February 12, 2002 – Introduced by Representatives WIECKERT, SUDER, MILLER, KRAWCZYK, LADWIG, URBAN, SYKORA, MCCORMICK, HINES, PLALE, OTT and BERCEAU, cosponsored by Senators RISSER, BURKE, DARLING, PLACHE, ROSENZWEIG, ROESSLER and GROBSCHMIDT. Referred to Committee on Government Operations.

1	AN ACT <i>to amend</i> 231.01 (4) (a), 231.01 (4) (b) 1., 231.01 (4) (b) 2., 231.01 (4) (c),
2	231.01 (7) (a) 1., 231.01 (7) (a) 2., 231.01 (7) (a) 4., 231.01 (7) (c), 231.02 (6) (b),
3	231.03 (5), 231.03 (7), 231.03 (8), 231.03 (11), 231.03 (13), 231.03 (14), 231.03
4	(15), 231.03 (16), 231.03 (17), 231.03 (18), 231.03 (19), 231.04, 231.05 (1),
5	231.06, 231.07 (1) (b), 231.07 (2) (a), 231.08 (5), 231.10 (1), 231.12, 231.13 (1)
6	(intro.), 231.13 (2), 231.16 (1), 231.20 and 231.23; and <i>to create</i> 231.01 (4c),
7	231.01 (5t), 231.03 (6) (h) and 231.03 (6) (i) of the statutes; relating to:
8	authorizing the Wisconsin Health and Educational Facilities Authority to issue
9	bonds to finance projects related to cultural facilities.

#### Analysis by the Legislative Reference Bureau

Under current law, the Wisconsin Health and Educational Facilities Authority (WHEFA) may issue bonds to finance certain projects of health or educational institutions, to refinance outstanding debt of health or educational institutions, and to finance a purchase of the state's right to receive any of the payments under the Attorneys General Master Tobacco Settlement Agreement of November 23, 1998. Projects of health or educational institutions that may be financed include, among others, the acquisition of a hospital, the construction or operation of an ambulatory

surgery center or home health agency, and the construction, remodeling, furnishing, or equipping of a health or educational facility or related structure.

This bill authorizes WHEFA to issue bonds to finance any project undertaken by a cultural institution for a cultural facility, or to refinance outstanding debt of a cultural institution. A cultural institution is defined in the bill as a corporation, agency, or association that is authorized by state law to provide or operate a cultural facility. A cultural facility is defined in the bill as a building, institution, place, or agency of a nonprofit entity that is or will be used in whole or in part for the performing or visual arts; for the display of art, animals, plants, or other items of cultural interest; or as a library, museum, broadcasting facility, or other facility related to other cultural arts activities. Project activities for which WHEFA may issue bonds include construction, acquisition, remodeling, furnishing, and equipping of cultural facilities, related structures, and structures or items that are useful for the operation of cultural facilities.

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

**SECTION 1.** 231.01 (4) (a) of the statutes is amended to read:

2 231.01 (4) (a) "Cost" means the sum of all costs incurred by a participating 3 health institution, participating educational institution, participating cultural 4 institution, or participating child care provider, as approved by the authority, as are 5 reasonable and necessary to accomplish the project, exclusive of any private or 6 federal, state, or local financial assistance received by the participating health 7 institution, participating educational institution, participating cultural institution.

8 or participating child care provider for the payment of the project cost.

**9 Section** 

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**SECTION 2.** 231.01 (4) (b) 1. of the statutes is amended to read:

231.01 (4) (b) 1. The cost incurred by or on behalf of the participating health
institution, participating educational institution, participating cultural institution,
or participating child care provider of all necessary developmental, planning, and
feasibility studies, surveys, plans, and specifications, architectural, engineering,
legal, or other special services, the cost of acquisition of land and any buildings and

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1	improvements on the land, site preparation, and development including demolition
2	or removal of existing structures, construction, reconstruction, and equipment,
3	including machinery, fixed equipment, and personal property.
4	<b>SECTION 3.</b> 231.01 (4) (b) 2. of the statutes is amended to read:
5	231.01 (4) (b) 2. The reasonable cost of financing incurred by a participating
6	health institution, participating educational institution, participating cultural
7	institution, or participating child care provider in the course of the development of
8	the project to the occupancy date.
9	<b>SECTION 4.</b> 231.01 (4) (c) of the statutes is amended to read:
10	231.01 (4) (c) All rents and other net revenues from the operation of the real
11	property, improvements <u>,</u> or personal property on the project site by a participating
12	health institution, participating educational institution, participating cultural
13	institution, or participating child care provider on and after the date on which the
14	contract between a participating health institution, participating educational
15	institution, participating cultural institution, or participating child care provider
16	and the authority was entered into, but prior to the occupancy date, shall reduce the
17	sum of all costs in this subsection.
18	<b>SECTION 5.</b> 231.01 (4c) of the statutes is created to read:
19	231.01 (4c) "Cultural facility" means an institution, place, building, or agency
20	that satisfies all of the following:
21	(a) Is owned by an entity that is described in section 501 (c) (3) of the Internal
22	Revenue Code and that is exempt from federal income tax under section 501 (a) of
23	the Internal Revenue Code.

(b) Is or will be used in whole or in part for the performing or visual arts,
including music performance; for the display of art, animals, plants, aquatic life, or

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1	other items of cultural interest; or as a library, museum, broadcasting facility, or
2	other facility related to other cultural arts activities; and any related property.
3	<b>SECTION 6.</b> 231.01 (5t) of the statutes is created to read:
4	231.01 (5t) "Participating cultural institution" means a corporation, agency, or
5	association that is authorized by state law to provide or operate a cultural facility and
6	that undertakes the financing and construction or acquisition of a project or
7	undertakes the refunding or refinancing of obligations or of a mortgage or of
8	advances as provided in this chapter.
9	<b>SECTION 7.</b> 231.01 (7) (a) 1. of the statutes is amended to read:
10	231.01 (7) (a) 1. A specific health facility, educational facility, cultural facility,
11	or child care center work or improvement to be refinanced, acquired, constructed,
12	enlarged, remodeled, renovated, improved, furnished, or equipped by the authority
13	with funds provided in whole or in part under this chapter.
14	<b>SECTION 8.</b> 231.01 (7) (a) 2. of the statutes is amended to read:
15	231.01 (7) (a) 2. One or more structures suitable for use as a child care center,
16	cultural facility, health facility, laboratory, laundry, nurses' or interns' residence or
17	other multi-unit housing facility for staff, employees, patients or relatives of
18	patients admitted for treatment or care in a health facility, physician's facility,
19	administration building, research facility, maintenance, storage, or utility facility.
20	<b>SECTION 9.</b> 231.01 (7) (a) 4. of the statutes is amended to read:
21	231.01 (7) (a) 4. Any structure useful for the operation of a health facility,
22	educational facility, cultural facility, or child care center, including facilities or
23	supporting service structures essential or convenient for the orderly conduct of the
24	health facility, educational facility <u>, cultural facility,</u> or child care center.
25	<b>SECTION 10.</b> 231.01 (7) (c) of the statutes is amended to read:

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231.01 (7) (c) "Project" may include any combination of projects undertaken
 jointly by any participating health institution, participating educational institution,
 <u>participating cultural institution</u>, or participating child care provider with one or
 more other participating health institutions, participating educational institutions,
 <u>participating cultural institutions</u>, or participating educational institutions.

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**SECTION 11.** 231.02 (6) (b) of the statutes is amended to read:

7 231.02 (6) (b) Notwithstanding any other provision of law, it is not a conflict 8 of interest or violation of this section or of any other law for a trustee, director, officer, 9 or employee of a participating health institution, participating educational 10 institution, participating cultural institution, or participating child care provider or 11 for a person having the required favorable reputation for skill, knowledge, and 12 experience in state and municipal finance or for a person having the required 13 favorable reputation for skill, knowledge, and experience in the field of health 14 facility, educational facility, cultural facility, or child care center architecture to serve 15 as a member of the authority; if in each case to which par. (a) is applicable, the 16 trustee, director, officer, or employee of the participating health institution, participating educational institution, participating cultural institution, or 17 participating child care provider abstains from discussion, deliberation, action, and 18 19 vote by the authority in specific respect to any undertaking pursuant to this chapter 20 in which his or her participating health institution, participating educational 21 institution, participating cultural institution, or participating child care provider 22 has an interest, or the person having the required favorable reputation for skill, 23 knowledge, and experience in state and municipal finance abstains from discussion, 24 deliberation, action, and vote by the authority in specific respect to any sale, 25 purchase, or ownership of bonds of the authority in which any business of which such

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person is a participant, owner, officer, or employee has a past, current, or future interest, or such person having the required favorable reputation for skill, knowledge, and experience in the field of health facility, educational facility. <u>cultural</u> <u>facility</u>, or child care center architecture abstains from discussion, deliberation, action, and vote by the authority in specific respect to construction or acquisition of any project of the authority in which any business of which such person is a participant, owner, officer, or employee has a past, current, or future interest.

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**SECTION 12.** 231.03 (5) of the statutes is amended to read:

9 231.03 (5) Determine the location and character of any project to be financed 10 under this chapter, and construct, reconstruct, remodel, maintain, enlarge, alter, add 11 to, repair, lease as lessee or lessor and regulate the same, enter into contracts for any 12 such purpose, enter into contracts for the management and operation of a project or 13 other health facilities, educational facilities, cultural facilities, or child care centers 14 owned by the authority, and designate a participating health institution, 15 participating educational institution, participating cultural institution, or 16 participating child care provider as its agent to determine the location and character 17 of a project undertaken by the participating health institution, participating 18 educational institution, participating cultural institution, or participating child care 19 provider under this chapter and as the agent of the authority, to construct, 20 reconstruct, remodel, maintain, manage, enlarge, alter, add to, repair, operate, lease 21 as lessee or lessor and regulate the same, and as the agent of the authority, to enter 22 into contracts for any such purpose, including contracts for the management and 23 operation of such project or other health facilities, educational facilities, cultural 24 facilities, or child care centers owned by the authority.

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**SECTION 13.** 231.03 (6) (h) of the statutes is created to read:

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1 231.03 (6) (h) Finance any project undertaken for a cultural facility by a 2 participating cultural institution. 3 **SECTION 14.** 231.03 (6) (i) of the statutes is created to read: 4 231.03 (6) (i) Refinance outstanding debt of any participating cultural 5 institution. 6 **SECTION 15.** 231.03 (7) of the statutes is amended to read: 7 231.03 (7) Fix and revise from time to time and charge and collect rates, rents, 8 fees, and charges for the use of and for the services furnished or to be furnished by 9 a project or other health facilities, educational facilities, cultural facilities, or child 10 care centers owned by the authority or any portion thereof, contract with any person 11 in respect thereto and coordinate its policies and procedures, and cooperate with 12 recognized health facility, educational facility, cultural facility, or child care center 13 rate setting mechanisms. 14 **SECTION 16.** 231.03 (8) of the statutes is amended to read: 15 231.03 (8) Adopt rules for the use of a project or other health facility, 16 educational facility, cultural facility, or child care center or any portion of the project 17 or facility owned, financed, or refinanced in whole or in part by the authority, 18 including any property used as security for a loan secured through, from, or with the 19 assistance of the authority. The authority may designate a participating health 20 institution, participating educational institution, participating cultural institution, 21 or participating child care provider as its agent to establish rules for the use of a 22 project or other health facilities, educational facilities, cultural facilities, or child 23 care centers undertaken for that participating health institution, participating

educational institution, participating cultural institution, or participating child care

25 provider. The rules shall ensure that a project, health facility, educational facility,

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#### LRB-4465/2 PJK:kmg:pg **SECTION 16**

<u>cultural facility.</u> child care center, or property may not be used primarily for sectarian
 instruction or study or as a place for devotional activities or religious worship.

**SECTION 17.** 231.03 (11) of the statutes is amended to read:

4 231.03 (11) Establish or contract with others to carry out on its behalf a health 5 facility, educational facility, cultural facility, or child care center project cost 6 estimating service, and make this service available on all projects to provide expert 7 cost estimates and guidance to the participating health institution, participating 8 educational institution, participating cultural institution, or participating child care 9 provider and to the authority. To implement this service and, through it, to 10 contribute to cost containment, the authority may require such reasonable reports 11 and documents from health facility, educational facility, cultural facility, or child care 12 center projects as are required for this service and for the development of cost reports 13 and guidelines. The authority shall appoint a technical committee on health facility, 14 educational facility, cultural facility, or child care center project costs and cost 15 containment.

#### 16

**SECTION 18.** 231.03 (13) of the statutes is amended to read:

17 231.03 (13) Make loans to any participating health institution, participating educational institution, participating cultural institution, or, before May 1, 2000, 18 19 participating child care provider for the cost of a project in accordance with an 20 agreement between the authority and the participating health institution, 21 participating educational institution, participating cultural institution, or 22 participating child care provider. The authority may secure the loan by a mortgage 23 or other security arrangement on the health facility, educational facility, cultural 24 facility, or child care center granted by the participating health institution, 25 participating educational institution, participating cultural institution, or

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participating child care provider to the authority. The loan may not exceed the total
 cost of the project as determined by the participating health institution,
 participating educational institution, participating cultural institution, or
 participating child care provider and approved by the authority.

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**SECTION 19.** 231.03 (14) of the statutes is amended to read:

6 231.03 (14) Make loans to a health facility, educational facility, cultural facility, 7 or, before May 1, 2000, child care center for which bonds may be issued under sub. 8 (6) (b), (d), or (f) to refinance the health facility's, educational facility's, cultural 9 facility's, or child care center's outstanding debt. The authority may secure the loan 10 or bond by a mortgage or other security arrangement on the health facility, 11 educational facility, cultural facility, or child care center granted by the participating 12 health institution, participating educational institution, participating cultural 13 institution, or participating child care provider to the authority.

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**SECTION 20.** 231.03 (15) of the statutes is amended to read:

15 231.03 (15) Mortgage all or any portion of a project and other health facilities, 16 educational facilities, cultural facilities, or child care centers and the site thereof, 17 whether owned or thereafter acquired, for the benefit of the holders of bonds issued to finance the project, health facilities, educational facilities, cultural facilities, or 18 19 child care centers or any portion thereof or issued to refund or refinance outstanding 20 indebtedness of participating health institutions, educational institutions, 21 participating cultural institutions, or child care providers as permitted by this 22 chapter.

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**SECTION 21.** 231.03 (16) of the statutes is amended to read:

24 231.03 (16) Lease to a participating health institution, participating
 25 educational institution, participating cultural institution, or participating child care

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1 provider the project being financed or other health facilities, educational facilities, 2 cultural facilities, or child care centers conveyed to the authority in connection with 3 such financing, upon such terms and conditions as the authority deems proper, and 4 charge and collect rents therefor, and terminate any such lease upon the failure of 5 the lessee to comply with any of the obligations thereof; and include in any such lease, 6 if desired, provisions that the lessee thereof shall have options to renew the term of 7 the lease for such periods and at such rent as the authority determines or to purchase 8 all or any part of the health facilities, educational facilities, cultural facilities, or child care centers or that, upon payment of all of the indebtedness incurred by the 9 10 authority for the financing of such project or health facilities, educational facilities, 11 <u>cultural facilities</u>, or child care centers or for refunding outstanding indebtedness of 12 participating health institution, participating educational institution, а 13 participating cultural institution, or participating child care provider, the authority 14 may convey all or any part of the project or such other health facilities, educational 15 facilities, cultural facilities, or child care centers to the lessees thereof with or 16 without consideration.

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**SECTION 22.** 231.03 (17) of the statutes is amended to read:

231.03 (17) Charge to and apportion among participating health institutions,
 participating educational institutions, participating cultural institutions, and
 participating child care providers its administrative costs and expenses incurred in
 the exercise of the powers and duties conferred by this chapter.

**SECTION 23.** 231.03 (18) of the statutes is amended to read:

23 231.03 (18) Make studies of needed health facilities, educational facilities.
 24 <u>cultural facilities.</u> and child care centers that could not sustain a loan were it made
 25 under this chapter and recommend remedial action to the legislature; and do the

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same with regard to any laws or rules that prevent health facilities, educational
 facilities, cultural facilities, and child care centers from benefiting from this chapter.
 SECTION 24. 231.03 (19) of the statutes is amended to read:

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4 231.03 (19) Obtain, or aid in obtaining, from any department or agency of the 5 United States or of this state or any private company, any insurance or guaranty 6 concerning the payment or repayment of, interest or principal, or both, or any part 7 thereof, on any loan, lease, or obligation or any instrument evidencing or securing 8 the same, made or entered into under the provisions of this chapter; and 9 notwithstanding any other provisions of this chapter, to enter into any agreement, 10 contract, or any other instrument with respect to that insurance or guaranty, to 11 accept payment in the manner and form provided therein in the event of default by 12 participating health institution, participating educational institution, а 13 participating cultural institution, or participating child care provider, and to assign 14 the insurance or guaranty as security for the authority's bonds.

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**SECTION 25.** 231.04 of the statutes is amended to read:

16 **231.04 Expenses.** All expenses of the authority incurred in carrying out this 17 chapter shall be payable solely from funds provided under the authority of this 18 chapter, and no liability may be incurred by the authority beyond the extent to which 19 moneys have been provided under this chapter except that, for the purposes of 20 meeting the necessary expenses of initial organization and operation of the authority 21 for the period commencing on June 19, 1974 and continuing until such date as the 22 authority derives moneys from funds provided to it under the authority of this 23 chapter, the authority may borrow such moneys as it requires to supplement the 24 funds provided under s. 20.440. Such moneys borrowed by the authority shall 25 subsequently be charged to and apportioned among participating health

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institutions, participating educational institutions, participating cultural
 <u>institutions</u>, and participating child care providers in an equitable manner, and
 repaid with appropriate interest over a reasonable period of time.

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4 **SECTION 26.** 231.05 (1) of the statutes is amended to read:

5 231.05 (1) By means of this chapter, it is the intent of the legislature to provide 6 assistance and alternative methods of financing to nonprofit health institutions to 7 aid them in providing needed health services consistent with the state's health plan, 8 to nonprofit educational institutions to aid them in providing needed educational 9 services, to nonprofit cultural institutions to aid them in providing needed cultural 10 <u>facilities</u>, and to nonprofit child care providers to aid them in providing needed child 11 care services.

12

**SECTION 27.** 231.06 of the statutes is amended to read:

13 **231.06 Property acquisition.** The authority may acquire, directly or by and 14 through a participating health institution, participating educational institution, 15 participating cultural institution, or participating child care provider as its agent, 16 by purchase or by gift or devise, such lands, structures, property, rights, 17 rights-of-way, franchises, easements, and other interests in lands, including lands 18 lying under water and riparian rights, which are located within this state as it deems 19 necessary or convenient for the construction or operation of a project, upon such 20 terms and at such prices as it considers reasonable and can be agreed upon between 21 it and the owner thereof, and take title thereto in the name of the authority or in the 22 name of a health facility, educational facility, cultural facility, or child care center as 23 its agent.

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**SECTION 28.** 231.07 (1) (b) of the statutes is amended to read:

1 231.07 (1) (b) Convey to the participating health institution, participating 2 educational institution, <u>participating cultural institution</u>, or participating child care 3 provider the authority's interest in the project and in any other health facility, 4 educational facility, <u>cultural facility</u>, or child care center leased, mortgaged, or 5 subject to a deed of trust or any other form of security arrangement to secure the 6 bond.

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**SECTION 29.** 231.07 (2) (a) of the statutes is amended to read:

8 231.07 (2) (a) The principal of and interest on any bond issued by the authority 9 to finance a project or to refinance or refund outstanding indebtedness of one or more 10 participating health institutions, participating educational institutions, 11 participating cultural institutions, or participating child care providers, including 12 any refunding bonds issued to refund and refinance the bond, have been fully paid 13 and the bonds retired or if the adequate provision has been made to pay fully and 14 retire the bond; and

**SECTION 30.** 231.08 (5) of the statutes is amended to read:

16 231.08 (5) In addition to the other authorizations under this section, bonds of 17 the authority may be secured by a pooling of leases whereby the authority may assign 18 its rights, as lessor, and pledge rents under 2 or more leases of health facilities, 19 educational facilities, <u>cultural facilities</u>, or child care centers with 2 or more health 20 institutions, educational institutions, <u>cultural institutions</u>, or child care providers, 21 as lessees respectively, upon such terms as may be provided for in bond resolutions 22 of the authority.

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**SECTION 31.** 231.10 (1) of the statutes is amended to read:

24 231.10 (1) The state is not liable on notes or bonds of the authority and the notes
25 and bonds are not a debt of the state. All notes and bonds of the authority shall

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1 contain on the face thereof a statement to this effect. The issuance of bonds under 2 this chapter shall not, directly or indirectly or contingently, obligate the state or any 3 political subdivision thereof to levy any form of taxation therefor or to make any 4 appropriation for their payment. Nothing in this section prevents the authority from 5 pledging its full faith and credit or the full faith and credit of a health institution, 6 educational institution, cultural institution, or child care provider to the payment of 7 bonds authorized under this chapter.

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**SECTION 32.** 231.12 of the statutes is amended to read:

9 **231.12 Studies and recommendations.** It is the intent and purpose of this 10 chapter that the exercise by the authority of the powers granted to it shall be in all 11 respects for the benefit of the people of this state to assist them to provide needed 12 health facilities, educational facilities, cultural facilities, and child care centers of 13 the number, size, type, distribution, and operation that will assure admission and 14 health care, education, cultural opportunities, or child care of high quality to all who 15 need it. The authority shall identify and study all projects which are determined by 16 health planning agencies to be needed, but which could not sustain a loan were such 17 to be made to it under this chapter. The authority shall formulate and recommend 18 to the legislature such amendments to this and other laws, and such other specific 19 measures as grants, loan guarantees, interest subsidies, or other actions the state 20 may provide which would render the construction and operation of needed health 21 facilities, educational facilities, cultural facilities, and child care centers feasible and 22 in the public interest. The authority also shall identify and study any laws or rules 23 which it finds handicaps or bars a needed health facility, educational facility, cultural 24 facility, or child care center from participating in the benefits of this chapter, and 25 recommend to the legislature such actions as will remedy such situation.

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**SECTION 33.** 231.13 (1) (intro.) of the statutes is amended to read:

2 231.13 (1) (intro.) The authority shall collect rents for the use of, or other 3 revenues relating to the financing of, each project. The authority shall contract with 4 participating health institution, participating educational institution. а 5 participating cultural institution, or participating child care provider for each 6 issuance of bonds. The contract shall provide that the rents or other revenues payable by the health facility, educational facility, cultural facility, or child care 7 8 center shall be sufficient at all times to:

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**SECTION 34.** 231.13 (2) of the statutes is amended to read:

10 231.13 (2) The authority shall pledge the revenues derived and to be derived 11 from a project and other related health facilities, educational facilities, cultural 12 facilities, or child care centers for the purposes specified in sub. (1), and additional 13 bonds may be issued which may rank on a parity with other bonds relating to the 14 project to the extent and on the terms and conditions provided in the bond resolution. 15 Such pledge shall be valid and binding from the time when the pledge is made, the 16 revenues so pledged by the authority shall immediately be subject to the lien of such 17 pledge without any physical delivery thereof or further act and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in 18 19 tort, contract, or otherwise against the authority, irrespective of whether such 20 parties have notice thereof. Neither the bond resolution nor any financing 21 statement, continuation statement, or other instrument by which a pledge is created 22 or by which the authority's interest in revenues is assigned need be filed or recorded 23 in any public records in order to perfect the lien thereof as against 3rd parties, except 24 that a copy thereof shall be filed in the records of the authority and with the 25 department of financial institutions.

SECTION 35. 231.16 (1) of the statutes, as affected by 2001 Wisconsin Act 16,
 is amended to read:

3 231.16 (1) The authority may issue bonds to refund any outstanding bond of 4 the authority or indebtedness that a participating health institution, participating 5 educational institution, participating cultural institution, or participating child care 6 provider may have incurred for the construction or acquisition of a project prior to 7 or after April 30, 1980, including the payment of any redemption premium on the 8 outstanding bond or indebtedness and any interest accrued or to accrue to the 9 earliest or any subsequent date of redemption, purchase, or maturity, or to pay all 10 or any part of the cost of constructing and acquiring additions, improvements, 11 extensions, or enlargements of a project or any portion of a project. Except for bonds 12 to refund bonds issued under s. 231.03 (6) (g), no bonds may be issued under this 13 section unless the authority has first entered into a new or amended agreement with 14 participating health institution, participating educational institution. а 15 participating cultural institution, or participating child care provider to provide 16 sufficient revenues to pay the costs and other items described in s. 231.13.

17

**SECTION 36.** 231.20 of the statutes is amended to read:

18 **231.20 Waiver of construction and bidding requirements.** In exercising 19 its powers under s. 101.12, the department of commerce or any city, village, town, or 20 county may, within its discretion for proper cause shown, waive any particular requirements relating to public buildings, structures, grounds, works, and 21 22 improvements imposed by law upon projects under this chapter; the requirements 23 of s. 101.13 may not be waived, however. If, however, the prospective lessee so 24 requests in writing, the authority shall, through the participating health institution. 25 participating educational institution, participating cultural institution, or

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participating child care provider as its agent, call for construction bids in such
 manner as is determined by the authority with the approval of the lessee.

**SECTION 37.** 231.23 of the statutes is amended to read:

4 231.23 Nonprofit institutions. It is intended that all nonprofit health and 5 institutions, educational institutions, cultural institutions, and child care providers 6 in this state be enabled to benefit from and participate in this chapter. To this end, 7 all nonprofit health and institutions, educational institutions, cultural institutions, 8 and child care providers operating, or authorized to be operated, under any law of 9 this state may undertake projects and utilize the capital financing sources and 10 methods of repayment provided by this chapter, the provisions of any other laws to 11 the contrary notwithstanding. 12 (END)