

1969 Senate Bill 378

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CHAPTER 75, LAWS OF 1969

AN ACT to amend 66.066 (2) (a), 67.06 and 67.12 (12) (b) and (c) of the statutes, relating to interest on municipal borrowing.

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

SECTION 1. 66.066 (2) (a) of the statutes is amended to read:

66.066 (2) (a) The board or council shall order the issuance and sale of bonds bearing interest at a rate not exceeding ~~4 per centum~~ 8% per annum, payable semiannually, executed by the chief executive and the

clerk and payable at such times not exceeding 40 years from the date thereof, and at such places, as the board or council of such municipality shall determine, which bonds shall be payable only out of the said special redemption fund. Each such bond shall state plainly upon its face that it is payable only from the ~~said~~ special redemption fund, naming the ordinance creating it and that it does not constitute an indebtedness of such municipality. The ~~said~~ bonds may be issued either as registered bonds or as coupon bonds payable to bearer. Coupon and bearer bonds may be registered as to principal in the holder's name on the books of such municipality, such registration being noted on the bond by the clerk or other designated officer, after which no transfer shall be valid unless made on the books of such municipality by the registered holder and similarly noted on the bond. Any bond so registered as to principal may be discharged from such registration by being transferred to bearer after which it shall be transferable by delivery but may be again registered as to principal as before. The registration of the bonds as to the principal shall not restrain the negotiability of the coupons by delivery merely, but the coupons may be surrendered and the interest made payable only to the registered holder of the bonds. If the coupons ~~be~~ *are* surrendered, the surrender and cancellation thereof shall be noted on the bond and thereafter interest on the bond shall be payable to the registered holder or order in cash or at his option by check or draft payable at the place or one of the places where the coupons were payable. Such bonds shall be sold in such manner and upon such terms as the board or council ~~shall deem~~ *deems* for the best interests of said municipality; provided, however, that if such bonds are issued bearing interest at the rate of ~~6 per centum~~ 8% per annum, they shall not be sold for less than par; if issued bearing a lower rate than ~~6 per centum~~ 8% per annum, they may be sold at less than par, provided always that the selling price is such that the interest cost to the municipality for the funds representing the proceeds of said bonds computed to maturity according to standard tables of bond value shall not exceed ~~6 per centum~~ 8% per annum. All bonds shall mature serially commencing not later than 3 years after the date of issue in such amounts that the requirement each year to pay both principal and interest will be as nearly equal as practicable. All such bonds may contain a provision authorizing redemption thereof, in whole or in part, at stipulated prices at the option of the municipality on any interest payment date after 3 years from the date of the bonds, and shall provide the method of selecting the bonds to be redeemed. The board or council may provide in any contract for purchasing, acquiring, leasing, constructing, extending, adding to, improving, conducting, controlling, operating or managing a public utility, that payment thereof shall be made in such bonds at not less than ~~95 per cent~~ % of the par value thereof.

SECTION 2. 67.06 of the statutes is amended to read:

67.06 Every municipal bond shall be a negotiable instrument payable to bearer, or, in case of bonds which are registerable, to bearer or the registered owner, with interest coupons attached payable annually or semiannually; shall bear interest at a rate not to exceed ~~6 per cent~~ 8% per annum; shall specify the times and the place or places of payment of principal and interest; shall be numbered consecutively with the other bonds of the same issue which shall begin with number one and continue upward, or, if so directed by the governing body, shall begin with any other number and continue upward; shall bear on its face a name indicative of the purpose specified therefor in said resolution; shall contain a statement of the value of all of the taxable property in the municipality upon which the constitutional debt limit of the municipality is based, the aggregate amount of the existing bonded indebtedness of such municipality, that a direct annual irrevocable tax has been levied by the municipality sufficient to pay the interest when it falls due, and also to pay and discharge the principal at maturity; may contain a statement that the bond is callable

with or without premium on conditions prescribed thereon; and may contain any other statement of fact not in conflict with said initial resolution. The entire issue may be composed of bonds of a single denomination or 2 or more denominations.

SECTION 3. 67.12 (12) (b) and (c) of the statutes are amended to read:

67.12 (12) (b) To evidence such indebtedness the county, city, village, town, school district, vocational, technical and adult education district or town sanitary district shall issue to the lender its promissory notes with interest not exceeding ~~5%~~ 7% per annum, payable within a period not exceeding 10 years following the date of issuance of said notes.

(c) At any time during the term of any original promissory note, or thereafter, in the event the county, city, village, town, school district, vocational, technical and adult education district or town sanitary district has not paid the full amount due thereon: 1. the lender may grant an extension of time, or 2. if the terms of any note outstanding permits payment prior to maturity, the county, city, village, town, school district, vocational, technical and adult education district or town sanitary district may refund such note outstanding or any part thereof, such extension or refunding to be evidenced by a refunding note for payment of any amounts due or to become due under the provisions of such original promissory note upon such terms as may be agreed upon, with interest not exceeding ~~5%~~ 7% per annum, for a term not exceeding 10 years following the date of issuance of any such refunding note.

Approved June 9, 1969.
