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Final Actions of the 2025-2026 Regular Session *League Legislative Bulletin – April 20, 2026*

April 9th was the last day for the Governor to take action on bills passed during the 2025-2026 Legislative Session, effectively marking the end of the Regular Session. While a veto review floor period is slated for May, with narrow majorities in both chambers and a two-thirds vote required to overturn the Governor's veto, bipartisan buy-in would be required to successfully turn a vetoed bill into law. Additionally, a Special Session called by the Governor on redistricting remains open and the potential remains for a Special or Extraordinary Session to spend down the state surplus. However, the regular business of the State Legislature has concluded in this historic biennial session for Wisconsin municipalities.

As previous Legislative Bulletins including the [Thursday, April 7th edition](#) have recapped previous actions by the Governor, this Bulletin will highlight actions taken by the Governor in the last four days of action. Two historic and major initiatives, Workforce Housing TIDs and modifications to the WHEDA housing loan programs, were signed in the final few days. In the next edition of the Legislative Bulletin on Monday, May 4th, we will provide our full session recap including our 'by the numbers' review. Today, we will focus on these two key initiatives and highlight two other actions taken by the Governor before the deadline.

Modifications to WHEDA Housing Loan Programs

In the 2023-2024 Legislative Session, the Legislature passed a monumental initiative to combat Wisconsin's housing crisis head on by investing \$525 million in low-interest workforce housing loan programs at the Wisconsin Housing and Economic Development Authority (WHEDA). The [Infrastructure Access](#), [Restore Main Street](#), and [Vacancy-to-Vitality](#) Loan Programs are all designed to tackle holes in housing affordability by ensuring that financing gaps do not prevent workforce and senior housing projects in cities and villages. While this historic investment was included in the 2023-2025 State Budget, barriers in the accompanying legislation have prevented these programs from being as widely utilized as we had all hoped.

[Assembly Bill 194](#), now [2025 Wisconsin Act 237](#), is a result of a coordinated effort with the authors and stakeholders to determine how this investment can live up to its full potential. Act 237 makes significant improvements to the accessibility of these loans, ensuring more financing gaps are closed so that more Wisconsinites can afford to live in the communities they love. This bill was a top priority for the League this session and we are pleased to see it signed into law. These programs have the potential to serve as a nationwide model for successful state, local, and private housing partnerships. Specifically, Act 237:

- allows tax incremental financing and historic tax credits to be stacked with housing loans to ensure that all financing gaps and cost constraints may be addressed,
- increases the maximum loan amounts that may be awarded in all three programs, measured either as a percentage of project cost or a per unit dollar figure,
- lowers the number of dwelling units that must be created in the Vacancy-to-Vitality Program for municipalities under 10,000 in population from 16 or more to 4 or more,
- allows mixed-use developments to qualify for the Vacancy-to-Vitality Program while ensuring loan funds are only used for the residential portion of the development, and
- moves the lookback date from January 1, 2023 to January 1, 2020 for municipal ordinance or other regulatory changes necessary for the cost reduction analysis.

The League, after hearing from its members, has been a leader in pushing for passage of AB 194. Municipal officials from across the state have joined this effort by responding to our [Call to Action](#). **A huge THANK YOU to all municipal officials that contacted their Senators and asked for passage of AB 194!** The League also was joined by the Wisconsin Builders Association and Wisconsin REALTORS Association on a [joint memo](#) to the Senate requesting passage of this legislation.

Thank you to the authors, Representatives Armstrong (R-Rice Lake) and Brooks (R-Saukville) and Senator Quinn (R-Birchwood), for your continued leadership on this initiative and to Governor Evers for signing Act 237 into law! The League issued [this statement](#) on the Governor's signing of Act 237 along with Act 235 (detailed below). **WHEDA has announced that applications for the next round of financing will open in late April with final submissions due in late May.** We look forward to seeing more applications with the changes now in effect!

Workforce Housing TIDs Expands 12% Rule for TIF

Tax incremental financing (TIF) is one of the few proactive economic development tools that Wisconsin municipalities have. However, TIF has historically been structured to promote commercial and industrial development, not residential. With [Senate Bill 480](#), now [2025 Wisconsin Act 235](#), that history changes.

This monumental legislation allows municipalities to create Workforce Housing TIDs. These TIDs would be developer-financed with eligible expenses limited to the infrastructure necessary for dense new single-family or duplex residential developments. Workforce Housing TIDs would be capped at 3% of equalized value but are exempt from the current 12% threshold. **This tool will be available starting on October 1st.** While the legislation was signed into law, it has a delayed effective date, meaning it is not immediately available. A Workforce Housing TID under Act 235 could be created if the following conditions are met:

- the total value of all Workforce Housing TIDs does not exceed 3% of total equalized value of the municipality, the TID lifespan does not exceed 20 years, and the costs are limited to supporting the necessary infrastructure and certain related expenses,
- the development is for owner-occupied single-family or duplex residences that are 1,500 square feet or less for single story residences or 2,000 square feet or less for two-story residences, and
- the lot sizes and widths are not greater than 7,500 square feet and 70 feet for single-family or 12,500 square feet and 80 feet for duplexes and, for either, side setbacks are not greater than 10 feet.

In other words, the residential developments being promoted by Act 235 would be dense development and, in some municipalities, may require modifications to zoning codes or exceptions to those codes to become reality. Still, this tool can prove to be an exciting addition to the toolbox of available options for municipalities to incentivize developers to work together on advancing a range of housing options.

Thank you to the authors, Senator Feyen (R-Fond du Lac) and Representative Armstrong (R-Rice Lake), for pushing this across the finish line and to Governor Evers for signing it into law!

Adverse Actions on League Lobbied Bills Seen in Final Days

While the League has applauded many of the actions taken by the Governor on legislation, we regret that a couple of the Governor's actions could have adverse consequences for municipalities.

First, the Governor vetoed [Assembly Bill 326](#). Utilizing \$3 million set aside in the 2025-2027 State Budget, this League-supported bill would have provided grants to local governments with populations under 7,500 up to \$5,000 to obtain grant writing and compliance services for certain grants. The idea behind this legislation was simple: assist smaller municipalities with limited or no full-time administrative staff in seeking external funding for critical projects. While the Governor stated in his veto message that he supports the concept, he vetoed the legislation because it “provides no funding or resources (to the Wisconsin Department of Revenue, the agency tasked with administering the program) to help accomplish the bill's important goal.” The League is disappointed these grants will not be made available to members.

Second, the Governor signed [Senate Bill 181](#) into law as [2025 Wisconsin Act 212](#). As originally introduced, the League supported this legislation as a narrow but functional tool for some areas of the state to address the EMS crisis. Requiring 232 or more square miles or service to eight or more local governments was a tall task, but if met, could have resulted in a levy limit exemption with annual allowable growth in charges of CPI plus 5%, exceeding the current levy limit exemption for fire and EMS districts of CPI plus 2%. After an interest group intervened and was able to have an amendment introduced and passed, Act 212 now requires a referendum to create the levy limit exemption AND a referendum every five years to maintain the levy limit exemption which is capped at CPI plus 2% (not 5% as originally introduced.)

Make no mistake, **this is not a functional tool**. Failure to pass a referenda every five years could result in EMS interruptions, EMT layoffs, contract disruptions, and debt defaults, making the process utterly unworkable. With a much more functional levy limit exemption for two or more local governments combining into a fire and/or EMS district **already in law**, utilization of Act 212 is inadvisable. Further, this legislation being codified into law is just a steppingstone for this interest group to require more recurring referenda on existing levy limit exemptions. Paraphrasing the age-old idiom, this is not how you run a railroad. It cannot be how local governments should be forced to run either.