



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2003 Senate Bill 497

**Senate
Amendment 1**

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2003 Senate Bill 497 relates to various modifications to housing loan programs and increasing the bonding authority of the Wisconsin Housing and Economic Development Authority (WHEDA).

The bill makes changes to WHEDA loan programs, including:

- Eliminating a requirement that, for housing rehabilitation loans, a structure must have been first occupied as a residence at least 10 years before the granting of the loan.
- Eliminating exclusions from housing rehabilitation loans for fencing, landscaping, home appliances, and fireplaces.
- Revising the income limitation for housing rehabilitation loans.
- Removing the loan limit and the requirement for an appraisal of property for the homeownership mortgage loan program.
- Changing the income limit for the homeownership mortgage loan program.
- Increases the amount of outstanding principal amount of bonds and notes WHEDA may issue from \$325,000,000 to \$475,000,000.
- Removing the requirement that WHEDA must employ the Building Commission as its financial consultant to assist and coordinate the issuance of WHEDA notes and bonds.
- Adding WHEDA's loan program for housing projects for low- and moderate-income persons and families to the list of programs for which certain records are confidential.

Senate Amendment 1 makes the following changes to the bill:

- Restores the provision that WHEDA must employ the Building Commission as its financial consultant to assist and coordinate the issuance of WHEDA notes and bonds.
- Restores the homeownership mortgage loan limit, but amends it to provide that the amount of the loan may not exceed the purchase price of the property, except that if an appraisal of the property is available and that value is lower than the purchase price, the amount of the loan may not exceed the appraised value.
- Provides that, for any residential loan made on or after the effective date of this bill for which WHEDA determines, participates in determining, or approves an interest rate, WHEDA may not base its action or decision concerning the interest rate on the occupation of the loan applicant or recipient.

Legislative History

On March 9, 2004, the Senate adopted Senate Amendment 1 on a voice vote, and passed the bill, as amended, on a voice vote.

LR:rv