

State of Wisconsin



1995 Assembly Bill 913

Date of enactment: **May 23, 1996**
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1995 WISCONSIN ACT 358

AN ACT to amend 67.12 (12) (e) 2.; and to create 119.498 of the statutes; **relating to:** debt issued by a school district to pay for unfunded prior service liability contributions under the Wisconsin retirement system and promissory notes issued by a 1st class city school district.

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

SECTION 1. 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, the purpose is to pay unfunded prior service liability contributions under the Wisconsin retirement system if all of the proceeds of the note will be used for that purpose.~~ the borrowing would not be subject to a referendum 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 1m. 119.498 of the statutes is created to read:

119.498 Promissory notes; unfunded prior service liability contributions. (1) The board may adopt a resolution directing the common council to issue promissory notes under s. 67.12 (12) for the purpose of paying unfunded prior service liability contributions under the Wisconsin retirement system.

(2) If the board adopts a resolution under sub. (1), the board shall include in its budget transmitted to the common council under s. 119.16 (8) (b) a written notice specifying the amount of borrowing to be authorized in the budget for the ensuing year. The common council shall

* Section 991.11, WISCONSIN STATUTES 1993-94: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

issue the notes and levy a direct annual irrevocable tax sufficient to pay the principal and interest on the notes as they become due. The common council may issue the notes by private sale.

SECTION 2. Initial applicability.

(1) The treatment of section 67.12 (12) (e) 2. of the statutes first applies to initial resolutions adopted under section 67.12 (12) (e) 1. of the statutes on the effective date of this subsection.