

**SENATE SUBSTITUTE AMENDMENT 1,  
TO 1999 SENATE BILL 60**

October 13, 1999 – Offered by Senator GROBSCHMIDT.

1     **AN ACT** *to renumber and amend* 44.72 (4) (a); *to amend* 20.275 (1) (er), 20.275  
2           (1) (es), 20.275 (1) (h), 20.275 (1) (hb), 20.866 (2) (zc), 20.866 (2) (zcm), 44.72 (4)  
3           (b), 44.72 (4) (d), 196.218 (4r) (c) 1. and 196.218 (5) (a) 5.; and *to create* 20.866  
4           (2) (zcp), 44.72 (4) (a) 2., 196.218 (4r) (a) 1r., 196.218 (4r) (cg) and 196.218 (4r)  
5           (cr) of the statutes; **relating to:** subsidized loans to public library boards for  
6           certain communications hardware and making an appropriation.

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

7           **SECTION 1.** 20.275 (1) (er) of the statutes is amended to read:  
8           20.275 (1) (er) *Principal, interest and rebates; general purpose revenue — public*  
9           *library boards.* A sum sufficient to reimburse s. 20.866 (1) (u) for the payment of  
10          principal and interest costs incurred in financing subsidized educational technology  
11          infrastructure loans to public library boards under s. 44.72 (4) (a) 1. or 2. and to make

1 full payment of the amounts determined by the building commission under s. 13.488  
2 (1) (m), to the extent that these costs and payments are not paid under par. (hb).

3 **SECTION 2.** 20.275 (1) (es) of the statutes is amended to read:

4 20.275 (1) (es) *Principal, interest and rebates; general purpose revenue — school*  
5 *districts.* A sum sufficient to reimburse s. 20.866 (1) (u) for the payment of principal  
6 and interest costs incurred in financing subsidized educational technology  
7 infrastructure loans to school districts under s. 44.72 (4) (a) 1. and to make full  
8 payment of the amounts determined by the building commission under s. 13.488 (1)  
9 (m), to the extent that these costs and payments are not paid under par. (h).

10 **SECTION 3.** 20.275 (1) (h) of the statutes is amended to read:

11 20.275 (1) (h) *Principal, interest and rebates; program revenue — school*  
12 *districts.* All moneys received under s. 44.72 (4) (c) to reimburse s. 20.866 (1) (u) for  
13 the payment of principal and interest costs incurred in financing subsidized  
14 educational technology infrastructure loans to school districts under s. 44.72 (4) (a)  
15 1. and to make full payment of the amounts determined by the building commission  
16 under s. 13.488 (1) (m).

17 **SECTION 4.** 20.275 (1) (hb) of the statutes is amended to read:

18 20.275 (1) (hb) *Principal, interest and rebates; program revenue — public*  
19 *library boards.* All moneys received under s. 44.72 (4) (c) to reimburse s. 20.866 (1)  
20 (u) for the payment of principal and interest costs incurred in financing subsidized  
21 educational technology infrastructure loans to public library boards under s. 44.72  
22 (4) (a) 1. or 2. and to make full payment of the amounts determined by the building  
23 commission under s. 13.488 (1) (m).

24 **SECTION 5.** 20.866 (2) (zc) of the statutes is amended to read:

1           20.866 (2) (zc) *Technology for educational achievement in Wisconsin board;*  
2 *school district educational technology infrastructure loans; wiring.* From the capital  
3 improvement fund, a sum sufficient for the technology for educational achievement  
4 in Wisconsin board to make subsidized educational technology infrastructure loans  
5 to school districts under s. 44.72 (4) (a) 1. The state may contract public debt in an  
6 amount not to exceed \$100,000,000 for this purpose.

7           **SECTION 6.** 20.866 (2) (zcm) of the statutes is amended to read:

8           20.866 (2) (zcm) *Technology for educational achievement in Wisconsin board;*  
9 *public library educational technology infrastructure loans; wiring.* From the capital  
10 improvement fund, a sum sufficient for the technology for educational achievement  
11 in Wisconsin board to make subsidized educational technology infrastructure loans  
12 to public library boards under s. 44.72 (4) (a) 1. The state may contract public debt  
13 in an amount not to exceed ~~\$10,000,000~~ \$6,000,000 for this purpose.

14           **SECTION 7.** 20.866 (2) (zcp) of the statutes is created to read:

15           20.866 (2) (zcp) *Technology for educational achievement in Wisconsin board;*  
16 *public library educational technology infrastructure loans; communications*  
17 *hardware.* From the capital improvement fund, a sum sufficient for the technology  
18 for educational achievement in Wisconsin board to make subsidized educational  
19 technology infrastructure loans to public library boards under s. 44.72 (4) (a) 2. The  
20 state may contract public debt in an amount not to exceed \$4,000,000 for this  
21 purpose.

22           **SECTION 8.** 44.72 (4) (a) of the statutes is renumbered 44.72 (4) (a) 1. and  
23 amended to read:

24           44.72 (4) (a) 1. The board may make subsidized loans under this subsection  
25 subdivision to school districts from the proceeds of public debt contracted under s.

1 20.866 (2) (zc) and to public library boards from the proceeds of public debt contracted  
2 under s. 20.866 (2) (zcm). Subsidized loans under this ~~subsection~~ subdivision may  
3 be used only for the purpose of upgrading the electrical wiring of school and library  
4 buildings in existence on October 14, 1997, and installing and upgrading computer  
5 network wiring.

6 **SECTION 9.** 44.72 (4) (a) 2. of the statutes is created to read:

7 44.72 (4) (a) 2. The board may make subsidized loans under this subdivision  
8 to public library boards from the proceeds of public debt contracted under s. 20.866  
9 (2) (zcp). Subsidized loans under this subdivision may be used only for the purpose  
10 of purchasing communications servers, routers, hubs or switches that enable a  
11 computer network in a library building to be directly connected to the Internet.  
12 Subsidized loans under this subdivision may not be used for the purchase of personal  
13 computers. The board shall establish, on a per building basis, the maximum amount  
14 of a subsidized loan under this subdivision.

15 **SECTION 10.** 44.72 (4) (b) of the statutes is amended to read:

16 44.72 (4) (b) *Subsidized loan applications, terms and conditions.* The board  
17 shall establish application procedures for, and the terms and conditions of,  
18 subsidized loans under this ~~subsection~~ par. (a). The procedures shall allow a public  
19 library board to apply for a subsidized loan under par. (a) 1. or 2. or under both par.  
20 (a) 1. and 2. The terms and conditions of a subsidized loan under par. (a) 1. or 2. may  
21 include provision of professional building construction services under s. 16.85 (15).  
22 The terms and conditions of a subsidized loan under par. (a) 2. shall require a loan  
23 recipient to apply for a rate discount under 47 USC 254 for any servers, routers, hubs  
24 or switches that are purchased with the subsidized loan. The board shall determine  
25 the interest rate on ~~these~~ subsidized loans under par. (a). The interest rate shall be

1 as low as possible but shall be sufficient to fully pay all interest expenses incurred  
2 by the state and to provide reserves that are reasonably expected to be required in  
3 the judgment of the board to ensure against losses arising from delinquency and  
4 default in the repayment of subsidized loans. The term of a subsidized loan under  
5 ~~this subsection par. (a)~~ may not exceed 10 years.

6 **SECTION 11.** 44.72 (4) (d) of the statutes is amended to read:

7 44.72 (4) (d) *Funding for subsidized loans.* The board, with the approval of the  
8 governor and subject to the limits of s. 20.866 (2) (zc) ~~and~~, (zcm) and (zcp), may  
9 request that the building commission contract public debt in accordance with ch. 18  
10 to fund loans under this subsection.

11 **SECTION 12.** 196.218 (4r) (a) 1r. of the statutes is created to read:

12 196.218 (4r) (a) 1r. “Political subdivision” means any city, village, town or  
13 county.

14 **SECTION 13.** 196.218 (4r) (c) 1. of the statutes is amended to read:

15 196.218 (4r) (c) 1. Allow a school district, private school, cooperative  
16 educational service agency, technical college district, private college and public  
17 library board to make a request to the board for access to either one data line or one  
18 video link, except that if a school district operates more than one high school or if a  
19 public library board operates more than one library facility the rules shall allow the  
20 school district or public library board to request access to both a data line and a video  
21 link and to request access to more than one data line or video link. The board shall  
22 forward requests received under this subdivision to the commission and the  
23 department.

24 **SECTION 14.** 196.218 (4r) (cg) of the statutes is created to read:

1           196.218 (4r) (cg) A school district, private school, cooperative educational  
2 service agency, technical college district, private college or public library board that  
3 is provided access to a data line under the program established under par. (b) may  
4 not do any of the following:

5           1. Provide access to the data line to any business entity, as defined in s. 13.62  
6 (5).

7           2. Request access to an additional data line for purposes of providing access to  
8 bandwidth to a political subdivision under a shared service agreement under par. (cr)

9           1.

10           **SECTION 15.** 196.218 (4r) (cr) of the statutes is created to read:

11           196.218 (4r) (cr) 1. A school district, private school, cooperative educational  
12 service agency, technical college district, private college or public library board that  
13 is provided access to a data line under the program established under par. (b) may  
14 enter into a shared service agreement with a political subdivision that provides the  
15 political subdivision with access to any excess bandwidth on the data line that is not  
16 used by the district, school, agency, college or board. A shared service agreement  
17 under this subdivision is not valid unless the agreement allows the district, school,  
18 agency, college or board to cancel the agreement at any time after providing notice  
19 to the political subdivision.

20           2. A political subdivision that obtains access to bandwidth under a shared  
21 service agreement under subd. 1. may not receive compensation for providing any  
22 other person with access to the bandwidth.

23           3. A school district, private school, cooperative educational service agency,  
24 technical college district, private college or public library board shall provide the

1 board with written notice within 30 days after entering into or modifying a shared  
2 service agreement under subd. 1.

3 **SECTION 16.** 196.218 (5) (a) 5. of the statutes is amended to read:

4 196.218 (5) (a) 5. To pay costs incurred under contracts under s. 16.974 (7) to  
5 the extent that these costs are not paid under sub. (4r) (c) 4., except that no moneys  
6 in the universal service fund may be used to pay installation costs that are necessary  
7 for a political subdivision to obtain access to bandwidth under a shared service  
8 agreement under sub. (4r) (cr) 1.

9 (END)