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Call to Action: Ask Your Senator to Support Easing Access to Workforce Housing Loan Programs

The League of Wisconsin Municipalities asking that ALL municipal officials contact their State Senator to ask for their support of Assembly Bill (AB) 194. This legislation makes necessary changes to the workforce housing loan programs established last session. While this bill has been passed by the Assembly, the Senate must concur in passage before they adjourn in March for the changes to be enacted into law.

This is one of the top priorities for the League and many of our partners as we close out the 2025-2026 Legislative Session. We've heard from several members that have had or are at risk of potential affordable housing projects not coming to fruition as a result of the barriers established in last session's bills. AB 194 would remove these barriers.

Below you will find the information from our January 26th edition of the Legislative Bulletin on this important legislation. Thank you in advance for your assistance in advocating for housing solutions in municipalities of all sizes across the state. If you have any questions, please do not hesitate to contact us at your convenience.

Call to Action: Support Easing Access to Housing Loans

In the 2023-2024 Legislative Session, $525 million was invested in low-interest workforce housing loan programs at the Wisconsin Housing and Economic Development Authority (WHEDA), including the Infrastructure Access, Restore Main Street, and Vacancy-to-Vitality Loan Programs. The League was an instrumental partner in this investment to ensure that financing gaps don't prevent affordable 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 the authors and supporters had hoped. Thankfully, legislators listened and introduced 2025 Assembly Bill 194. The many positive changes in AB 194 as passed by the Assembly include:

- allowing 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,
- increasing 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,
- lowering 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,
- allowing 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
- moving the lookback date from January 1, 2023 to January 1, 2020 for municipal ordinance or other regulatory changes necessary for the cost reduction analysis.

AB 194 passed the full Assembly on a voice vote, meaning there was no registered opposition, on Tuesday, October 7th. The companion to AB 194, Senate Bill 180, passed through committee with a bipartisan vote on Friday, May 9th. Despite being ready to bring to the Senate floor for months, the full Senate is yet to act on

AB 194. Meanwhile, projects throughout the state contingent on these changes have stalled and may be at risk of being cancelled.

If your city or village is seeking more affordable housing projects that could benefit from these changes, we're asking that you contact your municipality's Senator and ask them to support bringing AB 194 to the floor in February or March. With only two floorperiods remaining in the 2025-2026 Legislative Session for the Senate, time is running short to get these changes in place for future WHEDA loan application cycles.

When contacting your Senator, please be certain to include:

- a direct and respectful request that they support bringing AB 194 to the floor of the Senate,
- a summary of the housing needs in your municipality and a desire for more affordable housing, and
- a note of the strong support for AB 194 with 53 legislative co-sponsors and 22 lobbying groups in-support. Also note there is NO OPPOSITION.

If you'd like to learn more about the League's position on this bill, you may review our testimony on AB 194 on our website. If you're not certain which Senator represents your municipality or how to get in touch with their office, this GIS map will help. Type in your municipality, and the Senator representing your area, along with contact information for their office, will appear on the righthand side of your screen.