

State of Misconsin 2021 - 2022 LEGISLATURE

LRB-3822/1 MPG:amn

## 2021 ASSEMBLY BILL 689

November 12, 2021 – Introduced by Representatives ROZAR, KRUG, HONG and TUSLER, cosponsored by Senators BERNIER, BEWLEY, FEYEN, SMITH and PETROWSKI. Referred to Committee on State Affairs.

1 AN ACT to amend 231.03 (13); and to create 231.03 (6) (L) of the statutes;

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relating to: financing the working capital of nonprofit institutions.

## Analysis by the Legislative Reference Bureau

Under current law, the Wisconsin Health and Educational Facilities Authority may issue bonds to finance certain projects of health, educational, research, and other nonprofit institutions. This bill authorizes WHEFA to issue bonds for the purpose of financing such institutions' working capital costs.

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:

- 3 SECTION 1. 231.03 (6) (L) of the statutes is created to read:
- 4 231.03 (6) (L) Finance working capital needs of any participating health 5 institution, participating educational institution, participating nonprofit
- 6 institution, or participating research institution in an amount not to exceed that
- 7 approved by the authority. Bonds issued for purposes of the paragraph are not
- 8 exempt from taxation under s. 71.05 (1) (c) 14., 71.26 (1m) (o), or 71.45 (1t) (n).

2021 - 2022 Legislature

## **ASSEMBLY BILL 689**

1 **SECTION 2.** 231.03 (13) of the statutes is amended to read:  $\mathbf{2}$ 231.03 (13) Make loans to any participating health institution, participating 3 educational institution, participating nonprofit institution, or participating research institution for the cost of a project or to finance working capital under sub. 4  $\mathbf{5}$ (6) (L) in accordance with an agreement between the authority and the participating 6 health institution, participating educational institution, participating nonprofit 7 institution, or participating research institution. The authority may secure the loan 8 by a mortgage or other security arrangement on the health facility, educational 9 facility, nonprofit facility, or research facility granted by the participating health 10 educational institution, institution, participating participating nonprofit 11 institution, or participating research institution to the authority. The loan may not 12exceed, as applicable, the total cost of the project as determined by the participating 13health institution, participating educational institution, participating nonprofit 14 institution, or participating research institution and approved by the authority or the amount of working capital approved by the authority under sub. (6) (L). 1516 (END)

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