

**2001 DRAFTING REQUEST**

**Bill**

Received: **01/08/2001**

Received By: **kahlepj**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget 7-7980**

By/Representing: **Mullikin**

This file may be shown to any legislator: **NO**

Drafter: **kahlepj**

May Contact:

Alt. Drafters:

Subject: **Econ. Development - misc.**

Extra Copies:

**Pre Topic:**

DOA:.....Mullikin -

**Topic:**

Allow WHEFA to issue bonds for private educational facilities

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj 01/09/2001	gilfokm 01/09/2001		_____			
/1			martykr 01/09/2001	_____	lrb_docadmin 01/09/2001		
/2	kahlepj 01/31/2001	gilfokm 01/31/2001	rschluet 02/01/2001	_____	lrb_docadmin 02/01/2001		
/3	kahlepj 02/02/2001	gilfokm 02/02/2001	kfollet 02/03/2001	_____	lrb_docadmin 02/03/2001		

2001 DRAFTING REQUEST

Bill

Received: 01/08/2001

Received By: kahlepj

Wanted: Soon

Identical to LRB:

For: Administration-Budget 7-7980

By/Representing: Mullikin

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Alt. Drafters:

Subject: Econ. Development - misc.

Extra Copies:

Pre Topic:

DOA:.....Mullikin -

Topic:

Allow WHEFA to issue bonds for private educational institutions facilities

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj 01/09/2001	gilfokm 01/09/2001					
/1			martykr 01/09/2001		lrb_docadmin 01/09/2001		
/2	kahlepj 01/31/2001	gilfokm 01/31/2001	rschluet 02/01/2001		lrb_docadmin 02/01/2001		

FE Sent For: *13-2/KMG* *10/2/01* *2/3* *10/2/01* *2/3* *self*

<END>

2001 DRAFTING REQUEST

Bill

Received: 01/08/2001

Received By: kahlepj

Wanted: Soon

Identical to LRB:

For: Administration-Budget 7-7980

By/Representing: Mullikin

This file may be shown to any legislator: NO

Drafter: kahlepj

May Contact:

Alt. Drafters:

Subject: Econ. Development - misc.

Extra Copies:

Pre Topic:

DOA:.....Mullikin -

Topic:

Allow WHEFA to issue bonds for private secondary educational institutions

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kahlepj 01/09/2001	gilfokm 01/09/2001					
/1		12-1/31-01 King	martykr 01/09/2001		lrb_docadmin 01/09/2001		
FE Sent For:			2-1-1	2-1-1			

<END>

**2001 DRAFTING REQUEST**

**Bill**

Received: **01/08/2001**

Received By: **kahlepj**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget 7-7980**

By/Representing: **Mullikin**

This file may be shown to any legislator: **NO**

Drafter: **kahlepj**

May Contact:

Alt. Drafters:

Subject: **Econ. Development - misc.**

Extra Copies:

**Pre Topic:**

DOA:.....Mullikin -

**Topic:**

Allow WHEFA to issue bonds for private secondary educational institutions

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
1?	kahlepj	1-1/KMG 1/9-01	Km 1/9	RPA 1/9	Y9		

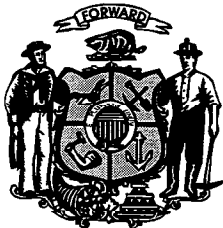
FE Sent For:

<END>

STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION  
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON  
GOVERNOR

GEORGE LIGHTBOURN  
SECRETARY



Office of the Secretary  
Post Office Box 7864  
Madison, WI 53707-7864  
Voice (608) 266-1741  
Fax (608) 267-3842  
TTY (608) 267-9629

**Date:** January 8, 2001

**To:** Steve Miller  
Legislative Reference Bureau

**From:** Melissa Mullikin *MM*  
State Budget Office

**Subject:** Statutory Language Budget Draft for WHEFA

Please prepare a statutory language draft that grants the Wisconsin Health and Educational Facilities Authority the authority to issue bonds for private secondary educational institutions.

*High school*

Thank you for your attention to this request. I can be reached at 267-7980.



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-1888

PJK.....

*King*

DOA:.....Mullikin - Allow WHEFA to issue bonds for private secondary educational institutions

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

*SOON  
(1-09)*

*do not  
go out*

1 AN ACT *x*; relating to: the budget.

*Analysis by the Legislative Reference Bureau*  
**COMMERCE AND ECONOMIC DEVELOPMENT**

**ECONOMIC DEVELOPMENT**

Under current law, WHEFA may issue bonds to finance certain projects of health or educational facilities and to refinance outstanding debt of health or educational facilities. Projects 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. An educational facility is defined as a regionally accredited, private, nonprofit postsecondary educational institution. The bill adds a private high school to the definition of an educational facility so that WHEFA may issue bonds to finance projects, or refinance outstanding debt, of private high schools.

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

2 SECTION 1. 231.01 (4m) of the statutes is renumbered 231.01 (4m) (intro.) and  
3 amended to read:



1-31

Frank Woodley - DOA

change 1888 so that any private,  
nonprofit school can be financed  
by WKEFA through bond  
insurance





State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-1888/2

PJK: [unclear] km

Ester  
v. m. s. h. m.

Fix request sheet  
↓

DOA:.....Mullikin - Allow WHEFA to issue bonds for private secondary educational institutions

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

SOON  
(1-31)

do not  
generate

1 AN ACT relating to: the budget.

*Analysis by the Legislative Reference Bureau*  
COMMERCE AND ECONOMIC DEVELOPMENT

ECONOMIC DEVELOPMENT

Under current law, WHEFA may issue bonds to finance certain projects of health or educational facilities and to refinance outstanding debt of health or educational facilities. Projects 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. An educational facility is defined as a regionally accredited, private, nonprofit postsecondary educational institution. The bill ~~adds private high schools to the definition of an educational facility~~ so that WHEFA may issue bonds to finance projects, or refinance outstanding debt, of private ~~high schools~~, nonprofit educational institution.

any regionally accredited,

insert A

institution

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

SECTION 1. 231.01 (4m) of the statutes is ~~renumbered 231.01 (4b) intro~~ and

amended to read:

3

change component 2

*Strike comma, too*

*plain*

1

231.01 (4m) ~~regional~~ "Educational facility" means a ~~any of the following~~

2

*not* ~~regional~~ regionally accredited, private, ~~postsecondary~~ educational institution

3 described in section 501 (c) (3) of the Internal Revenue Code, as defined in s. 71.22

4 (4), that is exempt from federal taxation under section 501 (a) of the Internal

5 Revenue Code.

6 SECTION 2. 231.01 (4m) (b) of the statutes is created to read:  
7 231.01 (4m) (b) A private high school.

8

(END)

**2001-2002 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-1888/2ins  
PJK.kmg:km

**INSERT A** ✓

eliminates the requirement that an educational facility be a postsecondary educational institution

**(END OF INSERT A)**

**Kahler, Pam**

---

**From:** Mullikin, Melissa  
**Sent:** Friday, February 02, 2001 1:31 PM  
**To:** Kahler, Pam  
**Subject:** FW: Proposed revision to WHEFA statute for private schools

Pam,

Could you please make Frank's revision to draft 1888?

Thanks much,  
Melissa

Melissa Mullikin  
Executive Policy and Budget Analyst  
State Budget Office  
267-7980

-----Original Message-----

**From:** Hoadley, Frank  
**Sent:** Friday, February 02, 2001 11:11 AM  
**To:** Mullikin, Melissa  
**Subject:** FW: Proposed revision to WHEFA statute for private schools

Melissa -

The following e-mail thread involves two of the bond lawyers at Foley & Lardner. I sent them the latest draft yesterday and they are suggesting (and I agree) that it be revised to use their language:

"Educational facility" means a facility used for education by a regionally accredited, private institution described in section 501(c)(3) . . ."

Frank Hoadley

-----Original Message-----

**From:** Groethe, Reed [mailto:reed.groethe@foleylaw.com]  
**Sent:** Thursday, February 1, 2001 6:50 PM  
**To:** 'Hoadley, Frank'  
**Cc:** Ryan, David B.  
**Subject:** RE: Proposed revision to WHEFA statute for private schools

Frank: The Larry Nines approach does present the problem Dave raises, since the language may be restricted to an institution that has "education" as its described charitable purpose.

Also, the sentence really isn't logical: it says that a facility is an institution.

Here is an alternative that is almost as simplistic but avoids those problems--

"Educational facility" means a facility used for education by a regionally accredited, private institution described in section 501(c)(3) . . .

Finally, I will check to determine what accrediting bodies exist for elementary and secondary schools.

> -----Original Message-----  
> From: Hoadley, Frank [SMTP:frank.hoadley@doa.state.wi.us]  
> Sent: Thursday, February 01, 2001 6:28 PM  
> To: 'Groethe, Reed'  
> Subject: RE: Proposed revision to WHEFA statute for private schools

>  
> Reed -  
>  
> Attached is the draft we are working with. Very simplistic, but what  
> Larry  
> Nines suggested.

>  
> Frank

>  
> -----Original Message-----  
> From: Groethe, Reed [mailto:reed.groethe@foleylaw.com]  
> Sent: Thursday, February 1, 2001 6:24 PM  
> To: 'Hoadley, Frank'  
> Cc: Ryan, David B.  
> Subject: FW: Proposed revision to WHEFA statute for private schools

>  
> Frank: I'm passing on a message from Dave Ryan, as a follow-up on our  
> discussion about expanding WHEFA's powers to cover private schools. Dave  
> raises a concern about the specific language you and I discussed (which,  
> as  
> I recall, was, more or less, "a private primary or secondary educational  
> institution described in section 501(c)(3) . . .")

>  
> The concern arises because the language refers to an "educational  
> institution described in section 501(c)(3)" rather than simply an  
> "institution described in section 501(c)(3)". Dave suggests one way to  
> correct this problem; there are, of course, other ways that would also  
> work.

>  
> Either Dave or I would be willing to discuss this concern further with you  
> or others.

>  
> Thanks.

>  
>> -----Original Message-----  
>> From: Ryan, David B.  
>> Sent: Thursday, February 01, 2001 5:58 PM  
>> To: Groethe, Reed  
>> Subject: Proposed revision to WHEFA statute for private schools

>>  
>> Reed:

>>  
>> I'm not sure that just adding a new definition that tracks the current  
>> definition of "educational facility" in s. 231.01(4m) -- but omits the  
>> terms "regionally accredited" and "post-secondary" -- will provide a  
>> clear  
>> definition for private elementary and secondary schools. I'm afraid  
>> that  
>> the remaining language could cause some confusion, and be read too  
>> narrowly. It would refer to a private educational institution described  
>> in section 501(c)(3) of the Internal Revenue Code. The problem is that  
>> 501(c)(3) includes a list of purposes which can give rise to tax exempt  
>> status. Among these are "religious," "charitable" and "educational."

>> My  
>> concern is that the language would suggest that only an organization

> whose  
>> charter indicates that it is organized for educational purposes would  
>> qualify. Schools that are operated by churches or other charitable  
>> organizations, but not separately incorporated, could be ineligible.  
>>  
>> I would suggest an alternative such as "facilities used for educational  
> or  
>> training purposes, and related housing, transportation, recreation, food  
>> preparation and service, administration, and other support activities,  
>> which are owned or operated by an organization described in section  
>> 501(c)(3) . . ."  
>>  
>> One other thought: the long-winded description of an exempt  
> organizations  
>> appears often enough that it may be worth defining "exempt  
> organization,"  
>> and using that term in (3m), (4m), (5) and the new definition discussed  
>> above.  
> << File: 01-18882.pdf >>



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRB-1888/3  
PJK:kmg:rs  
n m is run

request sheet change  
↓

DOA:.....Mullikin - Allow WHEFA to issue bonds for private educational  
~~institutions~~ facilities

FOR 2001-03 BUDGET - NOT READY FOR INTRODUCTION

very soon  
(2-2)

do not get lost

1 AN ACT relating to: the budget.

Analysis by the Legislative Reference Bureau  
COMMERCE AND ECONOMIC DEVELOPMENT  
ECONOMIC DEVELOPMENT

undertaken for

Insert A

Under current law, WHEFA may issue bonds to finance certain projects of health or educational facilities ~~and to refinance outstanding debt of health or educational facilities.~~ Projects 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. An educational facility is defined as a regionally accredited, private, nonprofit postsecondary educational institution. ~~The bill eliminates the requirement that an educational facility be a postsecondary educational institution so that WHEFA may issue bonds to finance projects, or refinance outstanding debt, of any regionally accredited, private, nonprofit educational institution.~~

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

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

2 231.01 (4m) "Educational facility" means a regionally accredited, private,  
 3 ~~postsecondary educational~~ institution <sup>that is</sup> described in section 501 (c) (3) of the Internal  
 4 Revenue Code, as defined in s. 71.22 (4), <sup>and</sup> that is exempt from federal taxation under  
 5 section 501 (a) of the Internal Revenue Code.

6 (END)

facility used for education

by a



2001-2002 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-1888/3ins  
PJK:kmg:rs

INSERT A ✓

The bill redefines an educational facility as a facility used for education by a regionally accredited, private, nonprofit institution so that the ~~educational~~ projects for which WHEFA may issue bonds are not limited to facilities and related structures for postsecondary education purposes.

(END OF INSERT A)



education-related



DOA:.....Mullikin – Allow WHEFA to issue bonds for private educational facilities

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

---

*Analysis by the Legislative Reference Bureau*

**COMMERCE AND ECONOMIC DEVELOPMENT**

**ECONOMIC DEVELOPMENT**

Under current law, WHEFA may issue bonds to finance certain projects undertaken for health or educational facilities. Projects 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. An educational facility is defined as a regionally accredited, private, nonprofit postsecondary educational institution. The bill redefines an educational facility as a facility used for education by a regionally accredited, private, nonprofit institution so that the education-related projects for which WHEFA may issue bonds are not limited to facilities and related structures for postsecondary education purposes.

---

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

