



2005 SENATE BILL 685

April 10, 2006 - Introduced by Senators PLALE, DARLING, KANAVAS and TAYLOR, cosponsored by Representatives FIELDS, JESKEWITZ, GRIGSBY, KESSLER, YOUNG, SINICKI and BERCEAU. Referred to Committee on Education.

1 **AN ACT** *to renumber* 66.1333 (5r) (b) (intro.), 66.1333 (5r) (b) 1. and 66.1333 (5r)
2 (b) 2.; *to renumber and amend* 119.46; *to amend* 65.07 (1) (e), 66.1333 (5r)
3 (c), 66.1333 (5r) (d) 4. a., 119.48 (1) and 119.60 (1); and *to create* 66.1333 (5r)
4 (b) 2m. and 119.46 (2) of the statutes; **relating to:** use of the proceeds from the
5 sale of real property located in the city of Milwaukee and used for school
6 purposes.

Analysis by the Legislative Reference Bureau

Under current law, whenever real property that is located in the city of Milwaukee and used for school purposes is sold, the proceeds of the sale are deposited in the school construction fund, to be applied to the purchase of real property for school purposes.

Under this bill, the Board of the Milwaukee Public Schools may, in its discretion, deposit the proceeds of the sale in the school operations fund, to be applied to the payment of principal on bonds issued by the city's redevelopment authority for the purpose of financing certain school facilities.

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For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 65.07 (1) (e) of the statutes is amended to read:

2 65.07 (1) (e) A school operations fund, as constituted and for the purposes
3 specified in s. 119.46 (1).

4 **SECTION 2.** 66.1333 (5r) (b) (intro.) of the statutes is renumbered 66.1333 (5r)
5 (b) 1. (intro.).

6 **SECTION 3.** 66.1333 (5r) (b) 1. of the statutes is renumbered 66.1333 (5r) (b) 1.
7 a.

8 **SECTION 4.** 66.1333 (5r) (b) 2. of the statutes is renumbered 66.1333 (5r) (b) 2.
9 b.

10 **SECTION 5.** 66.1333 (5r) (b) 2m. of the statutes is created to read:

11 66.1333 (5r) (b) 2m. The authority of a 1st class city may issue refunding bonds
12 to fund, refund, or advance refund any bonds previously issued by the authority
13 under subd. 1., to fund a debt service reserve fund for such refunding bonds, to pay
14 capitalized interest with respect to such refunding bonds, and to pay the costs
15 incurred in connection with the issuance of such refunding bonds.

16 **SECTION 6.** 66.1333 (5r) (c) of the statutes is amended to read:

17 66.1333 (5r) (c) *Terms and conditions.* The terms and conditions of bonds
18 issued under this subsection shall be those specified in sub. (5) (a) 4. except that it
19 shall not be necessary that the financed property be located in a project area or a
20 blighted area. The bonds may not have a maturity in excess of 20 years and, other
21 than refunding bonds, may not be issued later than October 1, 2004.

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1 **SECTION 7.** 66.1333 (5r) (d) 4. a. of the statutes is amended to read:

2 66.1333 **(5r)** (d) 4. a. The bonds to be refunded by the refunding bonds are to
3 ~~be issued to fund, refund or advance refund~~ bonds secured by a special debt service
4 reserve fund.

5 **SECTION 8.** 119.46 of the statutes is renumbered 119.46 (1) and amended to
6 read:

7 119.46 **(1)** As part of the budget transmitted annually to the common council
8 under s. 119.16 (8) (b), the board shall report the amount of money required for the
9 ensuing school year to operate all public schools in the city under this chapter, to
10 repair and keep in order school buildings and equipment, to make material
11 improvements to school property and to purchase necessary additions to school sites.
12 The common council shall levy and collect a tax upon all the property subject to
13 taxation in the city, which shall be equal to the amount of money required by the
14 board for the purposes set forth in this ~~section~~ subsection, at the same time and in
15 the same manner as other taxes are levied and collected. Such taxes shall be in
16 addition to all other taxes which the city is authorized to levy. The taxes so levied
17 and collected, ~~together with the~~ any other funds provided by law and placed at the
18 disposal of the city for the same purposes, and the moneys deposited in the school
19 operations fund under s. 119.60 (1), shall constitute the school operations fund.

20 **SECTION 9.** 119.46 (2) of the statutes is created to read:

21 119.46 **(2)** If moneys specified in s. 119.60 (1) are deposited in the school
22 operations fund, the moneys shall be used to pay the principal due on any bonds
23 issued under s. 66.1333 (5r) (b), to make sinking fund payments with respect to such
24 bonds, to purchase or redeem such bonds, to pay any redemption premium required
25 to be paid when such bonds are redeemed prior to maturity, or to establish a

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1 defeasance escrow account for such bonds in an amount sufficient to provide for the
2 payment of principal, any redemption premium and interest on such bonds when
3 due, whether at maturity or upon prior redemption, and to pay any fees or expenses
4 associated with the establishment of the defeasance escrow account.

5 **SECTION 10.** 119.48 (1) of the statutes is amended to read:

6 119.48 (1) If the board adopts a resolution by a two-thirds vote of the
7 members-elect to provide funds, in addition to receipts from the sale of bonds, to
8 purchase school sites, to construct school buildings and additions thereto or to
9 remodel existing buildings, the board may include, as part of the budget transmitted
10 to the common council under s. 119.16 (8) (b), a communication stating the amount
11 of funds needed for such purposes. Upon receipt of the communication, the common
12 council shall levy and collect a tax upon all property subject to taxation in the city,
13 which shall be equal to the amount of money required by the board for the purposes
14 set forth in the communication, at the same time and in the same manner as other
15 taxes are levied and collected. Such taxes shall be in addition to all other taxes which
16 the city is authorized to levy. The taxes so levied and collected and the moneys under
17 s. 119.60 (1) that are deposited in the school construction fund shall constitute the
18 school construction fund. If moneys under s. 119.60 (1) are deposited in the school
19 construction fund, the moneys shall be used for the purchase of real property for
20 school purposes. The board may allow the school construction fund to accumulate
21 from year to year.

22 **SECTION 11.** 119.60 (1) of the statutes is amended to read:

23 119.60 (1) If any real property within the city which is used for school purposes
24 is sold, the board shall determine whether the proceeds of the sale ~~shall not go into~~
25 ~~the general city fund but shall become part of~~ are deposited in the school operations

