

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 3885. 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 3886. 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:

## SECTION 3886

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 3887. 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 3888. 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 3889. 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 3890. 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 3891. 234.621 of the statutes is renumbered 235.621.

1           \*~~1215/P3.423~~\*SECTION 3892. 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 3893. 234.622 (1) of the statutes is renumbered  
5 235.622 (1).

6           \*~~1215/P3.425~~\*SECTION 3894. 234.622 (2m) of the statutes is repealed.

7           \*~~1215/P3.426~~\*SECTION 3895. 234.622 (3) of the statutes is renumbered  
8 235.622 (3).

9           \*~~1215/P3.427~~\*SECTION 3896. 234.622 (3m) of the statutes is renumbered  
10 235.622 (3m).

11           \*~~1215/P3.428~~\*SECTION 3897. 234.622 (4) of the statutes is renumbered  
12 235.622 (4).

13           \*~~1215/P3.429~~\*SECTION 3898. 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 3899. 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 3900.** 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 3901.** 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 3902.** 234.624 of the statutes is renumbered 235.624.

**SECTION 3903**

1           \*~~1215/P3.434~~**SECTION 3903.** 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 3903**

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 3904.** 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 3905. 234.65 of the statutes is repealed.

1           \***-1215/P3.437**\*SECTION 3906. 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 3907. 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 3908. 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 3909.** 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 3910.** 234.84 (title) of the statutes is renumbered  
24 235.84 (title).

25 **\*-1215/P3.442\*SECTION 3911.** 234.84 (1) of the statutes is repealed.

1           \***-1215/P3.443**\*SECTION 3912. 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 3913. 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 3914. 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 3915. 234.84 (5) (a) of the statutes is repealed.

1           \*~~-1215/P3.447~~\*SECTION 3916. 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 3917. 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 3918. 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 3919**

1           \*~~1215/P3.449~~**SECTION 3919.** 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 3920.** 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:

1           \*~~1215/P3.451~~\***SECTION 3921.** 234.905 of the statutes is renumbered 235.905,  
2 and 235.905 (1) (f), (2) (intro.) and (4) (b), as renumbered, are amended to read:

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

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

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

14           \*~~1215/P3.452~~\***SECTION 3922.** 234.907 of the statutes is renumbered 235.907,  
15 and 235.907 (1) (e), (2) (intro.) and (3), as renumbered, are amended to read:

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

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

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

**SECTION 3922**

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

5 **\*-1215/P3.453\*SECTION 3923.** 234.91 of the statutes is renumbered 235.91,  
6 and 235.91 (1) (e) and (2) (intro.), as renumbered, are amended to read:

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

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

15 **\*-1215/P3.454\*SECTION 3924.** 234.92 of the statutes is renumbered 235.92.

16 **\*-1215/P3.455\*SECTION 3925.** 234.93 of the statutes is renumbered 235.93,  
17 and 235.93 (1) (a), (b), (cm) and (d) and (4) (a) 2. and 3. and (b) (intro.), as renumbered,  
18 are amended to read:

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

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



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

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

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

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

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

18 ~~\*-1215/P3.456\*~~SECTION 3926. 234.932 of the statutes is renumbered 235.932,  
19 and 235.932 (2) (intro.) and (b), as renumbered, are amended to read:

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

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

1           \***-1215/P3.457**\*SECTION 3927. 234.933 of the statutes is renumbered 235.933,  
2 and 235.933 (1), (2) (intro.) and (b), as renumbered, are amended to read:

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

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

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

11           \***-1215/P3.458**\*SECTION 3928. Subchapter III (title) of chapter 234 [precedes  
12 234.94] of the statutes is renumbered subchapter VI (title) of chapter 235 [precedes  
13 235.94].

14           \***-1215/P3.459**\*SECTION 3929. 234.94 of the statutes is renumbered 235.94,  
15 and 235.94 (2) (b) 5. and (3), as renumbered, are amended to read:

16           235.94 (2) (b) 5. The corporation’s purpose is to promote the employment of  
17 members of a target group through projects that meet the conditions specified in s.  
18 ~~234.96~~ 235.96 (1) (a) to (d).

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

21           \***-1215/P3.460**\*SECTION 3930. 234.95 of the statutes is renumbered 235.95,  
22 and 235.95 (2), as renumbered, is amended to read:

23           235.95 (2) The community development finance company shall issue stock or  
24 partnership interests. The community development finance company shall invest

1 funds it receives from the sale of stock or partnership interests by purchasing capital  
2 participation instruments under s. ~~234.96~~ 235.96.

3 \*~~1215/P3.461~~\*SECTION 3931. 234.96 of the statutes is renumbered 235.96.

4 \*~~1215/P3.462~~\*SECTION 3932. 234.97 of the statutes is renumbered 235.97,  
5 and 235.97 (intro.) and (2), as renumbered, are amended to read:

6 **235.97 Sale or purchase of stock or interest.** (intro.) Subject to s. ~~234.96~~  
7 235.96 (1) (h), the authority shall do all of the following:

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

11 \*~~1215/P3.463~~\*SECTION 3933. 234.98 of the statutes is renumbered 235.98.

12 \*~~1215/P3.464~~\*SECTION 3934. Chapter 235 of the statutes is created to read:

13 **CHAPTER 235**

14 **FORWARD WISCONSIN**

15 **DEVELOPMENT AUTHORITY**

16 **SUBCHAPTER I**

17 **GENERAL PROVISIONS**

18 **235.01 Definitions.** In this chapter:

19 (1) “Authority” means the Forward Wisconsin Development Authority.

20 (2) “Board” means the board of directors of the authority.

21 **235.011 Creation and organization.** (1) There is created a public body  
22 corporate and politic, to be known as the “Forward Wisconsin Development  
23 Authority.” The members of the board shall consist of 12 public members nominated  
24 by the governor, and with the advice and consent of the senate appointed, to serve  
25 4-year terms. All members shall be employed in the private sector.

1           (2) Seven members of the board constitutes a quorum for the purpose of  
2 conducting its business and exercising its powers and for all other purposes. Action  
3 may be taken by the board upon a vote of a majority of a quorum. The board shall  
4 elect a chairperson.

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

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

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

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

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

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

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

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

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

4           (3) Maintain offices.

5           (4) Sue and be sued.

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

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

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

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

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

15          (10) Make loans and provide grants.

16          (11) Incur debt.

17          (12) Procure liability insurance.

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

22          (14) Agree and comply with any conditions attached to federal financial  
23 assistance.

24          (15) Lease real or personal property and to accept federal funds for and  
25 participate in such federal housing programs as are enacted on May 4, 1976, or at

1 any future time, except that the authority may not accept without the consent of the  
2 governor federal funds under federal housing programs enacted after May 8, 1982,  
3 if issuance of the authority's bonds or notes is not required to participate in the  
4 programs.

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

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

14 **\*-1215/P3.465\*SECTION 3935.** 235.0279 (3) of the statutes is created to read:

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

19 **\*-1215/P3.466\*SECTION 3936.** Subchapter II (title) of chapter 235 [precedes  
20 235.03] of the statutes is created to read:

21 **CHAPTER 235**

22 **SUBCHAPTER II**

23 **ECONOMIC DEVELOPMENT**

24 **\*-1215/P3.467\*SECTION 3937.** 235.03 (3) (ad), (ah), (ap) and (at) of the statutes  
25 are created to read:

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

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

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

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

15          \*-1359/P2.1\*SECTION 3938. 235.137 of the statutes is created to read:

16          **235.137 Regional revolving loan fund grant program.** From the  
17          appropriation under s. 20.885 (3) (am), and from moneys transferred by the authority  
18          from existing programs, the authority shall establish a regional revolving loan fund  
19          grant program. The authority shall establish policies and procedures relating to the  
20          program, including all of the following:

21               (1) Grants shall be awarded to multicounty regions in proportionate amounts  
22               based upon the percentage of the state population residing within each region.

23               (2) Grants shall be awarded only to regional organizations having sufficient  
24               private sector involvement, as determined by the authority.

**SECTION 3938**

1           (3) The authority shall approve the structure, regional investment strategy,  
2 and administrative guidelines of regional loan funds.

3           (4) Each regional organization awarded a grant shall, at a time determined by  
4 the authority, make a report to the authority containing information required by the  
5 authority.

6           (5) For each regional organization awarded a grant, the authority may  
7 annually assess a fee as a percentage of the moneys managed to the extent necessary  
8 to reimburse the authority for costs incurred for oversight and management.

\*\*\*\*NOTE: Do you want to define the term “regional organization”?

9           \***-0997/P4.20\*SECTION 3939.** 235.16 (6) of the statutes is created to read:

10           235.16 (6) SUNSET. The authority may not award any tax benefits under this  
11 section after June 30, 2015.

12           \***-0935/P5.4\*SECTION 3940.** 235.17 (1) (b) of the statutes is created to read:

13           235.17 (1) (b) The authority may not certify a person for a tax credit under this  
14 subsection if the person is not subject to the taxes imposed under s. 71.02, 71.08,  
15 71.23, or 71.43, except that the authority may certify a nonprofit entity described  
16 under section 501 (c) (3) of the Internal Revenue Code for a tax credit under this  
17 subsection if the entity intends to sell or otherwise transfer the credit, as provided  
18 under s. 71.07 (9m) (h), 71.28 (6) (h), or 71.47 (6) (h).

\*\*\*\*NOTE: This is reconciled s. 235.17 (1) (b). This SECTION has been affected by  
drafts with the following LRB numbers: -0935/P4 and -1215/P2.

19           \***-0935/P5.5\*SECTION 3941.** 235.17 (2) of the statutes is created to read:

20           235.17 (2) The authority may certify up to \$10,000,000 in tax credits under sub.  
21 (1) in any calendar year.

\*\*\*\*NOTE: This is reconciled s. 235.17 (2). This SECTION has been affected by drafts  
with the following LRB numbers: -0935/P4 and -1215/P2.

22           \***-0935/P5.6\*SECTION 3942.** 235.17 (3) of the statutes is created to read:



1           235.17 (3) In determining whether to certify a person for a tax credit under sub.  
2 (1), the authority shall consider all of the following with respect to the activity for  
3 which the tax credit is claimed:

4           (a) The number of full-time jobs that may be created.

5           (b) The anticipated benefit to the state of the activity relative to the cost to the  
6 state of the tax credit.

7           (c) The projected impact of the activity on the local economy.

8           (d) Whether the activity or investments associated with the activity would  
9 occur without the tax credit.

10           (e) The number of tax credits that have been certified under sub. (1) in the same  
11 county or municipality in prior years.

      \*\*\*\*NOTE: This is reconciled s. 235.17 (3). This SECTION has been affected by drafts  
with the following LRB numbers: -0935/P4 and -1215/P2.

12           \***-0935/P5.5**\*SECTION 5. 235.17 (4) of the statutes is created to read:

13           235.17 (4) For 4 years following receipt of a tax credit under sub. (1), the  
14 original claimant shall report to the authority the total number of full-time jobs  
15 created by the activity for which the credit was claimed. The authority shall report  
16 to the department of revenue, at least once each calendar quarter, any claimant  
17 whose activity created fewer full-time jobs than projected under sub. (3) (a). The  
18 authority shall report to the department of revenue the name, address, and tax  
19 identification number of the claimant, and the number of full-time jobs projected  
20 and created.

      \*\*\*\*NOTE: This is reconciled s. 235.17 (4). This SECTION has been affected by drafts  
with the following LRB numbers: -0935/P4 and -1215/P2.

21           \***-0935/P5.7**\*SECTION 3943. 235.17 (5) of the statutes is created to read:

**SECTION 3943**

1           235.17 (5) The authority shall adopt policies and procedures for the  
2 administration of this section, including all of the following:

- 3           (a) Process by which applicants may apply for certification under sub. (1).  
4           (b) Certification of the tax credit, in accordance with sub. (3).  
5           (c) Reporting requirements for certified claimants.  
6           (d) Process and criteria for revocation of certification.

      \*\*\*\*NOTE: This is reconciled s. 235.17 (5). This SECTION has been affected by drafts  
with the following LRB numbers: -0935/P4 and -1215/P2.

7           \***-0997/P4.21**\*SECTION 3944. 235.30 (7) (e) of the statutes is created to read:  
8           235.30 (7) (e) In s. 235.308, “tax benefits” means the business development tax  
9 credit under ss. 71.07 (3y), 71.28 (3y), and 71.47 (3y).

10          \***-0997/P4.22**\*SECTION 3945. 235.303 (4) of the statutes is created to read:  
11          235.303 (4) SUNSET. The corporation may not award any tax benefits under ss.  
12 238.301 to 238.306 after June 30, 2015.

13          \***-0997/P4.23**\*SECTION 3946. 235.308 of the statutes is created to read:  
14          **235.308 Business development tax credit. (1) DEFINITION.** In this section,  
15 “eligible position” means a full-time job offered by a person certified under sub. (2).

16          **(2) CERTIFICATION.** (a) The authority may certify a person to receive tax benefits  
17 under this section if all of the following apply:

- 18           1. The person is operating or intends to operate a business in this state.  
19           2. The person applies under this section and enters into a contract with the  
20 authority.

21          (b) The certification of a person under par. (a) may remain in effect for no more  
22 than 10 cumulative years.

1           **(3) ELIGIBILITY FOR TAX BENEFITS.** A person is eligible to receive tax benefits if,  
2           in each year for which the person claims tax benefits under this section, the person  
3           increases net employment in this state in the person's business above the net  
4           employment in this state in the person's business during the year before the person  
5           was certified under sub. (2), as determined by the authority under its policies and  
6           procedures.

7           **(4) AWARDS, LIMITS, EXPIRATION.** (a) The authority may award all of the following  
8           tax benefits to a person certified under sub. (2):

9           1. An amount equal to up to 10 percent of the amount of wages that the person  
10          paid to an employee in an eligible position in the taxable year.

11          2. An amount equal to up to 5 percent of the amount of wages that the person  
12          paid to an employee in an eligible position in the taxable year, if the eligible position  
13          is offered at the claimant's business in an economically distressed area, as  
14          determined by the authority.

15          3. An amount equal to up to 50 percent of the person's training costs incurred  
16          to undertake activities to enhance an employee's general knowledge, employability,  
17          and flexibility in the workplace; to develop skills unique to the person's workplace  
18          or equipment; or to develop skills that will increase the quality of the person's  
19          product.

20          4. An amount equal to up to 3 percent of the person's personal property  
21          investment and 5 percent of the person's real property investment in a capital  
22          investment project, if the project involves a total capital investment of at least  
23          \$1,000,000 or, if less than \$1,000,000, the project involves a capital investment that  
24          is equal to at least \$10,000 per employee employed on the project.

**SECTION 3946**

1           5. An amount, as determined by the authority, equal to a percentage of the  
2 amount of wages that the person paid to an employee in an eligible position in the  
3 taxable year, if the eligible position was created or retained in connection with the  
4 person's location or retention of the person's corporate headquarters in Wisconsin  
5 and the job duties associated with the eligible position involve the performance of  
6 corporate headquarters functions.

7           (b) Subject to a reallocation by the authority under s. 235.15 (3) (d), the  
8 authority may allocate up to \$10,000,000 in tax benefits under this section in any  
9 calendar year. Any unused allocation may be carried forward.

10           **(5) DUTIES.** (a) The authority shall notify the department of revenue, on at least  
11 a quarterly basis, when the authority certifies a person to receive tax benefits.

12           (b) The authority shall notify the department of revenue within 30 days of  
13 revoking a certification made under sub. (2).

14           (c) The authority may require a person to repay any tax benefits the person  
15 claims for a year in which the person failed to maintain an eligible position required  
16 by an agreement under sub. (2) (b).

17           (d) The authority shall determine the maximum amount of the tax credits  
18 under ss. 71.07 (3y), 71.28 (3y), and 71.47 (3y) that a certified business may claim and  
19 shall notify the department of revenue of this amount on at least a quarterly basis.

20           (e) The authority shall annually verify the information submitted to it by the  
21 person claiming tax benefits under ss. 71.07 (3y), 71.28 (3y), and 71.47 (3y).

22           (f) The authority shall adopt policies and procedures for the implementation  
23 and operation of this section.

24           \*–1215/P3.468\***SECTION 3947.** 235.609 of the statutes is created to read:

1           **235.609 Bonds for certain mortgages and securities and for the**  
2           **housing development fund.** The authority may issue its negotiable notes and  
3           bonds to do any of the following:

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

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

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

12          \*~~0807/P6.382~~**SECTION 3948.** 236.13 (2m) of the statutes is amended to read:

13          236.13 (2m) As a further condition of approval when lands included in the plat  
14          lie within 500 feet of the ordinary high-water mark of any lake, any navigable  
15          stream, or any other body of navigable water or if land in the proposed plat involves  
16          lake or navigable stream shorelands referred to in s. 236.16, the department of  
17          natural resources, to prevent pollution of navigable waters, ~~or the department of~~  
18          ~~safety and professional services, and~~ to protect the public health and safety, may  
19          require assurance of adequate drainage areas for private on-site wastewater  
20          treatment systems and building setback restrictions, or provisions by the owner for  
21          public sewage disposal facilities for waters of the state, as defined in s. 281.01 (18),  
22          industrial wastes, as defined in s. 281.01 (5), and other wastes, as defined in s. 281.01  
23          (7). The public sewage disposal facilities may consist of one or more systems as the  
24          department of natural resources ~~or the department of safety and professional~~

1 services determines on the basis of need for prevention of pollution of the waters of  
2 the state or protection of public health and safety.

3 \*~~0801/P2.28~~\***SECTION 3949.** 237.07 (3) (a) of the statutes is amended to read:

4 237.07 (3) (a) For each fiscal year, the authority shall submit to the department  
5 of administration an audited financial statement of the funding received by the  
6 authority ~~from the department of natural resources under s. 237.08 (2) and by the~~  
7 ~~authority~~ from contributions and other funding accepted by the authority under s.  
8 237.08 (3).

9 \*~~0801/P2.29~~\***SECTION 3950.** 237.08 (2) of the statutes is repealed.

10 \*~~1215/P3.469~~\***SECTION 3951.** Chapter 238 (title) of the statutes is repealed.

11 \*~~1215/P3.470~~\***SECTION 3952.** Subchapter I (title) of chapter 238 [precedes  
12 238.01] of the statutes is repealed.

13 \*~~1215/P3.471~~\***SECTION 3953.** 238.01 (intro.) and (1) of the statutes are  
14 repealed.

15 \*~~1215/P3.472~~\***SECTION 3954.** 238.01 (2) of the statutes is repealed.

16 \*~~1215/P3.473~~\***SECTION 3955.** 238.01 (3) of the statutes is renumbered 235.01  
17 (3).

18 \*~~1215/P3.474~~\***SECTION 3956.** 238.02 of the statutes is repealed.

19 \*~~1215/P3.475~~\***SECTION 3957.** 238.03 (title) of the statutes is renumbered  
20 235.03 (title) and amended to read:

21 **235.03 (title) Duties of board the authority concerning economic**  
22 **development.**

23 \*~~1215/P3.476~~\***SECTION 3958.** 238.03 (1) of the statutes is repealed.

24 \*~~1215/P3.477~~\***SECTION 3959.** 238.03 (2) of the statutes is renumbered 235.03  
25 (2), and 235.03 (2) (intro.) and (c), as renumbered, are amended to read:

1           235.03 (2) (intro.) For each program developed and implemented by the board  
2 authority under this subchapter, the board authority shall do all of the following:

3           (c) Require that each recipient of a grant or loan under the program submit a  
4 report to the ~~corporation~~ authority. Each contract with a recipient of a grant or loan  
5 under the program must specify the frequency and format of the report to be  
6 submitted to the ~~corporation~~ authority and the performance measures to be included  
7 in the report.

8           \*~~1215/P3.478~~\*SECTION 3960. 238.03 (3) of the statutes is renumbered 235.03  
9 (3), and 235.03 (3) (intro.), (a) and (b) (intro.), as renumbered, are amended to read:

10           235.03 (3) (intro.) The board authority shall require for each economic  
11 development program developed and implemented by the board authority all of the  
12 following:

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

1 of expenditures. The board shall include the requirements under this paragraph in  
2 the contract with grant or loan recipients. The attestation shall verify that the grant  
3 or loan funds and any matching cash or in-kind match were expended in accordance  
4 with the grant or loan contract.

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

10 \*~~1215/P3.479~~\*SECTION 3961. 238.04 of the statutes is repealed.

11 \*~~1215/P3.480~~\*SECTION 3962. 238.045 of the statutes is repealed.

12 \*~~1215/P3.481~~\*SECTION 3963. 238.046 of the statutes is renumbered 235.014,  
13 and 235.014 (1) and (2), as renumbered, are amended to read:

14 235.014 (1) A member of the board or an employee of the ~~corporation~~ authority  
15 to whom the board delegates its authority to contract shall notify the ~~corporation's~~  
16 authority's legal counsel or, if the ~~corporation's~~ legal counsel is unavailable, the chief  
17 executive officer of the ~~corporation~~ authority if the member or employee has a direct  
18 or indirect, private, pecuniary interest in a contract that is being negotiated, bid for,  
19 or entered into with the ~~corporation~~ authority. If the ~~corporation's~~ authority's legal  
20 counsel or chief executive officer is notified under this section, he or she shall report  
21 the name of the individual from whom he or she received the notification and the  
22 contract in which the individual has a private, pecuniary interest to the board. A  
23 member or employee who notifies the ~~corporation's~~ authority's legal counsel or chief  
24 executive officer under this section is not authorized to participate in the member's  
25 or employee's capacity as a member of the board or an employee of the ~~corporation~~



1 authority in the making of the contract or to perform in regard to the contract some  
2 official function requiring the exercise of discretion on the member's or employee's  
3 part.

4 (2) An employee of the ~~corporation~~ authority shall notify the ~~corporation's~~  
5 authority's legal counsel or, if the ~~corporation's~~ legal counsel is unavailable, the chief  
6 executive officer of the ~~corporation~~ authority if the employee has a controlling  
7 interest in an entity that is negotiating, bidding for, or entering into a contract with  
8 the ~~corporation~~ authority. If the ~~corporation's~~ authority's legal counsel or chief  
9 executive officer is notified under this section, he or she shall report the name of the  
10 individual from whom he or she received the notification and the contract at issue  
11 to the board. The board shall prohibit the ~~corporation~~ authority from entering into  
12 any contract with an entity in which an employee of the ~~corporation~~ authority has  
13 a controlling interest.

14 \*-1215/P3.482\*SECTION 3964. 238.05 of the statutes is repealed.

15 \*-1215/P3.483\*SECTION 3965. 238.06 of the statutes is renumbered 235.015  
16 and amended to read:

17 **235.015 Liability limited.** Neither the state nor any political subdivision of  
18 the state, nor any officer, employee, or agent of the state or a political subdivision of  
19 the state who is acting within the scope of employment or agency, is liable for any  
20 debt, obligation, act, or omission of the ~~corporation~~ authority.

21 \*-1215/P3.484\*SECTION 3966. 238.07 of the statutes is renumbered 235.016,  
22 and 235.016 (1), (2) (intro.), (3) and (4), as renumbered, are amended to read:

23 235.016 (1) Annually, by January October 1, the board authority shall submit  
24 to the chief clerk of each house of the legislature, for distribution to the legislature  
25 under s. 13.172 (2), a report identifying the economic development and housing

**SECTION 3966**

1 programs and projects that the ~~board~~ authority intends to develop and implement  
2 during the current ~~calendar~~ fiscal year.

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

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

10 (4) Annually, beginning in ~~2014~~ 2016, the board shall have an independent  
11 audit conducted of the ~~corporation's~~ authority's financial statements for the previous  
12 fiscal year and submit the audit report to the joint legislative audit committee and  
13 the chief clerk of each house of the legislature, for distribution to the legislature  
14 under s. 13.172 (2).

15 \*~~1215/P3.485~~\*SECTION 3967. 238.08 of the statutes is repealed.

16 \*~~1215/P3.486~~\*SECTION 3968. 238.09 of the statutes is renumbered 235.017,  
17 and 235.017 (1), (2) and (3), as renumbered, are amended to read:

18 235.017 (1) When the ~~corporation~~ authority is required to publicly solicit  
19 proposals from multiple vendors of goods or services.

20 (2) How the ~~corporation~~ authority is to evaluate proposals from multiple  
21 vendors.

22 (3) How the ~~corporation~~ authority is to assess any conflict of interest a vendor  
23 may have if the vendor sells goods or services to the ~~corporation~~ authority.

24 \*~~1215/P3.487~~\*SECTION 3969. 238.10 of the statutes is renumbered 235.018,  
25 and 235.018 (1) to (4), as renumbered, are amended to read:

1           235.018 (1) ALLOCATION. The ~~corporation~~ authority shall establish under 26  
2 USC 146 and administer a system for the allocation of the volume cap on the issuance  
3 of private activity bonds, as defined under 26 USC 141 (a), among all municipalities,  
4 as defined in s. 67.01 (5), and any corporation formed on behalf of those  
5 municipalities, and among this state, the Wisconsin Health and Educational  
6 Facilities Authority, the Wisconsin Aerospace Authority, and the ~~Wisconsin Housing~~  
7 ~~and Economic Development Authority~~ authority.

8           (2) AMENDMENT TO ALLOCATION. At any time prior to December 31 in any year,  
9 the ~~corporation~~ authority may adopt rules policies and procedures to revise the  
10 allocation system established for that year under sub. (1), except that any revision  
11 under this subsection does not apply to any allocation under which the recipient of  
12 that allocation has adopted a resolution authorizing the issuance of a private activity  
13 bond, as defined in 26 USC 141 (a).

14           (3) CONDITIONS. The ~~corporation~~ authority may establish any procedure for,  
15 and place any condition upon, the granting of an allocation under this section which  
16 the ~~corporation~~ authority deems to be in the best interest of the state including a  
17 requirement that a cash deposit, at a rate established by the ~~corporation~~ authority,  
18 be a condition for an allocation.

19           (4) CERTIFICATION. If the ~~corporation~~ authority receives notice of the issuance  
20 of a bond under an allocation under subs. (1) to (3), the ~~corporation~~ authority shall  
21 certify that that bond meets the requirements of 26 USC 146.

22           \*~~-1215/P3.488~~\*SECTION 3970. 238.11 of the statutes is renumbered 235.11,  
23 and 235.11 (1), (2) and (5), as renumbered, are amended to read:

24           235.11 (1) The ~~corporation~~ authority shall prescribe the notice forms to be used  
25 under s. 66.1103 (4m) (a) 1. The ~~corporation~~ authority shall include on the forms a

**SECTION 3970**

1 requirement for information on the number of jobs the person submitting the notice  
2 expects to be eliminated, created, or maintained on the project site and elsewhere in  
3 this state by the project which is the subject of the notice. The ~~corporation~~ authority  
4 shall prescribe the forms to be used under s. 66.1103 (4m) (b).

5 (2) If the ~~corporation~~ authority receives a notice under s. 66.1103 (4m) (a), the  
6 ~~corporation~~ authority shall estimate, no later than 20 days after receipt of the notice,  
7 whether the project that is the subject of the notice is expected to eliminate, create,  
8 or maintain jobs on the project site and elsewhere in this state and the net number  
9 of jobs expected to be eliminated, created, or maintained as a result of the project.

10 (5) The ~~corporation~~ authority shall issue an estimate made under sub. (2) to  
11 the city, village, town, or county which will issue the bonds to finance the project  
12 which is the subject of the estimate.

13 \*~~1215/P3.489~~**SECTION 3971.** 238.12 of the statutes is renumbered 235.12  
14 and amended to read:

15 **235.12 Repayment of grants, loans, and tax benefits.** (1) In this section,  
16 “tax benefits” means the credits under ss. 71.07 ~~(2dd), (2de), (2di), (2dj), (2dL), (2dm),~~  
17 ~~(2dr), (2ds), (2dx), (3g), and (3t),~~ 71.28 ~~(1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds),~~  
18 ~~(1dx), (3g), and (3t),~~ 71.47 ~~(1dd), (1de), (1di), (1dj), (1dL), (1dm), (1ds), (1dx), (3g), and~~  
19 ~~(3t), and 76.636.~~

\*\*\*\*NOTE: This is reconciled s. 235.12 (1). This SECTION has been affected by drafts  
with the following LRB numbers: -1018/P1 and -1215/P2.

20 (2) The ~~corporation~~ authority may not award a grant or loan under this chapter  
21 to a person or certify a person to receive tax benefits unless the ~~corporation~~ authority  
22 enters into an agreement with the person that requires the person to repay the grant,  
23 loan, or tax benefits if, within 5 years after receiving the grant or loan or being

1 certified to receive tax benefits, the person ceases to conduct in this state the  
2 economic activity for which the person received the grant or loan or for which the  
3 person was certified to receive tax benefits and commences substantially the same  
4 economic activity outside this state.

5 \*~~1215/P3.490~~\*SECTION 3972. 238.125 of the statutes is repealed.

6 \*~~1215/P3.491~~\*SECTION 3973. 238.127 of the statutes is renumbered 235.127,  
7 and 235.127 (2) (intro.), (c) (intro.), (e), (h) and (j), as renumbered, are amended to  
8 read:

9 235.127 (2) (intro.) The ~~corporation~~ authority shall establish and administer  
10 a state main street program to coordinate state and local participation in programs  
11 offered by the national main street center, created by the national trust for historic  
12 preservation, to assist municipalities in planning, managing and implementing  
13 programs for the revitalization of business areas. The ~~corporation~~ authority shall  
14 do all of the following:

15 (c) (intro.) With help from interested individuals and organizations, develop a  
16 plan describing the objectives of the state main street program and the methods by  
17 which the ~~corporation~~ authority shall:

18 (e) Annually select, upon application, up to 5 municipalities to participate in  
19 the state main street program. The program for each municipality shall conclude  
20 after 3 years, except that the program for each municipality selected after July 29,  
21 1995, shall conclude after 5 years. The ~~corporation~~ authority shall select program  
22 participants representing various geographical regions and populations. A  
23 municipality may apply to participate, and the ~~corporation~~ authority may select a  
24 municipality for participation, more than one time. In selecting a municipality,

1 however, the ~~corporation~~ authority may give priority to those municipalities that  
2 have not previously participated.

3 (h) Provide training, technical assistance and information on the revitalization  
4 of business areas to municipalities which do not participate in the state main street  
5 program. The ~~corporation~~ authority may charge reasonable fees for the services and  
6 information provided under this paragraph.

7 (j) The ~~corporation~~ authority shall expend at least \$250,000 annually on the  
8 state main street program.

9 **\*-1215/P3.492\*SECTION 3974.** 238.13 of the statutes, as affected by 2015  
10 Wisconsin Act .... (this act), is renumbered 235.13, and 235.13 (2) (a) (intro.), (3)  
11 (intro.) and (f) and (5), as renumbered, are amended to read:

12 235.13 (2) (a) (intro.) The ~~corporation~~ authority may make a grant to a person  
13 if all of the following apply:

14 (3) (intro.) The ~~corporation~~ authority may consider the following criteria in  
15 making awards under this section:

16 (f) Any other factors ~~considered by the corporation to be~~ authority considers  
17 relevant to assessing the viability and feasibility of the project.

18 (5) Before the ~~corporation~~ authority awards a grant under this section, the  
19 ~~corporation~~ authority shall consider the recommendations of the department of  
20 natural resources.

\*\*\*\*NOTE: This is reconciled s. 238.13 (5). This SECTION has been affected by drafts  
with the following LRB numbers:-0363/P1 and -1215/P2.

21 **\*-0362/P1.1\*SECTION 3975.** 238.13 (2) (b) 2. of the statutes is repealed.

22 **\*-0362/P1.2\*SECTION 3976.** 238.13 (2) (b) 3. of the statutes is created to read:

1           238.13 (2) (b) 3. The recipient of a grant under this section shall contribute to  
2 the project an amount that is equal to at least 50 percent of the amount of the grant.

3           \*~~0363/P1.1~~\*SECTION 3977. 238.13 (5) of the statutes is amended to read:

4           238.13 (5) Before the corporation awards a grant under this section, the  
5 corporation shall consider the recommendations of ~~the department of administration~~  
6 ~~and~~ the department of natural resources.

7           \*~~1215/P3.493~~\*SECTION 3978. 238.133 of the statutes is renumbered 235.133,  
8 and 235.133 (2) (title), (a), (b), (c) and (d), (3) (intro.), (4), (5) (intro.) and (c), (6) and  
9 (7), as renumbered, are amended to read:

10           235.133 (2) (title) DUTIES OF THE CORPORATION AUTHORITY.

11           (a) The ~~corporation~~ authority shall administer a program to award brownfield  
12 site assessment grants from the appropriation under s. ~~20.192(1)~~ 20.885 (3) (s) to  
13 local governmental units for the purposes of conducting any of the eligible activities  
14 under sub. (3).

15           (b) The ~~corporation~~ authority may not award a grant to a local governmental  
16 unit under this section if that local governmental unit caused the environmental  
17 contamination that is the basis for the grant request.

18           (c) The ~~corporation~~ authority may only award grants under this section if the  
19 person that caused the environmental contamination that is the basis for the grant  
20 request is unknown, cannot be located or is financially unable to pay the cost of the  
21 eligible activities.

22           (d) The ~~corporation~~ authority shall establish criteria as necessary to  
23 administer the program. The ~~corporation~~ authority may limit the total amount of  
24 funds that may be used to cover the costs of each category of eligible activity  
25 described in sub. (3).

1           (3) ELIGIBLE ACTIVITIES. (intro.) The ~~corporation~~ authority may award grants  
2 to local governmental units to cover the costs of the following activities:

3           (4) APPLICATION FOR GRANT. The applicant shall submit an application on a form  
4 prescribed by the ~~corporation~~ authority and shall include any information that the  
5 ~~corporation~~ authority finds necessary to calculate the amount of a grant.

6           (5) GRANT CRITERIA. (intro.) The ~~corporation~~ authority shall consider the  
7 following criteria when determining whether to award a grant:

8           (c) Other criteria that the ~~corporation~~ authority finds necessary to calculate the  
9 amount of a grant.

10          (6) LIMITATION OF GRANT. The total amount of all grants awarded to a local  
11 governmental unit in a fiscal year under this section shall be limited to an amount  
12 equal to 15% of the available funds appropriated under s. ~~20.192 (1)~~ 20.885 (3) (s) for  
13 the fiscal year.

14          (7) MATCHING FUNDS. The ~~corporation~~ authority may not distribute a grant  
15 unless the applicant contributes matching funds equal to 20% of the grant. Matching  
16 funds may be in the form of cash or in-kind contribution or both.

17          \*~~1215/P3.494~~\*SECTION 3979. 238.135 of the statutes is renumbered 235.135  
18 and amended to read:

19               **235.135 Grants to regional economic development organizations.** The  
20 ~~corporation~~ authority shall award annual grants to regional economic development  
21 organizations to fund marketing activities. The amount of each grant may not exceed  
22 \$100,000 or the amount of matching funds the organization obtains from sources  
23 other than the ~~corporation~~ authority or the state, whichever is less.

24          \*~~1215/P3.495~~\*SECTION 3980. 238.15 of the statutes, as affected by 2015  
25 Wisconsin Act .... (this act), is renumbered 235.15, and 235.15 (1) (intro.) and (m) 1.



1 (intro.) and c., (2) and (3) (a), (b), (d) (intro.), 1. and 2. a. and b., (dm) and (e), as  
2 renumbered, are amended to read:

3 235.15 (1) ANGEL INVESTMENT TAX CREDITS. (intro.) The ~~corporation~~ authority  
4 shall implement a program to certify businesses for purposes of s. 71.07 (5d). A  
5 business desiring certification shall submit an application to the ~~corporation~~  
6 authority in each taxable year for which the business desires certification. The  
7 business shall specify in its application the investment amount it wishes to raise and  
8 the ~~corporation~~ authority may certify the business and determine the amount that  
9 qualifies for purposes of s. 71.07 (5d). Except as provided in policies and procedures  
10 under sub. (3) (dm), the ~~corporation~~ authority may certify or recertify a business for  
11 purposes of s. 71.07 (5d) only if the business satisfies all of the following conditions:

\*\*\*\*NOTE: This is reconciled s. 238.15 (1) (intro.). This SECTION has been affected  
by drafts with the following LRB numbers: -0365/P1, -0996/P2 and -1215/P2.

12 (m) 1. (intro.) It agrees that it will not relocate outside of this state during the  
13 3 years after it receives an investment for which a person may claim a tax credit  
14 under s. 71.07 (5d) and agrees to pay the ~~corporation~~ authority a penalty, in an  
15 amount determined under subd. 2., if the business relocates outside of this state  
16 during that 3-year period. For the purposes of this paragraph, except as provided  
17 in policies and procedures under sub. (3) (dm), a business relocates outside of this  
18 state when the business locates more than 51 percent of any of the following outside  
19 of this state:

\*\*\*\*NOTE: This is reconciled s. 238.15 (1) (m) 1. (intro.). This SECTION has been  
affected by drafts with the following LRB numbers: -0365/P1 and -1215/P2.

20 c. The activities of the business's headquarters, as determined by the  
21 ~~corporation~~ authority.

## SECTION 3980

1           (2) EARLY STAGE SEED INVESTMENT TAX CREDITS. The ~~corporation~~ authority shall  
2 implement a program to certify investment fund managers for purposes of ss. 71.07  
3 (5b), 71.28 (5b), 71.47 (5b), and 76.638. An investment fund manager desiring  
4 certification shall submit an application to the ~~corporation~~ authority. The  
5 investment fund manager shall specify in the application the investment amount  
6 that the manager wishes to raise and the ~~corporation~~ authority may certify the  
7 manager and determine the amount that qualifies for purposes of ss. 71.07 (5b),  
8 71.28 (5b), 71.47 (5b), and 76.638. In determining whether to certify an investment  
9 fund manager, the ~~corporation~~ authority shall consider the investment fund  
10 manager's experience in managing venture capital funds, the past performance of  
11 investment funds managed by the applicant, the expected level of investment in the  
12 investment fund to be managed by the applicant, and any other relevant factors. The  
13 ~~corporation~~ authority may certify only investment fund managers that commit to  
14 consider placing investments in businesses certified under sub. (1).

15           (3) (a) *List of certified businesses and investment fund managers.* The  
16 ~~corporation~~ authority shall maintain a list of businesses certified under sub. (1) and  
17 investment fund managers certified under sub. (2) and shall permit public access to  
18 the lists through the ~~corporation's~~ authority's Internet Web site.

19           (b) *Notification of department of revenue.* The ~~corporation~~ authority shall  
20 notify the department of revenue of every certification issued under subs. (1) and (2)  
21 and the date on which any such certification is revoked or expires.

22           (d) *Rules Administration.* (intro.) The ~~corporation~~ authority, in consultation  
23 with the department of revenue, shall ~~adopt rules~~ establish policies and procedures  
24 to administer this section. ~~The rules and~~ shall further define "bona fide angel  
25 investment" for purposes of s. 71.07 (5d) (a) 1. The rules shall limit the aggregate

1 amount of tax credits under s. 71.07 (5d) that may be claimed for investments in  
2 businesses certified under sub. (1) at ~~\$3,000,000 per calendar year for calendar years~~  
3 ~~beginning after December 31, 2004, and before January 1, 2008, \$5,500,000 per~~  
4 ~~calendar year for calendar years beginning after December 31, 2007, and before~~  
5 ~~January 1, 2010, \$6,500,000 for calendar year 2010, and \$20,000,000 per calendar~~  
6 ~~year for calendar years beginning after December 31, 2010, plus, for taxable years~~  
7 ~~beginning after December 31, 2010, an additional \$250,000 for tax credits that may~~  
8 ~~be claimed for investments in nanotechnology businesses certified under sub. (1).~~  
9 ~~The rules shall also limit the aggregate amount and of the tax credits under ss. 71.07~~  
10 ~~(5b), 71.28 (5b), 71.47 (5b), and 76.638 that may be claimed for investments paid to~~  
11 ~~fund managers certified under sub. (2) at \$3,500,000 per calendar year for calendar~~  
12 ~~years beginning after December 31, 2004, and before January 1, 2008, \$6,000,000 per~~  
13 ~~calendar year for calendar years beginning after December 31, 2007, and before~~  
14 ~~January 1, 2010, \$8,000,000 for calendar year 2010, and \$20,500,000 is \$30,000,000~~  
15 ~~per calendar year for calendar years beginning after December 31, 2010, plus, for~~  
16 ~~taxable years beginning after December 31, 2010, an additional \$250,000 for tax~~  
17 ~~credits that may be claimed for investments in nanotechnology businesses certified~~  
18 ~~under sub. (1). The rules policies and procedures shall also provide that, for calendar~~  
19 ~~years beginning after December 31, 2007, a person who receives a credit under ss.~~  
20 ~~s. 71.07 (5b) and or (5d), 71.28 (5b), 71.47 (5b), or 76.638 must keep the investment~~  
21 ~~in a certified business, or with a certified fund manager, for no less than 3 years,~~  
22 ~~unless the person's investment becomes worthless, as determined by the corporation~~  
23 ~~authority, during the 3-year period or the person has kept the investment for no less~~  
24 ~~than 12 months and a bona fide liquidity event, as determined by the corporation~~  
25 ~~authority, occurs during the 3-year period. The rules policies and procedures shall~~

1 permit the ~~corporation~~ authority to reallocate credits under this section that are  
2 unused in any calendar year to a person eligible for tax benefits, as defined under s.  
3 ~~238.16~~ 235.16 (1) (d), if all of the following apply:

\*\*\*\*NOTE: This is reconciled s. 238.15 (3) (d) (intro.). This SECTION has been affected  
by drafts with the following LRB numbers:-0365/P1, -0996/P2 and -1215/P2.

4 1. The ~~corporation~~ authority notifies the joint committee on finance in writing  
5 of its proposed reallocation.

6 2. a. The cochairpersons of the joint committee on finance fail to notify the  
7 ~~corporation~~ authority, within 14 working days after the date of the ~~corporation's~~  
8 authority's notification under subd. 1., that the committee has scheduled a meeting  
9 for the purpose of reviewing the proposed reallocation.

10 b. The cochairpersons of the joint committee on finance notify the ~~corporation~~  
11 authority that the committee has approved the proposed reallocation.

12 (dm) The ~~corporation's~~ authority's policies and procedures under this  
13 subsection shall permit the ~~corporation~~ authority to waive one or more of the  
14 requirements under sub. (1) (a), (b), (h), and (m) 1. based on standards the  
15 ~~corporation~~ authority establishes in the policies and procedures. The ~~corporation~~  
16 authority may not waive a requirement under sub. (1) (a), (b), (h), or (m) 1. unless  
17 the board approves the standards in the policies and procedures and the waiver  
18 complies with those standards.

19 (e) *Transfer.* A person who is eligible to claim a credit under s. 71.07 (5b), 71.28  
20 (5b), 71.47 (5b) or (5d), or 76.638 may sell or otherwise transfer the credit to another  
21 person who is subject to the taxes or fees imposed under s. 71.02, 71.23, 71.47, or  
22 subch. III of ch. 76, if the person was certified to claim the credit after December 31,  
23 2014 and if the person receives prior authorization from the investment fund

1 manager, for a credit under s. 71.07 (5b), 71.28 (5b), 71.47 (5b), or 76.638, and the  
2 investment fund manager, or the claimant under s. 71.07 (5d) for the sale or other  
3 transfer of a credit under s. 71.07 (5d), notifies the ~~corporation~~ authority and the  
4 department of revenue of the transfer and submits with the notification a copy of the  
5 transfer documents. No person may sell or otherwise transfer a credit as provided  
6 in this paragraph more than once in a 12-month period. The ~~corporation~~ authority  
7 may charge any person selling or otherwise transferring a credit under this  
8 paragraph a fee equal to 5 percent of the credit amount sold or transferred.

\*\*\*\*NOTE: This is reconciled s. 238.15 (3) (e). This SECTION has been affected by  
drafts with the following LRB numbers: -0996/P3 and -1215/P4.

9 **\*-0365/P2.1\*SECTION 3981.** 238.15 (1) (intro.) of the statutes is amended to  
10 read:

11 238.15 (1) ANGEL INVESTMENT TAX CREDITS. (intro.) The corporation shall  
12 implement a program to certify businesses for purposes of s. 71.07 (5d). A business  
13 desiring certification shall submit an application to the corporation in each taxable  
14 year for which the business desires certification. The business shall specify in its  
15 application the investment amount it wishes to raise and the corporation may certify  
16 the business and determine the amount that qualifies for purposes of s. 71.07 (5d).  
17 The Except as provided in policies and procedures under sub. (3) (dm), the  
18 corporation may certify or recertify a business for purposes of s. 71.07 (5d) only if the  
19 business satisfies all of the following conditions:

\*\*\*\*NOTE: This is reconciled s. 238.15 (1) (intro.). This SECTION has been affected  
by drafts with the following LRB numbers:-0365/P1 and -0996/P2.

20 **\*-0996/P3.2\*SECTION 3982.** 238.15 (1) (f) 1. b. of the statutes is amended to  
21 read:

1           238.15 (1) (f) 1. b. Processing or assembling products, including medical  
2 devices, pharmaceuticals, computer software, computer hardware, semiconductors,  
3 any other innovative technology products, or other products that are produced using  
4 manufacturing methods that are enabled by applying proprietary differentiating  
5 technology.

6           \*~~0996/P3.3~~**SECTION 3983.** 238.15 (1) (f) 1. c. of the statutes is amended to  
7 read:

8           238.15 (1) (f) 1. c. Services that are enabled by applying proprietary  
9 differentiating technology.

10           \*~~0996/P3.4~~**SECTION 3984.** 238.15 (1) (f) 2. of the statutes is amended to read:

11           238.15 (1) (f) 2. It is undertaking pre-commercialization activity related to  
12 proprietary differentiating technology that includes conducting research,  
13 developing a new product or business process, or developing a service that is  
14 principally reliant on applying proprietary differentiating technology.

15           \*~~0996/P3.5~~**SECTION 3985.** 238.15 (1) (f) 3. of the statutes is created to read:

16           238.15 (1) (f) 3. It is a technology-based physician and health care consulting  
17 business.

18           \*~~0996/P3.6~~**SECTION 3986.** 238.15 (1) (f) 4. of the statutes is created to read:

19           238.15 (1) (f) 4. It is a retailer for whom at least 51 percent of its annual sales  
20 originate on the Internet.

21           \*~~0996/P3.7~~**SECTION 3987.** 238.15 (1) (g) of the statutes is amended to read:

22           238.15 (1) (g) It is not primarily engaged in real estate development,  
23 insurance,; banking,; lending,; lobbying,; political consulting,; professional services  
24 provided by attorneys, accountants, business consultants, physicians, or health care  
25 consultants, except technology-based physician or health care consultants;

1 wholesale or retail trade, except retailers for whom at least 51 percent of annual  
2 income originates on the Internet; leisure; hospitality; transportation; or  
3 construction, except construction of power production plants that derive energy from  
4 a renewable resource, as defined in s. 196.378 (1) (h).

5 **\*-0996/P3.8\*SECTION 3988.** 238.15 (1) (L) of the statutes is amended to read:

6 238.15 (1) (L) For taxable years beginning after December 31, 2010 and before  
7 January 1, 2015, it has not received more than \$8,000,000 in investments that have  
8 qualified for tax credits under ss. 71.07 (5b) and (5d), 71.28 (5b), 71.47 (5b), and  
9 76.638.

10 **\*-0996/P3.9\*SECTION 3989.** 238.15 (1) (Lg) of the statutes is created to read:

11 238.15 (1) (Lg) For taxable years beginning after December 31, 2014, it has not  
12 received more than \$12,000,000 in investments that have qualified for tax credits  
13 under ss. 71.07 (5b) and (5d), 71.28 (5b), 71.47 (5b), and 76.638.

14 **\*-0365/P2.2\*SECTION 3990.** 238.15 (1) (m) 1. (intro.) of the statutes is amended  
15 to read:

16 238.15 (1) (m) 1. (intro.) It agrees that it will not relocate outside of this state  
17 during the 3 years after it receives an investment for which a person may claim a tax  
18 credit under s. 71.07 (5d) and agrees to pay the corporation a penalty, in an amount  
19 determined under subd. 2., if the business relocates outside of this state during that  
20 3-year period. For the purposes of this paragraph, except as provided in policies and  
21 procedures under sub. (3) (dm), a business relocates outside of this state when the  
22 business locates more than 51 percent of any of the following outside of this state:

\*\*\*\*NOTE: This is reconciled s. 238.15 (1) (m) 1. (intro.). This SECTION has been  
affected by drafts with the following LRB numbers:-0365/P1 and -0996/P2.

23 **\*-0365/P2.3\*SECTION 3991.** 238.15 (1) (m) 3. of the statutes is created to read:

**SECTION 3991**

1           238.15 (1) (m) 3. Subdivision 1. does not apply to a business that the  
2 corporation certified for purposes of s. 71.07 (5d) before April 20, 2012, and that, in  
3 reliance on that certification, executed a note or bond that is convertible to an equity  
4 interest.

5           \*~~0365/P2.4~~**SECTION 3992.** 238.15 (3) (dm) of the statutes is created to read:

6           238.15 (3) (dm) The corporation's policies and procedures under this subsection  
7 shall permit the corporation to waive one or more of the requirements under sub. (1)  
8 (a), (b), (h), and (m) 1. based on standards the corporation establishes in the policies  
9 and procedures. The corporation may not waive a requirement under sub. (1) (a), (b),  
10 (h), or (m) 1. unless the board approves the standards in the policies and procedures  
11 and the waiver complies with those standards.

12           \*~~0996/P3.10~~**SECTION 3993.** 238.15 (3) (e) of the statutes is amended to read:

13           238.15 (3) (e) *Transfer.* A person who is eligible to claim a credit under s. 71.07  
14 (5b) or (5d), 71.28 (5b), 71.47 (5b), or 76.638 may sell or otherwise transfer the credit  
15 to another person who is subject to the taxes or fees imposed under s. 71.02, 71.23,  
16 71.47, or subch. III of ch. 76, if the person was certified to claim the credit after  
17 December 31, 2014 and if the person receives prior authorization from the  
18 investment fund manager, for a credit under s. 71.07 (5b), 71.28 (5b), 71.47 (5b), or  
19 76.638, and the investment fund manager then, or the claimant under s. 71.07 (5d)  
20 for the sale or other transfer of a credit under s. 71.07 (5d), notifies the corporation  
21 and the department of revenue of the transfer and submits with the notification a  
22 copy of the transfer documents. No person may sell or otherwise transfer a credit as  
23 provided in this paragraph more than once in a 12-month period. The corporation  
24 may charge any person selling or otherwise transferring a credit under this  
25 paragraph a fee equal to ~~1~~ 5 percent of the credit amount sold or transferred.



1           \*~~1215/P3.496~~SECTION 3994. 238.16 of the statutes, as affected by 2015  
2 Wisconsin Act .... (this act), is renumbered 235.16, and 235.16 (1) (c) 2. (intro.), (2)  
3 (intro.) and (b), (3) (intro.), (4) (b) 1. (intro.) and 2. and (c) and (5) (title), (a), (b), (c),  
4 (d), (e) and (f) (intro.) and 1. (intro.), as renumbered, are amended to read:

5           235.16 (1) (c) 2. (intro.) The ~~corporation~~ authority may grant exceptions to the  
6 requirement under subd. 1. that a full-time job means a position in which an  
7 individual, as a condition of employment, is required to work at least 2,080 hours per  
8 year if all of the following apply:

9           (2) (intro.) The ~~corporation~~ authority may certify a person to receive tax  
10 benefits under this section if all of the following apply:

11           (b) The person applies under this section and enters into a contract with the  
12 ~~corporation~~ authority.

13           (3) ELIGIBILITY FOR TAX BENEFITS. (intro.) A person certified under sub. (2) may  
14 receive tax benefits under this section if, in each year for which the person claims tax  
15 benefits under this section, the person increases net employment in this state in the  
16 person's business above the net employment in this state in the person's business  
17 during the year before the person was certified under sub. (2), as determined by the  
18 ~~corporation~~ authority under its policies and procedures, and one of the following  
19 applies:

20           (4) (b) 1. (intro.) The ~~corporation~~ authority may award to a person certified  
21 under sub. (2) tax benefits for each eligible employee in an amount equal to up to 10  
22 percent of the wages paid by the person to that employee or \$10,000, whichever is  
23 less, if that employee earned wages in the year for which the tax benefit is claimed  
24 equal to one of the following:

1           2. The ~~corporation~~ authority may award to a person certified under sub. (2) tax  
2 benefits in an amount to be determined by the ~~corporation~~ authority for costs  
3 incurred by the person to undertake the training activities described in sub. (3) (c).

4           (c) Subject to a reallocation by the ~~corporation~~ authority pursuant to policies  
5 and procedures adopted under s. ~~238.15~~ 235.15 (3) (d), the ~~corporation~~ authority may  
6 allocate up to \$10,000,000 in tax benefits under this section in any calendar year.

      \*\*\*\*NOTE: This is reconciled s. 238.16 (4) (c). This SECTION has been affected by  
drafts with the following LRB numbers: -0996/P3 and -1215/P4.

7           **(5) (title) DUTIES OF THE CORPORATION AUTHORITY.**

8           (a) The ~~corporation~~ authority shall notify the department of revenue when the  
9 ~~corporation~~ authority certifies a person to receive tax benefits.

10          (b) The ~~corporation~~ authority shall notify the department of revenue within 30  
11 days of revoking a certification made under sub. (2).

12          (c) The ~~corporation~~ authority may require a person to repay any tax benefits  
13 the person claims for a year in which the person failed to maintain employment  
14 required by an agreement under sub. (2) (b).

15          (d) The ~~corporation~~ authority shall determine the maximum amount of the tax  
16 credits under ss. 71.07 (3q), 71.28 (3q), and 71.47 (3q) that a certified business may  
17 claim and shall notify the department of revenue of this amount.

18          (e) The ~~corporation~~ authority shall annually verify the information submitted  
19 to the ~~corporation~~ authority by the person claiming tax benefits under ss. 71.07 (3q),  
20 71.28 (3q), and 71.47 (3q).

21          (f) (intro.) The ~~corporation~~ authority shall adopt policies and procedures for the  
22 implementation and operation of this section, including policies and procedures  
23 relating to the following: