



State of Wisconsin
2023 - 2024 LEGISLATURE

LRB-1301/P1
MJW&MDE:cjs

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1 **AN ACT** *to amend* 234.03 (2m), 234.40 (4), 234.50 (4), 234.60 (2), 234.61 (1) and
2 234.65 (1) (b); and *to create* 234.57 and 301.069 of the statutes; **relating to:**
3 a certification of rental readiness, funding to cover damages caused by
4 certificate of rental readiness holders, and granting rule-making authority.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the Joint Legislative Council in the bill.

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:

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill was prepared for the Joint Legislative Council Study Committee on Increasing Offender Employment Opportunities. The bill requires the Department of Corrections (DOC) to create a program whereby an individual who is sentenced to confinement in prison may be granted by the department a certification of rental readiness. Under the bill, DOC may consult with the Wisconsin Housing and Economic Development Authority (WHEDA), city or county landlord-tenant training agencies, or other interested organizations or agencies to develop, by rule, the criteria for obtaining the certification of rental readiness and may administer the program itself or provide for the program to be administered by

a nonprofit organization with which DOC has an existing contract to provide rehabilitative or reentry services to individuals. The bill additionally authorizes WHEDA to administer a bond program to fund repairs for physical damage to rental property caused, within the first two years of an individual's release from confinement, by an individual who has been issued a certification of rental readiness before he or she enters into a rental agreement for the damaged property.

1 **SECTION 1.** 234.03 (2m) of the statutes is amended to read:

2 234.03 (**2m**) To issue notes and bonds in accordance with ss. 234.08, 234.40,
3 234.50, 234.57, 234.60, 234.61, 234.626, and 234.65.

4 **SECTION 2.** 234.40 (4) of the statutes is amended to read:

5 234.40 (**4**) The limitations established in ss. 234.18, 234.50, 234.57, 234.60,
6 234.61, and 234.65 are not applicable to bonds issued under the authority of this
7 section. The authority may not have outstanding at any one time bonds for veterans
8 housing loans in an aggregate principal amount exceeding \$61,945,000, excluding
9 bonds being issued to refund outstanding bonds.

NOTE: This SECTION adds a cross-reference to the bonds for rental readiness program to the list of bond programs that include a limitation that is not applicable to the bonds for veterans housing program.

10 **SECTION 3.** 234.50 (4) of the statutes is amended to read:

11 234.50 (**4**) The limitations established in ss. 234.18, 234.40, 234.57, 234.60,
12 234.61, and 234.65 are not applicable to bonds issued under the authority of this
13 section. The authority may not have outstanding at any one time bonds for housing
14 rehabilitation loans in an aggregate principal amount exceeding \$100,000,000,
15 excluding bonds being issued to refund outstanding bonds. The authority shall
16 consult with and coordinate the issuance of bonds with the building commission prior
17 to the issuance of bonds.

NOTE: This SECTION adds a cross-reference to the bonds for rental readiness program to the list of bond programs that include a limitation that is not applicable to the bonds for housing rehabilitation program.

18 **SECTION 4.** 234.57 of the statutes is created to read:

1 **234.57 Bonds for rental readiness program. (1)** The authority may issue
2 its bonds or notes to fund repairs to physical damage done to a property by an
3 individual if the individual had received a certificate of rental readiness under s.
4 301.069 before entering into a housing lease or agreement for the damaged property.

5 **(2)** Funding from an issuance of bonds or notes under sub. (1) shall cover
6 damage caused by a rental readiness certificate holder within the holder's first 2
7 years after release from confinement.

8 **(3)** The authority shall prioritize funding under this section for certificate
9 holders who have the most difficulty securing housing because of their prior
10 convictions.

11 **(4)** The limitations established in ss. 234.18, 234.40, 234.50, 234.60, 234.61,
12 and 234.65 are not applicable to bonds issued under the authority of this section.

 ***NOTE: Would the committee like to set a limit on the aggregate principal amount
in bonds that may be outstanding at one time?

 NOTE: This SECTION allows WHEDA to issue bonds or notes to fund repairs for
physical damage to a rental property caused, within the first two years of an individual's
release from confinement, by the individual if he or she has been issued a certificate of
rental readiness before he or she entered into an agreement to rent the property. The
SECTION requires WHEDA to prioritize funding for individuals who have the most
difficulty securing housing after release from confinement.

13 **SECTION 5.** 234.60 (2) of the statutes is amended to read:

14 234.60 **(2)** The limitations in ss. 234.18, 234.40, 234.50, 234.57, 234.61, and
15 234.65 do not apply to bonds or notes issued under this section.

 NOTE: This SECTION adds a cross-reference to the bonds for rental readiness
program to the list of bond programs that include a limitation that is not applicable to the
bonds for mortgage loan and subprime loan refinancing program.

16 **SECTION 6.** 234.61 (1) of the statutes is amended to read:

17 234.61 **(1)** Upon the authorization of the department of health services, the
18 authority may issue bonds or notes and make loans for the financing of housing
19 projects which are residential facilities as defined in s. 46.28 (1) (d) and the

1 development costs of those housing projects, if the department of health services has
2 approved the residential facilities for financing under s. 46.28 (2). The limitations
3 in ss. 234.18, 234.40, 234.50, 234.57, 234.60, and 234.65 do not apply to bonds or
4 notes issued under this section. The definition of “nonprofit corporation” in s. 234.01
5 (9) does not apply to this section.

NOTE: This SECTION adds a cross-reference to the bonds for rental readiness program to the list of bond programs that include a limitation that is not applicable to the bonds for residential facilities for elderly and disabled persons program.

6 **SECTION 7.** 234.65 (1) (b) of the statutes is amended to read:

7 234.65 (1) (b) The limits in ss. 234.18, 234.40, 234.50, 234.57, 234.60, and
8 234.61 do not apply to bonds or notes issued under this section.

NOTE: This SECTION adds a cross-reference to the bonds for rental readiness program to the list of bond programs that include a limitation that is not applicable to the bonds for economic development program.

9 **SECTION 8.** 301.069 of the statutes is created to read:

10 **301.069 Certification of Rental Readiness.** (1) The department shall
11 establish a program to grant certifications of rental readiness to individuals who
12 have been sentenced to confinement in prison who have completed the program and
13 met the criteria established under sub. (3).

14 (2) The department may administer the program under sub. (1) or may provide
15 for the program to be administered by a nonprofit organization with which the
16 department has existing contracts to provide rehabilitative or reentry assistance
17 services.

18 (3) The department shall establish, by rule, criteria for obtaining the
19 certification of rental readiness under sub. (1). The department may consult with the
20 Wisconsin Housing and Economic Development Authority, city or county landlord or

- 1 tenant training agencies, or other interested organizations or agencies to develop the
2 criteria.

NOTE: This SECTION requires DOC to establish a program to grant a certification of rental readiness and allows DOC to administer the program or to provide for an organization with which DOC has an existing contract for the provision of rehabilitative or reentry services to administer the program. This SECTION also requires DOC to establish, by administrative rule, the criteria for obtaining a certification of rental readiness and allows DOC to consult with WHEDA, city or county landlord-tenant training agencies, or other interested organizations or agencies to develop the criteria.

3

(END)