



State of Wisconsin
2021 - 2022 LEGISLATURE

LRBs0204/1
MPG:cjs

**SENATE SUBSTITUTE AMENDMENT 1,
TO SENATE BILL 369**

June 28, 2021 - Offered by Senator TESTIN.

1 **AN ACT relating to:** loan related to the Verso Paper Mill in the city of Wisconsin
2 Rapids and loan related to the Park Falls Pulp and Paper Mill in the city of Park
3 Falls.

Analysis by the Legislative Reference Bureau

This bill authorizes the Wisconsin Economic Development Corporation to award a loan of up to \$50,000,000 to the Consolidated Cooperative or other eligible borrower in relation to the Verso Paper Mill in the city of Wisconsin Rapids. The loan may be used for any or all of the following:

1. Purchase of the Mill.
2. Improvements to infrastructure related to the Mill.
3. Equipment upgrades at the Mill.

The loan is to be for the term and upon the conditions as may be agreed upon between the parties, except that the loan contract must provide WEDC with a security interest in the Mill to secure repayment of the loan. Additionally, WEDC may not award the loan unless it determines that substantial additional funding for the purposes specified above has been secured from both nonstate revenue sources and in the form of a loan issued by the Board of Commissioners of Public Lands to an entity eligible for the loan. The bill requires the governor to allocate \$50,000,000 of the funds accepted under the federal American Rescue Plan Act of 2021 for the loan.

The bill also authorizes WEDC to award a loan of up to \$15,000,000 to the Park Falls Mill Multi-Stakeholder Cooperative or other eligible borrower in relation to the Park Falls Pulp and Paper Mill in the city of Park Falls. The loan may be used for any or all of the following:

1. Purchase of the Mill.
2. Improvements to infrastructure related to the Mill.
3. Equipment upgrades at the Mill.

The loan is to be for the term and upon the conditions as may be agreed upon between the parties, except that the loan contract must provide WEDC with a security interest in the Mill to secure repayment of the loan. Additionally, WEDC may not award the loan unless it determines that substantial additional funding for the purposes specified above has been secured from both nonstate revenue sources and in the form of a loan issued by the Board of Commissioners of Public Lands to an entity eligible for the loan. The bill requires the governor to allocate \$15,000,000 of the funds accepted under the federal American Rescue Plan Act of 2021 for the loan.

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

1 **SECTION 9149. Nonstatutory provisions; Wisconsin Economic**
2 **Development Corporation.**

3 (1) LOAN RELATED TO THE VERSO PAPER MILL IN WISCONSIN RAPIDS.

4 (a) In this subsection, "Verso Mill" means the Verso Paper Mill located at 600
5 4th Avenue North in the city of Wisconsin Rapids.

6 (b) No later than the first day of the 25th month beginning after the effective
7 date of this paragraph, from the moneys allocated under par. (e), the Wisconsin
8 Economic Development Corporation may award a loan of up to \$50,000,000 to the
9 Consolidated Cooperative or other eligible borrower for the purposes specified in par.

10 (c). The loan shall be for the term and upon the conditions as may be agreed upon
11 between the parties, except that the loan contract shall provide the corporation with
12 a security interest in the Verso Mill to secure repayment of the loan.

1 (c) The loan awarded under par. (b) may be used for one or more of the following
2 purposes:

- 3 1. The purchase of the Verso Mill.
- 4 2. Improvements to infrastructure related to the Verso Mill.
- 5 3. Equipment upgrades at the Verso Mill

6 (d) Before awarding the loan under par. (b), the Wisconsin Economic
7 Development Corporation shall determine that substantial additional funding for
8 the purposes specified in par. (c) has been secured from both nonstate revenue
9 sources and in the form of a loan issued by the board of commissioners of public lands
10 to an entity eligible for the loan.

11 (e) Of the moneys the governor accepts from the federal government under s.
12 16.54 pursuant to section 602 of the federal Social Security Act as amended by the
13 federal American Rescue Plan Act of 2021, P.L. 117-2, the governor shall allocate
14 \$50,000,000 for the loan under par. (b).

15 (2) LOAN RELATED TO THE PARK FALLS PULP AND PAPER MILL IN PARK FALLS.

16 (a) In this subsection, "Park Falls Mill" means the Park Falls Pulp and Paper
17 Mill located at 200 1st Avenue North in the city of Park Falls.

18 (b) No later than the first day of the 25th month beginning after the effective
19 date of this paragraph, from the moneys allocated under par. (e), the Wisconsin
20 Economic Development Corporation may award a loan of up to \$15,000,000 to the
21 Park Falls Mill Multi-Stakeholder Cooperative or other eligible borrower for the
22 purposes specified in par. (c). The loan shall be for the term and upon the conditions
23 as may be agreed upon between the parties, except that the loan contract shall
24 provide the corporation with a security interest in the Park Falls Mill to secure
25 repayment of the loan.

1 (c) The loan awarded under par. (b) may be used for one or more of the following
2 purposes:

- 3 1. The purchase of the Park Falls Mill.
- 4 2. Improvements to infrastructure related to the Park Falls Mill.
- 5 3. Equipment upgrades at the Park Falls Mill.

6 (d) Before awarding the loan under par. (b), the Wisconsin Economic
7 Development Corporation shall determine that substantial additional funding for
8 the purposes specified in par. (c) has been secured from both nonstate revenue
9 sources and in the form of a loan issued by the board of commissioners of public lands
10 to an entity eligible for the loan.

11 (e) Of the moneys the governor accepts from the federal government under s.
12 16.54 pursuant to section 602 of the federal Social Security Act as amended by the
13 federal American Rescue Plan Act of 2021, P.L. 117-2, the governor shall allocate
14 \$15,000,000 for the loan under par. (b).

15 (END)