



State of Wisconsin
2025 - 2026 LEGISLATURE

LRB-0520/P1

KRP:cjs

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT** *to renumber and amend* 234.661 (1) (e); *to amend* 234.661 (1) (b),
2 234.661 (3) (b) (intro.), 234.661 (3) (b) 3., 234.661 (3) (b) 4., 234.661 (3) (b) 5.,
3 234.661 (3) (c) and 234.661 (5) (b) 4.; *to create* 234.661 (1) (cm) and 234.661 (1)
4 (e) 2. of the statutes; **relating to:** eligibility for the main street housing
5 rehabilitation revolving loan fund and loan program.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the Joint Legislative Council in the bill.

Because this bill may increase or decrease, directly or indirectly, the cost of the development, construction, financing, purchasing, sale, ownership, or availability of housing in this state, the Department of Administration, as required by law, will prepare a report to be printed as an appendix to this bill.

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:

BILL**SECTION 1**

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the Joint Legislative Council's Special Committee on State-Tribal Relations.

SECTION 1. 234.661 (1) (b) of the statutes is amended to read:

234.661 (1) (b) “Eligible ~~political subdivision~~ governmental unit” means the ~~city, village, town, or county~~ governmental unit having jurisdiction over an eligible project, as determined by the authority.

SECTION 2. 234.661 (1) (cm) of the statutes is created to read:

234.661 (1) (cm) “Governmental unit” means a city, village, town, county, or federally recognized American Indian tribe or band in this state.

SECTION 3. 234.661 (1) (e) of the statutes is renumbered 234.661 (1) (e) (intro.) and amended to read:

234.661 (1) (e) (intro.) “Rental housing” means single-family or multifamily housing offered or intended to be offered for rent ~~that~~ to which any of the following applies:

1. The housing is subject to taxation under ch. 70.

SECTION 4. 234.661 (1) (e) 2. of the statutes is created to read:

234.661 (1) (e) 2. The housing is not subject to taxation under ch. 70 because it is designated as reservation lands, as defined in s. 165.92 (1) (a), or as trust lands, as defined in s. 165.92 (1) (d).

****NOTE: Please let me know whether the changes to this definition accomplish your intent to extend the program to “tribal trust or reservation land.”

SECTION 5. 234.661 (3) (b) (intro.) of the statutes is amended to read:

234.661 (3) (b) (intro.) From the main street housing rehabilitation revolving loan fund, the authority may award loans to owners of rental housing to cover housing rehabilitation costs for an eligible project. Any owner of rental housing, other than a ~~city, village, town, or county~~ governmental unit, may apply to the

BILL**SECTION 5**

1 authority for a loan in accordance with the application process established by the
2 authority under par. (c), but the authority may not award the loan unless the owner
3 of the rental housing and eligible ~~political-subdivision~~ governmental unit
4 demonstrate to the satisfaction of the authority in one or more forms prescribed by
5 the authority that all of the following apply:

****NOTE: To conform this language with the changes to the definitions, above, I
changed “city, village, town, or county” to “governmental unit.” Let me know if that is
not consistent with your intent. In other words, do you want to allow an American
Indian tribe or band to apply for a loan under this section for rental housing that the
tribe or band owns?

6 **SECTION 6.** 234.661 (3) (b) 3. of the statutes is amended to read:

7 234.661 (3) (b) 3. The eligible ~~political-subdivision~~ governmental unit has
8 reduced the cost of rental housing in connection with the eligible project by
9 voluntarily revising zoning ordinances, subdivision regulations, or other land
10 development regulations to increase development density, expedite approvals,
11 reduce impact fees, or reduce parking, building, or other development costs with
12 respect to the eligible project. For purposes of this subdivision, the ~~political~~
13 ~~subdivision~~ governmental unit in cooperation with the owner shall submit to the
14 authority a cost reduction analysis in a form prescribed by the authority and signed
15 by the owner and the head of the ~~political-subdivision's~~ governmental unit's
16 governing body that shows the cost reduction measures, including time saving
17 measures, undertaken by the ~~political-subdivision~~ governmental unit on or after
18 January 1, 2023, that have reduced the cost of rental housing in connection with the
19 eligible project. The signed analysis shall clearly show for each time saving or cost
20 reduction measure the estimated time or dollar amount saved by the owner and the
21 estimated percentage reduction in rental housing costs.

22 **SECTION 7.** 234.661 (3) (b) 4. of the statutes is amended to read:

BILL

SECTION 7

234.661 (3) (b) 4. The eligible ~~political-subdivision~~ governmental unit is in compliance with the requirements under ss. 66.1001, 66.10013, and 66.10014, to the extent those requirements apply to the ~~political-subdivision~~ governmental unit.

SECTION 8. 234.661 (3) (b) 5. of the statutes is amended to read:

234.661 (3) (b) 5. The If applicable, the eligible ~~political subdivision~~
governmental unit has updated the housing element of its comprehensive plan
under s. 66.1001 (2) (b) within the 5 years immediately preceding the date of the
loan application.

SECTION 9. 234.661 (3) (c) of the statutes is amended to read:

234.661 (3) (c) The authority shall establish a semiannual application process for the award of loans under this subsection. If in any application cycle there are insufficient moneys available in the main street housing rehabilitation revolving loan fund to fund all applications that meet the requirements under par. (b) and are otherwise acceptable to the authority, the authority shall prioritize funding loans for eligible projects in eligible ~~political subdivisions~~ governmental units that have reduced the cost of rental housing as described in par. (b) 3. but with respect to the ~~political subdivision~~ governmental unit as a whole.

SECTION 10. 234.661 (5) (b) 4. of the statutes is amended to read:

234.661 (5) (b) 4. An identification of the eligible ~~political subdivision~~
governmental unit with respect to which the loan was awarded.

(END)