AN ACT to amend 231.03 (13); and to create 231.03 (6) (L) of the statutes; relating to: financing the working capital of nonprofit institutions.

Analysis by the Legislative Reference Bureau

Under current law, the Wisconsin Health and Educational Facilities Authority may issue bonds to finance certain projects of health, educational, research, and other nonprofit institutions. This bill authorizes WHEFA to issue bonds for the purpose of financing such institutions’ working capital costs.

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. 231.03 (6) (L) of the statutes is created to read:

231.03 (6) (L) Finance working capital needs of any participating health institution, participating educational institution, participating nonprofit institution, or participating research institution in an amount not to exceed that approved by the authority. Bonds issued for purposes of the paragraph are not exempt from taxation under s. 71.05 (1) (c) 14., 71.26 (1m) (o), or 71.45 (1t) (n).
SECTION 2. 231.03 (13) of the statutes is amended to read:

231.03 (13) Make loans to any participating health institution, participating educational institution, participating nonprofit institution, or participating research institution for the cost of a project or to finance working capital under sub. (6) (L) in accordance with an agreement between the authority and the participating health institution, participating educational institution, participating nonprofit institution, or participating research institution. The authority may secure the loan by a mortgage or other security arrangement on the health facility, educational facility, nonprofit facility, or research facility granted by the participating health institution, participating educational institution, participating nonprofit institution, or participating research institution to the authority. The loan may not exceed, as applicable, the total cost of the project as determined by the participating health institution, participating educational institution, participating nonprofit institution, or participating research institution and approved by the authority or the amount of working capital approved by the authority under sub. (6) (L).

(END)