2017 ASSEMBLY BILL 1004

March 7, 2018 – Introduced by Representatives STUCK, WACHS, GENRICH, DOYLE, HEBL, MEYERS, POPE, SINICKI, SPREITZER, ZAMARRIPA and TUSLER, cosponsored by Senator HANSEN. Referred to Committee on Jobs and the Economy.

AN ACT to amend 20.490 (1) (title); and to create 20.490 (1) (c) and 234.66 of the statutes; relating to: revolving loan funds administered by the Wisconsin Housing and Economic Development Authority for certain activities of paper mills and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill requires the Wisconsin Housing and Economic Development Authority to do all of the following:
1. Establish a $30,000,000 revolving loan fund to assist paper mills in this state to transition to the manufacture of brown paper products.
2. Establish a $30,000,000 revolving loan fund to assist paper mills in this state to undertake energy efficiency upgrades in the manufacture of paper products.

The bill requires WHEDA to establish policies and procedures implementing the revolving loan fund program under the bill, including job retention requirements. Additionally, under the bill, the revolving loan funds must satisfy all of the following requirements:
1. Each loan must be interest free.
2. No business may receive more than $3,000,000 in loans from the revolving loan funds combined.
3. Each loan must be repaid on at least a quarterly basis and must be repaid in full over a period of no more than five years.
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4. The five-year or less repayment period for each loan may not begin until after installation of the project funded by the loan is complete, as determined WHEDA.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

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<tr>
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<th>2017-18</th>
<th>2018-19</th>
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<tbody>
<tr>
<td>20.490</td>
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<tr>
<td>Wisconsin Housing and Economic Development Authority</td>
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<td>(1) Facilitation of construction and other assistance</td>
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<td>(c) Paper mills revolving loan fund program</td>
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SECTION 2. 20.490 (1) (title) of the statutes is amended to read:

20.490 (1) (title) Facilitation of construction and other assistance.

SECTION 3. 20.490 (1) (c) of the statutes is created to read:

20.490 (1) (c) Paper mills revolving loan fund program. As a continuing appropriation, the amounts in the schedule for the paper mill revolving loan fund program under s. 234.66.

SECTION 4. 234.66 of the statutes is created to read:

234.66 Paper mills revolving loan funds. (1) The authority shall establish a $30,000,000 revolving loan fund to assist paper mills in this state to transition to the manufacture of brown paper products.
(2) The authority shall establish a $30,000,000 revolving loan fund to assist paper mills in this state to undertake energy efficiency upgrades in the manufacture of paper products.

(3) The revolving loan funds under subs. (2) and (3) shall satisfy all of the following requirements:

(a) Each loan made from the revolving loan funds shall be interest free.

(b) No business may receive more than a total of $3,000,000 in loans from the revolving loan funds combined.

(c) Each loan made from the revolving loan funds shall be repaid on at least a quarterly basis and shall have an amortization period of no more than 5 years.

(d) The amortization period under par. (c) may not begin until after installation of the project funded by the loan is complete, as determined by the authority.

(4) The authority shall establish policies and procedures implementing the revolving loan program under this section. The policies and procedures shall include job retention requirements for the revolving loan funds under subs. (1) and (2).