

Vote Record

Senate Committee on Economic Development, Housing and Government Operations

Date: 3-25-06
Moved by: Grob Seconded by: Moore
AB: _____ Clearinghouse Rule: _____
AB: _____ SB: 422 Appointment: _____
AJR: _____ SJR: _____ Other: _____
A: _____ SR: _____

A/S Amdt: _____
A/S Amdt: _____ to A/S Amdt: _____
A/S Sub Amdt: _____
A/S Amdt: _____ to A/S Sub Amdt: _____
A/S Amdt: _____ to A/S Amdt: _____ to A/S Sub Amdt: _____

Recommended for:

- Passage
- Introduction
- Adoption
- Rejection

- Indefinite Postponement
- Tabling
- Concurrence
- Nonconcurrence
- Confirmation

Committee Member

Sen. Robert Wirch, Chair
Sen. Gwendolynne Moore
Sen. Richard Grobschmidt
Sen. Gary Drzewiecki
Sen. David Zien

<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Totals: _____

Motion Carried

Motion Failed

SENATE HEARING SLIP

(Please Print Plainly)

DATE: March 21, 2005

BILL NO. SB422
OF _____

SUBJECT _____

Frank Hoelsky
(NAME)

Department of Administration
(Street Address or Route Number)

(City and Zip Code)
DSA
(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:
but not speaking:

Registering Against:
but not speaking:

Speaking for information
only; Neither for nor against:

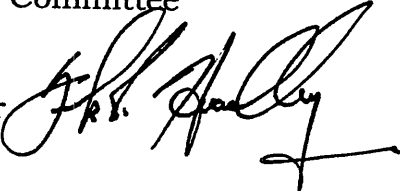
Please return this slip to a messenger PROMPTLY.
Senate Sergeant-At-Arms
State Capitol - B35 South
P.O. Box 7882
Madison, WI 53707-7882

TOMMY G. THOMPSON
GOVERNOR
GEORGE LIGHTBOURN
SECRETARY



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www.doa.state.wi.us/debf/scf.htm

FRANK R. HOADLEY
CAPITAL FINANCE DIRECTOR
Telephone: (608) 266-2305
Facsimile: (608) 266-7645
frank.hoadley@doa.state.wi.us

Date: March 21, 2000
To: Senate Committee on Economic Development, Housing and
Government Operations Committee
From: Frank R. Hoadley
Capital Finance Director 
Re: Senate Bill 422

Thank you for this opportunity to provide information about Senate Bill 422, which corrects a drafting error in the budget. I am the Capital Finance Director for the Department of Administration and my job is to assist the Building Commission in the issuance and management of the State's bonds and debt programs.

I am here on behalf of the Department of Administration to ask the Committee for assistance in correcting a technical problem regarding general obligation bond authorizations. There is an apparent conflict between 1999 Act 4 which provided an additional \$59.5 million of general obligation bond authority for renovating the State Capitol and 1999 Act 9, the biennial budget.

Act 4 increased the cumulative amount of general obligation bonds which could be issued for the purpose specified under s. 20.866 (2) (y) by \$59,500,000 [see section 5, 1999 Wisconsin Act 4] and enumerated the increased bond authority for "completion of capitol restoration" in the amount of \$59,500,000. As a result of this change in law, the Building Commission authorized anticipatory contracts for the capitol restoration work presently going on in the building. As a function of s. 18.10 (1) which provides for treatment of "anticipatory contracts," these contracts have created the legal liability for the state as if though the contracts were general obligation bonds.

Subsequently, Act 9 [see section 638c, Wisconsin Act 9] increased the cumulative amount of general obligation bonds which could be issued for the purpose specified under s. 20.866 (2) (y) by \$68,419,000 for a variety of enumerated projects.

The problem occurred in the drafting of Act 9. The cumulative amount of bond authority being amended in Act 9 did not recognize the \$59,500,000 that had previously been added by Act 4 and amended the cumulative amount of bond

March 21, 2000

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authority specified by s. 20.866 (2) (y) as if though Act 4 did not exist. The drafting error was not identified by the Legislative Reference Bureau, the Legislative Fiscal Bureau, or the Department of Administration until after the budget was passed by the legislature.

It is our understanding that the Revisor of Statutes Bureau does not believe this problem is within the authority of that office to reconcile the conflict.

Failure to correct the conflict between the two Acts will result in the Building Commission lacking sufficient bonding authority to sell the general obligation bonds that it has committed itself to under Act 4 and to carry out the other bond-financed programs specified by the legislature under Act 9, including the purchase of major state office facilities already under construction. The current status also leaves the statutes specifying enumerated capital projects in excess of the bond issuance authority necessary to carry out the projects.

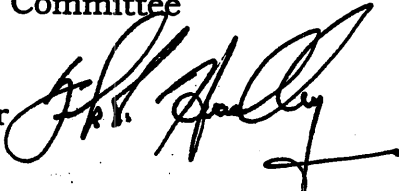
Senate Bill 422 corrects this problem and reconciles Act 4 and Act 9. There is no indication that the legislature had any intent other than to increase the bonding authority s. 20.866 (2) (y) by the total of \$59,500,000 in Act 4 plus \$68,419,000 in Act 9. The correct limit for this bonding purpose in s. 20.866 (2) (y) should be \$387,646,600.

The Department of Administration requests that the Committee consider legislation to resolve this conflict. I will be happy to answer any questions.



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