

HEALTH AND EDUCATIONAL FACILITIES AUTHORITY

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY17 Adjusted Base	FY18 Recommended	% Change Over FY17	FY19 Recommended	% Change Over FY18
TOTAL	0	0	0.0	0	0.0

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY17 Adjusted Base	FY18 Recommended	FTE Change Over FY17	FY19 Recommended	FTE Change Over FY18
TOTAL	0.00	0.00	0.00	0.00	0.00

AGENCY DESCRIPTION

The authority, created by the Legislature in 1973, has been providing active capital financing assistance to Wisconsin nonprofit health care institutions since 1979. In 1987, the authority's charter was expanded to include the issuance of bonds for the benefit of independent colleges and universities and certain continuing care facilities. In 2004, the authority's charter was further expanded to include the issuance of bonds for the benefit of private, nonprofit elementary or secondary educational institutions. In 2009, the authority's charter was again expanded to include the issuance of bonds for the benefit of nonprofit research facilities. In 2013, the authority's charter was permanently expanded to include the issuance of bonds for the benefit of all Wisconsin nonprofit organizations that are tax exempt under s. 501(c)(3) of the Internal Revenue Code.

The authority is governed by a seven-member board of directors appointed by the Governor with advice and consent of the Senate for staggered seven-year terms. Members of the authority must be residents of the state and not more than four may be members of the same political party.

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RECOMMENDATIONS

1. State Tax Exemption for Certain Bonds Issued by the Authority

Health and Educational Facilities Authority

1. State Tax Exemption for Certain Bonds Issued by the Authority

The Governor recommends creating a state income tax exemption applicable to individuals for interest income earned from bonds issued by the authority for the purpose of financing an elderly housing facility. Currently, a state income tax exemption for interest income earned from bonds issued by the authority for the purpose of financing an elderly housing facility is only applicable to corporations and insurance companies. There is no increase in state costs because these projects already qualify for state tax exempt financing.

