



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

RESEARCH APPENDIX -

PLEASE DO NOT REMOVE FROM DRAFTING FILE

Date Transfer Requested: 06/19/2013

(Per: CMH)

A ☞ The 2013
drafting file for
LRBa0676

H ☞ The 2013
drafting file for
LRBb0484

O ☞ The 2013
drafting file for
LRBb0667

B ☞ The 2013
drafting file for
LRBb0418

I ☞ The 2013
drafting file for
LRBb0546

P ☞ The 2013
drafting file for
LRBb0670

C ☞ The 2013
drafting file for
LRBb0461

J ☞ The 2013
drafting file for
LRBb0602

Q ☞ The 2013
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LRBb0673

D ☞ The 2013
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K ☞ The 2013
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LRBb0656

R ☞ The 2013
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M ☞ The 2013
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LRBb0662

T ☞ The 2013
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G ☞ The 2013
drafting file for
LRBb0483

N ☞ The 2013
drafting file for
LRBb0664

U ☞ The 2013
drafting file for
LRBb0694

☞ Compile Draft – Appendix P

has been copied/added to the drafting file for

2013 LRBb0702

2013 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB40)

Received: **6/18/2013** Received By: **emueller**
Wanted: **As time permits** Same as LRB:
For: **Robin Vos (608) 266-9171** By/Representing: **Jenny Toftness**
May Contact: Drafter: **emueller**
Subject: **Local Gov't - bonding** Addl. Drafters:
Local Gov't - misc Extra Copies: **MES**

Submit via email: **YES**
Requester's email: **Rep.Vos@legis.wisconsin.gov**
Carbon copy (CC) to: **vicki.holten@legis.wisconsin.gov**
al.runde@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Change to PFA definition of bond

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	emueller 6/18/2013			_____			
/1		scalvin 6/18/2013	rschluet 6/18/2013	_____	mbarman 6/18/2013	mbarman 6/18/2013	

FE Sent For:

<END>

2013 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB40)

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al.runde@legis.wisconsin.gov

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/?	emueller						
/1	EM 6/18/13	/1 SAC 06/18/2013					

FE Sent For:

<END>

MEMORANDUM

TO: Wisconsin Legislature

FROM: Public Finance Authority

DATE: June 18, 2013

SUBJECT: ASA1 to Assembly Bill 40 – Drafting Error

The Governor's Budget Bill, Assembly Bill 40, contains several provisions affecting the Public Finance Authority (the "PFA"). One of those provisions has been drafted incorrectly and does not accomplish the legislative intent. Moreover, if the error remains, the statutory definition will not be functional.

The legislative intent is to make clear that the definition of "bond" includes those bonds purchased by the PFA but not issued by the PFA. It was proposed that section 66.0304(1)(b) of the Wisconsin Statutes would be amended to read:

(b) "Bond" means any bond, note or other obligation of ~~a commission~~ issued or entered into or acquired under this section, including any refunding bond or certificate of participation or lease-purchase, installment sale, or other financing agreement.

However, Assembly Bill 40, as introduced on February 20, 2013, reads:

SECTION 1266. 66.0304 (1) (b) of the statutes is amended to read:

"Bond" means any bond, note, or other obligation of ~~a commission~~ issued, acquired, or entered into by a commission under this section, including any refunding bond or certificate of participation or lease-purchase, installment sale, or other financing agreement.

In an April 23, 2013 letter to the Joint Finance Co-Chairs (see page 4), Secretary Huebsch pointed out this error and asked for it to be corrected:

10. "Bond" Definition

The budget provision defining a "bond" for purposes of the Public Finance Authority, as drafted, does not reach the intent of the recommended statutory change. The intent of the provision is to clarify that bonds that are purchased by the Public Finance Authority but not issued by it are included in the definition of "bond" under s. 66.0304(1)(b), Wisconsin Statutes. To better reflect the intent, 2013 Assembly Bill 40 should be modified to remove the reference to "a commission" in section 1266 as it amends s. 66.0304(1)(b).

As drafted, this proposed statutory change does not make any sense. The legislative intent is to remove the reference to "a commission" as it limits the scope of the definition. By striking "of a commission" and then reinserting it elsewhere (rather than just striking it) with "by a

commission,” Assembly Bill 40 now creates a condition that does not exist: a commission issuing, acquiring or entering into an obligation. That was never the intent of the drafting instructions and, if not changed, would render the definition of “bond” useless for purposes of the statutes.

Please let us know if you have questions or need any additional information. Otherwise, we request that the language in Section 1266 of Assembly Substitute Amendment 1 to Assembly Bill 40 be struck and replaced with the language in the drafting instructions.

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State of Wisconsin
2013 - 2014 LEGISLATURE



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EVM:~:~:~
SUC

ASSEMBLY AMENDMENT,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 40

RMR

In 6/18/13

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 1. Page 665, line 17: delete lines 17 and 18 and substitute "66.0304 (1) (b)
- 3 "Bond" means any bond, note or other obligation of a commission issued or entered
- 4 into or acquired under this section,".
- 5 (END)



State of Wisconsin
2013 - 2014 LEGISLATURE



LRBb0670/1
EVM:sac:rs

ASSEMBLY AMENDMENT ,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO ASSEMBLY BILL 40

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2 **1.** Page 665, line 17: delete lines 17 and 18 and substitute "66.0304 (1) (b)
3 "Bond" means any bond, note or other obligation of a ~~commission~~ issued or entered
4 into or acquired under this section,".

5 (END)