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State of Misconsin 2025 - 2026 LEGISLATURE

LRB-1624/1 MJW&ZDW:wlj

2025 SENATE BILL 207

April 16, 2025 - Introduced by Senator Jacque, cosponsored by Representatives ZIMMERMAN, KNODL, MURSAU, PENTERMAN and PIWOWARCZYK. Referred to Committee on Natural Resources, Veteran and Military Affairs.

AN ACT to create 20.370 (9) (pq), 20.465 (3) (v), 20.465 (3) (w), 20.465 (3) (x),

23.199, 25.17 (1) (gg), 25.34 and 323.65 of the statutes; **relating to:** creating a hazard mitigation revolving loan program, creating a Great Lakes erosion control revolving loan program, providing an exemption from emergency rule procedures, granting rule-making authority, and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill authorizes the creation of a hazard mitigation revolving loan program to be administered by the Department of Military Affairs and requires the creation of a Great Lakes erosion control revolving loan program to be administered by the Department of Natural Resources.

Hazard mitigation revolving loan program

The bill authorizes the Division of Emergency Management within DMA to enter into an agreement with the Federal Emergency Management Agency (FEMA) to receive federal grant funding for the purpose of establishing a hazard mitigation revolving loan program. The bill creates a separate, nonlapsible trust fund, designated as the Hazard Mitigation Revolving Loan Fund, to accept money from FEMA under the federal Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act, P.L. 116-284. Under the bill, if DMA enters into such an agreement

SECTION 1

with FEMA, the secretary of administration must transfer from the general fund to the Hazard Mitigation Revolving Loan Fund an amount equal to 10 percent of any money received from the federal government, and DMA must provide loans to local units of government for hazard mitigation projects in accordance with the requirements of the STORM Act.

Great Lakes erosion control revolving loan program

The bill requires DNR to administer a revolving loan program to assist municipalities and owners of homes located on the shore of Lake Michigan or Lake Superior where the structural integrity of municipal buildings or homes is threatened by erosion of the shoreline. The bill appropriates \$5,000,000 to DNR for this purpose and increases DNR's position authorization by 0.5 FTE to administer the program. The bill requires DNR to promulgate rules to administer the program, including eligibility requirements and income limitations, and authorizes DNR to promulgate emergency rules for the period before permanent rules take effect.

For further information see the state and local 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:

- 1 **SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place,
- 2 insert the following amounts for the purposes indicated:
- 3 **2025-26 2026-27**
- 4 20.370 Natural resources, department of
- 5 (9) EXTERNAL SERVICES
- 6 (pq) Great Lakes erosion control
- 7 revolving loan program SEG C 5,000,000 -0-
- 8 20.465 Military affairs, department of
- 9 (3) EMERGENCY MANAGEMENT SERVICES

1 (v) Hazard mitigation revolving loan 2 program; payments SEG C -000- 3 (w) Hazard mitigation revolving loan 4 program; state funds SEG C -000- 5 (x) Hazard mitigation revolving loan 6 program; federal funds SEG-F C -000- 7 SECTION 2. 20.370 (9) (pq) of the statutes is created to read: 8 20.370 (9) (pq) Great Lakes erosion control revolving loan program. As a continuing appropriation, from the environmental fund, the amounts in the schedule for the Great Lakes erosion control revolving loan program under s. 11 23.199. 12 SECTION 3. 20.465 (3) (v) of the statutes is created to read: 20.465 (3) (v) Hazard mitigation revolving loan program; payments. From the hazard mitigation revolving loan fund, all moneys received from the repayment of
3 (w) Hazard mitigation revolving loan 4 program; state funds SEG C -00- 5 (x) Hazard mitigation revolving loan 6 program; federal funds SEG-F C -00- 7 SECTION 2. 20.370 (9) (pq) of the statutes is created to read: 8 20.370 (9) (pq) Great Lakes erosion control revolving loan program. As a 9 continuing appropriation, from the environmental fund, the amounts in the 10 schedule for the Great Lakes erosion control revolving loan program under s. 11 23.199. 12 SECTION 3. 20.465 (3) (v) of the statutes is created to read: 13 20.465 (3) (v) Hazard mitigation revolving loan program; payments. From the
program; state funds SEG C -00- (x) Hazard mitigation revolving loan program; federal funds SEG-F C -00- SECTION 2. 20.370 (9) (pq) of the statutes is created to read: 20.370 (9) (pq) Great Lakes erosion control revolving loan program. As a continuing appropriation, from the environmental fund, the amounts in the schedule for the Great Lakes erosion control revolving loan program under s. SECTION 3. 20.465 (3) (v) of the statutes is created to read: 20.465 (3) (v) Hazard mitigation revolving loan program; payments. From the
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13 20.465 (3) (v) Hazard mitigation revolving loan program; payments. From the
hazard mitigation revolving loan fund, all moneys received from the repayment of
principal and interest on loans made under s. 323.65, to provide loans under s.
16 323.65.
SECTION 4. 20.465 (3) (w) of the statutes is created to read:
18 20.465 (3) (w) Hazard mitigation revolving loan program; state funds. From
19 the hazard mitigation revolving loan fund, all moneys transferred from the general
20 fund under s. 323.65 (4), to provide loans under s. 323.65.
SECTION 5. 20.465 (3) (x) of the statutes is created to read:
22 20.465 (3) (x) Hazard mitigation revolving loan program; federal funds. From

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the hazard mitigation revolving loan fund, all moneys received from the federal government under 42 USC 5135, to provide loans under s. 323.65.

Section 6. 23.199 of the statutes is created to read:

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- 23.199 Great Lakes erosion control revolving loan program. (1) The department shall administer a revolving loan program to assist municipalities and owners of homes located on the shore of Lake Michigan or Lake Superior where the structural integrity of municipal buildings or homes is threatened by erosion of the shoreline.
- (2) The department shall make loans under this section from the appropriation account under s. 20.370 (9) (pq).
 - (3) The department shall promulgate rules to administer this section, including rules establishing eligibility criteria and income limitations for loans under this section.
- **SECTION 7.** 25.17 (1) (gg) of the statutes is created to read:
- 15 25.17 (1) (gg) Hazard mitigation revolving loan fund (s. 25.34);
- **SECTION 8.** 25.34 of the statutes is created to read:
 - **25.34 Hazard mitigation revolving loan fund.** There is established a separate nonlapsible trust fund, designated as the hazard mitigation revolving loan fund, to consist of the following:
 - (1) All moneys transferred from the general fund under s. 323.65 (4) to the hazard mitigation revolving loan fund.
 - (2) All moneys received from the federal government under 42 USC 5135, designated for loans under the hazard mitigation revolving loan fund.

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(3) All repayments of principal and payments of interest on loans made under
s. 323.65 (3).

- **SECTION 9.** 323.65 of the statutes is created to read:
- 323.65 Hazard mitigation revolving loan program. (1) AUTHORIZATION.

 The division may enter into an agreement with the federal government as provided in 42 USC 5135 to provide hazard mitigation loans to local units of government under sub. (2).
 - (2) ESTABLISHMENT. If an agreement is entered into as provided under sub. (1), the division shall establish and administer a hazard mitigation revolving loan program under which the division provides loans to local units of government from the appropriations under s. 20.465 (3) (v), (w), and (x) for the purpose of funding hazard mitigation projects in accordance with the requirements of 42 USC 5135 and the agreement entered into under sub. (1).
 - (3) Repayments. All repayments of principal and interest on loans provided under any program established under sub. (2) shall be credited to the appropriation account under s. 20.465 (3) (v).
 - (4) GENERAL FUND TRANSFERS. Beginning on June 30, 2026, in each fiscal year, the secretary of administration shall transfer from the general fund to the hazard mitigation revolving loan fund an amount equal to 10 percent of any moneys received in that fiscal year from the federal government pursuant to an agreement under sub. (1).

SECTION 10. Nonstatutory provisions.

(1) POSITION AUTHORIZATION. The authorized FTE positions for the

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- department of natural resources, funded from the appropriation under s. 20.370 (9) (pq), are increased by 0.5 SEG position for the purpose of administering the Great Lakes erosion control revolving loan program.
- (2) EMERGENCY RULES. The department of natural resources may use the procedure under s. 227.24 to promulgate emergency rules under s. 23.199 for the period before the date on which permanent rules under s. 23.199 take effect. Notwithstanding s. 227.24 (1) (c) and (2), emergency rules promulgated under this subsection remain in effect until the first day of the 25th month beginning after the effective date of the emergency rules, the date on which the permanent rules take effect, or the effective date of the repeal of the emergency rules, whichever is earlier. Notwithstanding s. 227.24 (1) (a) and (3), the department of natural resources is not required to provide evidence that promulgating a rule under this subsection as emergency rules is necessary for the preservation of public peace, health, safety, or welfare and is not required to provide a finding of emergency for a rule promulgated under this subsection.

SECTION 11. Effective date.

(1) This act takes effect on the day after publication, or on the 2nd day after publication of the 2025 biennial budget act, whichever is later.

19 (END)