

1 *~~1059/9.189~~*SECTION 3755. 230.27 (2) of the statutes is amended to read:

2 230.27 (2) Subject to s. 230.275, the ~~administrator~~ director may provide by rule
3 for the selection and appointment of a person to a project position.

4 *~~1059/9.190~~*SECTION 3756. 230.27 (2k) of the statutes is amended to read:

5 230.27 (2k) If an appointing authority selects, for a project position, a person
6 who is not a veteran or is not a person the hiring of whom would serve affirmative
7 action purposes, the appointing authority shall make and retain a written record of
8 the appointing authority's reasons for selecting the person who was appointed. The
9 appointing authority shall make the written records available to the ~~office~~ division
10 and annually submit a report to the ~~office~~ division summarizing the reasons
11 contained in the written records. The ~~office~~ division shall annually prepare a report
12 summarizing, for each agency, the information submitted by appointing authorities
13 under this subsection.

14 *~~1059/9.191~~*SECTION 3757. 230.275 (1) (d) of the statutes is amended to read:

15 230.275 (1) (d) The appointing authority notifies the ~~administrator~~ director in
16 writing that the position is to be filled with a disabled veteran on a noncompetitive
17 basis.

18 *~~1059/9.192~~*SECTION 3758. 230.28 (1) (a) of the statutes is amended to read:

19 230.28 (1) (a) All original and all promotional appointments to permanent,
20 sessional and seasonal positions, with the exception of those positions designated as
21 supervisor or management under s. 111.81, in the classified service shall be for a
22 probationary period of 6 months, but the ~~administrator~~ director at the request of the
23 appointing authority and in accordance with the rules related thereto may extend
24 any such period for a maximum of 3 additional months. Dismissal may be made at
25 any time during such periods. Upon such dismissal, the appointing authority shall

1 report to the ~~administrator~~ director and to the employee removed, the dismissal and
2 the reason therefor. The ~~administrator~~ director may remove an employee during the
3 employee's probationary period if the ~~administrator~~ director finds, after giving notice
4 and an opportunity to be heard, that such employee was appointed as a result of
5 fraud or error.

6 ***-1059/9.193*SECTION 3759.** 230.28 (1) (b) of the statutes is amended to read:

7 230.28 (1) (b) The ~~administrator~~ director may authorize a longer probationary
8 period not to exceed 2 years for any administrative, technical or professional
9 position, in order to provide the appointing authority assurance that the employee
10 has had adequate exposure to the various responsibilities which are a part of the
11 position or classification.

12 ***-1059/9.194*SECTION 3760.** 230.28 (1) (bm) (intro.) of the statutes is amended
13 to read:

14 230.28 (1) (bm) (intro.) At the request of an appointing authority and an
15 employee, the ~~administrator~~ director may authorize, at any time before the
16 completion of the probationary period, an extended probationary period of up to one
17 additional year for an individual with a disability, as defined in s. 111.32 (8), who is
18 the employee to allow the employee to do any of the following:

19 ***-1059/9.195*SECTION 3761.** 230.28 (1) (c) of the statutes is amended to read:

20 230.28 (1) (c) Upon request by the appointing authority, the ~~administrator~~
21 director may waive any portion of the lengthened probationary period but in no case
22 before a 6-month probationary period has been served.

23 ***-1059/9.196*SECTION 3762.** 230.28 (3) of the statutes is amended to read:

24 230.28 (3) If an employee is removed from a position during the probationary
25 period, and the ~~administrator~~ director determines that the person is suitable for

1 appointment to another position, the person's name may be restored to the list from
2 which it was certified.

3 ***-1059/9.197*SECTION 3763.** 230.28 (4) of the statutes is amended to read:

4 230.28 (4) A person reinstated in an employing unit other than one in which
5 the person previously served in permanent status in the class in which the person
6 is being reinstated, an employee who transfers from one employing unit to another,
7 an employee who moves to a different employing unit in conjunction with a voluntary
8 demotion, and a person who had not obtained permanent status in class in a
9 supervisory or management position prior to appointment to another supervisory or
10 management position, may be required by the appointing authority to serve a
11 probationary period. Provisions for the duration of such probationary period shall
12 be provided in the rules of the ~~administrator~~ director.

13 ***-1059/9.198*SECTION 3764.** 230.29 of the statutes is amended to read:

14 **230.29 Transfers.** A transfer may be made from one position to another only
15 if specifically authorized by the ~~administrator~~ director.

16 ***-1059/9.199*SECTION 3765.** 230.30 (1) of the statutes is amended to read:

17 230.30 (1) Each agency shall constitute an employing unit for purposes of
18 personnel transactions, except where appropriate functional, organizational or
19 geographic breakdowns exist within the agency and except as provided in sub. (2).
20 These breakdowns may constitute a separate employing unit for one or more types
21 of personnel transactions under an overall employing unit plan if requested by the
22 appointing authority of that agency and approved by the ~~administrator~~ director. If
23 the ~~administrator~~ director determines, after conferring with the appointing
24 authority of the employing agency, that an employing unit is or has become
25 inappropriate to carry out sound personnel management practices due to factors

1 including, but not limited to, the size or isolated location of portions of the employing
2 unit, the ~~administrator~~ director may revise the employing unit structure of the
3 agency to effect the remedy required.

4 ***-1059/9.200*SECTION 3766.** 230.31 (1) (b) of the statutes is amended to read:

5 230.31 (1) (b) For a 3-year period from the date of separation, if on layoff status,
6 the person shall be placed, in inverse order of layoff, on an appropriate mandatory
7 restoration register for the unit used for layoff and on a restoration register for the
8 agency from which the person was laid off. Use of such registers shall be subject to
9 the rules of the ~~administrator~~ director.

10 ***-1059/9.201*SECTION 3767.** 230.31 (2) of the statutes is amended to read:

11 230.31 (2) The ~~administrator~~ director may also provide for the reinstatement
12 of persons who have served in seasonal and sessional employment and for persons
13 who separate from a position while serving a probationary period.

14 ***-1059/9.202*SECTION 3768.** 230.315 (1) (c) of the statutes is amended to read:

15 230.315 (1) (c) The employee has received a military leave of absence under s.
16 230.32 (3) (a) or 230.35 (3), under a collective bargaining agreement under subch. V
17 of ch. 111, or under rules promulgated by the ~~office of employment relations~~ division
18 or is eligible for reemployment with the state under s. 321.64 after completion of his
19 or her service in the U.S. armed forces.

20 ***-1059/9.203*SECTION 3769.** 230.32 (3) of the statutes is amended to read:

21 230.32 (3) (a) Any classified employee who leaves state service and enters the
22 armed forces of the United States shall, under this section, be granted written
23 military leave of absence by the appointing authority. Notice of such leave from state
24 service and the terms of any such leave shall be given in writing by the appointing
25 authority to the ~~director~~ administrator for purposes of record.

1 (b) Any classified employee who leaves state service for civilian employment
2 in response to a specific request or order of the federal government or any of its
3 agencies in connection with manpower redistribution and utilization shall, under
4 this section, make written application to the appointing authority for civilian leave
5 of absence presenting such specific request or order of the federal government as
6 supporting evidence. Such civilian leave shall be allowed by the appointing
7 authority and its terms, which shall conform to the rules of the ~~director~~
8 administrator, shall be in writing. Notice of such leave from state service shall be
9 made in writing by the appointing authority to the ~~director~~ administrator for
10 purposes of record.

11 (c) All such military or civilian leaves of absence as heretofore may have been
12 granted are validated and shall be deemed to be sufficient and effective hereunder.
13 Such leaves shall be recorded with the ~~director~~ administrator.

14 ***-1059/9.204*SECTION 3770.** 230.32 (4) of the statutes is amended to read:

15 230.32 (4) Any person appointed to fill the position of an employee on such
16 military or civilian leave shall be designated as a substitute or replacement employee
17 and upon the return and reemployment of the original employee the substitute
18 employee shall be transferred to a similar position with the same employing agency
19 if one is available, or if not, he or she shall be eligible for reinstatement or have the
20 right of restoration in accordance with this subchapter and the rules of the
21 ~~administrator~~ director. The status of any person who is appointed to fill the place
22 of an employee on military or civilian leave under this section shall be governed by
23 the rules of the ~~administrator~~ director pursuant thereto.

24 ***-1059/9.205*SECTION 3771.** 230.32 (5) of the statutes is amended to read:

1 230.32 (5) The restoration of classified former employees of the state shall be
2 governed by this section and by the rules of the ~~administrator~~ director.

3 *~~1059/9.206~~*SECTION 3772. 230.33 (2) of the statutes is amended to read:

4 230.33 (2) A person appointed to an unclassified position by an appointing
5 authority other than an appointing authority described under sub. (1), to a
6 department other than the one in which the person was a classified employee may
7 be granted a leave of absence without pay at the option of the person's former
8 appointing authority in accordance with the leave of absence provisions in the rules
9 of the ~~director~~ administrator. An employee granted a leave of absence shall have the
10 same restoration rights and reinstatement privileges as under sub. (1m). If not
11 granted a leave of absence, the employee shall be entitled only to the reinstatement
12 privileges under sub. (1m).

13 *~~0807/P6.377~~*SECTION 3773. 230.339 of the statutes is repealed.

14 *~~1059/9.207~~*SECTION 3774. 230.34 (1) (c) of the statutes is amended to read:

15 230.34 (1) (c) The ~~director~~ administrator shall establish guidelines for uniform
16 application of this authority among the various agencies.

17 *~~1059/9.208~~*SECTION 3775. 230.34 (2) (b) of the statutes is amended to read:

18 230.34 (2) (b) The ~~administrator~~ director shall promulgate rules governing
19 layoffs and appeals therefrom and alternative procedures in lieu of layoff to include
20 voluntary and involuntary demotion and the exercise of a displacing right to a
21 comparable or lower class, as well as the subsequent employee right of restoration
22 or eligibility for reinstatement.

23 *~~1059/9.209~~*SECTION 3776. 230.34 (2m) of the statutes is amended to read:

24 230.34 (2m) Employees in positions funded by nonstate funds made available
25 contingent on special employee eligibility requirements such as length of prior

1 unemployment, specific occupational disadvantages or need for remedial work
2 experience, shall be exempt from inclusion with the employees whose positions are
3 in classes considered for layoff under sub. (2). In the case of reduction in force in such
4 nonstate funded positions, layoffs and layoff procedures established pursuant to the
5 rules of the ~~administrator~~ director may be limited to employees whose positions are
6 dependent upon specific funding contingencies.

7 *~~1059/9.210~~*SECTION 3777. 230.34 (3) of the statutes is amended to read:

8 230.34 (3) The appointing authority shall confer with the ~~administrator~~
9 director relative to a proposed layoff a reasonable time before the effective date
10 thereof in order to assure compliance with the rules.

11 *~~1059/9.211~~*SECTION 3778. 230.34 (4) of the statutes is amended to read:

12 230.34 (4) Resignations shall be regulated by the rules of the ~~director~~
13 administrator.

14 *~~1059/9.212~~*SECTION 3779. 230.35 (1) (d) of the statutes is amended to read:

15 230.35 (1) (d) Annual leaves of absence shall not be cumulative except under
16 sub. (1p) and except that unused annual leave shall, subject to the rules of the
17 ~~director~~ administrator, be used in the year following the one in which it was earned,
18 but no employee shall lose any unused annual leave because the employee's work
19 responsibilities prevented the usage of the unused annual leave during the first 6
20 months of the year following the year in which it was earned.

21 *~~1059/9.213~~*SECTION 3780. 230.35 (1m) (f) of the statutes is amended to read:

22 230.35 (1m) (f) The continuous service of an employee eligible for annual leave
23 under this subsection shall not be considered interrupted if the employee was on an
24 approved leave of absence to participate in providing specialized disaster relief
25 services or if the employee leaves the service and is reemployed by the state in

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1 another position covered under this subsection. Employees appointed to career
2 executive positions under s. 230.24 or positions designated in s. 19.42 (10) (L) or
3 20.923 (4), (7), (8), or (9) or authorized under s. 230.08 (2) (e) are not subject to the
4 continuous service requirements under sub. (1) (g) if they are reemployed in any of
5 those positions, regardless of the duration of their absence. If the employees are
6 reemployed in a position other than a career executive position or a position
7 designated in s. 19.42 (10) (L) or 20.923 (4), (7), (8), or (9) or authorized under s.
8 230.08 (2) (e), continuous service shall be established in accordance with rules of the
9 director administrator.

10 *~~0333/P3.34~~*SECTION 3781. 230.35 (1s) of the statutes is amended to read:

11 230.35 (1s) Annual leave of absence with pay for instructional staff employed
12 by the board of regents of the University of Wisconsin System who provide services
13 for a charter school established by contract under s. 118.40 (2r) (cm), 2013 stats.,
14 shall be determined by the governing board of the charter school established by
15 contract under s. 118.40 (2r) (cm), 2013 stats., as approved by the chancellor of the
16 University of Wisconsin–Parkside.

17 *~~0971/P5.645~~*SECTION 3782. 230.35 (1s) of the statutes, as affected by 2015
18 Wisconsin Act (this act), is repealed.

****NOTE: This is reconciled s. 230.35 (1s). This SECTION has been affected by drafts
with the following LRB numbers: LRB-0333/P2 and LRB-0971/P4.

19 *~~1059/9.214~~*SECTION 3783. 230.35 (2) of the statutes is amended to read:

20 230.35 (2) Leave of absence with pay owing to sickness and leave of absence
21 without pay, other than annual leave and leave under s. 103.10, shall be regulated
22 by rules of the ~~director~~ administrator, except that unused sick leave shall accumulate
23 from year to year. After July 1, 1973, employees appointed to career executive

1 positions under the program established under s. 230.24 or positions designated in
2 s. 19.42 (10) (L) or 20.923 (4), (7), (8), and (9) or authorized under s. 230.08 (2) (e) shall
3 have any unused sick leave credits restored if they are reemployed in a career
4 executive position or in a position under s. 19.42 (10) (L) or 20.923 (4), (7), (8), and
5 (9) or authorized under s. 230.08 (2) (e), regardless of the duration of their absence.
6 Restoration of unused sick leave credits if reemployment is to a position other than
7 those specified above shall be in accordance with rules of the ~~director~~ administrator.

8 *–1059/9.215*SECTION 3784. 230.35 (2r) (b) of the statutes is amended to read:

9 230.35 (2r) (b) The ~~director~~ administrator may establish, by rule, a
10 catastrophic leave program that permits employees to donate certain types and
11 amounts of leave credits to other employees who have been absent from pay status
12 because of a catastrophic need for which there is no paid leave benefits or
13 replacement income available. The ~~director~~ administrator shall determine the types
14 and amounts of leave credits that may be donated.

15 *–1059/9.216*SECTION 3785. 230.35 (3) (d) of the statutes is amended to read:

16 230.35 (3) (d) Employees of the state are entitled to reasonable paid leaves of
17 absence to compete in promotional examinations and interviews. The ~~director~~
18 administrator shall promulgate rules governing the lengths of time allowable for
19 such leaves, their frequency and the provisions for their use.

20 *–1059/9.217*SECTION 3786. 230.35 (3) (e) 2. e. of the statutes is amended to
21 read:

22 230.35 (3) (e) 2. e. The leave of absence conforms with any rules of the ~~director~~
23 administrator regarding leaves of absence to provide specialized disaster relief
24 services.

1 ***-1059/9.218***SECTION 3787. 230.35 (3) (e) 5. of the statutes is amended to
2 read:

3 230.35 (3) (e) 5. The ~~director~~ administrator may promulgate any rules
4 necessary to implement this paragraph.

5 ***-1059/9.219***SECTION 3788. 230.35 (5) (b) of the statutes is amended to read:

6 230.35 (5) (b) The standard basis of employment shall be divided into 5 work
7 days of 8 hours each except as provided under s. 230.215 (5), and except that when
8 the conditions of employment cannot be satisfied by adhering to this division or when
9 the public would not be inconvenienced, deviations may be permitted upon
10 recommendation of the appointing authority and subsequent approval by the
11 ~~director~~ administrator.

12 ***-0971/P5.646***SECTION 3789. 230.36 (1m) (b) 2. (intro.) of the statutes is
13 amended to read:

14 230.36 (1m) (b) 2. (intro.) A conservation warden, conservation patrol boat
15 captain, conservation patrol boat engineer, member of the state patrol, state motor
16 vehicle inspector, ~~University of Wisconsin System police officer~~, security officer, or
17 security person, other state facilities police officer, special tax agent, excise tax
18 investigator employed by the department of revenue, and special criminal
19 investigation agent employed by the department of justice at all times while:

20 ***-0971/P5.647***SECTION 3790. 230.36 (2m) (a) 14. of the statutes is amended
21 to read:

22 230.36 (2m) (a) 14. A ~~University of Wisconsin System police officer or other~~
23 state facilities police officer and patrol officer.

24 ***-1059/9.220***SECTION 3791. 230.37 (1) of the statutes is amended to read:

1 230.37 (1) In cooperation with appointing authorities the ~~director~~
2 administrator shall establish an employee performance evaluation program to
3 provide a continuing record of employee development and, when applicable, to serve
4 as a basis for pertinent personnel actions. Similar evaluations shall be conducted
5 during the probationary period but may not infringe upon the authority of the
6 appointing authority to retain or dismiss employees during the probationary period.

7 *~~1059/9.221~~*SECTION 3792. 230.40 (6) of the statutes is amended to read:

8 230.40 (6) The ~~administrator~~ director shall administer this section.

9 *~~1059/9.222~~*SECTION 3793. 230.43 (5) of the statutes is amended to read:

10 230.43 (5) TAXPAYERS' SUITS. The right of any taxpayer to bring any action to
11 restrain the payment of compensation to any person appointed to or holding any
12 office or place of employment in violation of this subchapter shall not be limited or
13 denied by reason of the fact that the office or place of employment has been classified
14 as, or determined to be, not subject to competitive examination; however, any
15 judgment or injunction in any such action shall be prospective only, and shall not
16 affect payments already made or due to such persons by the proper disbursing
17 officers, in accordance with the rules of the ~~director~~ administrator in force at the time
18 of such payments.

19 *~~1059/9.223~~*SECTION 3794. 230.44 (1) (a) of the statutes is amended to read:

20 230.44 (1) (a) *Decision made or delegated by ~~administrator~~ director.* Appeal of
21 a personnel decision under this subchapter made by the ~~administrator~~ director or by
22 an appointing authority under authority delegated by the ~~administrator~~ director
23 under s. 230.05 (2).

24 *~~1059/9.224~~*SECTION 3795. 230.44 (1) (b) of the statutes is amended to read:

1 230.44 (1) (b) *Decision made or delegated by ~~director~~ administrator*. Appeal of
2 a personnel decision under s. 230.09 (2) (a) or (d) or 230.13 (1) made by the ~~director~~
3 administrator or by an appointing authority under authority delegated by the
4 ~~director~~ administrator under s. 230.04 (1m).

5 ***-1059/9.225*SECTION 3796.** 230.44 (1) (dm) of the statutes is amended to
6 read:

7 230.44 (1) (dm) *Noncompetitive appointment of certain disabled veterans.* A
8 personnel action under s. 230.275 by an appointing authority that is alleged to be
9 illegal or an abuse of discretion. The ~~administrator~~ director and the ~~office~~ division
10 may not be a party to any such appeal.

11 ***-1059/9.226*SECTION 3797.** 230.44 (4) (bm) of the statutes is amended to
12 read:

13 230.44 (4) (bm) Upon request of an employee who files an appeal of the decision
14 of the ~~director~~ administrator made under s. 230.09 (2) (a) or (d), the appeal shall be
15 heard by a commissioner or attorney employed by the commission serving as
16 arbitrator under rules promulgated for this purpose by the commission. In such an
17 arbitration, the arbitrator shall orally render a decision at the conclusion of the
18 hearing affirming, modifying or rejecting the decision of the ~~director~~ administrator.
19 The decision of the arbitrator is final and is not subject to review by the commission.
20 An arbitrator's decision may not be cited as precedent in any other proceeding before
21 the commission or before any court. The arbitrator shall promptly file his or her
22 decision with the commission. The decision of the arbitrator shall stand as the
23 decision of the commission. The decision of the commission is subject to review under
24 ss. 227.53 to 227.57 only on the ground that the decision was procured by corruption,
25 fraud or undue means or that the arbitrator or the commission exceeded the

1 arbitrator's or the commission's power. The record of a proceeding under this
2 paragraph shall be transcribed as provided in s. 227.44 (8).

3 ***-1059/9.227*SECTION 3798.** 230.46 of the statutes is amended to read:

4 **230.46 Duties of council on affirmative action.** The council on affirmative
5 action ~~in the office~~ shall serve in a direct advisory capacity to the ~~director~~
6 administrator and as part of that relationship shall evaluate the progress of
7 affirmative action programs throughout the civil service system, seek compliance
8 with state and federal regulations and recommend improvements in the state's
9 affirmative action efforts as an employer. In carrying out its responsibilities, the
10 council may recommend legislation, consult with agency personnel and other
11 interested persons, conduct hearings and take other appropriate action to promote
12 affirmative action. The council shall report at least once per year to the governor and
13 the legislature.

14 ***-1059/9.228*SECTION 3799.** 230.48 (2) of the statutes is amended to read:

15 230.48 (2) PERSONNEL, FACILITIES AND EQUIPMENT. ~~The office~~ administrator shall
16 appoint, under the classified service, a secretary and such other employees as are
17 necessary to carry out the duties of the state employees suggestion board, and shall
18 provide such facilities and equipment as that board requires for the proper
19 performance of its work. The state employees suggestion board may request and
20 shall receive from any state department any assistance that it requires.

21 ***-0971/P5.648*SECTION 3800.** 230.90 (1) (c) of the statutes is amended to read:

22 230.90 (1) (c) "Governmental unit" means any association, authority, board,
23 commission, department, independent agency, institution, office, society or other
24 body in state government created or authorized to be created by the constitution or
25 any law, including the legislature, the office of the governor and the courts.

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1 “Governmental unit” does not mean the University of Wisconsin Hospitals and
2 Clinics Authority, the University of Wisconsin System Authority, or any political
3 subdivision of the state or body within one or more political subdivisions which is
4 created by law or by action of one or more political subdivisions.

5 ***-1059/9.229*SECTION 3801.** 230.90 (2) of the statutes is amended to read:

6 230.90 (2) An employee may bring an action in circuit court against his or her
7 employer or employer’s agent, including this state, if the employer or employer’s
8 agent retaliates, by engaging in a disciplinary action, against the employee because
9 the employee exercised his or her rights under the first amendment to the U.S.
10 constitution or article I, section 3, of the Wisconsin constitution by lawfully disclosing
11 information or because the employer or employer’s agent believes the employee so
12 exercised his or her rights. The employee shall bring the action within 2 years after
13 the action allegedly occurred or after the employee learned of the action, whichever
14 occurs last. No employee may bring an action against the ~~office~~ division of state
15 ~~employment relations~~ personnel management in the department of administration
16 as an employer’s agent.

17 ***-0584/P2.1*SECTION 3802.** 231.02 (2) of the statutes is amended to read:

18 231.02 (2) The authority shall appoint an executive director and associate
19 executive director who shall not be members of the authority and who shall serve at
20 the pleasure of the authority. They shall receive such compensation as the authority
21 fixes, except that the compensation of the executive director shall not exceed the
22 maximum of the salary range established under s. 20.923 (1) for positions assigned
23 to executive salary group ~~4~~ 6 and the compensation of each other employee of the
24 authority shall not exceed the maximum of the salary range established under s.
25 20.923 (1) for positions assigned to executive salary group 3. The executive director

1 or associate executive director or other person designated by resolution of the
2 authority shall keep a record of the proceedings of the authority and shall be
3 custodian of all books, documents, and papers filed with the authority, the minute
4 book or journal of the authority, and its official seal. The executive director or
5 associate executive director or other person may cause copies to be made of all
6 minutes and other records and documents of the authority and may give certificates
7 under the official seal of the authority to the effect that such copies are true copies,
8 and all persons dealing with the authority may rely upon such certificates.

9 *~~0807/P6.378~~SECTION 3803. 231.27 (1) of the statutes is amended to read:

10 231.27 (1) In this section, “minority business”, “minority financial adviser” and
11 “minority investment firm” mean a business, financial adviser and investment firm,
12 respectively, certified by ~~the department of administration~~ under s. ~~16.287~~ 203.07
13 (2).

14 *~~0807/P6.379~~SECTION 3804. 231.29 (1) of the statutes is amended to read:

15 231.29 (1) In this section, “business,” “financial adviser,” and “investment firm”
16 mean a business, financial adviser, and investment firm certified by ~~the department~~
17 ~~of administration~~ under s. ~~16.283~~ 203.03 (3).

18 *~~1502/1.27~~SECTION 3805. 232.05 (3) of the statutes is amended to read:

19 232.05 (3) The corporation may ~~not~~:

20 (a) Sell, exchange, or otherwise divest itself of the Bradley center to a sports
21 and entertainment district under subch. VI of ch. 229.

22 (b) Dissolve and wind up its affairs, ~~unless the legislature enacts a law ordering~~
23 ~~dissolution or except as provided in s. 232.07~~ upon the sale, exchange, or other
24 divestiture of the Bradley center.

25 *~~0971/P5.649~~SECTION 3806. 233.01 (3) of the statutes is amended to read:

1 233.01 (3) “Board of regents” means the board of regents of the University of
2 Wisconsin System Authority.

3 *~~0971/P5.650~~*SECTION 3807. 233.04 (7) (e) of the statutes is amended to read:

4 233.04 (7) (e) Any provision necessary to ensure that the general management
5 and operation of the on-campus facilities are consistent with the mission of the
6 University of Wisconsin System and responsibilities of the University of Wisconsin
7 System Authority specified in ss. 36.01 and ~~36.09~~ 36.11.

8 *~~1059/9.230~~*SECTION 3808. 233.10 (3) (c) 4. of the statutes is amended to
9 read:

10 233.10 (3) (c) 4. Grant to the carry-over employee military leave, treatment of
11 military leave, jury service leave and voting leave in accordance with s. 230.35 (3)
12 and (4) (e) and, to the extent applicable, rules of the ~~office~~ division of state
13 ~~employment relations~~ personnel management in the department of administration
14 governing such leaves for employees in the classified service as of the last day of the
15 employee’s employment as a state employee if the employee was entitled to those
16 benefits on that day.

17 *~~0971/P5.651~~*SECTION 3809. 233.10 (3r) (b) 1. of the statutes is amended to
18 read:

19 233.10 (3r) (b) 1. Enter into an employment contract for such period with the
20 carry-over employee. For such period, the contract shall provide the carry-over
21 employee with the same procedural guarantees provided to persons having academic
22 staff appointments under s. 36.15, 2013 stats., on June 29, 1996.

23 *~~0971/P5.652~~*SECTION 3810. 233.10 (3r) (b) 3. of the statutes is amended to
24 read:

1 233.10 (3r) (b) 3. Grant to the carry-over employee, except when he or she is
2 on an unpaid leave of absence, a paid holiday on each of the days specified as a
3 holiday in policies and procedures established by the board of regents under s. 36.15
4 (2), 2013 stats., as of the last day of the employee's employment as a state employee
5 and any holiday compensatory time off that may be specified in policies and
6 procedures established by the board of regents under s. 36.15 (2), 2013 stats., as of
7 the last day of the employee's employment in the academic staff appointment.

8 *~~0971/P5.653~~*SECTION 3811. 233.10 (3r) (b) 5. of the statutes is amended to
9 read:

10 233.10 (3r) (b) 5. Grant to the carry-over employee military leave, treatment
11 of military leave, jury service leave and voting leave in accordance with policies and
12 procedures established by the board of regents under s. 36.15 (2), 2013 stats., and,
13 as of the last day of the employee's employment in the academic staff appointment.

14 *~~0971/P5.654~~*SECTION 3812. 233.10 (3r) (b) 6. of the statutes is amended to
15 read:

16 233.10 (3r) (b) 6. Grant to the carry-over employee the same opportunity for
17 any employee training that may be provided under policies and procedures
18 established by the board of regents under s. 36.15 (2), 2013 stats., as of the last day
19 of his or her employment in the academic staff appointment.

20 *~~1059/9.231~~*SECTION 3813. 233.10 (4) of the statutes is amended to read:

21 233.10 (4) Notwithstanding the requirement that an employee be a state
22 employee, a carry-over employee of the authority who was employed in a position in
23 the classified service immediately prior to beginning employment with the authority
24 shall, from June 29, 1996, to June 30, 1997, have the same transfer rights under s.
25 230.29 and the rules of the ~~office~~ division of state employment relations personnel

1 management in the department of administration governing transfers as a person
2 who holds a position in the classified service.

3 ***-1215/P3.344***SECTION 3814. Chapter 234 (title) of the statutes is repealed.

4 ***-1215/P3.345***SECTION 3815. Subchapter I (title) of chapter 234 [precedes
5 234.01] of the statutes is renumbered subchapter IV (title) of chapter 235 [precedes
6 235.40] and amended to read:

7 **CHAPTER 235**

8 **SUBCHAPTER IV**

9 **GENERAL PROVISIONS; HOUSING AND**

10 **ECONOMIC DEVELOPMENT PROGRAMS**

11 ***-1215/P3.346***SECTION 3816. 234.01 (intro.) of the statutes is renumbered
12 235.40 (intro.) and amended to read:

13 **235.40 Definitions.** (intro.) In this chapter subchapter:

14 ***-1215/P3.347***SECTION 3817. 234.01 (1) of the statutes is repealed.

15 ***-1215/P3.348***SECTION 3818. 234.01 (2) of the statutes is repealed.

16 ***-1215/P3.349***SECTION 3819. 234.01 (3) of the statutes is repealed.

17 ***-1215/P3.350***SECTION 3820. 234.01 (3m) of the statutes is renumbered
18 235.40 (3m) and amended to read:

19 235.40 (3m) “Collateral” means a 3rd-party note, mortgage, guaranty,
20 insurance policy, bond, letter of credit, security agreement, or other instrument
21 securing the repayment of ~~an economic development loan or a mortgage loan.~~

22 ***-1215/P3.351***SECTION 3821. 234.01 (4) of the statutes is renumbered 235.40
23 (4).

24 ***-1215/P3.352***SECTION 3822. 234.01 (4m) of the statutes is repealed.

25 ***-1215/P3.353***SECTION 3823. 234.01 (4n) of the statutes is repealed.

1 *~~1215/P3.354~~**SECTION 3824.** 234.01 (5) of the statutes is renumbered 235.40
2 (5).

3 *~~1215/P3.355~~**SECTION 3825.** 234.01 (5k) of the statutes is renumbered
4 235.40 (5k).

5 *~~1215/P3.356~~**SECTION 3826.** 234.01 (5m) of the statutes is renumbered
6 235.40 (5m) and amended to read:

7 235.40 (5m) “Homeownership mortgage loan” has the meaning given under s.
8 ~~234.59~~ 235.59 (1) (f).

9 *~~1215/P3.357~~**SECTION 3827.** 234.01 (6) of the statutes is renumbered 235.40
10 (6), and 235.40 (6) (a) and (b), as renumbered, are amended to read:

11 235.40 (6) (a) If the corporation receives any loan or advance from the authority
12 under this ~~chapter~~ subchapter, it may enter into an agreement with the authority
13 providing for regulation with respect to rents, profits, dividends, and disposition of
14 property or franchises; ~~and~~.

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

1 ***-1215/P3.358***SECTION 3828. 234.01 (7) of the statutes is renumbered 235.40
2 (7).

3 ***-1215/P3.359***SECTION 3829. 234.01 (7m) of the statutes is renumbered
4 235.40 (7m) and amended to read:

5 235.40 (7m) “Housing rehabilitation loan” means a low interest housing
6 rehabilitation loan as defined in s. ~~234.49~~ 235.49 (1) (f) and (fm).

7 ***-1215/P3.360***SECTION 3830. 234.01 (8) of the statutes is renumbered 235.40
8 (8), and 235.40 (8) (a) and (b), as renumbered, are amended to read:

9 235.40 (8) (a) As a condition of acceptance of a loan or advance under this
10 ~~chapter subchapter~~, the limited–profit entity shall enter into an agreement with the
11 authority providing for limitations of rents, profits, dividends, and disposition of
12 property or franchises; ~~and~~.

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

1 *~~1215/P3.361~~**SECTION 3831.** 234.01 (9) of the statutes is renumbered 235.40
2 (9), and 235.40 (9) (a) 5., as renumbered, is amended to read:

3 235.40 (9) (a) 5. That if the corporation receives a loan or advance under this
4 ~~chapter subchapter~~, the chairperson of the board of directors of the authority, or his
5 or her designee, acting with the prior approval of the ~~majority of the members of the~~
6 ~~authority board~~, may, on determination that any such loan or advance is in jeopardy
7 of not being repaid, that the proposed development for which such loan or advance
8 was made is in jeopardy of not being constructed, that some part of the net income
9 or net earnings of the corporation is inuring to the benefit of any private person, that
10 the corporation is in some manner controlled or under the direction of or acting in
11 the substantial interest of any private person seeking to derive benefit or gain
12 therefrom or seeking to eliminate or minimize losses in any dealings or transactions
13 therewith, or that the corporation is not carrying out the intent and purposes of this
14 ~~chapter subchapter~~, appoint to the board of directors of such corporation a number
15 of new directors, which number shall be sufficient to constitute a majority of such
16 board, notwithstanding any other provisions of such articles of incorporation or of
17 any other provisions of law.

18 *~~1215/P3.362~~**SECTION 3832.** 234.01 (10) of the statutes is renumbered
19 235.40 (10) and amended to read:

20 235.40 (10) “Persons and families of low and moderate income” means persons
21 and families who cannot afford to pay the amounts at which private enterprise,
22 without ~~federally-aided~~ federally aided mortgages or loans from the authority, can
23 provide a substantial supply of decent, safe and sanitary housing and who fall within
24 income limitations set by the authority in its ~~rules~~ policies and procedures. In
25 determining such income limitations the authority shall consider the amounts of the

SECTION 3832

1 total income of such persons available for housing needs, the size of the family, the
2 cost and condition of available housing facilities, standards established for various
3 federal programs, and any other factors determined by the authority to be
4 appropriate in arriving at such limitations. Among low- or moderate-income
5 persons and families, preference shall be given to those displaced by governmental
6 action.

7 *~~1215/P3.363~~SECTION 3833. 234.02 of the statutes is repealed.

8 *~~1215/P3.364~~SECTION 3834. 234.03 of the statutes is repealed.

9 *~~1215/P3.365~~SECTION 3835. 234.032 of the statutes is repealed.

10 *~~1215/P3.366~~SECTION 3836. 234.034 of the statutes is renumbered 235.401.

11 *~~1215/P3.367~~SECTION 3837. 234.04 of the statutes is renumbered 235.402,
12 and 235.402 (2), as renumbered, is amended to read:

13 235.402 (2) The authority may make or participate in the making and enter
14 into commitments for the making of long-term mortgage loans to eligible sponsors
15 of housing projects for occupancy by persons and families of low and moderate
16 income, or for the making of homeownership mortgage loans or housing
17 rehabilitation loans or loans for the refinancing of qualified subprime loans under
18 s. ~~234.592~~ 235.592 to persons and families of low and moderate income, an applicant
19 under s. ~~234.59~~ or ~~234.592~~ 235.59 to 235.592, or other eligible beneficiaries as defined
20 in s. ~~234.49~~ 235.49. The loans may be made only upon the determination by the
21 authority that they are not otherwise available from private lenders upon reasonably
22 equivalent terms and conditions. The authority may not make a loan to a person
23 whose name appears on the statewide support lien docket under s. 49.854 (2) (b),
24 unless the person provides to the authority a payment agreement that has been
25 approved by the county child support agency under s. 59.53 (5) and that is consistent

1 with rules promulgated under s. 49.858 (2) (a). The authority may employ, for such
2 compensation as it determines, the services of any financial institution in connection
3 with any loan.

4 *~~1215/P3.368~~SECTION 3838. 234.05 of the statutes is renumbered 235.403.

5 *~~1215/P3.369~~SECTION 3839. 234.06 of the statutes is renumbered 235.404.

6 *~~1215/P3.370~~SECTION 3840. 234.07 of the statutes is renumbered 235.405,
7 and 235.405 (1), as renumbered, is amended to read:

8 235.405 (1) Except as provided in sub. (2), a limited-profit entity ~~which~~ that
9 receives loans from the authority may not make distributions, other than from funds
10 contributed to the limited-profit entity by stockholders, partners, members, or
11 holders of beneficial interest in the limited-profit entity, in any one year with respect
12 to a project financed by the authority in excess of 6% of its equity in such project on
13 a cumulative basis. The equity in a project shall consist of the difference between the
14 amount of the mortgage loan and the total project cost. Total project cost shall
15 include construction or rehabilitation costs including job overhead and a builder's
16 and sponsor's profit and risk fee, architectural, engineering, legal, and accounting
17 costs, organizational expenses, land value, interest, and financing charges paid
18 during construction, the cost of landscaping and off-site improvements, whether or
19 not such costs have been paid in cash or in a form other than cash. With respect to
20 every project the authority shall, pursuant to ~~rules~~ policies and procedures adopted
21 by it, establish the entity's equity at the time of making of the final mortgage advance
22 and, for purposes of this section, that figure shall remain constant during the life of
23 the authority's loan with respect to such project. Upon the dissolution of the
24 limited-profit entity any surplus in excess of the distributions allowed by this section
25 shall be paid to the authority. For this purpose surplus shall not be deemed to include

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1 any increase in net worth of any limited-profit entity by reason of a reduction of
2 mortgage indebtedness, by amortization or similar payments or by reason of the sale
3 or disposition of any assets of a limited-profit entity to the extent such surplus can
4 be attributed to any increase in market value of any real or tangible personal
5 property accruing during the period the assets were owned and held by the
6 limited-profit entity.

7 ***-1215/P3.371***SECTION 3841. 234.08 (title) of the statutes is renumbered
8 235.02 (title).

9 ***-1215/P3.372***SECTION 3842. 234.08 (1) of the statutes is renumbered 235.02
10 (1) and amended to read:

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

24 ***-1215/P3.373***SECTION 3843. 234.08 (2) of the statutes is renumbered 235.02
25 (2).

1 *~~1215/P3.374~~*SECTION 3844. 234.08 (3) of the statutes is renumbered 235.02

2 (3).

3 *~~1215/P3.375~~*SECTION 3845. 234.08 (4) of the statutes is renumbered 235.02

4 (4).

5 *~~1215/P3.376~~*SECTION 3846. 234.08 (5) of the statutes is repealed.

6 *~~1215/P3.377~~*SECTION 3847. 234.08 (6) of the statutes is repealed.

7 *~~1215/P3.378~~*SECTION 3848. 234.08 (7) of the statutes is renumbered 235.02

8 (7).

9 *~~1215/P3.379~~*SECTION 3849. 234.09 of the statutes is renumbered 235.021

10 and amended to read:

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

24 *~~1215/P3.380~~*SECTION 3850. 234.10 of the statutes is renumbered 235.0215,
25 and 235.0215 (title) and (9), as renumbered, are amended to read:

1 **235.0215** (title) **Same Notes and bonds; resolution authorizing**
2 **issuance, contents.**

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

9 *~~1215/P3.381~~*SECTION 3851. 234.11 of the statutes is renumbered 235.022
10 and amended to read:

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

19 *~~1215/P3.382~~*SECTION 3852. 234.12 of the statutes is renumbered 235.0225
20 and amended to read:

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

1 *~~-1215/P3.383~~*SECTION 3853. 234.13 of the statutes is renumbered 235.023,
2 and 235.023 (title), as renumbered, is amended to read:

3 **235.023 (title) Same Notes and bonds; purchase for cancellation.**

4 *~~-1215/P3.384~~*SECTION 3854. 234.14 of the statutes is renumbered 235.0235,
5 and 235.0235 (title), as renumbered, is amended to read:

6 **235.0235 (title) Same Notes and bonds; liability of state.**

7 *~~-1215/P3.385~~*SECTION 3855. 234.15 of the statutes is renumbered 235.024.

8 *~~-1215/P3.386~~*SECTION 3856. 234.16 of the statutes is renumbered 235.0245.

9 *~~-1215/P3.387~~*SECTION 3857. 234.165 of the statutes is renumbered 235.025,
10 and 235.025 (2) (dm), as renumbered, is amended to read:

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

14 *~~-1215/P3.388~~*SECTION 3858. 234.17 of the statutes is repealed.

15 *~~-1215/P3.389~~*SECTION 3859. 234.18 of the statutes is renumbered 235.0255
16 and amended to read:

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

24 *~~-1215/P3.390~~*SECTION 3860. 234.19 of the statutes is renumbered 235.026.

25 *~~-1215/P3.391~~*SECTION 3861. 234.20 of the statutes is renumbered 235.0265.

1 *~~1215/P3.392~~*SECTION 3862. 234.21 of the statutes is renumbered 235.027
2 and amended to read:

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

8 *~~1215/P3.393~~*SECTION 3863. 234.22 of the statutes is renumbered 235.0271
9 and amended to read:

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

13 *~~1215/P3.394~~*SECTION 3864. 234.23 of the statutes is renumbered 235.0273.

14 *~~1215/P3.395~~*SECTION 3865. 234.24 of the statutes is renumbered 235.0275.

15 *~~1215/P3.396~~*SECTION 3866. 234.25 of the statutes is repealed.

16 *~~1215/P3.397~~*SECTION 3867. 234.255 of the statutes is repealed.

17 *~~1215/P3.398~~*SECTION 3868. 234.26 of the statutes is renumbered 235.0277.

18 *~~1215/P3.399~~*SECTION 3869. 234.265 of the statutes is renumbered 235.0279
19 and amended to read:

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

23 (1) Those records relating to pending grants, ~~economic development loans,~~
24 economic development projects, or housing projects ~~which that~~, in the opinion of the

1 authority, must remain confidential to protect the competitive nature of the grant,
2 loan, or project.

3 (2) Records or portions of records consisting of personal or financial
4 information provided by a person seeking a grant or loan under ~~s. 234.63, 2007~~
5 ~~stats., or s. 234.04, 234.08, 234.49, 234.59, 234.592, 234.605, 234.61, 234.65, 234.67,~~
6 ~~234.83, 234.84, 234.90, 234.905, 234.907, or 234.91, seeking a loan under ss. 234.621~~
7 ~~to 234.626, seeking financial assistance under s. 234.66, 2005 stats., seeking~~
8 ~~mortgage loan refinancing from a lender under s. 234.605, seeking investment of~~
9 ~~funds under s. 234.03 (18m), or in which the authority has invested funds under s.~~
10 ~~234.03 (18m), unless the person consents to disclosure of the information, tax credit,~~
11 ~~or other assistance from the authority.~~

12 *~~1215/P3.400~~*SECTION 3870. 234.28 of the statutes is renumbered 235.028.

13 *~~1215/P3.401~~*SECTION 3871. 234.29 of the statutes is renumbered 235.0283.

14 *~~1215/P3.402~~*SECTION 3872. 234.30 of the statutes is renumbered 235.0285.

15 *~~1215/P3.403~~*SECTION 3873. 234.31 of the statutes is renumbered 235.0287.

16 *~~1215/P3.404~~*SECTION 3874. 234.32 of the statutes is renumbered 235.0289.

17 *~~0807/P6.380~~*SECTION 3875. 234.35 of the statutes is renumbered 235.0291,

18 and 235.0291 (1), as renumbered, is amended to read:

19 235.0291 (1) In this section, “minority business”, “minority financial adviser”
20 and “minority investment firm” mean a business, financial adviser and investment
21 firm, respectively, certified by the department of administration under s. ~~16.287~~
22 203.07 (2).

****NOTE: This is reconciled s. 234.35. This SECTION has been affected by drafts
with the following LRB numbers: -0807/P5 and -1215/P2.

1 *~~0807/P6.381~~**SECTION 3876.** 234.36 of the statutes is renumbered 235.0293,
2 and 235.0293 (1), as renumbered, is amended to read:

3 235.0293 (1) In this section, “business,” “financial adviser,” and “investment
4 firm” mean a business, financial adviser, and investment firm certified by the
5 department of administration under s. ~~16.283~~ 203.03 (3).

 ***NOTE: This is reconciled s. 234.36. This SECTION has been affected by drafts
with the following LRB numbers: -0807/P5 and -1215/P2.

6 *~~1215/P3.405~~**SECTION 3877.** 234.40 of the statutes is renumbered 235.409,
7 and 235.409 (2), (3) and (4), as renumbered, are amended to read:

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

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

20 (4) The limitations established in ss. ~~234.18, 234.50, 234.60, 234.61, and 234.65~~
21 235.0255, 235.50, 235.60, and 235.61 are not applicable to bonds issued under the
22 authority of this section. The authority may not have outstanding at any one time

1 bonds for veterans housing loans in an aggregate principal amount exceeding
2 \$61,945,000, excluding bonds being issued to refund outstanding bonds.

3 *~~1215/P3.406~~SECTION 3878. 234.41 of the statutes is renumbered 235.41,
4 and 235.41 (3), as renumbered, is amended to read:

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

12 *~~1215/P3.407~~SECTION 3879. 234.42 of the statutes is renumbered 235.42,
13 and 235.42 (1s) and (4), as renumbered, are amended to read:

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

21 (4) To assure the continued operation and solvency of the authority for the
22 carrying out of the veterans housing loan program of this ~~chapter~~ subchapter, the
23 authority shall accumulate in the veterans capital reserve fund an amount equal to
24 the veterans capital reserve fund requirement. If at any time the veterans capital
25 reserve fund requirement exceeds the amount of the veterans capital reserve fund,

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

12 ***-1215/P3.408*SECTION 3880.** 234.43 of the statutes is renumbered 235.43,
13 and 235.43 (1), as renumbered, is amended to read:

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

20 ***-1215/P3.409*SECTION 3881.** 234.44 of the statutes is renumbered 235.44
21 and amended to read:

22 **235.44 Validation of certain obligations and proceedings.**
23 Notwithstanding any provision of this chapter or any other law, in the absence of
24 fraud, all obligations issued prior to May 4, 1976 purportedly pursuant to ~~this~~
25 ~~chapter~~ ch. 234, 2013 stats., and all proceedings prior to such time taken purportedly

1 pursuant to this chapter ch. 234, 2013 stats., for the authorization and issuance of
2 such obligations or of obligations not yet issued, and the sale, execution, and delivery
3 of such obligations issued prior to May 4, 1976, are hereby validated, ratified,
4 approved, and confirmed, notwithstanding any lack of power, however patent, other
5 than constitutional, of the issuing authority or the governing body or officer thereof,
6 to authorize such obligations, or to sell, execute, or deliver the same, and
7 notwithstanding any defects or irregularities, however patent, other than
8 constitutional, in such proceeding or in such sale, execution, or delivery of such
9 obligations. All such obligations issued prior to May 4, 1976 are binding, legal
10 obligations in accordance with their terms.

11 *~~1215/P3.410~~*SECTION 3882. 234.49 of the statutes is renumbered 235.49,
12 and 235.49 (1) (intro.) and (2) (a) (intro.), 6. and 8., as renumbered, are amended to
13 read:

14 235.49 (1) DEFINITIONS. (intro.) In ss. ~~234.49~~ 235.49 to ~~234.55~~ 235.55:

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

18 6. To enter into contracts or agreements with authorized lenders and sponsors
19 providing for the maximum and minimum acceptable rates of interest to be charged
20 for various classifications of housing rehabilitation loans. In no event may the stated
21 rate of interest on any housing rehabilitation loan under this section exceed the
22 greater of 8% per year or 3% plus the rate necessary to fully repay interest and
23 principal on housing rehabilitation loan program bonds issued pursuant to s. ~~234.50~~
24 235.50.

SECTION 3882

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

3 *~~1215/P3.411~~*SECTION 3883. 234.50 of the statutes is renumbered 235.50,
4 and 235.50 (1), (2) and (4), as renumbered, are amended to read:

5 235.50 (1) The authority may issue its negotiable bonds in such principal
6 amount and of such length of maturity as, in the opinion of the authority, is necessary
7 to provide sufficient funds for purchasing housing rehabilitation loans or for funding
8 commitments for loans to lenders for housing rehabilitation loans; for purchasing
9 property tax deferral loans under s. ~~234.49~~ 235.49 (2) (a) 10.; for the establishment
10 of reserves to secure such bonds; and for all other expenditures of the authority
11 incident to or necessary and convenient in connection therewith. The authority may,
12 whenever it deems refunding expedient, refund any bonds by the issuance of new
13 bonds whether the bonds to be refunded have or have not matured, and issue bonds
14 partly to refund bonds then outstanding and partly for the purpose authorized by
15 this section.

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

1 (4) The limitations established in ss. ~~234.18, 234.40, 234.60, 234.61, and 234.65~~
2 235.0255, 235.409, 235.60, and 235.61 are not applicable to bonds issued under the
3 authority of this section. The authority may not have outstanding at any one time
4 bonds for housing rehabilitation loans in an aggregate principal amount exceeding
5 \$100,000,000, excluding bonds being issued to refund outstanding bonds. The
6 authority shall consult with and coordinate the issuance of bonds with the building
7 commission prior to the issuance of bonds.

8 *~~1215/P3.412~~*SECTION 3884. 234.51 of the statutes is renumbered 235.51,
9 and 235.51 (1), (2) (a) and (3), as renumbered, are amended to read:

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

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

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

24 *~~1215/P3.413~~*SECTION 3885. 234.52 of the statutes is renumbered 235.52,
25 and 235.52 (1), (2) and (3), as renumbered, are amended to read:

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

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

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 *~~1215/P3.414~~*SECTION 3886. 234.53 of the statutes is renumbered 235.53,
20 and 235.53 (1), (2) and (3), as renumbered, are amended to read:

21 235.53 (1) The authority shall establish the housing rehabilitation loan fund.
22 All moneys resulting from the sale of bonds issued under the authority of s. ~~234.50~~
23 235.50, not including bonds issued to refund outstanding bonds, and unless credited
24 to the housing rehabilitation loan program capital reserve or bond redemption funds,
25 shall be credited to such fund.

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

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

10 *~~1215/P3.415~~*SECTION 3887. 234.54 of the statutes is renumbered 235.54,
11 and 235.54 (1r) and (4) (a), as renumbered, are amended to read:

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

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

23 *~~1215/P3.416~~*SECTION 3888. 234.55 of the statutes is renumbered 235.55,
24 and 235.55 (1) and (4), as renumbered, are amended to read:

1 235.55 (1) The authority shall establish the housing rehabilitation loan
2 program bond redemption fund. All housing rehabilitation loans purchased with
3 moneys from the housing rehabilitation loan fund or notes evidencing loans to
4 lenders from such fund for housing rehabilitation loans shall be the exclusive
5 property of such redemption fund. All moneys received from the repayment of such
6 loans, any amounts transferred by the authority to such fund pursuant to s. ~~234.52~~
7 235.52 or from other funds or sources, any federal insurance or guarantee payments
8 with respect to such loans, all moneys resulting from the sale of bonds for the purpose
9 of refunding outstanding housing rehabilitation bonds unless credited to the housing
10 rehabilitation loan program capital reserve fund, and any other moneys which may
11 be available to the authority for the purpose of such fund, shall be deposited into such
12 fund to be used for the repayment of housing rehabilitation bonds issued under the
13 authority of s. ~~234.50~~ 235.50.

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

18 *~~1215/P3.417~~*SECTION 3889. 234.59 of the statutes is renumbered 235.59,
19 and 235.59 (2) (e) and (3) (bc) 3., as renumbered, are amended to read:

20 235.59 (2) (e) May enter into agreements to insure or provide additional
21 security for homeownership mortgage loans or bonds or notes issued under s. ~~234.60~~
22 235.60.

23 (3) (bc) 3. If the authority sets aside at least 20% of the proceeds of a bond or
24 note issuance under s. ~~234.60~~ 235.60 to fund home ownership mortgage loans for
25 eligible properties that are targeted area residences, the authority may apply up to

1 33% of the proceeds that are set aside for that purpose without regard to the income
2 of the applicant.

3 *~~1215/P3.418~~**SECTION 3890.** 234.592 of the statutes is renumbered 235.592,
4 and 235.592 (1) (a), (b) and (c) and (2) (c), as renumbered, are amended to read:

5 235.592 (1) (a) “Authorized lender” has the meaning given in s. ~~234.59~~ 235.59
6 (1) (a).

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

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

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

11 *~~1215/P3.419~~**SECTION 3891.** 234.60 of the statutes is renumbered 235.60,
12 and 235.60 (1), (2), (5) (c) and (9), as renumbered, are amended to read:

13 235.60 (1) The authority may issue its bonds or notes to fund homeownership
14 mortgage loans or the refinancing of qualified subprime loans under s. ~~234.592~~
15 235.592.

16 (2) The limitations in ss. ~~234.18, 234.40, 234.50, 234.61, and 234.65~~ 235.0255,
17 235.409, 235.50, and 235.61 do not apply to bonds or notes issued under this section.

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

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

24 *~~1215/P3.420~~**SECTION 3892.** 234.605 of the statutes is renumbered 235.605,
25 and 235.605 (1) (a) and (2), as renumbered, are amended to read:

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

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

7 *~~1215/P3.421~~*SECTION 3893. 234.61 of the statutes is renumbered 235.61,
8 and 235.61 (1), as renumbered, is amended to read:

9 235.61 (1) Upon the authorization of the department of health services, the
10 authority may issue bonds or notes and make loans for the financing of housing
11 projects which are residential facilities as defined in s. 46.28 (1) (d) and the
12 development costs of those housing projects, if the department of health services has
13 approved the residential facilities for financing under s. 46.28 (2). The limitations
14 in ss. ~~234.18, 234.40, 234.50, 234.60, and 234.65~~ 235.0255, 235.409, 235.50, and
15 235.60 do not apply to bonds or notes issued under this section. The definition of
16 “nonprofit corporation” in s. ~~234.01~~ 235.40 (9) does not apply to this section.

17 *~~1215/P3.422~~*SECTION 3894. 234.621 of the statutes is renumbered 235.621.

18 *~~1215/P3.423~~*SECTION 3895. 234.622 (intro.) of the statutes is renumbered
19 235.622 (intro.) and amended to read:

20 **235.622 Definitions.** (intro.) In ss. ~~234.621 to 234.626~~ 235.621 to 235.626:

21 *~~1215/P3.424~~*SECTION 3896. 234.622 (1) of the statutes is renumbered
22 235.622 (1).

23 *~~1215/P3.425~~*SECTION 3897. 234.622 (2m) of the statutes is repealed.

24 *~~1215/P3.426~~*SECTION 3898. 234.622 (3) of the statutes is renumbered
25 235.622 (3).

1 *~~1215/P3.427~~*SECTION 3899. 234.622 (3m) of the statutes is renumbered
2 235.622 (3m).

3 *~~1215/P3.428~~*SECTION 3900. 234.622 (4) of the statutes is renumbered
4 235.622 (4).

5 *~~1215/P3.429~~*SECTION 3901. 234.622 (5) of the statutes is renumbered
6 235.622 (5) and amended to read:

7 235.622 (5) “Permitted obligations” means the total amount of outstanding
8 liens and judgments on the qualifying dwelling unit if that amount does not exceed
9 33% of the value of the unit as determined by the most recent assessment for property
10 tax purposes. For purposes of ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, housing and
11 rehabilitation loans under s. ~~234.49~~ 235.49 and liens arising under ss. ~~234.621~~
12 235.621 to ~~234.626~~ 235.626 shall not be considered outstanding liens or judgments
13 in computing the amount of permitted obligations.

14 *~~1215/P3.430~~*SECTION 3902. 234.622 (6) of the statutes is renumbered
15 235.622 (6) and amended to read:

16 235.622 (6) “Program” means the program under ss. ~~234.621~~ 235.621 to
17 ~~234.626~~ 235.626.

18 *~~1215/P3.431~~*SECTION 3903. 234.622 (7) of the statutes is renumbered
19 235.622 (7) and amended to read:

20 235.622 (7) “Qualifying dwelling unit” means a dwelling unit, not including a
21 mobile home as defined in s. 101.91 (10), located in this state, habitable as a
22 permanent residence and to which property taxes or special assessments are, or may
23 conveniently be, allocated and up to one acre of land appertaining to it held in the
24 same ownership as the dwelling unit. For purposes of ss. ~~234.621~~ 235.621 to ~~234.626~~
25 235.626, “qualifying dwelling unit” includes a unit in a condominium or in a

1 cooperative or an unincorporated cooperative association or in a multiunit dwelling
2 with 4 or fewer units, but in all of these 3 cases only the portion of taxes or special
3 assessments allocable to the unit lived in by the participant may qualify for loans
4 under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626.

5 *~~1215/P3.432~~*SECTION 3904. 234.623 of the statutes is renumbered 235.623,
6 and 235.623 (1) and (3), as renumbered, are amended to read:

7 235.623 (1) The participant applies on forms prescribed by the authority for a
8 loan to pay property taxes or special assessments by June 30 of the year in which the
9 taxes or special assessments are payable on a qualifying dwelling unit and, except
10 as provided in s. ~~234.625~~ 235.625 (5), specifies the names of all co-owners.

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

15 *~~1215/P3.433~~*SECTION 3905. 234.624 of the statutes is renumbered 235.624.

16 *~~1215/P3.434~~*SECTION 3906. 234.625 of the statutes is renumbered 235.625,
17 and 235.625 (1), (2), (3), (4) (b) 1. and 6., (5), (9) and (10), as renumbered, are amended
18 to read:

19 235.625 (1) The authority shall enter into agreements with participants and
20 their co-owners to loan funds to pay property taxes and special assessments on their
21 qualifying dwelling units. The maximum loan under ss. ~~234.621~~ 235.621 to ~~234.626~~
22 235.626 in any one year is limited to the lesser of \$3,525 or the amount obtained by
23 adding the property taxes levied on the qualifying dwelling unit for the year for
24 which the loan is sought, the special assessments levied on the dwelling unit, and the
25 interest and penalties for delinquency attributable to the property taxes or special

1 assessments. Loans shall bear interest at a rate equal to the prime lending rate at
2 the time the rate is set, as reported by the federal reserve board in federal reserve
3 statistical release H. 15, plus 1%. ~~The executive director~~ authority shall set the rate
4 no later than October 15 of each year, and that rate shall apply to loans made in the
5 following year.

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

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

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

20 6. The participant ceases to meet the eligibility requirements of s. ~~234.623~~
21 235.623, except as provided in sub. (5).

22 (5) If a participant in the program ceases to meet the eligibility requirements
23 of this section, the authority, rather than demanding repayment under sub. (4) (b),
24 may allow the participant to continue in the program, may allow the participant to
25 continue in the program but be ineligible for additional loans, or may require partial

1 settlement. The authority may also allow co-owners to be added to the loan
2 agreement if, ~~in the judgment of the executive director,~~ the authority determines that
3 the addition of co-owners does not significantly increase the authority's exposure to
4 risk under the loan agreement.

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

1 statutory lien created by this section shall have priority over any lien that originates
2 subsequent to the recording of the notice.

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

8 *-1215/P3.435*SECTION 3907. 234.626 of the statutes is renumbered 235.626,
9 and 235.626 (1), (2), (2m), (4), (6) and (7), as renumbered, are amended to read:

10 235.626 (1) Loans made or authorized to be made under ss. ~~234.621~~ 235.621
11 to ~~234.626~~ 235.626 may be funded from the proceeds of notes and bonds issued
12 subject to and in accordance with ss. ~~234.08 to 234.14~~ 235.02 to 235.0235 and from
13 the fund under s. ~~234.165~~ 235.025.

14 (2) The authority may create a system of funds and accounts, separate and
15 distinct from all other funds and accounts of the authority, consisting of moneys
16 received from notes and bonds, all revenues received in the repayment of loans made
17 under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, except as provided in sub. (2m), and
18 any other revenues dedicated to it by the authority. The authority may pledge
19 moneys and revenues received or to be received by this system of funds and accounts
20 to secure bonds or notes issued for the program. The authority shall have all other
21 powers necessary and convenient to distribute the proceeds of the bonds, notes, and
22 loan repayments in accordance with its powers under this ~~chapter~~ subchapter.

23 (2m) Revenues received in the repayment of loans made under s. ~~234.165~~
24 235.025 shall be paid into the fund under s. ~~234.165~~ 235.025.

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

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

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

14 *~~1215/P3.436~~*SECTION 3908. 234.65 of the statutes is repealed.

15 *~~1215/P3.437~~*SECTION 3909. Subchapter II (title) of chapter 234 [precedes
16 234.67] of the statutes is renumbered subchapter V of chapter 235 [precedes 235.67].

17 *~~1215/P3.438~~*SECTION 3910. 234.67 of the statutes is renumbered 235.67,
18 and 235.67 (1) (e), (2) (intro.) and (3), as renumbered, are amended to read:

19 235.67 (1) (e) "Participating lender" means a bank, credit union, savings bank,
20 savings and loan association or other person, who makes loans for working capital
21 or to finance physical plant needs, equipment or machinery and who has entered into
22 an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

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

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

8 *~~1215/P3.439~~***SECTION 3911.** 234.75 of the statutes is renumbered 235.75,
9 and 235.75 (2) (c) and (5) (a) and (c) (intro.), as renumbered, are amended to read:

10 235.75 **(2) (c)** The lender is the authority or a financial institution that enters
11 into an agreement under s. ~~234.93~~ 235.93 (2) (a).

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

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

21 *~~1215/P3.440~~***SECTION 3912.** 234.83 of the statutes is renumbered 235.83,
22 and 235.83 (1m) (c), (3) (intro.) and (4), as renumbered, are amended to read:

23 235.83 **(1m) (c)** The lender enters into an agreement under s. ~~234.93~~ 235.93 (2)
24 (a).

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

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

13 *~~1215/P3.441~~***SECTION 3913.** 234.84 (title) of the statutes is renumbered
14 235.84 (title).

15 *~~1215/P3.442~~***SECTION 3914.** 234.84 (1) of the statutes is repealed.

16 *~~1215/P3.443~~***SECTION 3915.** 234.84 (2) of the statutes is renumbered 235.84
17 (2), and 235.84 (2) (c), as renumbered, is amended to read:

18 235.84 **(2) (c)** The lender is a financial institution that enters into an agreement
19 under s. ~~234.932~~ 235.932 (3) (a).

20 *~~1215/P3.444~~***SECTION 3916.** 234.84 (3) of the statutes is renumbered 235.84
21 (3), and 235.84 (3) (intro.) and (c), as renumbered, are amended to read:

22 235.84 **(3) ELIGIBLE LOANS.** (intro.) A loan is eligible for guarantee of collection
23 from the Wisconsin job training reserve fund under s. ~~234.932~~ 235.932 if all of the
24 following apply:

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

3 *~~1215/P3.445~~*SECTION 3917. 234.84 (4) of the statutes is renumbered 235.84
4 (4) and amended to read:

5 235.84 (4) GUARANTEE OF COLLECTION. (a) Subject to par. (b), the authority shall
6 guarantee collection of a percentage of the principal of, and all interest and any other
7 amounts outstanding on, any loan eligible for a guarantee under sub. (2). The
8 ~~corporation~~ authority shall establish the percentage of the principal of an eligible
9 loan that will be guaranteed, using the procedures described in the agreement under
10 s. ~~234.932~~ 235.932 (3) (a). The ~~corporation~~ authority may establish a single
11 percentage for all guaranteed loans or establish different percentages for eligible
12 loans on an individual basis.

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

16 *~~1215/P3.446~~*SECTION 3918. 234.84 (5) (a) of the statutes is repealed.

17 *~~1215/P3.447~~*SECTION 3919. 234.84 (5) (b) of the statutes is renumbered
18 235.84 (5) and amended to read:

19 235.84 (5) The ~~corporation~~ authority may charge a premium, fee, or other
20 charge to a borrower of a guaranteed loan under this section for the administration
21 of the loan guarantee.

22 *~~1215/P3.448~~*SECTION 3920. 234.86 of the statutes is renumbered 235.86,
23 and 235.86 (2) (intro.) and (c) and (4) (a) and (b), as renumbered, are amended to read:

1 235.86 (2) GUARANTEE REQUIREMENTS. (intro.) The authority may use money
2 from the Wisconsin drinking water reserve fund under s. ~~234.932~~ 235.932 to
3 guarantee a loan under this section if all of the following apply:

4 (c) The lender is a financial institution that enters into an agreement under s.
5 ~~234.933~~ 235.933 (3) (a).

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

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

15 *~~1186/P6.3~~*SECTION 3921. 234.86 (1) (c) of the statutes is amended to read:

16 234.86 (1) (c) "Local governmental unit" has the meaning given in s. 281.61 (1)
17 (a) (am), except that the term does not include a joint local water authority created
18 under s. 66.0823.

19 *~~1215/P3.449~~*SECTION 3922. 234.88 of the statutes is renumbered 235.88,
20 and 235.88 (1) (c), (2) (intro.) and (6), as renumbered, are amended to read:

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