

1 probationary period of 6 months, but the ~~administrator~~ director at the request of the  
2 appointing authority and in accordance with the rules related thereto may extend  
3 any such period for a maximum of 3 additional months. Dismissal may be made at  
4 any time during such periods. Upon such dismissal, the appointing authority shall  
5 report to the ~~administrator~~ director and to the employee removed, the dismissal and  
6 the reason therefor. The ~~administrator~~ director may remove an employee during the  
7 employee's probationary period if the ~~administrator~~ director finds, after giving notice  
8 and an opportunity to be heard, that such employee was appointed as a result of  
9 fraud or error.

10 **\*-1059/9.193\*SECTION 3757.** 230.28 (1) (b) of the statutes is amended to read:

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

16 **\*-1059/9.194\*SECTION 3758.** 230.28 (1) (bm) (intro.) of the statutes is amended  
17 to read:

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

23 **\*-1059/9.195\*SECTION 3759.** 230.28 (1) (c) of the statutes is amended to read:

## SECTION 3759

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

4           \*~~1059/9.196~~\*SECTION 3760. 230.28 (3) of the statutes is amended to read:

5           230.28 (3) If an employee is removed from a position during the probationary  
6     period, and the ~~administrator~~ director determines that the person is suitable for  
7     appointment to another position, the person's name may be restored to the list from  
8     which it was certified.

9           \*~~1059/9.197~~\*SECTION 3761. 230.28 (4) of the statutes is amended to read:

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

19          \*~~1059/9.198~~\*SECTION 3762. 230.29 of the statutes is amended to read:

20          **230.29 Transfers.** A transfer may be made from one position to another only  
21     if specifically authorized by the ~~administrator~~ director.

22          \*~~1059/9.199~~\*SECTION 3763. 230.30 (1) of the statutes is amended to read:

23          230.30 (1) Each agency shall constitute an employing unit for purposes of  
24     personnel transactions, except where appropriate functional, organizational or  
25     geographic breakdowns exist within the agency and except as provided in sub. (2).

1 These breakdowns may constitute a separate employing unit for one or more types  
2 of personnel transactions under an overall employing unit plan if requested by the  
3 appointing authority of that agency and approved by the ~~administrator~~ director. If  
4 the ~~administrator~~ director determines, after conferring with the appointing  
5 authority of the employing agency, that an employing unit is or has become  
6 inappropriate to carry out sound personnel management practices due to factors  
7 including, but not limited to, the size or isolated location of portions of the employing  
8 unit, the ~~administrator~~ director may revise the employing unit structure of the  
9 agency to effect the remedy required.

10 ~~\*-1059/9.200\*SECTION 3764.~~ 230.31 (1) (b) of the statutes is amended to read:

11 230.31 (1) (b) For a 3-year period from the date of separation, if on layoff status,  
12 the person shall be placed, in inverse order of layoff, on an appropriate mandatory  
13 restoration register for the unit used for layoff and on a restoration register for the  
14 agency from which the person was laid off. Use of such registers shall be subject to  
15 the rules of the ~~administrator~~ director.

16 ~~\*-1059/9.201\*SECTION 3765.~~ 230.31 (2) of the statutes is amended to read:

17 230.31 (2) The ~~administrator~~ director may also provide for the reinstatement  
18 of persons who have served in seasonal and sessional employment and for persons  
19 who separate from a position while serving a probationary period.

20 ~~\*-1059/9.202\*SECTION 3766.~~ 230.315 (1) (c) of the statutes is amended to read:

21 230.315 (1) (c) The employee has received a military leave of absence under s.  
22 230.32 (3) (a) or 230.35 (3), under a collective bargaining agreement under subch. V  
23 of ch. 111, or under rules promulgated by the ~~office of employment relations~~ division  
24 or is eligible for reemployment with the state under s. 321.64 after completion of his  
25 or her service in the U.S. armed forces.

## SECTION 3767

1           \*~~1059/9.203~~SECTION 3767. 230.32 (3) of the statutes is amended to read:

2           230.32 (3) (a) Any classified employee who leaves state service and enters the  
3 armed forces of the United States shall, under this section, be granted written  
4 military leave of absence by the appointing authority. Notice of such leave from state  
5 service and the terms of any such leave shall be given in writing by the appointing  
6 authority to the ~~director~~ administrator for purposes of record.

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

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

20           \*~~1059/9.204~~SECTION 3768. 230.32 (4) of the statutes is amended to read:

21           230.32 (4) Any person appointed to fill the position of an employee on such  
22 military or civilian leave shall be designated as a substitute or replacement employee  
23 and upon the return and reemployment of the original employee the substitute  
24 employee shall be transferred to a similar position with the same employing agency  
25 if one is available, or if not, he or she shall be eligible for reinstatement or have the

1 right of restoration in accordance with this subchapter and the rules of the  
2 ~~administrator~~ director. The status of any person who is appointed to fill the place  
3 of an employee on military or civilian leave under this section shall be governed by  
4 the rules of the ~~administrator~~ director pursuant thereto.

5 \*~~1059/9.205~~\*SECTION 3769. 230.32 (5) of the statutes is amended to read:

6 230.32 (5) The restoration of classified former employees of the state shall be  
7 governed by this section and by the rules of the ~~administrator~~ director.

8 \*~~1059/9.206~~\*SECTION 3770. 230.33 (2) of the statutes is amended to read:

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

18 \*~~0807/P6.377~~\*SECTION 3771. 230.339 of the statutes is repealed.

19 \*~~1059/9.207~~\*SECTION 3772. 230.34 (1) (c) of the statutes is amended to read:

20 230.34 (1) (c) The ~~director~~ administrator shall establish guidelines for uniform  
21 application of this authority among the various agencies.

22 \*~~1059/9.208~~\*SECTION 3773. 230.34 (2) (b) of the statutes is amended to read:

23 230.34 (2) (b) The ~~administrator~~ director shall promulgate rules governing  
24 layoffs and appeals therefrom and alternative procedures in lieu of layoff to include  
25 voluntary and involuntary demotion and the exercise of a displacing right to a

## SECTION 3773

1 comparable or lower class, as well as the subsequent employee right of restoration  
2 or eligibility for reinstatement.

3 \*-1059/9.209\*SECTION 3774. 230.34 (2m) of the statutes is amended to read:

4 230.34 (2m) Employees in positions funded by nonstate funds made available  
5 contingent on special employee eligibility requirements such as length of prior  
6 unemployment, specific occupational disadvantages or need for remedial work  
7 experience, shall be exempt from inclusion with the employees whose positions are  
8 in classes considered for layoff under sub. (2). In the case of reduction in force in such  
9 nonstate funded positions, layoffs and layoff procedures established pursuant to the  
10 rules of the ~~administrator~~ director may be limited to employees whose positions are  
11 dependent upon specific funding contingencies.

12 \*-1059/9.210\*SECTION 3775. 230.34 (3) of the statutes is amended to read:

13 230.34 (3) The appointing authority shall confer with the ~~administrator~~  
14 director relative to a proposed layoff a reasonable time before the effective date  
15 thereof in order to assure compliance with the rules.

16 \*-1059/9.211\*SECTION 3776. 230.34 (4) of the statutes is amended to read:

17 230.34 (4) Resignations shall be regulated by the rules of the ~~director~~  
18 administrator.

19 \*-1059/9.212\*SECTION 3777. 230.35 (1) (d) of the statutes is amended to read:

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

1           \*~~1059/9.213~~\*SECTION 3778. 230.35 (1m) (f) of the statutes is amended to read:

2           230.35 (1m) (f) The continuous service of an employee eligible for annual leave  
3 under this subsection shall not be considered interrupted if the employee was on an  
4 approved leave of absence to participate in providing specialized disaster relief  
5 services or if the employee leaves the service and is reemployed by the state in  
6 another position covered under this subsection. Employees appointed to career  
7 executive positions under s. 230.24 or positions designated in s. 19.42 (10) (L) or  
8 20.923 (4), (7), (8), or (9) or authorized under s. 230.08 (2) (e) are not subject to the  
9 continuous service requirements under sub. (1) (g) if they are reemployed in any of  
10 those positions, regardless of the duration of their absence. If the employees are  
11 reemployed in a position other than a career executive position or a position  
12 designated in s. 19.42 (10) (L) or 20.923 (4), (7), (8), or (9) or authorized under s.  
13 230.08 (2) (e), continuous service shall be established in accordance with rules of the  
14 director administrator.

15           \*~~0333/P3.34~~\*SECTION 3779. 230.35 (1s) of the statutes is amended to read:

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

22           \*~~0971/P5.645~~\*SECTION 3780. 230.35 (1s) of the statutes, as affected by 2015

23 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.

## SECTION 3781

1           \***-1059/9.214**\*SECTION 3781. 230.35 (2) of the statutes is amended to read:

2           230.35 (2) Leave of absence with pay owing to sickness and leave of absence  
3 without pay, other than annual leave and leave under s. 103.10, shall be regulated  
4 by rules of the ~~director~~ administrator, except that unused sick leave shall accumulate  
5 from year to year. After July 1, 1973, employees appointed to career executive  
6 positions under the program established under s. 230.24 or positions designated in  
7 s. 19.42 (10) (L) or 20.923 (4), (7), (8), and (9) or authorized under s. 230.08 (2) (e) shall  
8 have any unused sick leave credits restored if they are reemployed in a career  
9 executive position or in a position under s. 19.42 (10) (L) or 20.923 (4), (7), (8), and  
10 (9) or authorized under s. 230.08 (2) (e), regardless of the duration of their absence.

11 Restoration of unused sick leave credits if reemployment is to a position other than  
12 those specified above shall be in accordance with rules of the ~~director~~ administrator.

13           \***-1059/9.215**\*SECTION 3782. 230.35 (2r) (b) of the statutes is amended to read:

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

20           \***-1059/9.216**\*SECTION 3783. 230.35 (3) (d) of the statutes is amended to read:

21           230.35 (3) (d) Employees of the state are entitled to reasonable paid leaves of  
22 absence to compete in promotional examinations and interviews. The ~~director~~  
23 administrator shall promulgate rules governing the lengths of time allowable for  
24 such leaves, their frequency and the provisions for their use.

1           \*~~1059/9.217~~\*SECTION 3784. 230.35 (3) (e) 2. e. of the statutes is amended to  
2 read:

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

6           \*~~1059/9.218~~\*SECTION 3785. 230.35 (3) (e) 5. of the statutes is amended to  
7 read:

8           230.35 (3) (e) 5. The ~~director~~ administrator may promulgate any rules  
9 necessary to implement this paragraph.

10          \*~~1059/9.219~~\*SECTION 3786. 230.35 (5) (b) of the statutes is amended to read:

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

17          \*~~0971/P5.646~~\*SECTION 3787. 230.36 (1m) (b) 2. (intro.) of the statutes is  
18 amended to read:

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

## SECTION 3788

1           \*-0971/P5.647\*SECTION 3788. 230.36 (2m) (a) 14. of the statutes is amended  
2 to read:

3           230.36 (2m) (a) 14. A ~~University of Wisconsin System police officer or other~~  
4 state facilities police officer and patrol officer.

5           \*-1059/9.220\*SECTION 3789. 230.37 (1) of the statutes is amended to read:  
6           230.37 (1) In cooperation with appointing authorities the ~~director~~  
7 administrator shall establish an employee performance evaluation program to  
8 provide a continuing record of employee development and, when applicable, to serve  
9 as a basis for pertinent personnel actions. Similar evaluations shall be conducted  
10 during the probationary period but may not infringe upon the authority of the  
11 appointing authority to retain or dismiss employees during the probationary period.

12           \*-1059/9.221\*SECTION 3790. 230.40 (6) of the statutes is amended to read:  
13           230.40 (6) The ~~administrator~~ director shall administer this section.

14           \*-1059/9.222\*SECTION 3791. 230.43 (5) of the statutes is amended to read:  
15           230.43 (5) TAXPAYERS' SUITS. The right of any taxpayer to bring any action to  
16 restrain the payment of compensation to any person appointed to or holding any  
17 office or place of employment in violation of this subchapter shall not be limited or  
18 denied by reason of the fact that the office or place of employment has been classified  
19 as, or determined to be, not subject to competitive examination; however, any  
20 judgment or injunction in any such action shall be prospective only, and shall not  
21 affect payments already made or due to such persons by the proper disbursing  
22 officers, in accordance with the rules of the ~~director~~ administrator in force at the time  
23 of such payments.

24           \*-1059/9.223\*SECTION 3792. 230.44 (1) (a) of the statutes is amended to read:

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

5           \*~~1059/9.224~~\*SECTION 3793. 230.44 (1) (b) of the statutes is amended to read:

6           230.44 (1) (b) *Decision made or delegated by ~~director~~ administrator*. Appeal of  
7 a personnel decision under s. 230.09 (2) (a) or (d) or 230.13 (1) made by the ~~director~~  
8 administrator or by an appointing authority under authority delegated by the  
9 ~~director~~ administrator under s. 230.04 (1m).

10           \*~~1059/9.225~~\*SECTION 3794. 230.44 (1) (dm) of the statutes is amended to

11 read:

12           230.44 (1) (dm) *Noncompetitive appointment of certain disabled veterans*. A  
13 personnel action under s. 230.275 by an appointing authority that is alleged to be  
14 illegal or an abuse of discretion. The ~~administrator~~ director and the ~~office~~ division  
15 may not be a party to any such appeal.

16           \*~~1059/9.226~~\*SECTION 3795. 230.44 (4) (bm) of the statutes is amended to

17 read:

18           230.44 (4) (bm) Upon request of an employee who files an appeal of the decision  
19 of the ~~director~~ administrator made under s. 230.09 (2) (a) or (d), the appeal shall be  
20 heard by a commissioner or attorney employed by the commission serving as  
21 arbitrator under rules promulgated for this purpose by the commission. In such an  
22 arbitration, the arbitrator shall orally render a decision at the conclusion of the  
23 hearing affirming, modifying or rejecting the decision of the ~~director~~ administrator.  
24 The decision of the arbitrator is final and is not subject to review by the commission.  
25 An arbitrator's decision may not be cited as precedent in any other proceeding before

## SECTION 3795

1 the commission or before any court. The arbitrator shall promptly file his or her  
2 decision with the commission. The decision of the arbitrator shall stand as the  
3 decision of the commission. The decision of the commission is subject to review under  
4 ss. 227.53 to 227.57 only on the ground that the decision was procured by corruption,  
5 fraud or undue means or that the arbitrator or the commission exceeded the  
6 arbitrator's or the commission's power. The record of a proceeding under this  
7 paragraph shall be transcribed as provided in s. 227.44 (8).

8 \*~~1059/9.227~~\*SECTION 3796. 230.46 of the statutes is amended to read:

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

19 \*~~1059/9.228~~\*SECTION 3797. 230.48 (2) of the statutes is amended to read:

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

1           \*~~0971/P5.648~~\*SECTION 3798. 230.90 (1) (c) of the statutes is amended to read:

2           230.90 (1) (c) "Governmental unit" means any association, authority, board,  
3           commission, department, independent agency, institution, office, society or other  
4           body in state government created or authorized to be created by the constitution or  
5           any law, including the legislature, the office of the governor and the courts.  
6           "Governmental unit" does not mean the University of Wisconsin Hospitals and  
7           Clinics Authority, the University of Wisconsin System Authority, or any political  
8           subdivision of the state or body within one or more political subdivisions which is  
9           created by law or by action of one or more political subdivisions.

10          \*~~1059/9.229~~\*SECTION 3799. 230.90 (2) of the statutes is amended to read:

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

22          \*~~0584/P2.1~~\*SECTION 3800. 231.02 (2) of the statutes is amended to read:

23          231.02 (2) The authority shall appoint an executive director and associate  
24          executive director who shall not be members of the authority and who shall serve at  
25          the pleasure of the authority. They shall receive such compensation as the authority

## SECTION 3800

1 fixes, except that the compensation of the executive director shall not exceed the  
2 maximum of the salary range established under s. 20.923 (1) for positions assigned  
3 to executive salary group ~~4~~ 6 and the compensation of each other employee of the  
4 authority shall not exceed the maximum of the salary range established under s.  
5 20.923 (1) for positions assigned to executive salary group 3. The executive director  
6 or associate executive director or other person designated by resolution of the  
7 authority shall keep a record of the proceedings of the authority and shall be  
8 custodian of all books, documents, and papers filed with the authority, the minute  
9 book or journal of the authority, and its official seal. The executive director or  
10 associate executive director or other person may cause copies to be made of all  
11 minutes and other records and documents of the authority and may give certificates  
12 under the official seal of the authority to the effect that such copies are true copies,  
13 and all persons dealing with the authority may rely upon such certificates.

14 \*~~0807/P6.378~~\*SECTION 3801. 231.27 (1) of the statutes is amended to read:

15 231.27 (1) In this section, “minority business”, “minority financial adviser” and  
16 “minority investment firm” mean a business, financial adviser and investment firm,  
17 respectively, certified by ~~the department of administration~~ under s. ~~16.287~~ 203.07  
18 (2).

19 \*~~0807/P6.379~~\*SECTION 3802. 231.29 (1) of the statutes is amended to read:

20 231.29 (1) In this section, “business,” “financial adviser,” and “investment firm”  
21 mean a business, financial adviser, and investment firm certified by ~~the department~~  
22 ~~of administration~~ under s. ~~16.283~~ 203.03 (3).

23 \*~~1502/1.27~~\*SECTION 3803. 232.05 (3) of the statutes is amended to read:

24 232.05 (3) The corporation may not:

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

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

6 \*~~0971/P5.649~~\*SECTION 3804. 233.01 (3) of the statutes is amended to read:

7 233.01 (3) “Board of regents” means the board of regents of the University of  
8 Wisconsin System Authority.

9 \*~~0971/P5.650~~\*SECTION 3805. 233.04 (7) (e) of the statutes is amended to read:

10 233.04 (7) (e) Any provision necessary to ensure that the general management  
11 and operation of the on-campus facilities are consistent with the mission of the  
12 University of Wisconsin System and responsibilities of the University of Wisconsin  
13 System Authority specified in ss. 36.01 and ~~36.09~~ 36.11.

14 \*~~1059/9.230~~\*SECTION 3806. 233.10 (3) (c) 4. of the statutes is amended to  
15 read:

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

23 \*~~0971/P5.651~~\*SECTION 3807. 233.10 (3r) (b) 1. of the statutes is amended to  
24 read:

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

5           \*~~0971/P5.652~~\*SECTION 3808. 233.10 (3r) (b) 3. of the statutes is amended to  
6 read:

7           233.10 (3r) (b) 3. Grant to the carry-over employee, except when he or she is  
8 on an unpaid leave of absence, a paid holiday on each of the days specified as a  
9 holiday in policies and procedures established by the board of regents under s. 36.15  
10 (2), 2013 stats., as of the last day of the employee's employment as a state employee  
11 and any holiday compensatory time off that may be specified in policies and  
12 procedures established by the board of regents under s. 36.15 (2), 2013 stats., as of  
13 the last day of the employee's employment in the academic staff appointment.

14           \*~~0971/P5.653~~\*SECTION 3809. 233.10 (3r) (b) 5. of the statutes is amended to  
15 read:

16           233.10 (3r) (b) 5. Grant to the carry-over employee military leave, treatment  
17 of military leave, jury service leave and voting leave in accordance with policies and  
18 procedures established by the board of regents under s. 36.15 (2), 2013 stats., and,  
19 as of the last day of the employee's employment in the academic staff appointment.

20           \*~~0971/P5.654~~\*SECTION 3810. 233.10 (3r) (b) 6. of the statutes is amended to  
21 read:

22           233.10 (3r) (b) 6. Grant to the carry-over employee the same opportunity for  
23 any employee training that may be provided under policies and procedures  
24 established by the board of regents under s. 36.15 (2), 2013 stats., as of the last day  
25 of his or her employment in the academic staff appointment.



1           235.40 (3m) “Collateral” means a 3rd-party note, mortgage, guaranty,  
2 insurance policy, bond, letter of credit, security agreement, or other instrument  
3 securing the repayment of an economic development loan or a mortgage loan.

4           \*~~1215/P3.351~~\*SECTION 3819. 234.01 (4) of the statutes is renumbered 235.40  
5 (4).

6           \*~~1215/P3.352~~\*SECTION 3820. 234.01 (4m) of the statutes is repealed.

7           \*~~1215/P3.353~~\*SECTION 3821. 234.01 (4n) of the statutes is repealed.

8           \*~~1215/P3.354~~\*SECTION 3822. 234.01 (5) of the statutes is renumbered 235.40  
9 (5).

10          \*~~1215/P3.355~~\*SECTION 3823. 234.01 (5k) of the statutes is renumbered  
11 235.40 (5k).

12          \*~~1215/P3.356~~\*SECTION 3824. 234.01 (5m) of the statutes is renumbered  
13 235.40 (5m) and amended to read:

14           235.40 (5m) “Homeownership mortgage loan” has the meaning given under s.  
15 ~~234.59~~ 235.59 (1) (f).

16          \*~~1215/P3.357~~\*SECTION 3825. 234.01 (6) of the statutes is renumbered 235.40  
17 (6), and 235.40 (6) (a) and (b), as renumbered, are amended to read:

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

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

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

7 \*~~1215/P3.358~~\*SECTION 3826. 234.01 (7) of the statutes is renumbered 235.40  
8 (7).

9 \*~~1215/P3.359~~\*SECTION 3827. 234.01 (7m) of the statutes is renumbered  
10 235.40 (7m) and amended to read:

11 235.40 (7m) “Housing rehabilitation loan” means a low interest housing  
12 rehabilitation loan as defined in s. ~~234.49~~ 235.49 (1) (f) and (fm).

13 \*~~1215/P3.360~~\*SECTION 3828. 234.01 (8) of the statutes is renumbered 235.40  
14 (8), and 235.40 (8) (a) and (b), as renumbered, are amended to read:

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

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

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1 appoint to the board of directors or other comparable controlling body of such  
2 limited-profit entity a number of new directors or persons, which number shall be  
3 sufficient to constitute a voting majority of such board or controlling body,  
4 notwithstanding any other provisions of the limited-profit entity's articles of  
5 incorporation or other documents of organization, or of any other provisions of law.

6 \*~~1215/P3.361~~\*SECTION 3829. 234.01 (9) of the statutes is renumbered 235.40  
7 (9), and 235.40 (9) (a) 5., as renumbered, is amended to read:

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

23 \*~~1215/P3.362~~\*SECTION 3830. 234.01 (10) of the statutes is renumbered  
24 235.40 (10) and amended to read:

1           235.40 (10) "Persons and families of low and moderate income" means persons  
2           and families who cannot afford to pay the amounts at which private enterprise,  
3           without ~~federally-aided~~ federally aided mortgages or loans from the authority, can  
4           provide a substantial supply of decent, safe and sanitary housing and who fall within  
5           income limitations set by the authority in its ~~rules~~ policies and procedures. In  
6           determining such income limitations the authority shall consider the amounts of the  
7           total income of such persons available for housing needs, the size of the family, the  
8           cost and condition of available housing facilities, standards established for various  
9           federal programs, and any other factors determined by the authority to be  
10          appropriate in arriving at such limitations. Among low- or moderate-income  
11          persons and families, preference shall be given to those displaced by governmental  
12          action.

13           \*~~1215/P3.363~~\*SECTION 3831. 234.02 of the statutes is repealed.

14           \*~~1215/P3.364~~\*SECTION 3832. 234.03 of the statutes is repealed.

15           \*~~1215/P3.365~~\*SECTION 3833. 234.032 of the statutes is repealed.

16           \*~~1215/P3.366~~\*SECTION 3834. 234.034 of the statutes is renumbered 235.401.

17           \*~~1215/P3.367~~\*SECTION 3835. 234.04 of the statutes is renumbered 235.402,  
18          and 235.402 (2), as renumbered, is amended to read:

19           235.402 (2) The authority may make or participate in the making and enter  
20          into commitments for the making of long-term mortgage loans to eligible sponsors  
21          of housing projects for occupancy by persons and families of low and moderate  
22          income, or for the making of homeownership mortgage loans or housing  
23          rehabilitation loans or loans for the refinancing of qualified subprime loans under  
24          s. ~~234.592~~ 235.592 to persons and families of low and moderate income, an applicant  
25          under s. ~~234.59~~ or ~~234.592~~ 235.59 to 235.592, or other eligible beneficiaries as defined

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1 in s. ~~234.49~~ 235.49. The loans may be made only upon the determination by the  
2 authority that they are not otherwise available from private lenders upon reasonably  
3 equivalent terms and conditions. The authority may not make a loan to a person  
4 whose name appears on the statewide support lien docket under s. 49.854 (2) (b),  
5 unless the person provides to the authority a payment agreement that has been  
6 approved by the county child support agency under s. 59.53 (5) and that is consistent  
7 with rules promulgated under s. 49.858 (2) (a). The authority may employ, for such  
8 compensation as it determines, the services of any financial institution in connection  
9 with any loan.

10 \*~~1215/P3.368~~\*SECTION 3836. 234.05 of the statutes is renumbered 235.403.

11 \*~~1215/P3.369~~\*SECTION 3837. 234.06 of the statutes is renumbered 235.404.

12 \*~~1215/P3.370~~\*SECTION 3838. 234.07 of the statutes is renumbered 235.405,  
13 and 235.405 (1), as renumbered, is amended to read:

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

1 every project the authority shall, pursuant to ~~rules policies and procedures~~ adopted  
2 by it, establish the entity's equity at the time of making of the final mortgage advance  
3 and, for purposes of this section, that figure shall remain constant during the life of  
4 the authority's loan with respect to such project. Upon the dissolution of the  
5 limited-profit entity any surplus in excess of the distributions allowed by this section  
6 shall be paid to the authority. For this purpose surplus shall not be deemed to include  
7 any increase in net worth of any limited-profit entity by reason of a reduction of  
8 mortgage indebtedness, by amortization or similar payments or by reason of the sale  
9 or disposition of any assets of a limited-profit entity to the extent such surplus can  
10 be attributed to any increase in market value of any real or tangible personal  
11 property accruing during the period the assets were owned and held by the  
12 limited-profit entity.

13 \*~~1215/P3.371~~\*SECTION 3839. 234.08 (title) of the statutes is renumbered  
14 235.02 (title).

15 \*~~1215/P3.372~~\*SECTION 3840. 234.08 (1) of the statutes is renumbered 235.02  
16 (1) and amended to read:

17 235.02 (1) The authority may issue its negotiable notes and bonds in such  
18 principal amount, as, in the opinion of the authority, is necessary to provide sufficient  
19 funds for achieving its corporate purposes, ~~including the purchase of certain~~  
20 ~~mortgages and securities and the making of secured loans for low- and~~  
21 ~~moderate-income housing, for the rehabilitation of existing structures and for the~~  
22 ~~construction of facilities appurtenant thereto as provided in this chapter; for the~~  
23 ~~making of secured loans to assist eligible elderly homeowners in paying property~~  
24 ~~taxes and special assessments; for the payment of interest on notes and bonds of the~~  
25 ~~authority during construction; for the establishment of reserves to secure such notes~~

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1 and bonds; for the provision of moneys for the housing development fund in order to  
2 make temporary loans to sponsors of housing projects as provided in this chapter;  
3 and for all other expenditures of the authority incident to and necessary or  
4 convenient to carry out its corporate purposes and powers.

5 \*~~1215/P3.373~~SECTION 3841. 234.08 (2) of the statutes is renumbered 235.02  
6 (2).

7 \*~~1215/P3.374~~SECTION 3842. 234.08 (3) of the statutes is renumbered 235.02  
8 (3).

9 \*~~1215/P3.375~~SECTION 3843. 234.08 (4) of the statutes is renumbered 235.02  
10 (4).

11 \*~~1215/P3.376~~SECTION 3844. 234.08 (5) of the statutes is repealed.

12 \*~~1215/P3.377~~SECTION 3845. 234.08 (6) of the statutes is repealed.

13 \*~~1215/P3.378~~SECTION 3846. 234.08 (7) of the statutes is renumbered 235.02  
14 (7).

15 \*~~1215/P3.379~~SECTION 3847. 234.09 of the statutes is renumbered 235.021  
16 and amended to read:

17 **235.021 Same Notes and bonds; authorization; terms.** The authority's  
18 notes and bonds shall be authorized by resolution of the members of the authority  
19 board; shall bear such date or dates, and shall mature at such time or times, in the  
20 case of any note, or any renewal thereof, not exceeding 5 years, from the date of issue  
21 of such original note, and in the case of any bond not exceeding 50 years from the date  
22 of issue, as the resolution provides. The notes and bonds shall bear interest at such  
23 rate or rates, be in such denominations of \$1,000 or more, be in such form, either  
24 coupon or registered, carry such registration privileges, be executed in such manner,  
25 be payable in such medium of payment, at such place and be subject to such terms

1 of redemption as the resolution provides. The bonds may be issued as serial bonds  
2 payable in annual installments or as term bonds or as a combination thereof. The  
3 notes and bonds of the authority may be sold by the authority, at public or private  
4 sale, at the price determined by the authority.

5 \*~~1215/P3.380~~SECTION 3848. 234.10 of the statutes is renumbered 235.0215,  
6 and 235.0215 (title) and (9), as renumbered, are amended to read:

7 **235.0215 (title) Same Notes and bonds; resolution authorizing**  
8 **issuance, contents.**

9 (9) Vesting in a trustee such property, rights, powers, and duties in trust as the  
10 authority determines, which may include any or all of the rights, powers, and duties  
11 of the trustee appointed by the noteholders or bondholders pursuant to s. ~~234.20~~  
12 235.0265 and limiting or abrogating the right of the noteholders or bondholders to  
13 appoint a trustee under s. ~~234.20~~ 235.0265 or limiting the rights, powers, and duties  
14 of such trustee, in which event s. ~~234.20~~ 235.0265 shall not apply.

15 \*~~1215/P3.381~~SECTION 3849. 234.11 of the statutes is renumbered 235.022  
16 and amended to read:

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

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1           \*-1215/P3.382\*SECTION 3850. 234.12 of the statutes is renumbered 235.0225  
2 and amended to read:

3           **235.0225 Same Notes and bonds; personal liability of members of**  
4 **authority.** Neither the members of the authority board, nor the members of a  
5 committee established by the board, nor any person executing the notes or bonds  
6 shall be liable personally on the notes or bonds or be subject to any personal liability  
7 or accountability by reason of the issuance thereof.

8           \*-1215/P3.383\*SECTION 3851. 234.13 of the statutes is renumbered 235.023,  
9 and 235.023 (title), as renumbered, is amended to read:

10           **235.023 (title) Same Notes and bonds; purchase for cancellation.**

11           \*-1215/P3.384\*SECTION 3852. 234.14 of the statutes is renumbered 235.0235,  
12 and 235.0235 (title), as renumbered, is amended to read:

13           **235.0235 (title) Same Notes and bonds; liability of state.**

14           \*-1215/P3.385\*SECTION 3853. 234.15 of the statutes is renumbered 235.024.

15           \*-1215/P3.386\*SECTION 3854. 234.16 of the statutes is renumbered 235.0245.

16           \*-1215/P3.387\*SECTION 3855. 234.165 of the statutes is renumbered 235.025,  
17 and 235.025 (2) (dm), as renumbered, is amended to read:

18           235.025 (2) (dm) The authority shall allocate a portion of its surplus in a plan  
19 prepared under par. (b) to the property tax deferral loan program under ss. ~~234.621~~  
20 ~~to 234.626~~ 235.621 to 235.626.

21           \*-1215/P3.388\*SECTION 3856. 234.17 of the statutes is repealed.

22           \*-1215/P3.389\*SECTION 3857. 234.18 of the statutes is renumbered 235.0255  
23 and amended to read:

24           **235.0255 Limit on amount of outstanding bonds and notes.** The  
25 authority may not issue notes and bonds that are secured by a capital reserve fund

1 to which s. ~~234.15~~ 235.024 (4) applies if, upon issuance, the total aggregate  
2 outstanding principal amount of notes and bonds that are secured by a capital  
3 reserve fund to which s. ~~234.15~~ 235.024 (4) applies would exceed \$600,000,000. This  
4 section does not apply to bonds and notes issued to refund outstanding notes and  
5 bonds.

6 \*~~1215/P3.390~~\*SECTION 3858. 234.19 of the statutes is renumbered 235.026.

7 \*~~1215/P3.391~~\*SECTION 3859. 234.20 of the statutes is renumbered 235.0265.

8 \*~~1215/P3.392~~\*SECTION 3860. 234.21 of the statutes is renumbered 235.027

9 and amended to read:

10 **235.027 Trustee; additional powers.** The trustee, in addition to the powers  
11 granted in s. ~~234.20~~ 235.0265 shall have all of the powers necessary or appropriate  
12 for the exercise of any functions specifically set forth in this chapter or incident to  
13 the general representation of noteholders or bondholders in the enforcement and  
14 protection of their rights.

15 \*~~1215/P3.393~~\*SECTION 3861. 234.22 of the statutes is renumbered 235.0271

16 and amended to read:

17 **235.0271 Venue.** The venue of any action or proceeding by the trustee under  
18 ss. ~~234.19, 234.20 and 234.21~~ 235.026, 235.0265, and 235.027 shall be in Dane  
19 County.

20 \*~~1215/P3.394~~\*SECTION 3862. 234.23 of the statutes is renumbered 235.0273.

21 \*~~1215/P3.395~~\*SECTION 3863. 234.24 of the statutes is renumbered 235.0275.

22 \*~~1215/P3.396~~\*SECTION 3864. 234.25 of the statutes is repealed.

23 \*~~1215/P3.397~~\*SECTION 3865. 234.255 of the statutes is repealed.

24 \*~~1215/P3.398~~\*SECTION 3866. 234.26 of the statutes is renumbered 235.0277.

1           \*~~1215/P3.399~~\*SECTION 3867. 234.265 of the statutes is renumbered 235.0279  
2 and amended to read:

3           **235.0279 Records of the authority.** All records of the authority or any  
4 corporation established by the authority shall be open to the public as provided in  
5 s. 19.35 (1), except:

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

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

19          \*~~1215/P3.400~~\*SECTION 3868. 234.28 of the statutes is renumbered 235.028.

20          \*~~1215/P3.401~~\*SECTION 3869. 234.29 of the statutes is renumbered 235.0283.

21          \*~~1215/P3.402~~\*SECTION 3870. 234.30 of the statutes is renumbered 235.0285.

22          \*~~1215/P3.403~~\*SECTION 3871. 234.31 of the statutes is renumbered 235.0287.

23          \*~~1215/P3.404~~\*SECTION 3872. 234.32 of the statutes is renumbered 235.0289.

24          \*~~0807/P6.380~~\*SECTION 3873. 234.35 of the statutes is renumbered 235.0291,  
25 and 235.0291 (1), as renumbered, is amended to read:

1           235.0291 (1) In this section, “minority business”, “minority financial adviser”  
2           and “minority investment firm” mean a business, financial adviser and investment  
3           firm, respectively, certified by the department of administration under s. ~~16.287~~  
4           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.

5           \*~~0807/P6.381~~SECTION 3874. 234.36 of the statutes is renumbered 235.0293,  
6           and 235.0293 (1), as renumbered, is amended to read:

7           235.0293 (1) In this section, “business,” “financial adviser,” and “investment  
8           firm” mean a business, financial adviser, and investment firm certified by the  
9           ~~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.

10          \*~~1215/P3.405~~SECTION 3875. 234.40 of the statutes is renumbered 235.409,  
11          and 235.409 (2), (3) and (4), as renumbered, are amended to read:

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

19          (3) It is the intent of the legislature that the authority be used to finance the  
20          veterans housing program. Nothing in this ~~chapter~~ subchapter shall be construed  
21          to supersede the powers vested by subch. III of ch. 45 in the department of veterans

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1 affairs for carrying out program responsibilities for which debt has been incurred by  
2 the authority.

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

8 \*~~1215/P3.406~~SECTION 3876. 234.41 of the statutes is renumbered 235.41,  
9 and 235.41 (3), as renumbered, is amended to read:

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

17 \*~~1215/P3.407~~SECTION 3877. 234.42 of the statutes is renumbered 235.42,  
18 and 235.42 (1s) and (4), as renumbered, are amended to read:

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

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

17           \*~~1215/P3.408~~\*SECTION 3878. 234.43 of the statutes is renumbered 235.43,  
18 and 235.43 (1), as renumbered, is amended to read:

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

## SECTION 3879

1           \*~~1215/P3.409~~SECTION 3879. 234.44 of the statutes is renumbered 235.44  
2 and amended to read:

3           **235.44     Validation of certain obligations and proceedings.**

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

17           \*~~1215/P3.410~~SECTION 3880. 234.49 of the statutes is renumbered 235.49,  
18     and 235.49 (1) (intro.) and (2) (a) (intro.), 6. and 8., as renumbered, are amended to  
19     read:

20           235.49 (1) DEFINITIONS. (intro.) In ss. ~~234.49~~ 235.49 to ~~234.55~~ 235.55:

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

24           6. To enter into contracts or agreements with authorized lenders and sponsors  
25     providing for the maximum and minimum acceptable rates of interest to be charged

1 for various classifications of housing rehabilitation loans. In no event may the stated  
2 rate of interest on any housing rehabilitation loan under this section exceed the  
3 greater of 8% per year or 3% plus the rate necessary to fully repay interest and  
4 principal on housing rehabilitation loan program bonds issued pursuant to s. ~~234.50~~  
5 235.50.

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

8 \*~~1215/P3.411~~\*SECTION 3881. ~~234.50~~ of the statutes is renumbered 235.50,  
9 and 235.50 (1), (2) and (4), as renumbered, are amended to read:

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

21 (2) Bonds issued under the authority of this section shall be special obligations  
22 of the authority payable solely out of revenues, moneys or other property received in  
23 connection with the housing rehabilitation loan program, including, without  
24 limitation, repayments of housing rehabilitation loans, federal insurance or  
25 guarantee payments, the proceeds of bonds issued under the authority of this

## SECTION 3881

1 section, and the amounts made available under ss. ~~234.54~~ 235.54 and ~~234.55~~ 235.55.

2 All assets and liabilities created through the issuance of bonds to purchase housing  
3 rehabilitation loans shall be separate from all other assets and liabilities of the  
4 authority. No funds of the housing rehabilitation loan program may be commingled  
5 with any other funds of the authority.

6 (4) The limitations established in ss. ~~234.18, 234.40, 234.60, 234.61, and 234.65~~  
7 235.0255, 235.409, 235.60, and 235.61 are not applicable to bonds issued under the  
8 authority of this section. The authority may not have outstanding at any one time  
9 bonds for housing rehabilitation loans in an aggregate principal amount exceeding  
10 \$100,000,000, excluding bonds being issued to refund outstanding bonds. The  
11 authority shall consult with and coordinate the issuance of bonds with the building  
12 commission prior to the issuance of bonds.

13 \*-1215/P3.412\*SECTION 3882. 234.51 of the statutes is renumbered 235.51,  
14 and 235.51 (1), (2) (a) and (3), as renumbered, are amended to read:

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

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

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

5           \*~~1215/P3.413~~\*SECTION 3883. 234.52 of the statutes is renumbered 235.52,  
6           and 235.52 (1), (2) and (3), as renumbered, are amended to read:

7           235.52 (1) There is established under the jurisdiction of the authority a housing  
8           rehabilitation loan program loan-loss reserve fund. There shall be paid into such  
9           fund the amounts appropriated under s. ~~20.490 20.885~~ (2) (q), the amounts provided  
10          under s. ~~234.55~~ 235.55, any amounts transferred by the authority to such fund from  
11          other funds or sources and any other moneys which may be available to the authority  
12          for the purposes of such fund from any other source.

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

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

## SECTION 3884

1           \*~~1215/P3.414~~\*SECTION 3884. 234.53 of the statutes is renumbered 235.53,  
2 and 235.53 (1), (2) and (3), as renumbered, are amended to read:

3           235.53 (1) The authority shall establish the housing rehabilitation loan fund.  
4 All moneys resulting from the sale of bonds issued under the authority of s. ~~234.50~~  
5 235.50, not including bonds issued to refund outstanding bonds, and unless credited  
6 to the housing rehabilitation loan program capital reserve or bond redemption funds,  
7 shall be credited to such fund.

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

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

17           \*~~1215/P3.415~~\*SECTION 3885. 234.54 of the statutes is renumbered 235.54,  
18 and 235.54 (1r) and (4) (a), as renumbered, are amended to read:

19           235.54 (1r) The authority shall establish the housing rehabilitation loan  
20 program capital reserve fund to secure the bonds issued under the authority of s.  
21 ~~234.50~~ 235.50, and shall pay into such fund any moneys appropriated and made  
22 available by the state for the purposes of such fund, any proceeds of sale of housing  
23 rehabilitation bonds to the extent provided in the resolution of the authority  
24 authorizing the issuance thereof and any other moneys which are made available to  
25 the authority for the purpose of such fund from any other source.

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

5           \*~~1215/P3.416~~\*SECTION 3886. 234.55 of the statutes is renumbered 235.55,  
6 and 235.55 (1) and (4), as renumbered, are amended to read:

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

20           (4) 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/P3.417~~\*SECTION 3887. 234.59 of the statutes is renumbered 235.59,  
25 and 235.59 (2) (e) and (3) (bc) 3., as renumbered, are amended to read:

1           235.59 (2) (e) May enter into agreements to insure or provide additional  
2 security for homeownership mortgage loans or bonds or notes issued under s. ~~234.60~~  
3 235.60.

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

9           \*~~1215/P3.418~~\*SECTION 3888. 234.592 of the statutes is renumbered 235.592,  
10 and 235.592 (1) (a), (b) and (c) and (2) (c), as renumbered, are amended to read:

11           235.592 (1) (a) "Authorized lender" has the meaning given in s. ~~234.59~~ 235.59  
12 (1) (a).

13           (b) "Eligible property" has the meaning given in s. ~~234.59~~ 235.59 (1) (d) 1.

14           (c) "Principal residence" has the meaning given in. s. ~~234.59~~ 235.59 (1) (j).

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

17           \*~~1215/P3.419~~\*SECTION 3889. 234.60 of the statutes is renumbered 235.60,  
18 and 235.60 (1), (2), (5) (c) and (9), as renumbered, are amended to read:

19           235.60 (1) The authority may issue its bonds or notes to fund homeownership  
20 mortgage loans or the refinancing of qualified subprime loans under s. ~~234.592~~  
21 235.592.

22           (2) The limitations in ss. ~~234.18, 234.40, 234.50, 234.61, and 234.65~~ 235.0255,  
23 235.409, 235.50, and 235.61 do not apply to bonds or notes issued under this section.

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

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

7 \*~~1215/P3.420~~\*SECTION 3890. 234.605 of the statutes is renumbered 235.605,  
8 and 235.605 (1) (a) and (2), as renumbered, are amended to read:

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

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

15 \*~~1215/P3.421~~\*SECTION 3891. 234.61 of the statutes is renumbered 235.61,  
16 and 235.61 (1), as renumbered, is amended to read:

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

25 \*~~1215/P3.422~~\*SECTION 3892. 234.621 of the statutes is renumbered 235.621.

## SECTION 3893

1           \*~~1215/P3.423~~**SECTION 3893.** 234.622 (intro.) of the statutes is renumbered  
2 235.622 (intro.) and amended to read:

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

4           \*~~1215/P3.424~~**SECTION 3894.** 234.622 (1) of the statutes is renumbered  
5 235.622 (1).

6           \*~~1215/P3.425~~**SECTION 3895.** 234.622 (2m) of the statutes is repealed.

7           \*~~1215/P3.426~~**SECTION 3896.** 234.622 (3) of the statutes is renumbered  
8 235.622 (3).

9           \*~~1215/P3.427~~**SECTION 3897.** 234.622 (3m) of the statutes is renumbered  
10 235.622 (3m).

11           \*~~1215/P3.428~~**SECTION 3898.** 234.622 (4) of the statutes is renumbered  
12 235.622 (4).

13           \*~~1215/P3.429~~**SECTION 3899.** 234.622 (5) of the statutes is renumbered  
14 235.622 (5) and amended to read:

15           235.622 (5) "Permitted obligations" means the total amount of outstanding  
16 liens and judgments on the qualifying dwelling unit if that amount does not exceed  
17 33% of the value of the unit as determined by the most recent assessment for property  
18 tax purposes. For purposes of ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626, housing and  
19 rehabilitation loans under s. ~~234.49~~ 235.49 and liens arising under ss. ~~234.621~~  
20 235.621 to ~~234.626~~ 235.626 shall not be considered outstanding liens or judgments  
21 in computing the amount of permitted obligations.

22           \*~~1215/P3.430~~**SECTION 3900.** 234.622 (6) of the statutes is renumbered  
23 235.622 (6) and amended to read:

24           235.622 (6) "Program" means the program under ss. ~~234.621~~ 235.621 to  
25 ~~234.626~~ 235.626.

1           \*~~1215/P3.431~~\*SECTION 3901. 234.622 (7) of the statutes is renumbered  
2           235.622 (7) and amended to read:

3           235.622 (7) “Qualifying dwelling unit” means a dwelling unit, not including a  
4           mobile home as defined in s. 101.91 (10), located in this state, habitable as a  
5           permanent residence and to which property taxes or special assessments are, or may  
6           conveniently be, allocated and up to one acre of land appertaining to it held in the  
7           same ownership as the dwelling unit. For purposes of ss. ~~234.621~~ 235.621 to ~~234.626~~  
8           235.626, “qualifying dwelling unit” includes a unit in a condominium or in a  
9           cooperative or an unincorporated cooperative association or in a multiunit dwelling  
10          with 4 or fewer units, but in all of these 3 cases only the portion of taxes or special  
11          assessments allocable to the unit lived in by the participant may qualify for loans  
12          under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626.

13          \*~~1215/P3.432~~\*SECTION 3902. 234.623 of the statutes is renumbered 235.623,  
14          and 235.623 (1) and (3), as renumbered, are amended to read:

15          235.623 (1) The participant applies on forms prescribed by the authority for a  
16          loan to pay property taxes or special assessments by June 30 of the year in which the  
17          taxes or special assessments are payable on a qualifying dwelling unit and, except  
18          as provided in s. ~~234.625~~ 235.625 (5), specifies the names of all co-owners.

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

23          \*~~1215/P3.433~~\*SECTION 3903. 234.624 of the statutes is renumbered 235.624.

## SECTION 3904

1           \*~~1215/P3.434~~SECTION 3904. 234.625 of the statutes is renumbered 235.625,  
2 and 235.625 (1), (2), (3), (4) (b) 1. and 6., (5), (9) and (10), as renumbered, are amended  
3 to read:

4           235.625 (1) The authority shall enter into agreements with participants and  
5 their co-owners to loan funds to pay property taxes and special assessments on their  
6 qualifying dwelling units. The maximum loan under ss. ~~234.621~~ 235.621 to ~~234.626~~  
7 235.626 in any one year is limited to the lesser of \$3,525 or the amount obtained by  
8 adding the property taxes levied on the qualifying dwelling unit for the year for  
9 which the loan is sought, the special assessments levied on the dwelling unit, and the  
10 interest and penalties for delinquency attributable to the property taxes or special  
11 assessments. Loans shall bear interest at a rate equal to the prime lending rate at  
12 the time the rate is set, as reported by the federal reserve board in federal reserve  
13 statistical release H. 15, plus 1%. ~~The executive director~~ authority shall set the rate  
14 no later than October 15 of each year, and that rate shall apply to loans made in the  
15 following year.

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

22           (3) The authority shall adopt rules ~~policies~~ and ~~establish~~ procedures under  
23 which applications for loans under this section may be submitted, reviewed, and  
24 approved; under which repayment of the loans are to be obtained; under which

1 disputes and claims concerning the loans are to be settled; and under which records  
2 concerning are to be maintained.

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

6 6. The participant ceases to meet the eligibility requirements of s. ~~234.623~~  
7 235.623, except as provided in sub. (5).

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

16 (9) Upon the making of the initial loan, a nonconsensual statutory lien in favor  
17 of the authority to secure payment of the principal, interest, fees and charges due on  
18 all loans, including loans made after the lien is filed, to the participant made under  
19 ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 shall attach to the qualifying dwelling unit  
20 in respect to which the loan is made. The qualifying dwelling unit shall remain  
21 subject to the statutory lien until the payment in full of all loans and charges. If the  
22 authority funds such loans from the proceeds of notes or bonds under s. ~~234.626~~  
23 235.626, its right under the lien shall automatically accrue to the benefit of the  
24 holders of those notes or bonds, without any action or assignment by the authority.  
25 When a loan becomes due and payable, the statutory lien hereby conferred may be

## SECTION 3904

1 enforced by the authority or the holders of the notes or bonds or their representative,  
2 as the case may be, in the same manner as a construction lien under ss. 779.09 to  
3 779.12, except that neither the participant nor any co-owners or their personal  
4 representatives, successors or assigns shall be personally liable for any deficiency  
5 which may arise from the sale. At the time of disbursing the initial loan to a  
6 participant, the authority shall record with the register of deeds of the county in  
7 which the qualifying dwelling unit is located, on a form prescribed by the authority  
8 which shall contain a legal description of the qualifying dwelling unit, a notice of the  
9 loan made under ss. ~~234.621~~ 235.621 to ~~234.626~~ 235.626 and the existence of the  
10 statutory lien arising therefrom. The register of deeds shall record the notice in the  
11 land records and index it in the indexes maintained by the register of deeds. The  
12 statutory lien created by this section shall have priority over any lien that originates  
13 subsequent to the recording of the notice.

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

19 \*-1215/P3.435\*SECTION 3905. 234.626 of the statutes is renumbered 235.626,  
20 and 235.626 (1), (2), (2m), (4), (6) and (7), as renumbered, are amended to read:

21 235.626 (1) Loans made or authorized to be made under ss. ~~234.621~~ 235.621  
22 to ~~234.626~~ 235.626 may be funded from the proceeds of notes and bonds issued  
23 subject to and in accordance with ss. ~~234.08 to 234.14~~ 235.02 to 235.0235 and from  
24 the fund under s. ~~234.165~~ 235.025.

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

10           (2m) Revenues received in the repayment of loans made under s. ~~234.165~~  
11 235.025 shall be paid into the fund under s. ~~234.165~~ 235.025.

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

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

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

25           \*-1215/P3.436\*SECTION 3906. 234.65 of the statutes is repealed.

## SECTION 3907

1           \*~~1215/P3.437~~\*SECTION 3907. Subchapter II (title) of chapter 234 [precedes  
2 234.67] of the statutes is renumbered subchapter V of chapter 235 [precedes 235.67].

3           \*~~1215/P3.438~~\*SECTION 3908. 234.67 of the statutes is renumbered 235.67,  
4 and 235.67 (1) (e), (2) (intro.) and (3), as renumbered, are amended to read:

5           235.67 (1) (e) “Participating lender” means a bank, credit union, savings bank,  
6 savings and loan association or other person, who makes loans for working capital  
7 or to finance physical plant needs, equipment or machinery and who has entered into  
8 an agreement with the authority under s. ~~234.93~~ 235.93 (2) (a).

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

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

19           \*~~1215/P3.439~~\*SECTION 3909. 234.75 of the statutes is renumbered 235.75,  
20 and 235.75 (2) (c) and (5) (a) and (c) (intro.), as renumbered, are amended to read:

21           235.75 (2) (c) The lender is the authority or a financial institution that enters  
22 into an agreement under s. ~~234.93~~ 235.93 (2) (a).

23           (5) (a) Subject to par. (b), the authority may guarantee collection of all or part  
24 of the unpaid principal of a loan eligible for guarantee under sub. (3). If the authority  
25 guarantees all or part of a loan under this subsection, the authority shall establish

1 the amount of the unpaid principal of an eligible loan that will be guaranteed using  
2 the procedures described in the guarantee agreement under s. ~~234.93~~ 235.93 (2) (a).

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

7 **\*-1215/P3.440\*SECTION 3910.** 234.83 of the statutes is renumbered 235.83,  
8 and 235.83 (1m) (c), (3) (intro.) and (4), as renumbered, are amended to read:

9 235.83 (1m) (c) The lender enters into an agreement under s. ~~234.93~~ 235.93 (2)  
10 (a).

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

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

23 **\*-1215/P3.441\*SECTION 3911.** 234.84 (title) of the statutes is renumbered  
24 235.84 (title).

25 **\*-1215/P3.442\*SECTION 3912.** 234.84 (1) of the statutes is repealed.

## SECTION 3913

1           \***-1215/P3.443**\*SECTION 3913. 234.84 (2) of the statutes is renumbered 235.84  
2 (2), and 235.84 (2) (c), as renumbered, is amended to read:

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

5           \***-1215/P3.444**\*SECTION 3914. 234.84 (3) of the statutes is renumbered 235.84  
6 (3), and 235.84 (3) (intro.) and (c), as renumbered, are amended to read:

7           235.84 (3) ELIGIBLE LOANS. (intro.) A loan is eligible for guarantee of collection  
8 from the Wisconsin job training reserve fund under s. ~~234.932~~ 235.932 if all of the  
9 following apply:

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

12           \***-1215/P3.445**\*SECTION 3915. 234.84 (4) of the statutes is renumbered 235.84  
13 (4) and amended to read:

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

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

25           \***-1215/P3.446**\*SECTION 3916. 234.84 (5) (a) of the statutes is repealed.

1           \*~~1215/P3.447~~\*SECTION 3917. 234.84 (5) (b) of the statutes is renumbered  
2   235.84 (5) and amended to read:

3           235.84 (5) The ~~corporation~~ authority may charge a premium, fee, or other  
4   charge to a borrower of a guaranteed loan under this section for the administration  
5   of the loan guarantee.

6           \*~~1215/P3.448~~\*SECTION 3918. 234.86 of the statutes is renumbered 235.86,  
7   and 235.86 (2) (intro.) and (c) and (4) (a) and (b), as renumbered, are amended to read:

8           235.86 (2) GUARANTEE REQUIREMENTS. (intro.) The authority may use money  
9   from the Wisconsin drinking water reserve fund under s. ~~234.932~~ 235.932 to  
10   guarantee a loan under this section if all of the following apply:

11           (c) The lender is a financial institution that enters into an agreement under s.  
12   ~~234.933~~ 235.933 (3) (a).

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

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

22           \*~~1186/P6.3~~\*SECTION 3919. 234.86 (1) (c) of the statutes is amended to read:

23           234.86 (1) (c) "Local governmental unit" has the meaning given in s. 281.61 (1)  
24   (a) (am), except that the term does not include a joint local water authority created  
25   under s. 66.0823.

## SECTION 3920

1           \*~~1215/P3.449~~SECTION 3920. 234.88 of the statutes is renumbered 235.88,  
2 and 235.88 (1) (c), (2) (intro.) and (6), as renumbered, are amended to read:

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

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

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

15           \*~~1215/P3.450~~SECTION 3921. 234.90 of the statutes is renumbered 235.90,  
16 and 235.90 (1) (d) and (2) (intro.), as renumbered, are amended to read:

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

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