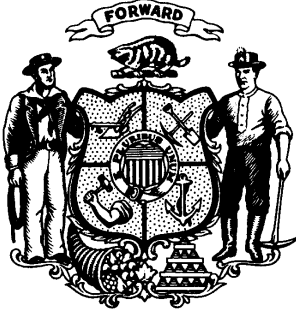


State of Wisconsin



2023 Assembly Bill 388

Date of enactment:
Date of publication*:

2023 WISCONSIN ACT

AN ACT *to create* 238.145 of the statutes; **relating to:** creating a child care center renovations loan program.

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

SECTION 1. 238.145 of the statutes is created to read:

238.145 Child care center renovations revolving loan fund and program. (1) **DEFINITION.** In this section, "nonrelative children" means children who are not the child care provider's natural or adopted children, foster children, stepchildren, grandchildren, brothers, sisters, first cousins, nephews, nieces, uncles, or aunts.

(2) **ESTABLISHMENT OF FUND.** (a) The corporation shall establish a child care center renovations revolving loan fund, for the purpose of awarding loans under sub. (5).

(b) All moneys appropriated to the corporation for child care providers in the 2023-25 fiscal biennium shall be credited to the fund.

(c) All moneys received as repayments of loans awarded under sub. (5) shall be credited to the fund.

(3) **ESTABLISHMENT OF CHILD CARE CENTER RENOVATIONS REVOLVING LOAN PROGRAM.** (a) The corporation shall establish and administer a child care center renovations revolving loan program for the purpose of awarding loans to child care providers under sub. (5).

(b) The program established under this subsection shall not be subject to the restrictions under s. 238.124 (2).

(4) **ELIGIBILITY.** A child care provider is eligible for a loan under sub. (5) if all of the following conditions are met:

(a) The child care provider is licensed under s. 48.65 or certified under s. 48.651 or demonstrates to the corporation that the child care provider will be licensed under s. 48.65 or certified under s. 48.651 within one year after receiving a loan under sub. (5).

(b) The child care provider submits to the corporation a business plan and 3-year financial forecast that demonstrates that the child care provider is capable of repaying a loan under sub. (5), as determined by the corporation.

(5) **LOAN REQUIREMENTS.** (a) From the child care center renovations revolving loan fund, the corporation shall award loans to child care providers for renovations of child care facilities.

(b) Of the loan funding awarded to child care providers under this subsection, the corporation shall award 60 percent to in-home child care providers and 40 percent to child care providers that are not in-home.

(c) No loan awarded under this subsection to an in-home child care provider may exceed \$30,000. No loan awarded under this subsection to a child care provider that is not in-home may exceed \$95,000.

(d) The corporation shall charge no interest on a loan awarded under this subsection.

* Section 991.11, WISCONSIN STATUTES: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication."

(dm) The corporation shall determine the repayment terms of a loan awarded under this subsection and shall secure the loan with collateral or a personal guaranty.

(e) 1. A child care provider who is licensed under s. 48.65 or certified under s. 48.651 at the time that the child care provider receives a loan under this subsection shall, within one year of receiving the loan, establish or maintain enrollment of nonrelative children in the child care provider's child care facility. If enrollment is not established or maintained, the corporation shall terminate the loan agreement and the child care provider shall immediately repay the outstanding balance of the loan.

2. A child care provider who is not licensed under s. 48.65 or certified under s. 48.651 at the time that the child care provider receives a loan under this subsection shall, within 2 years of receiving the loan, establish and

maintain enrollment of nonrelative children in the child care provider's child care facility. If enrollment is not established or maintained, the corporation shall terminate the loan agreement and the child care provider shall immediately repay the outstanding balance of the loan.

(f) The corporation may, in consultation with the department of children and families, conduct an inquiry into a child care provider's financial health 3 years after the child care provider is awarded a loan under this subsection. If the corporation, in consultation with the department of children and families, determines that the child care provider is no longer capable of repaying the loan, as determined by the corporation, the corporation may terminate the loan agreement and may require that the child care provider immediately repay the outstanding balance of the loan.

