

1           (2) The net proceeds of revenue obligations issued under subch. II of ch. 18, as  
2 authorized under this section, shall be deposited in a fund in the state treasury, or  
3 an account maintained by a trustee, created under s. 18.57 (1). The moneys shall be  
4 applied for ancillary payments and for the provision of reserves, as determined by  
5 the building commission, and for the payment of part or all of the state's unfunded  
6 prior service liability under s. 40.05 (2) (b), as determined by the department, and  
7 any remainder shall be paid into a prior service liability obligation redemption fund  
8 created under 18.562 (3).

9           (3) The department shall have all powers necessary and convenient to  
10 distribute the excise tax fund revenues and to distribute the proceeds of the revenue  
11 obligations issued under this section in accordance with subch. II of ch. 18.

12           (4) The department may enter into agreements with the federal government  
13 or its agencies, political subdivisions of this state, individuals, or private entities to  
14 insure, or in any other manner provide, additional security for the revenue  
15 obligations issued under this section.

16           (5) (a) Subject to the limitation under par. (b), the building commission may  
17 contract revenue obligations, payable from the excise tax fund, under this section in  
18 the maximum amount that the building commission believes can be fully paid on a  
19 timely basis from moneys received or anticipated to be received in the excise tax fund.

20           (b) The requirements for funds used for the payment of the state's unfunded  
21 prior service liability under s. 40.05 (2) (b) that are to be paid from revenue  
22 obligations issued under this section shall be determined by the secretary, but shall  
23 not exceed \$750,000,000.

24           (6) Unless otherwise expressly provided in resolutions authorizing the  
25 issuance of revenue obligations under this section or in other agreements with the

1 owners of revenue obligations, each issue of revenue obligations under this section  
2 shall be on a parity with every other revenue obligation issued under this section and  
3 in accordance with subch. II of ch. 18.

4 (7) As determined by the building commission, any moneys deposited in the  
5 excise tax fund that are not required for the retirement of revenue obligations and  
6 providing for reserves and for ancillary payments authorized to be paid from such  
7 moneys are transferred to the general fund.

8 (8) Recognizing its moral obligation to do so, the legislature expresses its  
9 expectation and aspiration that, if the funds in the excise tax fund are insufficient  
10 to pay the principal of and interest on the revenue obligations issued under subch.  
11 II of ch. 18 pursuant to this section, the legislature shall make an appropriation from  
12 the general fund sufficient to pay the principal and interest on the obligations or to  
13 replenish a reserve fund, if applicable.

14 **\*-1016/6.2\* SECTION 182.** 16.527 of the statutes is created to read:

15 **16.527 Retirement of state's unfunded prior service liability under the**  
16 **Wisconsin Retirement System; appropriation obligations.** (1) LEGISLATIVE  
17 FINDING AND DETERMINATION. Recognizing that the state, by prepaying part or all of  
18 the state's unfunded prior service liability under s. 40.05 (2) (b), may reduce its costs  
19 and better ensure the timely and full payment of retirement benefits to participants  
20 and their beneficiaries under the Wisconsin Retirement System, the legislature finds  
21 and determines that it is in the public interest for the state to issue appropriation  
22 obligations to pay part or all of the state's unfunded prior service liability under s.  
23 40.05 (2) (b).

24 (2) DEFINITIONS. In this section:

1 (a) "Appropriation obligation" means an undertaking by the state to repay a  
2 certain amount of borrowed money that is all of the following:

3 1. Payable from moneys annually appropriated by law for debt service due with  
4 respect to such undertaking in that year.

5 2. Used for the purpose of paying part or all of the state's unfunded prior service  
6 liability under s. 40.05 (2) (b).

7 3. Not public debt under s. 18.01 (4).

8 (b) "Evidence of appropriation obligation" means a written promise to pay an  
9 appropriation obligation.

10 (c) "Refunding obligation" means an appropriation obligation contracted to  
11 fund or refund all or any part of one or more outstanding appropriation obligations.

12 (3) AUTHORIZATION OF APPROPRIATION OBLIGATIONS. (a) The department shall  
13 have all powers necessary and convenient to carry out its duties, and exercise its  
14 authority, under this section.

15 (b) 1. Subject to the limitation under subd. 2., the department may contract  
16 appropriation obligations of the state under this section.

17 2. Appropriation obligations issued under this section may not exceed  
18 \$750,000,000 in principal amount, excluding any obligations that have been  
19 defeased under a cash optimization program administered by the building  
20 commission. In addition to this limit on principal amount, the department may  
21 contract appropriation obligations as the department determines is desirable to fund  
22 or refund outstanding appropriation obligations issued under this section, to pay  
23 issuance or administrative expenses, to make deposits to reserve funds, to pay  
24 accrued or funded interest, to pay the costs of credit enhancement, or to make  
25 payments under other agreements entered into under sub. (4) (e).

1           (4) TERMS. (a) Money may be borrowed and evidences of appropriation  
2 obligation issued therefor pursuant to one or more written authorizing certifications  
3 under sub. (5), unless otherwise provided in the certification, at any time, in any  
4 specific amounts, at any rates of interest, for any term, payable at any intervals, at  
5 any place, in any manner, and having any other terms or conditions that the  
6 department considers necessary or useful. Appropriation obligations may bear  
7 interest at variable or fixed rates, bear no interest, or bear interest payable only at  
8 maturity or upon redemption prior to maturity.

9           (b) The department may authorize evidences of appropriation obligation  
10 having any provisions for prepayment considered necessary or useful, including the  
11 payment of any premium.

12           (c) Interest shall cease to accrue on an appropriation obligation on the date that  
13 the obligation becomes due for payment if payment is made or duly provided for, but  
14 the obligation and accrued interest shall continue to be a binding obligation  
15 according to its terms until 6 years overdue for payment, or such longer period as may  
16 be required by federal law. At that time, unless demand for its payment has been  
17 made, it shall be extinguished and considered no longer outstanding.

18           (d) All money borrowed by the state pursuant to evidences of appropriation  
19 obligation issued under this section shall be lawful money of the United States, and  
20 all appropriation obligations shall be payable in such money.

21           (e) At the time of, or in anticipation of, contracting for the appropriation  
22 obligations and at any time thereafter so long as the appropriation obligations are  
23 outstanding, the department may enter into agreements and ancillary  
24 arrangements relating to the appropriation obligations, including trust indentures,  
25 liquidity facilities, remarketing or dealer agreements, letter of credit agreements,

1 insurance policies, guaranty agreements, reimbursement agreements, indexing  
2 agreements, or interest exchange agreements. Any payments made or received  
3 pursuant to any such agreement or ancillary arrangement shall be made from or  
4 deposited into a program revenue appropriation account in the general fund.

5 (f) All evidences of appropriation obligation owned or held by any state fund are  
6 outstanding in all respects and the state agency controlling the fund shall have the  
7 same rights with respect to an evidence of appropriation obligation as a private party,  
8 but if any sinking fund acquires evidences of appropriation obligation that gave rise  
9 to such fund, the obligations are considered paid for all purposes and no longer  
10 outstanding and shall be canceled as provided in sub. (8) (e). All evidences of  
11 appropriation obligation owned by any state fund shall be registered to the fullest  
12 extent registrable.

13 (g) The state shall not be generally liable on evidences of appropriation  
14 obligation and evidences of appropriation obligation shall not be a debt of the state  
15 for any purpose whatsoever. Evidences of appropriation obligation, including the  
16 principal thereof and interest thereon, shall be payable only from amounts that the  
17 legislature may, from year to year, appropriate for the payment thereof.

18 (5) PROCEDURES. (a) No evidence of appropriation obligation may be issued by  
19 the state unless the issuance is pursuant to a written authorizing certification. The  
20 certification shall set forth the aggregate principal amount of appropriation  
21 obligations authorized thereby, the manner of sale of the evidences of appropriation  
22 obligation, and the form and terms thereof. The certification shall be signed by the  
23 secretary, or his or her designee, and shall be transmitted to the governor and the  
24 state treasurer.

1 (b) Appropriation obligations may be sold at either public or private sale and  
2 may be sold at any price or percentage of par value. The department may provide  
3 in any authorizing certification for refunding obligations under sub. (7) that they be  
4 exchanged privately in payment and discharge of any of the outstanding obligations  
5 being refinanced. All appropriation obligations sold at public sale shall be noticed  
6 as provided in the authorizing certification. Any bid received at public sale may be  
7 rejected.

8 (6) FORM. (a) Evidences of appropriation obligation may be in the form of  
9 bonds, notes, or other evidences of obligation, and may be issued in book-entry form  
10 or in certificated form. Notwithstanding s. 403.104 (1), every evidence of  
11 appropriation obligation is a negotiable instrument.

12 (b) Every evidence of appropriation obligation shall be executed in the name  
13 of and for the state by the governor and the state treasurer and shall be sealed with  
14 the great seal of the state or a facsimile thereof. The facsimile signature of either the  
15 governor or state treasurer, or both, may be imprinted in lieu of the manual signature  
16 of such officer, as the department directs, if approved by such officer. An evidence  
17 of appropriation obligation bearing the manual or facsimile signature of a person in  
18 office at the time such signature was signed or imprinted shall be fully valid  
19 notwithstanding that before or after the delivery thereof such person ceased to hold  
20 such office.

21 (c) Every evidence of appropriation obligation shall be dated not later than the  
22 date issued, shall contain a reference by date to the appropriate authorizing  
23 certification, shall state the limitation established in sub. (4) (g), and shall be in  
24 accordance with the authorizing certification.

1 (d) An evidence of appropriation obligation shall be in such form and contain  
2 such statements or terms as determined by the department, and may not conflict  
3 with law or with the appropriate authorizing certification.

4 (7) REFUNDING OBLIGATIONS. (a) 1. The department may authorize the issuance  
5 of appropriation obligation refunding obligations. Refunding obligations may be  
6 issued, subject to any contract rights vested in owners of obligations being  
7 refinanced, to refinance all or any part of one or more issue of obligations  
8 notwithstanding that the obligations may have been issued at different times. The  
9 principal amount of the refunding obligations may not exceed the sum of: the  
10 principal amount of the obligations being refinanced; applicable redemption  
11 premiums; unpaid interest on the obligations to the date of delivery or exchange of  
12 the refunding obligations; in the event the proceeds are to be deposited in trust as  
13 provided in par. (c), interest to accrue on the obligations from the date of delivery to  
14 the date of maturity or to the redemption date selected by the department, whichever  
15 is earlier; and the expenses incurred in the issuance of the refunding obligations and  
16 the payment of the obligations.

17 2. A determination by the department that a refinancing is advantageous or  
18 that any of the amounts provided subd. 1. should be included in the refinancing shall  
19 be conclusive.

20 (b) If the department determines to exchange refunding obligations, they may  
21 be exchanged privately for and in payment and discharge of any of the outstanding  
22 obligations being refinanced. Refunding obligations may be exchanged for such  
23 principal amount of the obligations being exchanged therefor as may be determined  
24 by the department to be necessary or advisable. The owners of the obligations being  
25 refunded who elect to exchange need not pay accrued interest on the refunding

1 obligations if and to the extent that interest is accrued and unpaid on the obligations  
2 being refunded and to be surrendered. If any of the obligations to be refinanced are  
3 to be called for redemption, the department shall determine which redemption dates  
4 are to be used, if more than one date is applicable and shall, prior to the issuance of  
5 the refunding obligations, provide for notice of redemption to be given in the manner  
6 and at the times required by the certification authorizing the outstanding  
7 obligations.

8 (c) 1. The principal proceeds from the sale of any refunding obligations shall  
9 be applied either to the immediate payment and retirement of the obligations being  
10 refinanced or, if the obligations have not matured and are not presently redeemable,  
11 to the creation of a trust for and shall be pledged to the payment of the obligations  
12 being refinanced.

13 2. If a trust is created, a separate deposit shall be made for each issue of  
14 appropriation obligations being refinanced. Each deposit shall be with the state  
15 treasurer or a bank or trust company that is a member of the Federal Deposit  
16 Insurance Corporation. If the total amount of any deposit, including money other  
17 than sale proceeds but legally available for such purpose, is less than the principal  
18 amount of the obligations being refinanced and for the payment of which the deposit  
19 has been created and pledged, together with applicable redemption premiums and  
20 interest accrued and to accrue to maturity or to the date of redemption, then the  
21 application of the sale proceeds shall be legally sufficient only if the money deposited  
22 is invested in securities issued by the United States or one of its agencies, or  
23 securities fully guaranteed by the United States, and only if the principal amount  
24 of the securities at maturity and the income therefrom to maturity will be sufficient  
25 and available, without the need for any further investment or reinvestment, to pay



1 at maturity or upon redemption the principal amount of the obligations being  
2 refinanced together with applicable redemption premiums and interest accrued and  
3 to accrue to maturity or to the date of redemption. The income from the principal  
4 proceeds of the securities shall be applied solely to the payment of the principal of  
5 and interest and redemption premiums on the obligations being refinanced, but  
6 provision may be made for the pledging and disposition of any surplus.

7 3. Nothing in this paragraph may be construed as a limitation on the duration  
8 of any deposit in trust for the retirement of obligations being refinanced that have  
9 not matured and that are not presently redeemable. Nothing in this paragraph may  
10 be construed to prohibit reinvestment of the income of a trust if the reinvestments  
11 will mature at such times that sufficient cash will be available to pay interest,  
12 applicable premiums, and principal on the obligations being refinanced.

13 (8) FISCAL REGULATIONS. (a) The state treasurer shall act as registrar for each  
14 evidence of appropriation obligation. No transfer of a registered evidence of  
15 appropriation obligation is valid unless made on a register maintained by the state  
16 treasurer, and the state may treat the registered owner as the owner of the  
17 instrument for all purposes. Payments of principal and interest shall be by electronic  
18 funds transfer, check, share draft, or other draft to the registered owner at the  
19 owner's address as it appears on the register, unless the department has otherwise  
20 provided. Information in the register is not available for inspection and copying  
21 under s. 19.35 (1). The department may make any other provision respecting  
22 registration as it considers necessary or useful. The state treasurer may enter into  
23 a contract for the performance of any of his or her functions relating to appropriation  
24 obligations.

1 (b) The state treasurer, or the treasurer's agent, shall maintain records  
2 containing a full and correct description of each evidence of appropriation obligation  
3 issued, identifying it, and showing its date, issue, amount, interest rate, payment  
4 dates, payments made, registration, destruction, and every other relevant  
5 transaction.

6 (c) The secretary may appoint one or more trustees and fiscal agents for each  
7 issue of appropriation obligations. The state treasurer may be denominated the  
8 trustee and the sole fiscal agent or a cofiscal agent for any issue of appropriation  
9 obligations. Every other fiscal agent shall be an incorporated bank or trust company  
10 authorized by the laws of the United States or of the state in which it is located to  
11 do a banking or trust company business. There may be deposited with a trustee, in  
12 a special account, moneys to be used only for the purposes expressly provided in the  
13 certification authorizing the issuance of evidences of appropriation obligation or an  
14 agreement between the department and the trustee. The department may make  
15 other provisions respecting trustees and fiscal agents as the department considers  
16 necessary or useful and may enter into a contract with any trustee or fiscal agent  
17 containing such terms, including compensation, and conditions in regard to the  
18 trustee or fiscal agent as the department considers necessary or useful.

19 (d) If any evidence of appropriation obligation is destroyed, lost, or stolen, the  
20 department shall execute and deliver a new evidence of appropriation obligation,  
21 upon filing with the department evidence satisfactory to the department that the  
22 evidence of appropriation obligation has been destroyed, lost, or stolen, upon  
23 providing proof of ownership thereof, and upon furnishing the department with  
24 indemnity satisfactory to it and complying with such other rules of the department  
25 and paying any expenses that the department or the state treasurer may incur. The

1 department shall cancel the evidences of appropriation obligation surrendered to the  
2 department.

3 (e) Unless otherwise directed by the department, every evidence of  
4 appropriation obligation paid or otherwise retired shall be marked “canceled” and  
5 delivered, through the state treasurer if delivered to a fiscal agent other than the  
6 state treasurer, to the state auditor who shall destroy them and deliver to the state  
7 treasurer a certificate to that effect.

8 (9) APPROPRIATION OBLIGATIONS AS LEGAL INVESTMENTS. Any of the following may  
9 legally invest any sinking funds, moneys, or other funds belonging to them or under  
10 their control in any appropriation obligations issued under this section:

11 (a) The state, the investment board, public officers, municipal corporations,  
12 political subdivisions, and public bodies.

13 (b) Banks and bankers, savings and loan associations, credit unions, trust  
14 companies, savings banks and institutions, investment companies, insurance  
15 companies, insurance associations, and other persons carrying on a banking or  
16 insurance business.

17 (c) Personal representatives, guardians, trustees, and other fiduciaries.

18 (10) MORAL OBLIGATION PLEDGE. Recognizing its moral obligation to do so, the  
19 legislature expresses its expectation and aspiration that it shall make timely  
20 appropriations from moneys in the general fund that are sufficient to pay the  
21 principal and interest due with respect to any appropriation obligations in any year.

22 \*-1688/2.1\* SECTION 183. 16.53 (1) (d) 1. of the statutes is amended to read:

23 16.53 (1) (d) 1. The secretary, with the approval of the joint committee on  
24 employment relations, shall fix the time, ~~except as provided in ss. 106.21 (9) (e) and~~  
25 ~~s. 106.215 (10) (e)~~, and frequency for payment of salaries due elective and appointive

1 officers and employees of the state. As determined under this subdivision, the  
2 salaries shall be paid either monthly, semimonthly or for each 2-week period.

\*\*\*\*NOTE: This is reconciled s. 16.53 (1) (d) 1. This SECTION has been affected by  
drafts with the following LRB numbers: LRB-1688/1 and LRB-1712/3.

3 **\*-0529/4.25\* SECTION 184.** 16.53 (5) of the statutes is amended to read:

4 16.53 (5) WARRANTS; WHAT TO SPECIFY. The secretary shall draw a warrant on  
5 the state treasurer treasury payable to the claimant for the amount allowed by the  
6 secretary upon every claim audited under sub. (1), except as authorized in s. 16.52  
7 (7), 20.920, or 20.929, specifying from what fund to be paid, the particular law ~~which~~  
8 that authorizes the claim to be paid out of the state treasury, and at the secretary's  
9 discretion the post-office address of the payee. ~~The secretary shall not credit the~~  
10 ~~treasurer for any sum of money paid out by the treasurer~~ No moneys may be paid out  
11 of the state treasury under this section otherwise than upon such warrants.

12 **\*-0529/4.26\* SECTION 185.** 16.53 (10) (a) of the statutes is amended to read:

13 16.53 (10) (a) If an emergency arises which requires the department to draw  
14 vouchers for payments which will be in excess of available moneys in any state fund,  
15 the secretary, ~~in consultation with the state treasurer, and~~ after notifying the joint  
16 committee on finance under par. (b), may prorate and establish priority schedules for  
17 all payments within each fund, including those payments for which a specific  
18 payment date is provided by statute, except as otherwise provided in this paragraph.  
19 The secretary shall draw all vouchers according to the preference provided in this  
20 paragraph. All direct or indirect payments of principal or interest on state bonds and  
21 notes issued under subch. I of ch. 18 have first priority. All direct or indirect  
22 payments of principal or interest on state notes issued under subch. III of ch. 18 have  
23 2nd priority. No payment having a 1st or 2nd priority may be prorated or reduced

1 under this subsection. All state employee payrolls have 3rd priority. The secretary  
2 shall draw all remaining vouchers according to a priority determined by the  
3 secretary. The secretary shall maintain records of all claims prorated under this  
4 subsection and shall provide written notice to the state treasurer when a potential  
5 cash flow emergency is anticipated.

6 \*~~0529/4.27~~\* SECTION 186. 16.53 (10) (b) of the statutes is amended to read:

7 16.53 (10) (b) Before exercising authority under par. (a) the secretary shall,  
8 ~~after consultation with the state treasurer~~, notify the joint committee on finance as  
9 to the need for and the procedures under which proration or priority schedules under  
10 par. (a) shall occur. If the joint committee on finance has not, within 2 working days  
11 after the notification, scheduled a meeting to review the secretary's proposal, the  
12 secretary may proceed with the proposed action. If, within 2 working days after the  
13 notification, the committee schedules a meeting, the secretary may not proceed with  
14 the proposed action until after the meeting is held.

15 \*~~1327/1.3~~\* SECTION 187. 16.53 (13) (a) of the statutes is amended to read:

16 16.53 (13) (a) In this subsection, "agency" has the meaning given in s. 16.70 ~~(1)~~  
17 (1e).

18 \*~~1634/7.22~~\* SECTION 188. 16.54 (2) (b) of the statutes is amended to read:

19 16.54 (2) (b) Upon presentation by the department to the joint committee on  
20 finance of alternatives to the provisions under s. ~~16.385~~ 16.27, the joint committee  
21 on finance may revise the eligibility criteria under s. ~~16.385~~ 16.27 (5), benefit  
22 payments under s. ~~16.385~~ 16.27 (6) or the amount allocated for crises under s. ~~16.385~~  
23 16.27 (3) (e) 2. and the department shall implement those revisions. Benefits or  
24 eligibility criteria so revised shall take into account and be consistent with the  
25 requirements of federal regulations promulgated under 42 USC 8621 to 8629. If

1 funds received under 42 USC 8621 to 8629 in a federal fiscal year total less than 90%  
2 of the amount received in the previous federal fiscal year, the department shall  
3 submit to the joint committee on finance a plan for expenditure of the funds. The  
4 department may not use the funds unless the committee approves the plan.

5 **\*-1327/1.4\* SECTION 189.** 16.545 (9) of the statutes is amended to read:

6 16.545 (9) To initiate contacts with the federal government for the purpose of  
7 facilitating participation by agencies, as defined in s. 16.70 (1) (1e), in federal aid  
8 programs, to assist those agencies in applying for such aid, and to facilitate  
9 influencing the federal government to make policy changes that will be beneficial to  
10 this state. The department may assess an agency to which it provides services under  
11 this subsection a fee for the expenses incurred by the department in providing those  
12 services.

13 **\*-1289/7.15\* SECTION 190.** 16.61 (2) (af) of the statutes is amended to read:

14 16.61 (2) (af) “Form” has the meaning specified in s. ~~22.01~~ 16.97 (5p).

15 **\*-1289/7.16\* SECTION 191.** 16.61 (3n) of the statutes is amended to read:

16 16.61 (3n) EXEMPT FORMS. The board may not receive or investigate complaints  
17 about the forms specified in s. ~~22.03~~ 16.971 (2m).

18 **\*-1327/1.5\* SECTION 192.** 16.70 (1) of the statutes is renumbered 16.70 (1e).

19 **\*-1327/1.6\* SECTION 193.** 16.70 (1b) of the statutes is created to read:

20 16.70 (1b) “Affiliate” means an individual or business that controls, is  
21 controlled by, or is under common control with another individual or business.

22 **\*-1327/1.7\* SECTION 194.** 16.70 (2e) of the statutes is created to read:

23 16.70 (2e) “Business” means a corporation, partnership, limited liability  
24 company, association, or sole proprietorship operated for profit.

25 **\*-1327/1.8\* SECTION 195.** 16.70 (3e) of the statutes is created to read:

1           16.70 (3e) “Control” means to own, directly or indirectly, more than 10% of the  
2 interest in or voting securities of a business.

3           \*~~0666/9.2~~\* SECTION 196. 16.70 (3m) of the statutes is amended to read:

4           16.70 (3m) “Educational technology” has the meaning given in s. ~~44.70~~ 115.997  
5 (3).

6           \*~~1289/7.17~~\* SECTION 197. 16.70 (4m) of the statutes is amended to read:

7           16.70 (4m) “Information technology” has the meaning given in s. ~~22.01~~ 16.97  
8 (6).

9           \*~~1289/7.18~~\* SECTION 198. 16.70 (15) of the statutes is amended to read:

10          16.70 (15) “Telecommunications” has the meaning given in s. ~~22.01~~ 16.97 (10).

11          \*~~1327/1.9~~\* SECTION 199. 16.70 (16) of the statutes is created to read:

12          16.70 (16) “Voting securities” means securities that confer upon the holder the  
13 right to vote for the election of members of the board of directors or similar governing  
14 body of a business, or are convertible into, or entitle the holder to receive upon their  
15 exercise, securities that confer such a right to vote.

16          \*~~1634/7.23~~\* SECTION 200. 16.705 (1m) of the statutes is amended to read:

17          16.705 (1m) Subsection (1) does not apply to contracts entered into by the  
18 volunteer fire fighter and emergency medical technician service award board under  
19 s. ~~16.25~~ 560.9813 (4) (b).

20          \*~~0576/8.20~~\* SECTION 201. 16.705 (3) (intro.) of the statutes is amended to  
21 read:

22          16.705 (3) (intro.) ~~Contracts for contractual services shall be submitted by the~~  
23 ~~department for the review and approval of the~~ The secretary of employment relations  
24 prior to award, under conditions established by rule of the department. ~~The~~

1 ~~secretary of employment relations~~, shall review such contracts for contractual  
2 services in order to ensure that agencies:

3 \*~~1289/7.19~~\* SECTION 202. 16.71 (1m) of the statutes is amended to read:

4 16.71 (1m) The department shall not delegate to any executive branch agency,  
5 other than the board of regents of the University of Wisconsin System, the authority  
6 to enter into any contract for materials, supplies, equipment, or contractual services  
7 relating to information technology ~~or telecommunications~~ prior to review and  
8 approval of the contract by the ~~chief information officer~~ department. The  
9 department shall not delegate to any executive branch agency the authority to enter  
10 into any contract for materials, supplies, equipment, or contractual services relating  
11 to telecommunications prior to review and approval of the contract by the  
12 department. No executive branch agency, ~~other than the board of regents of the~~  
13 ~~University of Wisconsin System~~, may enter into any such contract for which review  
14 is required under this subsection without review and approval of the contract by the  
15 ~~chief information officer~~ department.

16 \*~~1289/7.20~~\* SECTION 203. 16.71 (2m) of the statutes is repealed.

17 \*~~0666/9.3~~\* SECTION 204. 16.71 (4) of the statutes is amended to read:

18 16.71 (4) ~~With the approval of the department of electronic government~~ Upon  
19 request of the department of public instruction, the department of administration  
20 shall delegate authority to the ~~technology for educational achievement in Wisconsin~~  
21 ~~board~~ department of public instruction to make purchases of educational technology  
22 equipment for use by school districts, cooperative educational service agencies, and  
23 public educational institutions in this state, ~~upon request of the board~~ and to enter  
24 into cooperative purchasing agreements under s. 16.73 (1) under which participating  
25 school districts and cooperative educational service agencies may contract for their



1 professional employees to receive training concerning the effective use of educational  
2 technology.

3 \*~~1634/7.24~~\* SECTION 205. 16.71 (5) of the statutes is amended to read:

4 16.71 (5) The department shall delegate authority to the volunteer fire fighter  
5 and emergency medical technician service award board to enter into contracts under  
6 s. ~~16.25 560.9813~~ (4) (b).

7 \*~~1289/7.21~~\* SECTION 206. 16.72 (2) (a) of the statutes is amended to read:

8 16.72 (2) (a) The department of ~~administration~~ shall prepare standard  
9 specifications, as far as possible, for all state purchases. By “standard specifications”  
10 is meant a specification, either chemical or physical or both, prepared to describe in  
11 detail the article which the state desires to purchase, and trade names shall not be  
12 used. On the formulation, adoption and modification of any standard specifications,  
13 the department of administration shall also seek and be accorded without cost, the  
14 assistance, advice and cooperation of other agencies and officers. Each specification  
15 adopted for any commodity shall, insofar as possible, satisfy the requirements of any  
16 and all agencies which use it in common. ~~Any specifications for the purchase of~~  
17 ~~materials, supplies, equipment, or contractual services for information technology~~  
18 ~~or telecommunications purposes are subject to the approval of the chief information~~  
19 ~~officer.~~

20 \*~~1289/7.22~~\* SECTION 207. 16.72 (2) (b) of the statutes is amended to read:

21 16.72 (2) (b) Except as provided in ~~par. (a) and ss. 16.25 (4) (b), 16.751 and,~~  
22 ~~560.9813 (4) (b), and 565.25 (2) (a) 4.,~~ the department shall prepare or review  
23 specifications for all materials, supplies, equipment, other permanent personal  
24 property and contractual services not purchased under standard specifications.  
25 Such “nonstandard specifications” may be generic or performance specifications, or

1 both, prepared to describe in detail the article which the state desires to purchase  
2 either by its physical properties or by its programmatic utility. When appropriate  
3 for such nonstandard items or services, trade names may be used to identify what  
4 the state requires, but wherever possible 2 or more trade names shall be designated  
5 and the trade name of any Wisconsin producer, distributor or supplier shall appear  
6 first.

\*\*\*\*NOTE: This is reconciled s. 16.72 (2) (b). This SECTION has been affected by drafts  
with the following LRB numbers: LRB-1634/4 and LRB-1289/6.

7 **\*-1289/7.23\* SECTION 208.** 16.72 (4) (a) of the statutes is amended to read:

8 16.72 (4) (a) Except as provided in ss. 16.71 and 16.74 or as otherwise provided  
9 in this subchapter and the rules promulgated under s. 16.74 and this subchapter, all  
10 supplies, materials, equipment and contractual services shall be purchased for and  
11 furnished to any agency only upon requisition to the department. The department  
12 shall prescribe the form, contents, number and disposition of requisitions and shall  
13 promulgate rules as to time and manner of submitting such requisitions for  
14 processing. No agency or officer may engage any person to perform contractual  
15 services without the specific prior approval of the department for each such  
16 engagement. Purchases of supplies, materials, equipment or contractual services by  
17 ~~the department of electronic government,~~ the legislature, the courts or legislative  
18 service or judicial branch agencies do not require approval under this paragraph.

19 **\*-1746/4.2\* SECTION 209.** 16.72 (4) (b) of the statutes is amended to read:

20 16.72 (4) (b) The department shall promulgate rules for the declaration as  
21 surplus of supplies, materials and equipment in any agency and for the transfer to  
22 other agencies or for the disposal by private or public sale of supplies, materials and  
23 equipment. In either case ~~due credit shall be given to the agency releasing the same~~

1 , the department shall deposit the net proceeds in the budget stabilization fund,  
2 except that the department shall transfer any supplies, materials or equipment  
3 declared to be surplus to the department of tourism, upon request of the department  
4 of tourism, at no cost, if the transfer is permitted by the agency having possession  
5 of the supplies, materials or equipment.

6 **\*-0666/9.4\* SECTION 210.** 16.72 (8) of the statutes is amended to read:

7 16.72 (8) The department may purchase educational technology materials,  
8 supplies, equipment, or contractual services from orders placed with the department  
9 by the ~~technology for educational achievement in Wisconsin board~~ department of  
10 public instruction on behalf of school districts, cooperative educational service  
11 agencies, technical college districts, and the board of regents of the University of  
12 Wisconsin System.

13 **\*-1327/1.10\* SECTION 211.** 16.75 (1) (a) 1. of the statutes is amended to read:

14 16.75 (1) (a) 1. All orders awarded or contracts made by the department for all  
15 materials, supplies, equipment, and contractual services to be provided to any  
16 agency, except as otherwise provided in par. (c) and subs. (2), (2g), (2m), (3m), (3t),  
17 (6), (7), (8), ~~and (9), and (10m)~~ and ss. 16.73 (4) (a), 16.751, 16.754, 16.964 (8), 50.05  
18 (7) (f), and 287.15 (7), shall be awarded to the lowest responsible bidder, taking into  
19 consideration life cycle cost estimates under sub. (1m), when appropriate, the  
20 location of the agency, the quantities of the articles to be supplied, their conformity  
21 with the specifications, and the purposes for which they are required and the date  
22 of delivery.

23 **\*-1289/7.24\* SECTION 212.** 16.75 (3t) (a) of the statutes is amended to read:

24 16.75 (3t) (a) In this subsection, “form” has the meaning given under s. ~~22.01~~  
25 16.97 (5p).

1           \***-1289/7.25\*** SECTION 213. 16.75 (6) (am) of the statutes is amended to read:

2           16.75 (6) (am) Subsections (1) and (3t) do not apply to procurements by the  
3           ~~department of electronic government~~ department relating to information technology  
4           or telecommunications. Annually not later than October 1, the department of  
5           ~~electronic government~~ shall report to the ~~department of administration~~ governor, in  
6           the form specified by the ~~secretary~~ governor, concerning all procurements relating  
7           to information technology or telecommunications by the ~~department of electronic~~  
8           ~~government~~ department during the preceding fiscal year that were not made in  
9           accordance with the requirements of subs. (1) and (3t).

10          \***-1327/1.11\*** SECTION 214. 16.75 (10m) of the statutes is created to read:

11          16.75 (10m) The department, any other designated purchasing agent under s.  
12          16.71 (1), any agency making purchases under s. 16.74, and any authority shall not  
13          enter into any contract or order for the purchase of materials, supplies, equipment,  
14          or contractual services with a person if the name of the person, or the name of an  
15          affiliate of that person, is certified to the department by the secretary of revenue  
16          under s. 77.66.

17          \***-1289/7.26\*** SECTION 215. 16.752 (12) (i) of the statutes is amended to read:

18          16.752 (12) (i) Paragraph (a) does not apply to procurements by the department  
19          ~~of electronic government~~ relating to information technology or telecommunications.

20          \***-1289/7.27\*** SECTION 216. 16.78 (title) of the statutes is amended to read:

21          **16.78 (title) Purchases from department of ~~electronic government~~**  
22          relating to information technology or telecommunications.

23          \***-1289/7.28\*** SECTION 217. 16.78 (1) of the statutes is renumbered 16.78 (1) (a)

24          and amended to read:

1           16.78 (1) (a) Every Except as authorized in par. (b), every agency other than  
2           the board of regents of the University of Wisconsin System or an agency making  
3           purchases under s. 16.74 shall make all purchases of materials, supplies, equipment,  
4           and contractual services relating to information technology ~~or telecommunications~~  
5           from the department of ~~electronic government, unless.~~ Except as authorized in par.  
6           (b), every agency except an agency making purchases under s. 16.74 shall make all  
7           purchases of materials, supplies, equipment, and contractual services relating to  
8           telecommunications from the department.

9           (b) Paragraph (a) does not apply if the department of ~~electronic government~~  
10          requires the agency to purchase the materials, supplies, equipment, or contractual  
11          services pursuant to a master contract established under s. ~~22.05~~ 16.972 (2) (h), or  
12          grants written authorization to the agency to procure the materials, supplies,  
13          equipment, or contractual services under s. 16.75 (1) or (2m), to purchase the  
14          materials, supplies, equipment, or contractual services from another agency or to  
15          provide the materials, supplies, equipment, or contractual services to itself. The  
16          board of regents of the University of Wisconsin System may make purchases of  
17          materials, supplies, equipment, and contractual services relating to information  
18          technology ~~or telecommunications~~ from the department of ~~electronic government~~.

19           \*~~1289/7.29~~\* SECTION 218. 16.78 (2) of the statutes is amended to read:

20           16.78 (2) Sections 16.705 to 16.767 and 16.77 (1) do not apply to the purchase  
21           of materials, supplies, equipment, or contractual services by any agency from the  
22           department of ~~electronic government~~ under sub. (1) (a).

23           \*~~1910/2.1~~\* SECTION 219. 16.836 of the statutes is repealed.

24           \*~~1327/1.12~~\* SECTION 220. 16.84 (14) of the statutes is amended to read:

1 16.84 (14) Provide interagency mail delivery service for agencies, as defined  
2 in s. 16.70 ~~(1)~~ (1e). The department may charge agencies for this service. Any moneys  
3 collected shall be credited to the appropriation account under s. 20.505 (1) (kb).

4 **\*-1327/1.13\* SECTION 221.** 16.841 (1) (a) of the statutes is amended to read:

5 16.841 (1) (a) “Agency” has the meaning given in s. 16.70 ~~(1)~~ (1e).

6 **\*-1327/1.14\* SECTION 222.** 16.855 (16) (b) 1. of the statutes is amended to read:

7 16.855 (16) (b) 1. In this paragraph, “agency” has the meaning given in s. 16.70  
8 ~~(1)~~ (1e).

9 **\*-1634/7.25\* SECTION 223.** 16.957 (3) (a) of the statutes is amended to read:

10 16.957 (3) (a) ~~The division of housing~~ department shall, on the basis of  
11 competitive bids, contract with community action agencies described in s. 46.30 (2)  
12 (a) 1., nonstock, nonprofit corporations organized under ch. 181 or local units of  
13 government to provide services under the programs established under sub. (2) (a).

14 **\*-1887/1.1\* SECTION 224.** 16.964 (1) of the statutes is renumbered 16.964 (1g).

15 **\*-1882/2.1\* SECTION 225.** 16.964 (1g) (i) of the statutes is created to read:

16 16.964 (1g) (i) Apply for contracts and receive and expend any moneys or grant  
17 from the federal government related to homeland security.

18 **\*-1887/1.2\* SECTION 226.** 16.964 (2) of the statutes is amended to read:

19 16.964 (2) All persons in charge of law enforcement agencies and other criminal  
20 and juvenile justice system agencies shall supply the office with the information  
21 described in sub. ~~(1)~~ (1g) (g) on the basis of the forms or instructions or both to be  
22 supplied by the office under sub. ~~(1)~~ (1g) (g).

23 **\*-1887/1.3\* SECTION 227.** 16.964 (6) (a) of the statutes is renumbered 16.964  
24 (1d) and amended to read:

1           16.964 (1d) In this ~~subsection~~ section, “tribe” means a federally recognized  
2 American Indian tribe or band in this state.

3           \*–1887/1.4\* SECTION 228. 16.964 (6) (b) of the statutes is amended to read:

4           16.964 (6) (b) From the appropriation under s. 20.505 (6) (~~ks~~) (kq), the office  
5 shall provide grants to tribes to fund tribal law enforcement operations. To be  
6 eligible for a grant under this subsection, a tribe must submit an application for a  
7 grant to the office that includes a proposed plan for expenditure of the grant moneys.  
8 The office shall review any application and plan submitted to determine whether  
9 that application and plan meet the criteria established under par. (c). The office shall  
10 review the use of grant money provided under this subsection to ensure that the  
11 money is used according to the approved plan.

12           \*–1887/1.5\* SECTION 229. 16.964 (7) of the statutes is repealed and recreated  
13 to read:

14           16.964 (7) (a) From the appropriation under s. 20.505 (6) (kq), the office of  
15 justice assistance shall provide grants for cooperative county–tribal law enforcement  
16 services to counties that have one or more federally recognized American Indian  
17 reservations within or partially within their boundaries or that border on one or  
18 more federally recognized American Indian reservations. In order to receive aid  
19 under this subsection, a county must enter into an agreement in accordance with s.  
20 59.54 (12) with an Indian tribe that is located in or borders on the county, to establish  
21 a cooperative county–tribal law enforcement program. The office shall consider a  
22 request for aid under this subsection from any county that meets the eligibility  
23 criteria established under this paragraph and that submits to the office a proposal  
24 for expenditure of grant moneys.

1 (b) The office may require that a county include the following in its proposal  
2 for aid under this subsection:

3 1. A description of any cooperative county-tribal law enforcement program or  
4 law enforcement service for which the county requests funding.

5 2. A description of the population and geographic area that the county proposes  
6 to serve.

7 3. The county's need for funding under this subsection and the amount of  
8 funding requested.

9 4. Identification of the county governmental unit that shall administer any aid  
10 received under this subsection and a description of how that governmental unit shall  
11 disburse any aid received under this subsection.

12 5. Any information, other than that in subs. 1. to 4., that is required by the  
13 office or considered relevant by the county submitting the application.

14 (c) The office shall develop criteria and procedures for use in administering this  
15 subsection. Notwithstanding s. 227.10 (1), the criteria and procedures need not be  
16 promulgated as rules under ch. 227.

17 **\*-1559/2.1\* SECTION 230.** 16.964 (9) (intro.) of the statutes is created to read:  
18 16.964 (9) (intro.) From the appropriation under s. 20.505 (6) (p), the office  
19 shall distribute the following grants for children's community programs:

20 **\*-1289/7.31\* SECTION 231.** Subchapter VII (title) of chapter 16 [precedes  
21 16.97] of the statutes is amended to read:

22 **CHAPTER 16**

23 **SUBCHAPTER VII**

24 **EDUCATIONAL INFORMATION**

25 **TECHNOLOGY**



1           \*~~1289/7.30~~\* SECTION 232. 16.97 of the statutes is renumbered 16.97 (intro.)  
2 and amended to read:

3           **16.97     ~~Definition~~   Definitions.**     (intro.)     In this subchapter,  
4 “telecommunications” has the meaning given in s. 22.01 (10):

5           \*~~1289/7.32~~\* SECTION 233. 16.974 (intro.) of the statutes is repealed.

6           \*~~0666/9.5~~\* SECTION 234. 16.974 (1) of the statutes is amended to read:

7           16.974 (1) Coordinate with the ~~technology for educational achievement in~~  
8 ~~Wisconsin board~~ department of public instruction to provide secured correctional  
9 facilities, as defined in s. 44.70 115.997 (3r), school districts, and cooperative  
10 educational service agencies with telecommunications access under s. 44.73  
11 115.9995 and contract with telecommunications providers to provide ~~such~~ that  
12 access.

13           \*~~1289/7.33~~\* SECTION 235. 16.974 (1) to (4) of the statutes, as affected by 2003  
14 Wisconsin Act .... (this act), are renumbered 16.971 (13) to (16).

      \*\*\*NOTE: This is reconciled s. 16.974 (1) to (4). This SECTION has been affected by  
drafts with the following LRB numbers: LRB-0666/9 and LRB-1289/6.

15           \*~~0666/9.6~~\* SECTION 236. 16.974 (2) of the statutes is amended to read:

16           16.974 (2) ~~Subject to s. 44.73 (5), coordinate~~ Coordinate with the ~~technology for~~  
17 ~~educational achievement in Wisconsin board~~ department of public instruction to  
18 provide private colleges, technical college districts, public library boards and, public  
19 library systems, and public museums with telecommunications access under s. 44.73  
20 115.9995 and contract with telecommunications providers to provide ~~such~~ that  
21 access.

      \*\*\*NOTE: This is reconciled s. 16.974 (2). This SECTION has been affected by drafts  
with the following LRB numbers: LRB-0392/2 and LRB-0666/8.

22           \*~~0666/9.7~~\* SECTION 237. 16.974 (3) of the statutes is amended to read:

1           16.974 (3) ~~Coordinate with the technology for educational achievement in~~  
2 ~~Wisconsin board~~ department of public instruction to provide private schools with  
3 telecommunications access under s. 44.73 115.9995 and contract with  
4 telecommunications providers to provide such that access.

5           \*~~0666/9.8~~\* SECTION 238. 16.974 (4) of the statutes is amended to read:

6           16.974 (4) ~~Coordinate with the technology for educational achievement in~~  
7 ~~Wisconsin board~~ department of public instruction to provide the Wisconsin Center  
8 for the Blind and Visually Impaired and the Wisconsin Educational Services  
9 Program for the Deaf and Hard of Hearing with telecommunications access under  
10 s. 44.73 115.9995 and contract with telecommunications providers to provide such  
11 that access.

12           \*~~1932/4.1~~\* SECTION 239. 18.01 (4) (intro.) of the statutes is amended to read:

13           18.01 (4) (intro.) “Public debt” or “debt” means every voluntary, unconditional  
14 undertaking by the state, other than an operating note ~~or an interest exchange~~  
15 ~~agreement~~, to repay a sum certain:

16           \*~~1408/5.1~~\* SECTION 240. 18.06 (8) (a) of the statutes is renumbered 18.06 (8)  
17 (a) (intro.) and amended to read:

18           18.06 (8) (a) (intro.) ~~The~~ At the time of, or in anticipation of, contracting public  
19 debt and at any time thereafter while the public debt is outstanding, the commission  
20 may enter into agreements and ancillary arrangements for relating to the public  
21 debt, including liquidity facilities, remarketing or dealer agreements, letter of credit  
22 agreements, insurance policies, guaranty agreements, reimbursement agreements,  
23 indexing agreements, or interest exchange agreements. At the time of contracting  
24 for any such agreement or ancillary arrangement, the commission shall determine  
25 all of the following, if applicable:

1           \***-1408/5.2\*** SECTION 241. 18.06 (8) (a) 1. of the statutes is created to read:

2           18.06 (8) (a) 1. For any payment to be received with respect to the agreement  
3 or ancillary arrangement, whether the payment will be deposited into the bond  
4 security and redemption fund or the capital improvement fund.

5           \***-1408/5.3\*** SECTION 242. 18.06 (8) (a) 2. of the statutes is created to read:

6           18.06 (8) (a) 2. For any payment to be made with respect to the agreement or  
7 ancillary arrangement, whether the payment will be made from the bond security  
8 and redemption fund or the capital improvement fund and the timing of any transfer  
9 of funds.

10          \***-1932/4.2\*** SECTION 243. 18.07 (2) of the statutes is amended to read:

11          18.07 (2) Every loan agreement entered into pursuant to s. 18.06 (2) and every  
12 evidence of indebtedness given under such a loan agreement shall be executed in the  
13 name of and for the state by the secretary of the commission. Every other evidence  
14 of indebtedness shall be executed in the name of and for the state by the governor and  
15 by the state treasurer and shall be sealed with the great seal of the state or a facsimile  
16 thereof of any size, ~~and every interest coupon appurtenant thereto shall be executed~~  
17 ~~in the name of and for the state by the governor.~~ The facsimile signature of either  
18 the governor or state treasurer or both may be imprinted in lieu of the manual  
19 signature of such officer, as the commission directs, if approved by such officer, ~~and~~  
20 ~~shall be so imprinted in the case of interest coupons.~~ Evidence of indebtedness and  
21 ~~interest coupons appurtenant thereto~~ bearing the manual or facsimile signature of  
22 a person in office at the time such signature was signed or imprinted shall be fully  
23 valid notwithstanding that before or after the delivery thereof such person ceased to  
24 hold such office.

1           \*~~1932/4.3~~\* SECTION 244. 18.08 (1) (a) of the statutes renumbered 18.08 (1) (a)  
2 (intro.) is amended to read:

3           18.08 (1) (a) (intro.) All moneys resulting from the contracting of public debt  
4 or any payment to be received with respect to any agreement or ancillary  
5 arrangement entered into under s. 18.06 (8) (a) with respect to any such public debt  
6 shall be credited to a separate and distinct fund, established in the state treasury,  
7 designated as the capital improvement fund, except that ~~such~~:

8           1. Such moneys which represent ~~premium and~~ accrued interest on bonds ~~or~~  
9 ~~notes~~ issued, or are for purposes of funding or refunding bonds pursuant to s. 18.06  
10 (5) shall be credited to one or more of the sinking funds of the bond security and  
11 redemption fund or to the state building trust fund; and

12           \*~~1932/4.4~~\* SECTION 245. 18.08 (1) (a) 2. of the statutes is created to read:

13           18.08 (1) (a) 2. Any such moneys that represent premium or any payments  
14 received pursuant to any agreement or ancillary arrangement entered into under s.  
15 18.06 (8) (a) with respect to any such public debt may be credited to one or more of  
16 the sinking funds of the bond security and redemption fund or to the capital  
17 improvement fund as determined by the commission.

18           \*~~1932/4.4~~\* SECTION 246. 18.08 (2) of the statutes is amended to read:

19           18.08 (2) The capital improvement fund may be expended, pursuant to  
20 appropriations, only for the purposes and in the amounts for which the public debts  
21 have been contracted, for the payment of principal and interest on loans or on notes,  
22 for the payment due, if any, under an agreement or ancillary arrangement entered  
23 into under s. 18.06 (8) (a) with respect to any such public debt, for the purposes  
24 identified under s. 20.867 (2) (v) and (4) (q), and for expenses incurred in contracting  
25 public debt.

1           \***-1932/4.5\*** SECTION 247. 18.08 (4) of the statutes is amended to read:

2           18.08 (4) If at any time it appears that there will not be on hand in the capital  
3 improvement fund sufficient moneys for the payment of principal and interest on  
4 loans or on notes or for the payment due, if any, under an agreement or ancillary  
5 arrangement entered into under s. 18.06 (8) (a) with respect to any public debt, the  
6 department of administration shall transfer to such fund, out of the appropriation  
7 made pursuant to s. 20.866, a sum sufficient which, together with any available  
8 money on hand in such fund, is sufficient to make such payment.

9           \***-1932/4.6\*** SECTION 248. 18.09 (2) of the statutes is amended to read:

10          18.09 (2) Each sinking fund shall be expended, and all moneys from time to  
11 time on hand therein are irrevocably appropriated, in sums sufficient, only for the  
12 payment of principal and interest on the bonds giving rise to it and, premium, if any,  
13 due upon refunding redemption of any such bonds, and payment due, if any, under  
14 an agreement or ancillary arrangement entered into under s. 18.06 (8) (a) with  
15 respect to any such bonds.

16          \***-1932/4.7\*** SECTION 249. 18.10 (4) of the statutes is amended to read:

17          18.10 (4) DEBT HELD BY STATE. All evidence of indebtedness owned or held by  
18 any state fund shall be deemed to be outstanding in all respects and the agency  
19 having such fund under its control shall have the same rights with respect to such  
20 evidence of indebtedness as a private party, but if any sinking fund acquires bonds  
21 which gave rise to such fund, such bonds shall be deemed paid for all purposes and  
22 no longer outstanding and, ~~together with any interest coupons appurtenant thereto,~~  
23 shall be canceled as provided in sub. (11). All evidence of indebtedness owned by any  
24 state fund shall be registered to the fullest extent registrable.

25          \***-1932/4.8\*** SECTION 250. 18.10 (5) of the statutes is amended to read:

1           18.10 (5) REGISTRATION. The state treasurer shall act as registrar for evidence  
2 evidences of indebtedness registrable as to principal or interest or both. No transfer  
3 of a registered evidence of indebtedness is valid unless made on the register  
4 maintained by the state treasurer for that purpose, and the state shall be entitled  
5 to treat the registered owner as the owner of such instrument for all purposes.  
6 Payments of principal and interest, when registered as to interest, of registered  
7 instruments shall be by electronic funds transfer, check, share draft or other draft  
8 to the registered owner at the owner's address as it appears on the register, unless  
9 the commission has otherwise provided. Information in the register relating to the  
10 owners of evidence of indebtedness is not available for inspection and copying under  
11 s. 19.35 (1). The commission may make such other provisions respecting registration  
12 as it deems necessary or useful. The state treasurer may enter into a contract for the  
13 performance of any of his or her functions under this subsection and sub. (7).

14           \*-1932/4.9\* SECTION 251. 18.10 (8) of the statutes is amended to read:

15           18.10 (8) TRUSTEES AND FISCAL AGENTS. The commission may appoint one or  
16 more trustees and fiscal agents for each issue of bonds or notes. The state treasurer  
17 may be denominated the trustee and the sole fiscal agent or a cofiscal agent for any  
18 issue of bonds or notes. Every other such fiscal agent shall be an incorporated bank  
19 or trust company authorized by the laws of the United States or of the state in which  
20 it is located to do a banking or trust company business. ~~The commission shall~~  
21 ~~periodically require competitive proposals, under procedures established by the~~  
22 ~~commission, for fiscal agent services and, in so doing, shall consult the state~~  
23 ~~treasurer.~~ There may be deposited with a trustee, in a special account administered  
24 as provided in this chapter, moneys to be used only for the purposes expressly  
25 provided in a resolution authorizing the issuance of debt or an agreement between

1 the commission and the trustee. ~~There may be deposited with a fiscal agent, in a~~  
2 ~~special account for such purpose only, a sum estimated to be sufficient to enable such~~  
3 ~~fiscal agent to pay the principal and interest on public debt which will come due not~~  
4 ~~more than 15 days after the date of such deposit.~~ The commission may make such  
5 other provisions respecting trustees and fiscal agents as it deems necessary or useful  
6 and may enter into a contract with any trustee or fiscal agent containing such terms,  
7 including compensation, and conditions in regard to the trustee or fiscal agent as it  
8 deems necessary or useful.

9 **\*-1932/4.10\* SECTION 252.** 18.51 of the statutes is amended to read:

10 **18.51 Provisions applicable.** The following sections apply to this  
11 subchapter, except that all references to “public debt” or “debt” shall be read to refer  
12 to a “revenue obligation” and all references to “evidences of indebtedness” shall be  
13 read to refer to “evidences of revenue obligation”: ss. 18.02, 18.03, ~~18.06 (8)~~, 18.07,  
14 18.10 (1), (2), (4) to (9) ~~and, (11), and (12)~~, and 18.17.

15 **\*-1932/4.11\* SECTION 253.** 18.52 (1) of the statutes is renumbered 18.52 (1m).

16 **\*-1932/4.12\* SECTION 254.** 18.52 (1e) of the statutes is created to read:

17 18.52 (1e) “Ancillary payments” means payments for issuance costs and  
18 expenses, payments under contracts entered into under s. 18.55 (6), payments of  
19 accrued or funded interest, and payments of other costs and expenses of  
20 administering revenue obligations.

21 **\*-1932/4.13\* SECTION 255.** 18.53 (4) of the statutes is repealed and recreated  
22 to read:

23 18.53 (4) Unless otherwise provided in laws applicable to the issuance of a  
24 specific revenue obligation, in addition to the requirements established under sub.

1 (3), the commission shall establish the amounts required for ancillary payments and  
2 establishment of reserves relating to the revenue obligations.

3 \***-1932/4.14\*** SECTION 256. 18.54 (2) of the statutes is amended to read:

4 18.54 (2) The amount of evidences of revenue obligation issued or outstanding  
5 for purposes specified by the legislature under s. 18.53 (3) and (4) are subject only  
6 to the limits provided in the legislation which authorizes that revenue obligation.  
7 No refunding obligation is subject to any limitation specified by that legislation.

8 \***-1932/4.15\*** SECTION 257. 18.55 (5) of the statutes is amended to read:

9 18.55 (5) EXERCISE OF AUTHORITY. Money may be borrowed and evidences of  
10 revenue obligation issued therefor pursuant to one or more authorizing resolutions,  
11 unless otherwise provided in the resolution or in this subchapter, at any time and  
12 from time to time, for any combination of purposes, in any specific amounts, at any  
13 rates of interest, for any term, payable at any intervals, at any place, in any manner  
14 and having any other terms or conditions deemed necessary or useful. Revenue  
15 obligation bonds may bear interest at variable or fixed rates, bear no interest or bear  
16 interest payable only at maturity or upon redemption prior to maturity. Unless  
17 sooner exercised or unless a ~~shorter~~ different period is provided in the resolution,  
18 every authorizing resolution, except as provided in s. 18.59 (1), shall expire one year  
19 after the date of its adoption.

20 \***-1932/4.16\*** SECTION 258. 18.55 (6) of the statutes is created to read:

21 18.55 (6) AGREEMENTS AND ARRANGEMENTS; DELEGATION; USE OF REVENUE  
22 OBLIGATIONS. (a) At the time of, or in anticipation of, contracting revenue obligations  
23 and at any time thereafter while the revenue obligations are outstanding, the  
24 commission may enter into agreements and ancillary arrangements relating to the  
25 revenue obligations, including trust indentures, liquidity facilities, remarketing or



1 dealer agreements, letter of credit agreements, insurance policies, guaranty  
2 agreements, reimbursement agreements, indexing agreements, or interest  
3 exchange agreements. Any payment made or received pursuant to any such  
4 agreements or ancillary arrangements shall be made from or deposited into a fund  
5 relating to the relevant revenue obligation, as determined by the commission.

6 (b) The commission may delegate to other persons the authority and  
7 responsibility to take actions necessary and appropriate to implement agreements  
8 and ancillary arrangements under par. (a).

9 (c) Any revenue obligations may include revenue obligations contracted to fund  
10 interest, accrued or to accrue, on the revenue obligations.

11 **\*-1797/7.2\* SECTION 259.** 18.561 (2) of the statutes is amended to read:

12 18.561 (2) SECURITY INTERESTS OF OWNERS OF ENTERPRISE OBLIGATIONS. There is  
13 a mortgage lien upon or security interest in the income and property of each  
14 revenue-producing enterprise or program for the benefit of the owners of the related  
15 enterprise obligations and other persons specified in the authorizing resolution  
16 providing for the issuance of the particular enterprise obligations. No physical  
17 delivery, recordation or other action is required to perfect the security interest. The  
18 income and property of the revenue-producing enterprise or program shall remain  
19 subject to the lien or security interest until provision for payment in full of the  
20 principal of and interest of on the enterprise obligations, and other obligations  
21 specified in the authorizing resolution providing for the issuance of the particular  
22 enterprise obligations, has been made, as provided in the authorizing resolution.  
23 The lien or security interest for the benefit of the owners of the enterprise obligations  
24 and other persons specified in the authorizing resolution providing for the issuance  
25 of the particular enterprise obligations shall have priority over all conflicting

1 security interests in the income and property of the revenue-producing enterprise  
2 or program. Any owner of such enterprise obligations may either at law or in equity  
3 protect and enforce the lien and compel performance of all duties required by this  
4 section. If there is any default in the payment of the principal ~~of~~ or interest ~~of~~ on any  
5 of such enterprise obligations, any court having jurisdiction of the action may  
6 appoint a receiver to administer the revenue-producing enterprise or program on  
7 behalf of the state and the owners of the enterprise obligations, with power to charge  
8 and collect rates sufficient to provide for the payment of the operating expenses and  
9 also to pay any enterprise obligations outstanding against the revenue-producing  
10 enterprise or program, and to apply the income and revenues thereof in conformity  
11 with this subchapter and the authorizing resolution, or the court may declare the  
12 whole amount of the enterprise obligations due and payable, if such relief is  
13 requested, and may order and direct the sale of the revenue-producing enterprise  
14 or program. Under any sale so ordered, the purchaser shall be vested with an  
15 indeterminate permit to maintain and operate the revenue-producing enterprise or  
16 program. The legislature may provide for additions, extensions and improvements  
17 to a revenue-producing enterprise or program to be financed by additional issues of  
18 enterprise obligations as provided by this section. Such additional issues of  
19 enterprise obligations shall be subordinate to all prior related issues of enterprise  
20 obligations which may have been made under this section, unless the legislature, in  
21 the statute authorizing ~~the initial issue of enterprise obligations,~~ ~~permits the issue~~  
22 ~~of additional enterprise obligations on a parity therewith~~ a particular issue of  
23 enterprise obligations, or the authorizing resolution providing for the issuance of a  
24 particular enterprise obligation, permits the issue of additional enterprise  
25 obligations or other obligations on a parity therewith or senior thereto.

1           \*~~1797/7.3~~\* SECTION 260. 18.561 (3) of the statutes is amended to read:

2           18.561 (3) DEDICATION OF REVENUES. As accurately as possible in advance, the  
3           commission and the state department or agency carrying out program  
4           responsibilities for which enterprise obligations are to be issued shall determine, and  
5           the commission shall fix in the authorizing resolution for such enterprise obligations:  
6           the proportion of the revenues of the revenue-producing enterprise or program  
7           which shall be necessary for the reasonable and proper operation and maintenance  
8           thereof; the proportion of the revenues which shall be set aside as a proper and  
9           adequate replacement and reserve fund; and the proportion of the revenues which  
10          shall be set aside and applied to the payment of the principal of and interest of on  
11          the enterprise obligations, and ancillary payments authorized to be paid from such  
12          moneys; and the proportion of the revenues which shall be available for other  
13          purposes, and shall provide that the revenues be set aside in separate funds. At  
14          Subject to the provisions and covenants of the authorizing resolution, at any time  
15          after one year's operation, the state department or agency and the commission may  
16          recompute the proportion of the revenues which shall be assignable under this  
17          subsection based upon the experience of operation or upon the basis of further  
18          financing.

19          \*~~1932/4.17~~\* SECTION 261. 18.561 (5) of the statutes is amended to read:

20          18.561 (5) REDEMPTION FUND. The proportion which shall be set aside for the  
21          payment of the principal of and interest on the enterprise obligations ~~shall from~~  
22          ~~month to month as they accrue and are received and, as directed by the commission,~~  
23          payments to be received with respect to an agreement or ancillary arrangement  
24          entered into pursuant to s. 18.55 (6), shall, at such times as provided in the  
25          authorizing resolution, be set apart and paid into a separate fund in the treasury or

1 in an account maintained by a trustee appointed for that purpose in the authorizing  
2 resolution to be identified as “the ... redemption fund”. Each redemption fund shall  
3 be expended, and all moneys from time to time on hand therein are irrevocably  
4 appropriated, in sums sufficient, only for the payment of principal of and interest on  
5 the enterprise obligations giving rise to it and premium, if any, due upon redemption  
6 of any such obligations, and for ~~other obligations that are secured by the property or~~  
7 ~~income, or both, of the enterprise or program~~ payment of obligations under an  
8 agreement or ancillary arrangement entered into under s. 18.55 (6) to the extent  
9 provided for in an authorizing resolution. Moneys in the redemption funds may be  
10 commingled only for the purpose of investment with other public funds, but they  
11 shall be invested only in investment instruments permitted in s. 25.17 (3) (dr). All  
12 such investments shall be the exclusive property of the fund and all earnings on or  
13 income from such investments shall be credited to the fund.

14 \*~~1581/5.1~~\* SECTION 262. 18.562 (1) of the statutes is renumbered 18.562 (1)  
15 (a) and amended to read:

16 18.562 (1) (a) There is a security interest, for the benefit of the owners of the  
17 special fund obligations and other persons specified in the authorizing resolution  
18 providing for the issuance of the particular special fund obligations, in the amounts  
19 that arise after the creation of the special fund program in the special fund related  
20 to the special fund obligations. For this purpose, amounts in the special fund shall  
21 be accounted for on a first-in, first-out basis. ~~No, and no~~ physical delivery,  
22 recordation, or other action is required to perfect the security interest.

23 (c) The special fund shall remain subject to the security interest until provision  
24 for payment in full of the principal and interest of the special fund obligations, and  
25 other obligations specified in the authorizing resolution providing for the issuance

1 of the particular special fund obligations, has been made, as provided in the  
2 authorizing resolution.

3 (d) An owner of special fund obligations may either at law or in equity protect  
4 and enforce the security interest and compel performance of all duties required by  
5 this section.

6 **\*-1581/5.2\* SECTION 263.** 18.562 (1) (b) of the statutes is created to read:

7 18.562 (1) (b) 1. Except as provided in subd. 2., the security interest for the  
8 benefit of the owners of the special fund obligations and other persons specified in  
9 the authorizing resolution providing for the issuance of the particular special fund  
10 obligations shall have priority over all conflicting security interests to the fees,  
11 penalties, or excise taxes that are required to be deposited in the special fund.

12 2. For different special fund obligations secured by the same fees, penalties, or  
13 excise taxes, priority shall be established according to the date of issuance of the  
14 special fund obligation or the incurrence of the other obligations specified in an  
15 authorizing resolution, if applicable, with earlier issuances or incurrences having  
16 priority over later issuances or incurrences, unless laws governing the issuance of  
17 a particular special fund obligation or the authorizing resolution providing for the  
18 issuance of a particular special fund obligation permit later issuances or incurrences  
19 on a parity or priority basis.

20 **\*-1932/4.18\* SECTION 264.** 18.562 (3) of the statutes is amended to read:

21 18.562 (3) REDEMPTION FUND. The special fund revenues that are to be set aside  
22 for the payment of the principal of and interest of on the special fund obligations and,  
23 as directed by the commission, payments to be received with respect to an agreement  
24 or ancillary arrangement entered into under s. 18.55 (6), shall be paid into a separate  
25 fund in the treasury or in an account maintained by a trustee appointed for that

1 purpose in the authorizing resolution to be identified as “the ... redemption fund”.  
2 Each redemption fund shall be expended, and all moneys from time to time on hand  
3 therein are irrevocably appropriated, in sums sufficient, only for the payment of  
4 principal of and interest on the special fund obligations giving rise to it and premium,  
5 if any, due upon redemption of any such obligations, and for ~~other obligations that~~  
6 ~~are secured by any fees, penalties, or excise taxes deposited in the special fund~~  
7 payment of obligations under an agreement or ancillary arrangement entered into  
8 under s. 18.55 (6) to the extent provided for in an authorizing resolution. Moneys in  
9 the redemption funds may be commingled only for the purpose of investment with  
10 other public funds, but they shall be invested only in investment instruments  
11 permitted in s. 25.17 (3) (dr). All such investments shall be the exclusive property  
12 of the fund and all earnings on or income from such investments shall be credited to  
13 the fund.

14 **\*-1932/4.19\* SECTION 265.** 18.57 (1) of the statutes is amended to read:

15 18.57 (1) A separate and distinct fund shall be established in the state treasury  
16 or in an account maintained by a trustee appointed for that purpose by the  
17 authorizing resolution with respect to each revenue-producing enterprise or  
18 program the income from which is to be applied to the payment of any enterprise  
19 obligation. A separate and distinct fund shall be established in the state treasury  
20 or in an account maintained by a trustee appointed for that purpose by the  
21 authorizing resolution with respect to any special fund program that is ~~created by~~  
22 ~~the imposition of fees, penalties or excise taxes and is applied to the payment~~  
23 financed through the issuance of special fund obligations. All moneys resulting from  
24 the issuance of evidences of revenue obligation shall be credited to the appropriate  
25 fund, applied for refunding or note renewal purposes, or to make deposits to reserve

1 funds, except that moneys which represent ~~premium or~~ accrued interest or, to the  
2 extent provided in the resolution authorizing the issuance of such evidences of  
3 revenue obligation, premium received on the issuance of evidences shall be credited  
4 to the appropriate redemption fund. As determined by the commission, payments  
5 to be received under an agreement or ancillary arrangement entered into under s.  
6 18.55 (6) with respect to any such issuance of evidences of revenue obligation shall  
7 be credited to the appropriate fund.

\*\*\*\*NOTE: This is reconciled s. 18.57 (1). This SECTION has been affected by drafts  
with the following LRB numbers: LRB-1581 and LRB-1932.

8 **\*-1932/4.20\* SECTION 266.** 18.57 (2) of the statutes is amended to read:

9 18.57 (2) Moneys in such funds may be expended, pursuant to appropriations,  
10 only for the purposes and in the amounts for which borrowed, for the payment of the  
11 principal of and interest on related revenue obligations, to make deposits to reserve  
12 funds, and ~~for expenses incurred in issuing such obligations to make ancillary~~  
13 payments.

14 **\*-1932/4.21\* SECTION 267.** 18.58 (2) of the statutes is repealed.

15 **\*-1932/4.22\* SECTION 268.** 18.60 (2) of the statutes is amended to read:

16 18.60 (2) If the commission determines to exchange refunding obligations, they  
17 may be exchanged privately for and in payment and discharge of any of the  
18 outstanding obligations or notes being refinanced. Refunding obligations may be  
19 exchanged for ~~a like or greater principal amount of the obligations or notes being~~  
20 ~~exchanged therefor except that the principal amount of the refunding obligations~~  
21 ~~may exceed the principal amount of the obligations or notes being exchanged~~  
22 ~~therefor only to the extent determined by the commission to be necessary or~~  
23 ~~advisable to pay redemption premiums and unpaid interest to the date of exchange~~

1 ~~not otherwise provided for~~ such principal amount of the obligations or notes being  
2 exchanged therefore as may be determined by the commission to be necessary or  
3 advisable. The owners of the obligations or notes being refunded who elect to  
4 exchange need not pay accrued interest on the refunding obligations if and to the  
5 extent that interest is accrued and unpaid on the obligations or notes being refunded  
6 and to be surrendered. If any of the obligations or notes to be refinanced are to be  
7 called for redemption, the commission shall determine which redemption dates shall  
8 be used, if more than one date is applicable and shall, prior to the issuance of the  
9 refunding obligations, provide for notice of redemption to be given in the manner and  
10 at the times required by the proceedings authorizing the outstanding obligations or  
11 notes.

12 \*~~0529/4.28~~\* SECTION 269. 18.60 (3) of the statutes is amended to read:

13 18.60 (3) The principal proceeds from the sale of any refunding obligations  
14 shall be applied either to the immediate payment and retirement of the obligations  
15 or notes being refinanced or, if the obligations or notes have not matured and are not  
16 presently redeemable, to the creation of a trust for and shall be pledged to the  
17 payment of the obligations or notes being refinanced. If a trust is created, a separate  
18 deposit shall be made for each issue of obligations or notes being refinanced. Each  
19 deposit shall be with the ~~state treasurer~~ secretary of administration or a bank or  
20 trust company that is then a member of the federal deposit insurance corporation.  
21 If the total amount of any deposit, including money other than sale proceeds but  
22 legally available for such purpose, is less than the principal amount of the obligations  
23 or notes being refinanced and for the payment of which the deposit has been created  
24 and pledged, together with applicable redemption premiums and interest accrued  
25 and to accrue to maturity or to the date of redemption, then the application of the sale



1 proceeds shall be legally sufficient only if the money deposited is invested in  
2 securities issued by the United States or one of its agencies, or securities fully  
3 guaranteed by the United States, and only if the principal amount of the securities  
4 at maturity and the income therefrom to maturity will be sufficient and available,  
5 without the need for any further investment or reinvestment, to pay at maturity or  
6 upon redemption the principal amount of the obligations or notes being refinanced  
7 together with applicable redemption premiums and interest accrued and to accrue  
8 to maturity or to the date of redemption. The income from the principal proceeds of  
9 the securities shall be applied solely to the payment of the principal of and interest  
10 and redemption premiums on the obligations or notes being refinanced, but  
11 provision may be made for the pledging and disposition of any surplus. Nothing in  
12 this subsection shall be construed as a limitation on the duration of any deposit in  
13 trust for the retirement of obligations or notes being refinanced, but which have not  
14 matured and which are not presently redeemable. Nothing in this subsection shall  
15 be construed to prohibit reinvestment of the income of a trust if the reinvestments  
16 will mature at such times that sufficient cash will be available to pay interest,  
17 applicable premiums, and principal on the obligations or notes being refinanced.

18 \*~~1932/4.23~~\* SECTION 270. 18.61 (5) of the statutes is amended to read:

19 18.61 (5) The legislature may provide, with respect to any specific issue of  
20 revenue obligations, prior to their issuance, that if the special fund income or the  
21 enterprise or program income pledged to the payment of the principal of and interest  
22 of on the issue is insufficient for that purpose, or is insufficient to replenish a reserve  
23 fund, if applicable, it will consider supplying the deficiency by appropriation of funds,  
24 from time to time, out of the treasury. If the legislature so provides, the commission  
25 may make the necessary provisions therefor in the authorizing resolution and other

1 proceedings of the issue. Thereafter, if the contingency occurs, recognizing its moral  
2 obligation to do so, the legislature hereby expresses its expectation and aspiration  
3 that it shall make such appropriation.

4 **\*-1932/4.24\* SECTION 271.** 18.70 of the statutes is amended to read:

5 **18.70 Provisions applicable.** The following sections apply to this  
6 subchapter, except that all references to “public debt”, “debt” or “revenue obligation”  
7 are deemed to refer to “operating notes”, all references to “evidence of indebtedness”  
8 are deemed to refer to “evidence of operating note”, and all references to “evidences  
9 of indebtedness” are deemed to refer to “evidences of operating notes”: ss. 18.03,  
10 ~~18.06 (8)~~, 18.07, 18.10 (1), (2), (4) to (9) and (11), 18.17, 18.52 (1), ~~18.58 (2)~~ (1m), 18.61  
11 (1), 18.62 and 18.63.

12 **\*-1932/4.25\* SECTION 272.** 18.73 (5) of the statutes is created to read:

13 **18.73 (5) AGREEMENTS AND ARRANGEMENTS; DELEGATION; USE OF OPERATING NOTES.**

14 (a) At the time of, or in anticipation of, contracting operating notes and at any time  
15 thereafter while the operating notes are outstanding, the commission may enter into  
16 agreements and ancillary arrangements relating to the operating notes, including  
17 liquidity facilities, remarketing or dealer agreements, letter of credit agreements,  
18 insurance policies, guaranty agreements, reimbursement agreements, indexing  
19 agreements, or interest exchange agreements. Any payment received pursuant to  
20 any such agreements or ancillary arrangements shall be deposited in, and any  
21 payments made pursuant to any such agreements or ancillary arrangements will be  
22 made from, the general fund or the operating note redemption fund, as determined  
23 by the commission.

1 (b) The commission may delegate to other persons the authority and  
2 responsibility to take actions necessary and appropriate to implement agreements  
3 and ancillary arrangements under par. (a).

4 (c) Any operating notes may include operating notes contracted to fund  
5 interest, accrued or to accrue, on the operating notes.

6 **\*-1932/4.26\* SECTION 273.** 18.74 of the statutes is amended to read:

7 **18.74 Application of operating note proceeds.** All moneys resulting from  
8 the contracting of operating notes or any payment to be received under an agreement  
9 or ancillary arrangement entered into under s. 18.73 (5) with respect to any such  
10 operating notes shall be credited to the general fund, except that moneys which  
11 represent premium and accrued interest on operating notes, or moneys for purposes  
12 of funding or refunding operating notes pursuant to s. 18.72 (1) shall be credited to  
13 the operating note redemption fund.

14 **\*-1932/4.27\* SECTION 274.** 18.75 (2) of the statutes is amended to read:

15 18.75 (2) The operating note redemption fund shall be expended and all  
16 moneys from time to time on hand therein are irrevocably appropriated, in sums  
17 sufficient, only for the payment of principal and interest on operating notes giving  
18 rise to it and premium, if any, due upon refunding or early redemption of such  
19 operating notes, and for the payment due, if any, under an agreement or ancillary  
20 arrangement entered into under s. 18.73 (5) with respect to such operating notes.

21 **\*-1932/4.28\* SECTION 275.** 18.75 (4) of the statutes is amended to read:

22 18.75 (4) There shall be transferred, under s. 20.855 (1) (a), a sum sufficient  
23 for the payment of the principal, interest and premium due, if any, and for the  
24 payment due, if any, under an agreement or ancillary arrangement entered into  
25 pursuant to s. 18.73 (5) with respect to such operating notes on the operating notes

1 giving rise to it as the same falls due. Such transfers shall be so timed that there is  
2 at all times on hand in the fund an amount not less than the amount to be paid out  
3 of it during the ensuing 30 days or such other period if so provided for in the  
4 authorizing resolution. The commission may pledge the deposit of additional  
5 amounts at periodic intervals and the secretary of the department may impound  
6 moneys of the general fund, including moneys temporarily reallocated from other  
7 funds under s. 20.002 (11), in accordance with the pledge of revenues in the  
8 authorizing resolution, and all such impoundments are deemed to be payments for  
9 purposes of s. 16.53 (10), but no such impoundment may be made until the amounts  
10 to be paid into the bond security and redemption fund under s. 18.09 during the  
11 ensuing 30 days have been deposited in the bond security and redemption fund.

12 \*~~1289/7.34~~\* SECTION 276. 19.36 (4) of the statutes is amended to read:

13 19.36 (4) COMPUTER PROGRAMS AND DATA. A computer program, as defined in s.  
14 ~~22.03~~ 16.971 (4) (c), is not subject to examination or copying under s. 19.35 (1), but  
15 the material used as input for a computer program or the material produced as a  
16 product of the computer program is subject to the right of examination and copying,  
17 except as otherwise provided in s. 19.35 or this section.

18 \*~~0529/4.29~~\* SECTION 277. 19.43 (7) of the statutes is amended to read:

19 19.43 (7) If an official required to file fails to make a timely filing, the board  
20 shall promptly provide notice of the delinquency to the ~~state treasurer~~ secretary of  
21 administration, and to the chief executive of the department of which the official's  
22 office or position is a part, or, in the case of a district attorney, to the chief executive  
23 of that department and to the county clerk of each county served by the district  
24 attorney or in the case of a municipal judge to the clerk of the municipality of which  
25 the official's office is a part, or in the case of a justice, court of appeals judge, or circuit

1 judge, to the director of state courts. Upon such notification both the ~~state treasurer~~  
2 secretary of administration and the department, municipality, or director shall  
3 withhold all payments for compensation, reimbursement of expenses, and other  
4 obligations to the official until the board notifies the officers to whom notice of the  
5 delinquency was provided that the official has complied with this section.

6 **\*-1767/3.4\* SECTION 278.** 19.45 (7) (a) 4. of the statutes is amended to read:

7 19.45 (7) (a) 4. In a matter before the department of revenue or the office of the  
8 commissioner of tax appeals ~~commission~~ that involves the representation of a client  
9 in connection with a tax matter.

10 **\*-0576/8.21\* SECTION 279.** 19.45 (11) (a) of the statutes is amended to read:

11 19.45 (11) (a) The administrator of the division of merit recruitment and  
12 selection in the department of employment relations administration shall, with the  
13 board's advice, promulgate rules to implement a code of ethics for classified and  
14 unclassified state employees except state public officials subject to this subchapter,  
15 unclassified personnel in the University of Wisconsin System and officers and  
16 employees of the judicial branch.

17 **\*-1761/4.1\* SECTION 280.** 20.003 (4) (e) of the statutes is amended to read:

18 20.003 (4) (e) For fiscal year 2003–04, 1.6% the amount by which the  
19 appropriation under s. 20.435 (4) (b) is reduced for fiscal year 2003–04 under 2003  
20 Wisconsin Act .... (this act), section 9224 (1), or \$35,000,000, whichever is greater.

21 **\*-1761/4.2\* SECTION 281.** 20.003 (4) (f) of the statutes is amended to read:

22 20.003 (4) (f) For fiscal year 2004–05, 1.8% the amount by which the  
23 appropriation under s. 20.435 (4) (b) is reduced for fiscal year 2004–05 under 2003  
24 Wisconsin Act .... (this act), section 9224 (2), or \$40,000,000, whichever is greater.

25 **\*-1761/4.3\* SECTION 282.** 20.003 (4) (fm) of the statutes is created to read:

1 20.003 (4) (fm) For fiscal year 2005–06, \$75,000,000.

2 \*-1761/4.4\* SECTION 283. 20.003 (4) (g) of the statutes is amended to read:

3 20.003 (4) (g) For fiscal year 2005–06 2006–07 and each fiscal year thereafter,  
4 2%.

5 \*-1273/P2.1\* SECTION 284. 20.005 (1) of the statutes is repealed and recreated  
6 to read:

7 20.005 (1) SUMMARY OF ALL FUNDS. The budget governing fiscal operations for  
8 the state of Wisconsin for all funds beginning on July 1, 2003, and ending on June  
9 30, 2005, is summarized as follows: [See Figure 20.005 (1) following]

\*\*\*\*NOTE: The following schedules are from the 2001 budget bill from two years ago.  
They need 2003–05 versions. The 2001–03 years topping each column in all tables will  
need to be changed to 2003–05 years.

10  
11 **Figure: 20.005 (1)**  
12

### GENERAL FUND SUMMARY

	2001–02	2002–03
<b>Opening Balance, July 1</b>	\$ 180,214,800	\$ 152,687,300
<b>Revenues and Transfers</b>		
Estimated Taxes	\$10,654,100,000	\$11,169,027,500
Estimated Departmental Revenues		
Tobacco Settlement	155,526,000	157,602,800
Tobacco Securitization	450,000,000	–0–
Other	183,752,800	182,826,700
<b>Total Available</b>	<b>\$11,623,593,600</b>	<b>\$11,662,144,300</b>
<b>Appropriations, Transfers and Reserves</b>		
Gross Appropriations	\$11,578,951,600	\$11,670,350,400
Compensation Reserves	27,900,000	82,500,000
Transfer to Tobacco Control Fund	6,032,300	15,345,100

	2001-02	2002-03
Prescription Drug Legislation	-0-	44,000,000
Less Estimated Lapses	<u>-141,977,600</u>	<u>-201,710,000</u>
<b>Total Expenditures</b>	\$11,470,906,300	\$11,610,485,500
<b>Balances</b>		
Gross Balance	\$ 152,687,300	\$ 51,658,800
Less Required Statutory Balance	<u>-139,282,200</u>	<u>-50,000,000</u>
<b>Net Balance, June 30</b>	\$ 13,405,100	\$ 1,658,800

## SUMMARY OF APPROPRIATIONS — ALL FUNDS

	2001-02	2002-03
General Purpose Revenue	\$11,578,951,600	\$11,670,350,400
Federal Revenue		
Program Revenue	4,759,271,300	4,833,602,200
Segregated Revenue	<u>716,680,000</u>	<u>745,123,600</u>
	\$ 5,475,951,300	\$ 5,578,725,800
Program Revenue		
State	2,293,638,000	2,352,071,600
Service	<u>729,931,100</u>	<u>723,413,200</u>
	\$ 3,023,569,100	\$ 3,075,484,800
Segregated Revenue		
State	2,968,116,600	2,713,296,900
Local	72,740,300	72,081,200
Service	<u>160,654,400</u>	<u>165,381,100</u>
	\$ 3,201,511,300	\$ 2,950,759,200
<b>GRAND TOTAL</b>	\$23,279,983,300	\$23,275,320,200

**SUMMARY OF COMPENSATION RESERVES — ALL FUNDS**

	2001-02	2002-03
General Purpose Revenue	\$ 27,900,000	\$ 82,500,000
Federal Revenue	7,565,700	22,503,500
Program Revenue	20,465,700	60,593,100
Segregated Revenue	<u>4,765,300</u>	<u>14,108,600</u>
<b>TOTAL</b>	<b>\$ 60,696,700</b>	<b>\$ 179,705,200</b>

**LOTTERY FUND SUMMARY**

	2001-02	2002-03
<b>Gross Revenue</b>	<b>\$ 403,719,100</b>	<b>\$ 402,943,000</b>
<b>Expenses</b>		
Prizes	\$ 230,258,200	\$ 229,867,000
Administrative Expenses	<u>63,363,300</u>	<u>63,685,000</u>
	<b>\$ 293,621,500</b>	<b>\$ 293,552,000</b>
<b>Net Proceeds</b>	<b>\$ 110,097,600</b>	<b>\$ 109,391,000</b>
<b>Total Available for Property Tax Relief</b>		
Opening Balance	\$ 9,324,400	\$ 8,074,400
Net Proceeds	110,097,600	109,391,000
Interest Earnings	2,335,000	2,455,000
Gaming-Related Revenue	<u>2,477,300</u>	<u>1,995,900</u>
	<b>\$ 124,234,300</b>	<b>\$ 121,916,300</b>
<b>Property Tax Relief</b>	<b>\$ 116,159,900</b>	<b>\$ 113,857,400</b>



	2001-02	2002-03
<b>Gross Closing Balance</b>	\$ 8,074,400	\$ 8,058,900
<b>Reserve</b>	\$ 8,074,400	\$ 8,058,900
<b>Net Closing Balance</b>	\$ -0-	\$ -0-

- 1  
2       \***-1273/P2.2**\* **SECTION 285.** 20.005 (2) of the statutes is repealed and recreated  
3 to read:  
4       20.005 (2) **STATE BORROWING PROGRAM SUMMARY.** The following schedule sets  
5 forth the state borrowing program summary: [See Figures 20.005 (2) (a) and (b)  
6 following]

\*\*\*\*NOTE: The following schedules are from the 2001 budget bill from two years ago.  
They need to be updated with the 2003-05 figures.

**SUMMARY OF BONDING AUTHORITY MODIFICATIONS  
2001-03 FISCAL BIENNIUM**

Source and Purpose	Amount
<b>GENERAL OBLIGATIONS</b>	
<b>Administration</b>	
Educational communications facilities	\$ 8,658,100
<b>Agriculture, Trade and Consumer Protection</b>	
Soil and water	7,000,000
<b>Building Commission</b>	
Housing state departments and agencies	76,956,500
Project contingencies	8,819,100
Capital equipment acquisition	10,469,000
Other public purposes	148,331,500

Source and Purpose	Amount
<b>Corrections</b>	
Correctional facilities	93,015,600
<b>Educational Communications Board</b>	
Educational communications facilities	14,200,000
(Transfer to Department of Administration)	-8,658,100
<b>Environmental Improvement Program</b>	
Clean water fund program	85,000,000
<b>Health and Family Services</b>	
Mental health and secure treatment facilities	2,617,200
<b>Medical College of Wisconsin</b>	
Biomedical research and technology incubator	25,000,000
<b>Military Affairs</b>	
Armories and military facilities	2,004,600
<b>Natural Resources</b>	
Nonpoint source grants	19,000,000
Urban nonpoint source cost sharing	4,700,000
Municipal flood control and riparian restoration	9,000,000
Environmental repair	5,000,000
Pollution abatement and sewage collection facilities	-8,956,400
Segregated revenue supported facilities	7,199,800
Environmental segregated fund supported administrative facilities	3,719,500
<b>State Fair Park</b>	
Board facilities	700,000
Self-amortizing facilities	1,000,000