

**1979 Assembly Bill 46**

Date published: **March 19, 1979**

**CHAPTER 4, Laws of 1979**

**AN ACT** to amend 20.866 (2) (zn) and 45.79 (6) (intro.); and to create 20.485 (3) (w) and (x), and 45.79 (6) (c) and (9) of the statutes, relating to increasing the ceiling on the public debt for veterans housing loans, authorizing the issuance of revenue obligation bonds for veterans housing loans and making an appropriation.

CHAPTER 4

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

SECTION 1. At the appropriate place in the schedule in section 20.005 of the statutes, insert the following amounts for the purposes indicated:

	1979-80	1980-81
<b>20.485 Veterans affairs, department of</b>		
(3 ) SELF-AMORTIZING MORTGAGE		
LOANS FOR VETERANS		
(w ) Revenue-obligation funding	BR C 280,000,000	-0-
(x ) Revenue-obligation repayment	SEG C -0-	-0-

SECTION 2. 20.485 (3) (w) and (x) of the statutes are created to read:

20.485 (3) (w) *Revenue-obligation funding.* As a continuing appropriation, all proceeds from revenue obligations issued under s. 45.79 (6) (c).

(x) *Revenue-obligation repayment.* All moneys received in the fund or funds created under s. 45.79 (9) for the purposes of retiring revenue obligations, providing reserves and funding program operations under s. 45.79 (9). All moneys received are irrevocably appropriated in accordance with subch. II of ch. 18 and further established in resolutions authorizing the issuance of revenue obligations and setting forth the distribution of funds received thereafter.

SECTION 3. 20.866 (2) (zn) of the statutes is amended to read:

20.866 (2) (zn) *Veterans affairs, self-amortizing mortgage loans.* As a continuing appropriation from the capital improvement fund, the amounts in the schedule for the department of veterans affairs for the purchase of mortgages and mortgage notes covering loans made to veterans under s. 45.79 (6) (a). The state may contract public debt in an amount not to exceed ~~\$830,000,000~~ \$1,000,000,000 for this purpose.

SECTION 4. 45.79 (6) (intro.) of the statutes is amended to read:

45.79 (6) (intro.) SOURCES OF LOAN FUNDS. Funding for loans authorized by this section may, at the discretion of the building commission, be provided by ~~either~~ one or a combination of:

SECTION 5. 45.79 (6) (c) of the statutes is created to read:

45.79 (6) (c) *Revenue obligations.* The secretary, with the approval of the governor and subject to the limits of sub. (9), may request that revenue obligations be contracted in accordance with subch. II of ch. 18. Revenue obligations so requested must meet the following additional requirements:

1. Revenue obligations may be contracted when it reasonably appears to the building commission that all obligations incurred under this paragraph can be fully paid from moneys received from veterans' repayments of loans on mortgages and mortgage notes funded under this paragraph.

2. The chairperson of the board shall certify that the board and the department do not expect and shall not use proceeds of revenue obligations issued under this paragraph in a manner that would cause the revenue obligations to be arbitrage bonds as defined in the U.S. internal revenue code.

3. Funding under this paragraph shall occur only after general obligation bonds totaling \$1,000,000,000 authorized under s. 20.866 (2) (zn) have been issued.

SECTION 6. 45.79 (9) of the statutes is created to read:

45.79 (9) REPAYMENT OF REVENUE OBLIGATIONS. (a) All moneys received from any source for repayment of loans, mortgages or mortgage loan notes funded with proceeds of revenue obligations issued under sub. (6) (c) shall be deposited into one or more separate nonlapsible trust funds in the state treasury or with a trustee as provided in s. 18.56 (9) (j). The board may pledge revenues received by the funds to secure revenue obligations issued under sub. (6) (c) and shall have all other powers necessary and convenient to

distribute the proceeds of the revenue obligations and loan repayments in accordance with subch. II of ch. 18.

(b) Revenue obligations issued under sub. (6) (c) shall not exceed \$280,000,000 in principal amount, excluding obligations issued to fund or refund outstanding revenue obligation notes or to refund outstanding revenue obligation bonds.

(c) Except as may otherwise be expressly provided in resolutions authorizing the issuance of revenue obligations or in other agreements with the holders of revenue obligations, each issue of revenue obligations shall be on a parity with every other revenue obligation issued under sub. (6) (c) and payable in accordance with subch. II of ch. 18.

**SECTION 7. Appropriation increase.** The amount in the schedule under section 20.866 (2) (zn) of the statutes, as affected by the laws of 1977, is increased by \$170,000,000 in fiscal year 1978-79 to provide additional funds for the purchase of mortgages and mortgage notes covering loans made to veterans under section 45.79 (6) (a) of the statutes.

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