



## 2005 ASSEMBLY BILL 550

July 7, 2005 – Introduced by Representatives WIECKERT, DAVIS, MUSSER, NISCHKE, TOWNSEND, GRONEMUS, MURSAU, HINES, OTT, LOEFFELHOLZ and M. WILLIAMS. Referred to Committee on Housing.

1     **AN ACT to renumber and amend** 234.49 (1) (f) (intro.) and 234.49 (1) (f) 2.; and  
2     **to amend** 101.143 (4) (em) 2., 234.01 (7m), 234.49 (1) (c) 2. and 234.49 (1) (g)  
3     of the statutes; **relating to:** income limits under the Wisconsin Housing and  
4     Economic Development Authority's Housing Rehabilitation Program.

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### *Analysis by the Legislative Reference Bureau*

The Wisconsin Housing and Economic Development Authority (WHEDA) administers a number of housing and economic development programs, including a Housing Rehabilitation Program. Under the Housing Rehabilitation Program, loans for housing rehabilitation generally may be made only to persons or families with incomes that do not exceed 120 percent of the median family income of the county in which the residence is located. This bill changes the income limitation to 120 percent of the median family income of the area in which the residence is located or of the state, whichever is greater.

Because this bill directly or substantially affects the development, construction, cost or availability of housing in this state, the Department of Commerce, as required by law, will prepare a report to be printed as an appendix to this bill.

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

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1           **SECTION 1.** 101.143 (4) (em) 2. of the statutes is amended to read:

2           101.143 (4) (em) 2. The department shall issue the award under this paragraph  
3 without regard to fault for each home oil tank system in an amount equal to 75% of  
4 the amount of the eligible costs, except that if the home oil tank system is owned by  
5 a nonprofit organization that provides housing assistance to families with incomes  
6 below 80% of the median income, ~~as defined in s. 234.49 (1) (g),~~ of the county in which  
7 the home oil tank system is located, then the award shall equal 100% of the amount  
8 of the eligible costs. The department shall recalculate any award made to such a  
9 nonprofit organization under this paragraph before May 7, 1994, based on 100% of  
10 eligible costs and shall issue an award for the difference between the award as  
11 recalculated and the award issued before May 7, 1994. In this subdivision, "median  
12 income" means the median family income as determined annually by the U.S.  
13 department of housing and urban development for each county in the state.

14           **SECTION 2.** 234.01 (7m) of the statutes is amended to read:

15           234.01 (7m) "Housing rehabilitation loan" means a low interest housing  
16 rehabilitation loan as defined in s. 234.49 (1) (f) and (fm).

17           **SECTION 3.** 234.49 (1) (c) 2. of the statutes is amended to read:

18           234.49 (1) (c) 2. A family ~~who or which~~ that falls within the income limits  
19 specified in par. (f) (fm).

20           **SECTION 4.** 234.49 (1) (f) (intro.) of the statutes is renumbered 234.49 (1) (f) and  
21 amended to read:

22           234.49 (1) (f) "Housing rehabilitation loan" means a loan to finance eligible  
23 rehabilitation or a property tax deferral loan. The maximum amount of a housing  
24 rehabilitation loan, except a property tax deferral loan, is \$17,500. The term of any  
25 housing rehabilitation loan, except a property tax deferral loan, the repayment of

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1 which is made in monthly or other periodic installments, may not exceed 15 years.  
2 Housing rehabilitation loans, except property tax deferral loans, include: low  
3 interest loans.

4 **SECTION 5.** 234.49 (1) (f) 2. of the statutes is renumbered 234.49 (1) (fm) and  
5 amended to read:

6 234.49 (1) (fm) "Low interest loans" ~~which are~~ means loans that meet or exceed  
7 the rate of interest required to pay the costs incurred by the authority for making and  
8 servicing such loans, but do not exceed the rate of interest specified in sub. (2) (a) 6.  
9 No low interest or other loan may be made to a person or family whose income exceeds  
10 120% of the median income for a family of 4 ~~in the person's or family's county of~~  
11 ~~residence~~, except that in a designated reinvestment neighborhood or area as defined  
12 in s. 66.1107 no low interest loan at the highest rate of interest authorized by this  
13 ~~subdivision~~ paragraph may be made to a person or family whose income exceeds  
14 140% of the median income for a family of 4 ~~in the person's or family's county of~~  
15 ~~residence~~, and except that the authority may increase or decrease the income limit  
16 for low interest loans by no more than 10% of the limit for each person more or less  
17 than 4.

18 **SECTION 6.** 234.49 (1) (g) of the statutes is amended to read:

19 234.49 (1) (g) "Median income" means the median family income ~~as determined~~  
20 ~~annually by the U.S. department of housing and urban development for the area in~~  
21 which the residence is located or the median family income for each county in the  
22 state, whichever is greater.

23 **SECTION 7. Initial applicability.**

