **SECTION 432.** 234.622 (6) of the statutes is renumbered 235.622 (6) and  
19 amended to read:

20           235.622 (6) “Program” means the program under ss. ~~234.621~~ 235.621 to  
21 ~~234.626~~ 235.626.

22           **SECTION 433.** 234.622 (7) of the statutes is renumbered 235.622 (7) and  
23 amended to read:

24           235.622 (7) “Qualifying dwelling unit” means a dwelling unit, not including a  
25 mobile home as defined in s. 101.91 (10), located in this state, habitable as a

1 permanent residence and to which property taxes or special assessments are, or may  
2 conveniently be, allocated and up to one acre of land appertaining to it held in the  
3 same ownership as the dwelling unit. For purposes of ss. ~~234.621~~ 235.621 to ~~234.626~~  
4 235.626, “qualifying dwelling unit” includes a unit in a condominium or in a  
5 cooperative or an unincorporated cooperative association or in a multiunit dwelling  
6 with 4 or fewer units, but in all of these 3 cases only the portion of taxes or special  
7 assessments allocable to the unit lived in by the participant may qualify for loans  
8 under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626.

9       **SECTION 434.** 234.623 of the statutes is renumbered 235.623, and 235.623 (1)  
10 and (3), as renumbered, are amended to read:

11       235.623 (1) The participant applies on forms prescribed by the authority for a  
12 loan to pay property taxes or special assessments by June 30 of the year in which the  
13 taxes or special assessments are payable on a qualifying dwelling unit and, except  
14 as provided in s. ~~234.625~~ 235.625 (5), specifies the names of all co-owners.

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

19       **SECTION 435.** 234.624 of the statutes is renumbered 235.624.

20       **SECTION 436.** 234.625 of the statutes is renumbered 235.625, and 235.625 (1),  
21 (2), (3), (4) (b) 1. and 6., (5), (9) and (10), as renumbered, are amended to read:

22       235.625 (1) The authority shall enter into agreements with participants and  
23 their co-owners to loan funds to pay property taxes and special assessments on their  
24 qualifying dwelling units. The maximum loan under ss. ~~234.621~~ 235.621 to ~~234.626~~  
25 235.626 in any one year is limited to the lesser of \$3,525 or the amount obtained by

1 adding the property taxes levied on the qualifying dwelling unit for the year for  
2 which the loan is sought, the special assessments levied on the dwelling unit, and the  
3 interest and penalties for delinquency attributable to the property taxes or special  
4 assessments. Loans shall bear interest at a rate equal to the prime lending rate at  
5 the time the rate is set, as reported by the federal reserve board in federal reserve  
6 statistical release H. 15, plus 1%. The ~~executive director~~ authority shall set the rate  
7 no later than October 15 of each year, and that rate shall apply to loans made in the  
8 following year.

9 (2) The authority shall have all powers ~~under s. 234.03~~ that are necessary or  
10 convenient to the operation of a loan program, including, without limitation because  
11 of enumeration, the power to enter into contracts, to pay or be paid for the  
12 performance of services, to exercise all rights of a lienholder under subch. I of ch. 779,  
13 and to perform other administrative actions that are necessary in the conduct of its  
14 duties under ~~ss. 234.621 235.621~~ to ~~234.626 235.626~~.

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

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

23 6. The participant ceases to meet the eligibility requirements of ~~s. 234.623~~  
24 235.623, except as provided in sub. (5).

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

9           (9) Upon the making of the initial loan, a nonconsensual statutory lien in favor  
10 of the authority to secure payment of the principal, interest, fees and charges due on  
11 all loans, including loans made after the lien is filed, to the participant made under  
12 ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 shall attach to the qualifying dwelling unit  
13 in respect to which the loan is made. The qualifying dwelling unit shall remain  
14 subject to the statutory lien until the payment in full of all loans and charges. If the  
15 authority funds such loans from the proceeds of notes or bonds under s. ~~234.626~~  
16 235.626, its right under the lien shall automatically accrue to the benefit of the  
17 holders of those notes or bonds, without any action or assignment by the authority.  
18 When a loan becomes due and payable, the statutory lien hereby conferred may be  
19 enforced by the authority or the holders of the notes or bonds or their representative,  
20 as the case may be, in the same manner as a construction lien under ss. 779.09 to  
21 779.12, except that neither the participant nor any co-owners or their personal  
22 representatives, successors or assigns shall be personally liable for any deficiency  
23 which may arise from the sale. At the time of disbursing the initial loan to a  
24 participant, the authority shall record with the register of deeds of the county in  
25 which the qualifying dwelling unit is located, on a form prescribed by the authority

1 which shall contain a legal description of the qualifying dwelling unit, a notice of the  
2 loan made under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 and the existence of the  
3 statutory lien arising therefrom. The register of deeds shall record the notice in the  
4 land records and index it in the indexes maintained by the register of deeds. The  
5 statutory lien created by this section shall have priority over any lien that originates  
6 subsequent to the recording of the notice.

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

12 **SECTION 437.** ~~234.626~~ of the statutes is renumbered 235.626, and ~~235.626~~ (1),  
13 (2), (2m), (4), (6) and (7), as renumbered, are amended to read:

14 235.626 (1) Loans made or authorized to be made under ss. ~~234.621~~ 235.621  
15 to ~~234.626~~ 235.626 may be funded from the proceeds of notes and bonds issued  
16 subject to and in accordance with ss. ~~234.08 to 234.14~~ 235.02 to 235.0235 and from  
17 the fund under s. ~~234.165~~ 235.025.

18 (2) The authority may create a system of funds and accounts, separate and  
19 distinct from all other funds and accounts of the authority, consisting of moneys  
20 received from notes and bonds, all revenues received in the repayment of loans made  
21 under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, except as provided in sub. (2m), and  
22 any other revenues dedicated to it by the authority. The authority may pledge  
23 moneys and revenues received or to be received by this system of funds and accounts  
24 to secure bonds or notes issued for the program. The authority shall have all other

1 powers necessary and convenient to distribute the proceeds of the bonds, notes, and  
2 loan repayments in accordance with its powers under this ~~chapter~~ subchapter.

3 (2m) Revenues received in the repayment of loans made under s. ~~234.165~~  
4 235.025 shall be paid into the fund under s. ~~234.165~~ 235.025.

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

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

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

18 **SECTION 438.** 234.65 of the statutes is repealed.

19 **SECTION 439.** Subchapter II (title) of chapter 234 [precedes 234.67] of the  
20 statutes is renumbered subchapter V of chapter 235 [precedes 235.67].

21 **SECTION 440.** 234.67 of the statutes is renumbered 235.67, and 235.67 (1) (e),  
22 (2) (intro.) and (3), as renumbered, are amended to read:

23 235.67 (1) (e) "Participating lender" means a bank, credit union, savings bank,  
24 savings and loan association or other person, who makes loans for working capital

1 or to finance physical plant needs, equipment or machinery and who has entered into  
2 an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

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

6 (3) GUARANTEE OF COLLECTION. The authority shall guarantee collection of a  
7 percentage, not exceeding 90%, of the principal of any loan eligible for a guarantee  
8 under sub. (2). The authority shall establish the percentage of the unpaid principal  
9 of an eligible loan that will be guaranteed, using the procedures described in the  
10 guarantee agreement under s. ~~234.93~~ 235.93 (2) (a). The authority may establish a  
11 single percentage for all guaranteed loans or establish different percentages for  
12 eligible loans on an individual basis.

13 SECTION 441. 234.75 of the statutes is renumbered 235.75, and 235.75 (2) (c)  
14 and (5) (a) and (c) (intro.), as renumbered, are amended to read:

15 235.75 (2) (c) The lender is the authority or a financial institution that enters  
16 into an agreement under s. ~~234.93~~ 235.93 (2) (a).

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

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

1           **SECTION 442.** 234.83 of the statutes is renumbered 235.83, and 235.83 (1m) (c),  
2 (3) (intro.) and (4), as renumbered, are amended to read:

3           **235.83 (1m) (c)** The lender enters into an agreement under s. ~~234.93~~ 235.93 (2)  
4 (a).

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

8           **(4) GUARANTEE OF REPAYMENT.** The authority may guarantee repayment of a  
9 portion of the principal of any loan eligible for a guarantee under sub. (1m). That  
10 portion may not exceed 80% of the principal of the loan or \$750,000, whichever is less.  
11 The authority shall establish the portion of the principal of an eligible loan that will  
12 be guaranteed, using the procedures described in the agreement under s. ~~234.93~~  
13 235.93 (2) (a). The authority may establish a single portion for all guaranteed loans  
14 that do not exceed \$937,500 and a single portion for all guaranteed loans that exceed  
15 \$937,500 or establish on an individual basis different portions for eligible loans that  
16 do not exceed \$937,500 and different portions for eligible loans that exceed \$937,500.

17           **SECTION 443.** 234.84 (title) of the statutes is renumbered 235.84 (title).

18           **SECTION 444.** 234.84 (1) of the statutes is repealed.

19           **SECTION 445.** 234.84 (2) of the statutes is renumbered 235.84 (2), and 235.84  
20 (2) (c), as renumbered, is amended to read:

21           **235.84 (2) (c)** The lender is a financial institution that enters into an agreement  
22 under s. ~~234.932~~ 235.932 (3) (a).

23           **SECTION 446.** 234.84 (3) of the statutes is renumbered 235.84 (3), and 235.84  
24 (3) (intro.) and (c), as renumbered, are amended to read:



1           235.84 (3) ELIGIBLE LOANS. (intro.) A loan is eligible for guarantee of collection  
2 from the Wisconsin job training reserve fund under s. ~~234.932~~ 235.932 if all of the  
3 following apply:

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

6           **SECTION 447.** 234.84 (4) of the statutes is renumbered 235.84 (4) and amended  
7 to read:

8           235.84 (4) GUARANTEE OF COLLECTION. (a) Subject to par. (b), the authority shall  
9 guarantee collection of a percentage of the principal of, and all interest and any other  
10 amounts outstanding on, any loan eligible for a guarantee under sub. (2). The  
11 ~~corporation~~ authority shall establish the percentage of the principal of an eligible  
12 loan that will be guaranteed, using the procedures described in the agreement under  
13 s. ~~234.932~~ 235.932 (3) (a). The ~~corporation~~ authority may establish a single  
14 percentage for all guaranteed loans or establish different percentages for eligible  
15 loans on an individual basis.

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

19           **SECTION 448.** 234.84 (5) (a) of the statutes is repealed.

20           **SECTION 449.** 234.84 (5) (b) of the statutes is renumbered 235.84 (5) and  
21 amended to read:

22           235.84 (5) The ~~corporation~~ authority may charge a premium, fee, or other  
23 charge to a borrower of a guaranteed loan under this section for the administration  
24 of the loan guarantee.

1           **SECTION 450.** 234.86 of the statutes is renumbered 235.86, and 235.86 (2)  
2 (intro.) and (c) and (4) (a) and (b), as renumbered, are amended to read:

3           **235.86 (2) GUARANTEE REQUIREMENTS.** (intro.) The authority may use money  
4 from the Wisconsin drinking water reserve fund under s. ~~234.932~~ 235.932 to  
5 guarantee a loan under this section if all of the following apply:

6           (c) The lender is a financial institution that enters into an agreement under s.  
7 ~~234.933~~ 235.933 (3) (a).

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

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

17           **SECTION 451.** 234.88 of the statutes is renumbered 235.88, and 235.88 (1) (c),  
18 (2) (intro.) and (6), as renumbered, are amended to read:

19           **235.88 (1) (c)** "Participating lender" means a bank, production credit  
20 association, credit union, savings bank, savings and loan association, or other person  
21 who makes emergency heating assistance loans and who has entered into an  
22 agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

23           **(2) ELIGIBLE LOANS.** (intro.) An emergency heating assistance loan made by a  
24 participating lender is eligible for guarantee of collection under sub. (5) from the

1 Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following  
2 apply:

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

7 SECTION 452. 234.90 of the statutes is renumbered 235.90, and 235.90 (1) (d)  
8 and (2) (intro.), as renumbered, are amended to read:

9 235.90 (1) (d) “Participating lender” means a bank, production credit  
10 association, credit union, savings bank, savings and loan association or other person  
11 who makes agricultural production loans and who has entered into an agreement  
12 with the authority under s. ~~234.93~~ 235.93 (2) (a).

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

17 SECTION 453. 234.905 of the statutes is renumbered 235.905, and 235.905 (1)  
18 (f), (2) (intro.) and (4) (b), as renumbered, are amended to read:

19 235.905 (1) (f) “Participating lender” means a bank, production credit  
20 association, credit union, savings bank, savings and loan association or other person  
21 who makes agricultural production drought assistance loans and who has entered  
22 into an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

23 (2) ELIGIBLE LOANS. (intro.) An agricultural production drought assistance loan  
24 made by a participating lender is eligible for guarantee of collection from the

1 Wisconsin development reserve fund under s. ~~234.93~~ 235.93 if all of the following  
2 apply:

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

6 SECTION 454. 234.907 of the statutes is renumbered 235.907, and 235.907 (1)  
7 (e), (2) (intro.) and (3), as renumbered, are amended to read:

8 235.907 (1) (e) “Participating lender” means a bank, credit union, savings  
9 bank, savings and loan association or other person, who makes loans for working  
10 capital or to finance physical plant needs, equipment or machinery and who has  
11 entered into an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

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

22 SECTION 455. 234.91 of the statutes is renumbered 235.91, and 235.91 (1) (e)  
23 and (2) (intro.), as renumbered, are amended to read:

24 235.91 (1) (e) “Participating lender” means a bank, farm credit service, credit  
25 union, savings bank, savings and loan association or other person who makes loans

1 for the acquisition or improvement of agricultural assets and who has entered into  
2 an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a). The term does not  
3 include a seller under a land contract.

4 (2) ELIGIBLE LOANS. (intro.) A loan made by a participating lender is eligible  
5 for guarantee of collection from the Wisconsin development reserve fund under s.  
6 ~~234.93~~ 235.93 if all of the following apply:

7 SECTION 456. 234.92 of the statutes is renumbered 235.92.

8 SECTION 457. 234.93 of the statutes is renumbered 235.93, and 235.93 (1) (a),  
9 (b), (cm) and (d) and (4) (a) 2. and 3. and (b) (intro.), as renumbered, are amended to  
10 read:

11 235.93 (1) (a) Moneys appropriated to the authority under s. ~~20.490 (5) (a), (q)~~  
12 20.885 (2) (qm), (r), and (s) or (3) (ap) or received by the authority for the Wisconsin  
13 development reserve fund from any other source.

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

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

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

21 (4) (a) 2. To fund guarantees under all of the programs guaranteed by funds  
22 from the Wisconsin development reserve fund, except for the program under s.  
23 ~~234.935~~, 1997 stats., and the program under s. ~~234.75~~ 235.75, at a ratio of \$1 of  
24 reserve funding to \$4.50 of total outstanding principal and outstanding guaranteed  
25 principal that the authority may guarantee under all of those programs.

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

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

8           **SECTION 458.** 234.932 of the statutes is renumbered 235.932, and 235.932 (2)  
9 (intro.) and (b), as renumbered, are amended to read:

10           235.932 (2) ESTABLISHMENT OF FUND. (intro.) There is established under the  
11 jurisdiction and control of the authority, for the purpose of providing funds for  
12 guaranteeing loans under s. ~~234.84~~ 235.84, a Wisconsin job training reserve fund,  
13 consisting of all of the following:

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

16           **SECTION 459.** 234.933 of the statutes is renumbered 235.933, and 235.933 (1),  
17 (2) (intro.) and (b), as renumbered, are amended to read:

18           235.933 (1) DEFINITION. In this section, “drinking water loan guarantee  
19 program” means the program under s. ~~234.86~~ 235.86.

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

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

1           **SECTION 460.** Subchapter III (title) of chapter 234 [precedes 234.94] of the  
2 statutes is renumbered subchapter VI (title) of chapter 235 [precedes 235.94].

3           **SECTION 461.** 234.94 of the statutes is renumbered 235.94, and 235.94 (2) (b)  
4 5. and (3), as renumbered, are amended to read:

5           235.94 (2) (b) 5. The corporation’s purpose is to promote the employment of  
6 members of a target group through projects that meet the conditions specified in s.  
7 ~~234.96~~ 235.96 (1) (a) to (d).

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

10          **SECTION 462.** 234.95 of the statutes is renumbered 235.95, and 235.95 (2), as  
11 renumbered, is amended to read:

12          235.95 (2) The community development finance company shall issue stock or  
13 partnership interests. The community development finance company shall invest  
14 funds it receives from the sale of stock or partnership interests by purchasing capital  
15 participation instruments under s. ~~234.96~~ 235.96.

16          **SECTION 463.** 234.96 of the statutes is renumbered 235.96.

17          **SECTION 464.** 234.97 of the statutes is renumbered 235.97, and 235.97 (intro.)  
18 and (2), as renumbered, are amended to read:

19          **235.97 Sale or purchase of stock or interest.** (intro.) Subject to s. ~~234.96~~  
20 235.96 (1) (h), the authority shall do all of the following:

21          (2) Use funds received from contributions, gifts, or grants ~~under s. 234.03 (32)~~  
22 to purchase community development finance company stock or partnership interests  
23 or make grants or loans to community development corporations.

24          **SECTION 465.** 234.98 of the statutes is renumbered 235.98.

25          **SECTION 466.** Chapter 235 of the statutes is created to read:





1           (c) The board may delegate to the chief executive officer and chief operating  
2 officer any powers and duties the board considers proper. The chief executive officer  
3 and chief operating officer shall receive such compensation as may be determined by  
4 the board.

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

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

11           **235.012 Powers of the board.** The board shall have all the powers necessary  
12 or convenient to carry out the purposes and provisions of this chapter. In addition  
13 to all other powers granted the board by law, the board may:

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

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

17           (3) Maintain offices.

18           (4) Sue and be sued.

19           (5) Accept gifts, grants, loans, or other contributions from private or public  
20 sources.

21           (6) Establish the authority's annual budget and monitor the fiscal  
22 management of the authority.

23           (7) Make equity investments and execute contracts, securities, mortgages, and  
24 other instruments required for the operation of the authority.

1 (8) Employ any officers, agents, and employees that it may require and  
2 determine their qualifications, duties, and compensation.

3 (9) Issue notes, bonds, and any other obligations.

4 (10) Make loans and provide grants.

5 (11) Incur debt.

6 (12) Procure liability insurance.

7 (13) Enter into agreements regarding compensation, space, and other  
8 administrative matters as are necessary to operate offices in other states and foreign  
9 countries. Such agreements shall be subject to the approval of the secretary of  
10 administration.

11 (14) Agree and comply with any conditions attached to federal financial  
12 assistance.

13 (15) Lease real or personal property and to accept federal funds for and  
14 participate in such federal housing programs as are enacted on May 4, 1976, or at  
15 any future time, except that the authority may not accept without the consent of the  
16 governor federal funds under federal housing programs enacted after May 8, 1982,  
17 if issuance of the authority's bonds or notes is not required to participate in the  
18 programs.

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

20 **235.013 Duties of the board; mission.** The board shall develop and  
21 implement economic development programs, and housing programs and projects, to  
22 provide business, housing, and other support and expertise and financial assistance

23 to companies that are investing or creating jobs in Wisconsin, and to Wisconsin

24 residents to support new business start-ups, business expansion and growth, and

25 home ownership in Wisconsin, and to provide single and multifamily housing to

persons