



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-5219/1
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2021 SENATE BILL 712

November 19, 2021 - Introduced by Senators FELZKOWSKI, STAFSHOLT, PETROWSKI, BERNIER and BEWLEY, cosponsored by Representatives MURSAU, B. MEYERS, SPIROS, TUSLER and SHANKLAND. Referred to Committee on Insurance, Licensing and Forestry.

AUTHORS SUBJECT TO CHANGE

Analysis by the Legislative Reference Bureau

This bill authorizes the Wisconsin Economic Development Corporation award a grant of up to \$1,000,000 to an eligible recipient to maintain operations at the Verso Paper Mill in the city of Wisconsin Rapids. The grant is to be upon the terms and conditions determined by WEDC, and WEDC may award the grant only as approved or modified by the Joint Committee on Finance.

The bill also authorizes WEDC to issue a loan guarantee of up to \$15,000,000 to an eligible borrower to purchase or make infrastructure improvements to the Park Falls Pulp and Paper Mill in the city of Park Falls. The loan guarantee is to be upon the terms and conditions determined by WEDC, and WEDC may issue the loan guarantee only as approved or modified by the Joint Committee on Finance.

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:

4 SECTION 1. Nonstatutory provisions.

1 (1) DEFINITIONS.

2 (a) "Corporation" means the Wisconsin Economic Development Corporation.

3 (b) "Park Falls Mill" means the Park Falls Pulp and Paper Mill located at 200
4 1st Avenue North in the city of Park Falls.5 (c) "Verso Mill" means the Verso Paper Mill located at 600 4th Avenue North
6 in the city of Wisconsin Rapids.7 (2) ADMINISTRATION OF PROGRAMS. The corporation shall administer the
8 economic development programs under this section.

9 (3) GRANT RELATED TO THE VERSO MILL.

10 (a) *Grant.* Subject to par. (b), from the appropriation under s. 20.192 (1) (r), of
11 the moneys transferred to the economic development fund under par. (c), the
12 corporation may award a grant of up to \$1,000,000 to an eligible recipient for the
13 purpose of maintaining operations at the Verso Mill. The grant shall be upon the
14 terms and conditions determined by the corporation, as approved or modified under
15 par. (b).16 (b) *Approval of proposed grant.* No later than 30 days after the effective date
17 of this paragraph, the corporation shall submit the terms and conditions for a
18 proposed grant under par. (a) to the joint committee on finance. The committee may
19 approve, modify, or deny the proposal. The corporation may not award a grant under
20 par. (a) except as approved or modified by the committee.21 (c) *Fund transfers.*22 1. There is transferred from the general fund to the economic development fund
23 \$1,000,000 in fiscal year 2021-22. The moneys transferred under this subdivision
24 shall be credited to the appropriation account under s. 20.192 (1) (r), may not be
25 considered expended for purposes of s. 20.192 (1) (a), shall be considered encumbered

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1 for purposes of s. 20.192 (1) (a), and may not be expended other than as provided
2 under this subsection.

3 2. If the joint committee on finance denies the proposed grant under par. (b),
4 no later than 30 days after the date of the denial, the secretary of administration
5 shall transfer \$1,000,000 from the economic development fund to the general fund.

6 3. If the joint committee on finance approves or modifies a proposed grant under
7 par. (b), and the corporation does not award the grant before June 30, 2023, the
8 secretary of administration shall transfer \$1,000,000 from the economic
9 development fund to the general fund on that date.

10 (4) LOAN GUARANTEE RELATED TO THE PARK FALLS MILL.

11 (a) *Loan guarantee.* Subject to par. (b), from the appropriation under s. 20.192
12 (1) (r), of the moneys transferred to the economic development fund under par. (c),
13 the corporation may issue a loan guarantee of up to \$15,000,000 to an eligible
14 borrower to secure financing that is not otherwise readily available for the purpose
15 of purchasing or making infrastructure improvements to the Park Falls Mill, or both.
16 The loan guarantee shall be upon the terms and conditions determined by the
17 corporation, as approved or modified under par. (b).

18 (b) *Approval of loan guarantee.* No later than 30 days after the effective date
19 of this paragraph, the corporation shall submit the terms and conditions for a loan
20 guarantee under par. (a) to the joint committee on finance. The committee may
21 approve, modify, or deny the proposal. The corporation may not issue a loan
22 guarantee under par. (a) except as approved or modified by the committee.

23 (c) *Fund transfers.*

24 1. There is transferred from the general fund to the economic development fund
25 \$15,000,000 in fiscal year 2021-22. The moneys transferred under this subdivision

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1 shall be credited to the appropriation account under s. 20.192 (1) (r), may not be
2 considered expended for purposes of s. 20.192 (1) (a), shall be considered encumbered
3 for purposes of s. 20.192 (1) (a), and may not be expended other than as provided
4 under this subsection.

5 2. If the joint committee on finance denies the proposed loan guarantee under
6 par. (b), no later than 30 days after the date of the denial, the secretary of
7 administration shall transfer \$15,000,000 from the economic development fund to
8 the general fund.

9 3. If the joint committee on finance approves or modifies a proposed loan
10 guarantee under par. (b), and the corporation does not issue the loan guarantee
11 before June 30, 2023, the secretary of administration shall transfer \$15,000,000 from
12 the economic development fund to the general fund on that date.

13 4. If the joint committee on finance approves or modifies a proposed loan
14 guarantee under par. (b), and the eligible borrower does not draw upon the full
15 amount of the loan guarantee before the end date of the term of the loan guarantee,
16 as approved by the committee, no later than 30 days after that end date, the secretary
17 of administration shall transfer \$15,000,000 less the amount drawn upon from the
18 economic development fund to the general fund.

19 (END)