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## State of Misconsin 2019 - 2020 LEGISLATURE

LRB-2494/1 KRP:amn

### 2019 ASSEMBLY BILL 489

October 1, 2019 - Introduced by Representatives Ballweg, Hebl, Edming, Krug, Skowronski, Spreitzer, Tusler and VanderMeer, cosponsored by Senators Marklein, Miller, Cowles, Erpenbach and Testin. Referred to Committee on Financial Institutions.

AN ACT to amend 706.11 (1m) (b) (intro.); and to create 706.11 (1) (i) of the statutes; relating to: the priority of a mortgage executed to an institution chartered by the federal Farm Credit Administration.

### Analysis by the Legislative Reference Bureau

Current law provides that certain mortgages on real property that are duly recorded have priority over certain other liens on the same real property, for example, construction liens. This bill adds to the list of mortgages that have priority a mortgage executed to an institution chartered by the federal Farm Credit Administration that is part of the federal Farm Credit System.

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

4 **Section 1.** 706.11 (1) (i) of the statutes is created to read:

credit system created under 12 USC 2001 to 2279cc.

- 5 706.11 (1) (i) Any mortgage executed to an institution chartered by the federal farm credit administration under 12 USC 2002 (a) that is part of the federal farm
- 8 **Section 2.** 706.11 (1m) (b) (intro.) of the statutes is amended to read:

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706.11 (1m) (b) (intro.) An advance of funds, including accrued but unpaid
interest on the advance, that is secured by a duly recorded mortgage specified in sub.
(1) (a) to (d) or (f) to $(h)$ $(i)$ and that is made after the mortgage has been recorded has
the same priority as the mortgage if the advance is made before the mortgagee has
actual knowledge of an intervening lien or, regardless of when the advance is made,
if any of the following applies:

## SECTION 3. Initial applicability.

(1) This act first applies to a mortgage described under s. 706.11 (1) (i) that is executed on the effective date of this subsection.

10 (END)