

CHAPTER 189, LAWS OF 1969

AN ACT to renumber and amend 66.54 (11); to amend 66.54 (7) (a); and to create 66.54 (11) (b) of the statutes, relating to special assessments by municipalities and the grouping of special assessment B bonds.

SECTION 1. 66.54 (7) (a) of the statutes is amended to read:

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

SECTION 1 66.54 (7) (a) of the statutes is amended to read:

66.54 (7) (a) The governing body of any municipality may provide that special assessments levied to defray the cost of any public improvement or project constituting part of a general public improvement, except sprinkling or oiling streets, may be paid in annual instalments.

SECTION 2. 66.54 (11) of the statutes is renumbered 66.54 (11) (a) and amended to read:

66.54 (11) (a) Whenever the governing body determines to issue ~~general obligation local improvement bonds pursuant to subsection subs. (9) of this section and (10),~~ it may group the special assessments levied against benefited lands and issue such bonds against such special assessments so grouped as a whole. All such bonds shall be equally secured by such assessments without priority one over the other.

SECTION 3 66.54 (11) (b) of the statutes is created to read:

66.54 (11) (b) The following provisions shall be applicable to area-grouped special assessment B bonds issued under this section:

1. For the purpose of anticipating the collection of special assessments payable in instalments under this section and after said instalments have been determined, the governing body may issue area-grouped special assessment B bonds payable out of the proceeds of such special assessments as provided herein. Such bonds shall in no event be a general municipal liability.

2. The issue of such bonds shall be in an amount not to exceed the aggregate unpaid special assessments levied for the public improvement or projects which such issue is to finance. Such bonds shall mature over substantially the same period of time in which the special assessment instalments are to be paid. Such bonds shall be bearer bonds or may be registered bonds as to principal or as to principal and interest as determined by the governing body. The bonds shall be signed by the chief executive and the clerk of the municipality, and the corporate seal of the municipality shall be affixed thereto, and it shall contain such recitals as are necessary to show that they are payable only from the special sinking fund provided for in subd. 4 and a fund created under sub. (15) for the collection and payment of such special assessment and such other provisions as the governing body deems proper to insert.

3. Upon transfer of the ownership of any such bonds registered in the name of the owner thereof on the records of the clerk of the municipality by which the bonds were issued, the fact of such transfer shall be noted on the bond and on the record of the municipal clerk. Any transfer not so recorded shall be void and the municipal clerk shall be entitled to make payments to the owner of the bond as registered on the books of the municipality.

4. All collections of principal and interest on the underlying special assessments and instalments thereof, either before or after delinquency, and on delinquent tax certificates issued therefor, shall be placed by the

municipal treasurer in a special sinking fund created, designated and identified for the issue of such bonds and used only for payment of said bonds and interest thereon to the holders of the bonds or coupons in accordance with the terms of the issue. Any surplus in the sinking fund, after all bonds and interest thereon are fully paid, shall be paid into the general fund.

5. If the tax sale certificate resulting from the sale of said delinquent special assessment is bid in at the county tax sale, or redeemed subsequent to the tax sale by any person other than the county, the county treasurer shall pay to the municipality the full amount received therefor, including interest, and the municipal treasurer shall thereupon pay the amount of such remittance into the special sinking fund created for the payment of such bonds.

6. Except in cities authorized by law or charter to sell lands for non-payment of taxes and special assessments, and in counties in which the county board has authorized the county treasurer to settle in full for delinquent special assessments, with interest, under s. 74.031 (9), whenever any part of an underlying special assessment is not paid, and the same is not bid in under subd. 5, the governing body shall direct the treasurer of the municipality to bid in and become exclusive purchaser of the certificate underlying such delinquent special assessment or part thereof and the county treasurer shall thereupon strike off to the municipality and assign to the municipal treasurer the tax sale certificate underlying such assessment. Such certificate shall be a part of the sinking fund under subd. 4 and shall be held in trust for the holders of the bonds issued for such assessments. The governing body of the municipality shall direct the municipal treasurer to remove the trust imposed upon such certificate by purchasing the certificate in the name of the municipality and paying into said sinking fund in the amount equivalent to the sum owing on the underlying special assessment for principal and interest. Funds for such purpose may be obtained by transfer from a sinking fund created under sub. (15).

7. A holder of the bonds or of any coupons attached thereto shall have a lien against the special sinking fund for payment of said bonds in interest thereon and against any sinking fund created under sub. (15) and may either at law or in equity protect and enforce such lien and compel performance of all duties required by this section of the municipality issuing said bonds.

Approved October 30, 1969.
