

1991 Senate Bill 80

Date of enactment: **August 27, 1991**
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1991 WISCONSIN ACT 49

AN ACT *to renumber* 67.05 (7) (d) and 992.13; *to renumber and amend* 67.12 (12) (e) 4; *to amend* 67.05 (6a) (b) (intro.), 67.12 (12) (e) 2 and 67.12 (12) (e) 2g. (intro.); and *to create* 67.05 (6a) (bm), 67.05 (7) (d) 2, 67.05 (7) (d) 3, 67.12 (12) (e) 4 and 992.13 (3) of the statutes, **relating to:** bonds and promissory notes issued by school boards of school districts.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 67.05 (6a) (b) (intro.) of the statutes is amended to read:

67.05 (6a) (b) (intro.) Paragraph (a) 2. applies only if the amount of money to be raised by the bond issue will cause the aggregate amount of outstanding indebtedness of the school district incurred without a referendum since August 9, 1989, excluding amounts specified in par. (bm), to exceed \$1,000,000 or an amount determined as follows, whichever is less:

SECTION 2. 67.05 (6a) (bm) of the statutes is created to read:

67.05 (6a) (bm) In par. (b) and in s. 67.12 (12) (e) 2g, "outstanding indebtedness" does not include the amount of any of the following:

1. Refunding bonds or promissory notes, except such refunding bonds or promissory notes, or portions thereof, that have been issued to refund bonds or promissory notes that were not subject to a referendum as a result of par. (b) or s. 67.12 (12) (e) 2g.

2. Borrowings to meet immediate expenses under s. 67.12 (8).

3. Bonds or promissory notes that are deemed approved by the school district electors as a result of sub. (7) (d) 3. or s. 67.12 (12) (e) 3.

4. Bonds that are not subject to a referendum as a result of sub. (7) (cc), (h) or (i) or promissory notes issued for the purposes of sub. (7) (cc), (h) or (i).

SECTION 3. 67.05 (7) (d) of the statutes is renumbered 67.05 (7) (d) 1.

SECTION 4. 67.05 (7) (d) 2. of the statutes is created to read:

67.05 (7) (d) 2. If a school board adopts an initial resolution to raise an amount of money by a bond issue, and either sub. (6a) (a) 2. does not apply as a result of sub. (6a) (b) or the initial resolution is not subject to a referendum as a result of par. (cc), (h) or (i), the school board has the power to borrow and spend the amount for the purpose stated without the approval of the electors of the school district.

SECTION 5. 67.05 (7) (d) 3. of the statutes is created to read:

67.05 (7) (d) 3. If a school board adopts an initial resolution to raise an amount of money by a bond issue, and either the public hearing under sub. (6a) (a) 2. b. is for informational purposes only or sub. (6a) (am) 3 applies, the power of the school board to borrow and spend the amount for the purpose stated shall be deemed approved by the electors of the school district if a sufficient petition for a referendum is not filed within the time permitted under sub. (6a) (am) 1.

SECTION 6. 67.12 (12) (e) 2. of the statutes is amended to read:

67.12 (12) (e) 2. Unless the purpose and amount of the borrowing have been approved by the electors under s. 67.05 (6a) or deemed approved by the electors under s. 67.05 (7) (d) 3, the purpose is to refund any outstanding municipal obligation or would not be subject to a referen-

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dum as a bond issue under s. 67.05 (7) (cc), (h) or (i), or subd. 2g applies, the school district clerk shall, within 10 days after a school board adopts a resolution under subd. 1 to issue a promissory note in excess of \$5,000, publish notice of such adoption as a class 1 notice, under ch. 985. Alternatively, the notice may be posted as provided under s. 10.05. The notice need not set forth the full contents of the resolution, but shall state the maximum amount proposed to be borrowed, the purpose thereof, that the resolution was adopted under this subsection, and the place where, and the hours during which, the resolution may be inspected. If, within 15 days after publication or posting, a petition conforming to the requirements of s. 8.40 is filed with the school district clerk for a referendum on the resolution signed by at least 7,500 electors of the district or at least 20% of the number of district electors voting for governor at the last general election, as determined under s. 115.01 (13), whichever is the lesser, then the resolution shall not be effective unless adopted by a majority of the district electors voting at the referendum. The referendum shall be called in the manner provided under s. 67.05 (6a), except that the question which appears on the ballot shall be "Shall (name of district) borrow the sum of \$.... for (state purpose) by issuing its general obligation promissory note (or notes) under section 67.12 (12) of the Wisconsin Statutes?"

SECTION 7. 67.12 (12) (e) 2g. (intro.) of the statutes is amended to read:

67.12 (12) (e) 2g. (intro.) Subdivision 2 applies only if the amount of money to be raised by the promissory note will cause the aggregate amount of outstanding indebtedness of the school district incurred without a referendum since August 9, 1989, excluding amounts specified in s. 67.05 (6a) (bm), to exceed \$1,000,000 or an amount determined as follows, whichever is less:

SECTION 8. 67.12 (12) (e) 4. of the statutes is renumbered 992.13 (2) and amended to read:

992.13 (2) Notes issued before August 3, 1961, by school districts under the authority of ~~this subsection s. 67.12 (12)~~ and without approval thereof by the electors of such school districts shall not be deemed invalid because of absence of such approval, and such notes are herewith declared to be valid and binding obligations of such school district if in all other respects issued in accordance with the law pertaining thereto.

SECTION 9. 67.12 (12) (e) 4. of the statutes is created to read:

67.12 (12) (e) 4. If a school board adopts a resolution to borrow a sum not exceeding \$5,000 under this section, or if a school board adopts a resolution to borrow a sum in excess of \$5,000 but subd. 2 does not apply, the school board has the power to borrow and spend the sum for the purpose stated without the approval of the electors of the school district.

SECTION 10. 992.13 of the statutes is renumbered 992.13 (1).

SECTION 11. 992.13 (3) of the statutes is created to read:

992.13 (3) Any bond or promissory note issued by a school district after August 8, 1989, and before the effective date of this subsection [revisor inserts date], without the approval of the electors of the school district at a referendum shall be legal, valid and binding, and the school board may spend the amount raised for the purpose stated in the authorizing resolution, notwithstanding the failure of the school board to obtain the approval of the electors at an annual or special meeting of the school district.