



## 2007 SENATE BILL 366

1     **AN ACT** *to amend* 59.605 (1) (a), 67.01 (9) (intro.), 67.04 (5) (b) 4. and 67.12 (12)  
2           (a); and *to create* 59.85, 59.86, 59.87, 66.0602 (3) (d) 3., 66.0603 (1m) (e),  
3           66.0603 (5) and 67.045 (1) (g) of the statutes; **relating to:** unfunded pension  
4           liability financing in populous counties and membership on the pension study  
5           committee.

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*Analysis by the Legislative Reference Bureau*

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

6           **SECTION 1.** 59.605 (1) (a) of the statutes is amended to read:  
7           59.605 (1) (a) “Debt levy” means the county purpose levy for debt service on  
8           loans under subch. II of ch. 24, bonds issued under s. 67.05 and, promissory notes  
9           issued under s. 67.12 (12), and appropriation bonds issued under s. 59.85, less any  
10          revenues that abate the levy.

**SENATE BILL 366****SECTION 2**

1           **SECTION 2.** 59.85 of the statutes is created to read:

2           **59.85 Appropriation bonds for payment of employee retirement**  
3 **system liability in populous counties. (1) DEFINITIONS.** In this section:

4           (a) “Appropriation bond” means a bond issued by a county to evidence its  
5 obligation to repay a certain amount of borrowed money that is payable from all of  
6 the following:

7           1. Moneys annually appropriated by law for debt service due with respect to  
8 such appropriation bond in that year.

9           2. Proceeds of the sale of such appropriation bonds.

10           3. Payments received for that purpose under agreements and ancillary  
11 arrangements described in s. 59.86.

12           4. Investment earnings on amounts in subs. 1. to 3.

13           (b) “Board” means the county board of supervisors in any county.

14           (c) “Bond” means any bond, note, or other obligation of a county issued under  
15 this section.

16           (d) “County” means any county having a population of 500,000 or more.

17           (e) “Refunding bond” means an appropriation bond issued to fund or refund all  
18 or any part of one or more outstanding pension-related bonds.

19           **(1m) LEGISLATIVE FINDING AND DETERMINATION.** Recognizing that a county, by  
20 prepaying part or all of the county’s unfunded prior service liability with respect to  
21 an employee retirement system of the county, may reduce its costs and better ensure  
22 the timely and full payment of retirement benefits to participants and their  
23 beneficiaries under the employee retirement system, the legislature finds and  
24 determines that it is in the public interest for the county to issue appropriation bonds  
25 to obtain proceeds to pay its unfunded prior service liability.

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1           **(2) AUTHORIZATION OF APPROPRIATION BONDS.** (a) A board shall have all powers  
2 necessary and convenient to carry out its duties, and to exercise its authority, under  
3 this section.

4           (b) Subject to pars. (c) and (d), a county may issue appropriation bonds under  
5 this section to pay all or any part of the county's unfunded prior service liability with  
6 respect to an employee retirement system of the county, or to fund or refund  
7 outstanding appropriation bonds issued under this section. A county may use  
8 proceeds of appropriation bonds to pay issuance or administrative expenses, to make  
9 deposits to reserve funds, to pay accrued or funded interest, to pay the costs of credit  
10 enhancement, to make payments under other agreements entered into under s.  
11 59.86, or to make deposits to stabilization funds established under s. 59.87.

12           (c) Other than refunding bonds issued under sub. (6), all bonds must be issued  
13 simultaneously.

14           (d) 1. Before a county may issue appropriation bonds under par. (b), its board  
15 shall enact an ordinance that establishes a 5-year strategic and financial plan  
16 related to the payment of all or any part of the county's unfunded prior service  
17 liability with respect to an employee retirement system of the county. The strategic  
18 and financial plan shall provide that future annual pension liabilities are funded on  
19 a current basis. The strategic and financial plan shall contain quantifiable  
20 benchmarks to measure compliance with the plan. The board shall make a  
21 determination that the ordinance meets the requirements of this subdivision and,  
22 absent manifest error, the board's determination shall be conclusive. The board shall  
23 submit to the governor and to the chief clerk of each house of the legislature, for  
24 distribution to the legislature under s. 13.172 (2), a copy of the strategic and financial  
25 plan.

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1           2. Annually, the county shall submit to the governor, the department of  
2 revenue, and the department of administration, and to the chief clerk of each house  
3 of the legislature, for distribution to the legislature under s. 13.172 (2), a report that  
4 includes all of the following:

5           a. The county's progress in meeting the benchmarks in the strategic and  
6 financial plan.

7           b. Any proposed modifications to the plan.

8           c. The status of any stabilization fund that is established under s. 59.87 (3).

9           d. The most current actuarial report related to the county's employee  
10 retirement system.

11           e. The amount, if any, by which the county's contributions to the employee  
12 retirement system for the prior year is less than the normal cost contribution for that  
13 year as specified in the initial actuarial report for the county's employee retirement  
14 system for that year.

15           f. The amount that the actuary determines is the county's required contribution  
16 to the employee retirement system for that year.

17           **(2m)** PENALTY FOR INADEQUATE CONTRIBUTION. If the county's contributions to  
18 the employee retirement system for the prior year is less than the lower of the  
19 required contribution for that year, as described in sub. (2) (d) 2. f., or the normal cost  
20 for that year, the department of revenue shall reduce and withhold the amount of the  
21 shared revenue payments to the county under subch. I of ch. 79, in the following year,  
22 by an amount equal to the difference between the required cost contribution for that  
23 prior year and the county's actual contribution in that prior year. The department  
24 of revenue shall deposit the amount of the reduced and withheld shared revenue  
25 payment into the county's employee retirement system.

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1           **(3) TERMS.** (a) A county may borrow moneys and issue appropriation bonds in  
2 evidence of the borrowing pursuant to one or more written authorizing resolutions  
3 under sub. (4). Unless otherwise provided in an authorizing resolution, the county  
4 may issue appropriation bonds at any time, in any specific amounts, at any rates of  
5 interest, for any term, payable at any intervals, at any place, in any manner, and  
6 having any other terms or conditions that the board considers necessary or desirable.  
7 Appropriation bonds may bear interest at variable or fixed rates, bear no interest,  
8 or bear interest payable only at maturity or upon redemption prior to maturity.

9           (b) The board may authorize appropriation bonds having any provisions for  
10 prepayment the board considers necessary or desirable, including the payment of  
11 any premium.

12           (c) Interest shall cease to accrue on an appropriation bond on the date that the  
13 appropriation bond becomes due for payment if payment is made or duly provided  
14 for.

15           (d) All moneys borrowed by a county that is evidenced by appropriation bonds  
16 issued under this section shall be lawful money of the United States, and all  
17 appropriation bonds shall be payable in such money.

18           (e) All appropriation bonds owned or held by a fund of the county are  
19 outstanding in all respects and the board or other governing body controlling the  
20 fund shall have the same rights with respect to an appropriation bond as a private  
21 party, but if any sinking fund acquires appropriation bonds that gave rise to such  
22 fund, the appropriation bonds are considered paid for all purposes and no longer  
23 outstanding and shall be canceled as provided in sub. (7) (d).

24           (f) A county shall not be generally liable on appropriation bonds, and  
25 appropriation bonds shall not be a debt of the county for any purpose whatsoever.

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1 Appropriation bonds, including the principal thereof and interest thereon, shall be  
2 payable only from amounts that the board may, from year to year, appropriate for the  
3 payment thereof.

4 **(4) PROCEDURES.** (a) No appropriation bonds may be issued by a county unless  
5 the issuance is pursuant to a written authorizing resolution adopted by a majority  
6 of a quorum of the board. The resolution may be in the form of a resolution or trust  
7 indenture, and shall set forth the aggregate principal amount of appropriation bonds  
8 authorized thereby, the manner of their sale, and the form and terms thereof. The  
9 resolution or trust indenture may establish such funds and accounts, including a  
10 reserve fund, as the board determines.

11 (b) Appropriation bonds may be sold at either public or private sale and may  
12 be sold at any price or percentage of par value. All appropriation bonds sold at public  
13 sale shall be noticed as provided in the authorizing resolution. Any bid received at  
14 public sale may be rejected.

15 **(5) FORM.** (a) As determined by the board, appropriation bonds may be issued  
16 in book-entry form or in certificated form. Notwithstanding s. 403.104 (1), every  
17 evidence of appropriation bond is a negotiable instrument.

18 (b) Every appropriation bond shall be executed in the name of and for the  
19 county by the chairperson of the board and county clerk, and shall be sealed with the  
20 seal of the county, if any. Facsimile signatures of either officer may be imprinted in  
21 lieu of manual signatures, but the signature of at least one such officer shall be  
22 manual. An appropriation bond bearing the manual or facsimile signature of a  
23 person in office at the same time the signature was signed or imprinted shall be fully  
24 valid notwithstanding that before or after the delivery of such appropriation bond  
25 the person ceased to hold such office.

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1 (c) Every appropriation bond shall be dated not later than the date it is issued,  
2 shall contain a reference by date to the appropriate authorizing resolution, shall  
3 state the limitation established in sub. (3) (f), and shall be in accordance with the  
4 appropriate authorizing resolution in all respects.

5 (d) An appropriation bond shall be substantially in such form and contain such  
6 statements or terms as determined by the board, and may not conflict with law or  
7 with the appropriate authorizing resolution.

8 **(6) REFUNDING BONDS.** (a) 1. A board may authorize the issuance of refunding  
9 appropriation bonds. Refunding appropriation bonds may be issued, subject to any  
10 contract rights vested in owners of the appropriation bonds being refunded, to refund  
11 all or any part of one or more issues of appropriation bonds notwithstanding that the  
12 appropriation bonds may have been issued at different times or issues of general  
13 obligation promissory notes under s. 67.12 (12) were issued to pay unfunded prior  
14 service liability with respect to an employee retirement system. The principal  
15 amount of the refunding appropriation bonds may not exceed the sum of: the  
16 principal amount of the appropriation bonds or general obligation promissory notes  
17 being refunded; applicable redemption premiums; unpaid interest on the refunded  
18 appropriation bonds or general obligation promissory notes to the date of delivery or  
19 exchange of the refunding appropriation bonds; in the event the proceeds are to be  
20 deposited in trust as provided in par. (c), interest to accrue on the appropriation  
21 bonds or general obligation promissory notes to be refunded from the date of delivery  
22 to the date of maturity or to the redemption date selected by the board, whichever  
23 is earlier; and the expenses incurred in the issuance of the refunding appropriation  
24 bonds and the payment of the refunded appropriation bonds or general obligation  
25 promissory notes.

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1           2. A board may authorize the issuance of general obligation promissory notes  
2 under s. 67.12 (12) (a) to refund appropriation bonds, notwithstanding s. 67.01 (9)  
3 (intro.).

4           (b) If a board determines to exchange refunding appropriation bonds, they may  
5 be exchanged privately for, and in payment and discharge of, any of the outstanding  
6 appropriation bonds being refunded. Refunding appropriation bonds may be  
7 exchanged for such principal amount of the appropriation bonds being exchanged  
8 therefor as may be determined by the board to be necessary or desirable. The owners  
9 of the appropriation bonds being refunded who elect to exchange need not pay  
10 accrued interest on the refunding appropriation bonds if and to the extent that  
11 interest is accrued and unpaid on the appropriation bonds being refunded and to be  
12 surrendered. If any of the appropriation bonds to be refunded are to be called for  
13 redemption, the board shall determine which redemption dates are to be used, if  
14 more than one date is applicable and shall, prior to the issuance of the refunding  
15 appropriation bonds, provide for notice of redemption to be given in the manner and  
16 at the times required by the resolution authorizing the appropriation bonds to be  
17 refunded.

18           (c) 1. The principal proceeds from the sale of any refunding appropriation bonds  
19 shall be applied either to the immediate payment and retirement of the  
20 appropriation bonds or general obligation promissory notes being refunded or, if the  
21 bonds or general obligation promissory notes have not matured and are not presently  
22 redeemable, to the creation of a trust for, and shall be pledged to the payment of, the  
23 appropriation bonds or general obligation promissory notes being refunded.

24           2. If a trust is created, a separate deposit shall be made for each issue of  
25 appropriation bonds or general obligation promissory notes being refunded. Each



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1 deposit shall be with a bank or trust company authorized by the laws of the United  
2 States or of a state in which it is located to conduct banking or trust company  
3 business. If the total amount of any deposit, including moneys other than sale  
4 proceeds but legally available for such purpose, is less than the principal amount of  
5 the appropriation bonds or general obligation promissory notes being refunded and  
6 for the payment of which the deposit has been created and pledged, together with  
7 applicable redemption premiums and interest accrued and to accrue to maturity or  
8 to the date of redemption, then the application of the sale proceeds shall be legally  
9 sufficient only if the moneys deposited are invested in securities issued by the United  
10 States or one of its agencies, or securities fully guaranteed by the United States, and  
11 only if the principal amount of the securities at maturity and the income therefrom  
12 to maturity will be sufficient and available, without the need for any further  
13 investment or reinvestment, to pay at maturity or upon redemption the principal  
14 amount of the appropriation bonds or general obligation promissory notes being  
15 refunded together with applicable redemption premiums and interest accrued and  
16 to accrue to maturity or to the date of redemption. The income from the principal  
17 proceeds of the securities shall be applied solely to the payment of the principal of  
18 and interest and redemption premiums on the appropriation bonds or general  
19 obligation promissory notes being refunded, but provision may be made for the  
20 pledging and disposition of any surplus.

21 3. Nothing in this paragraph may be construed as a limitation on the duration  
22 of any deposit in trust for the retirement of appropriation bonds or general obligation  
23 promissory notes being refunded that have not matured and that are not presently  
24 redeemable. Nothing in this paragraph may be constructed to prohibit reinvestment  
25 of the income of a trust if the reinvestments will mature at such times that sufficient

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1 moneys will be available to pay interest, applicable premiums, and principal on the  
2 appropriation bonds or general obligation promissory notes being refunded.

3 (7) FISCAL REGULATIONS. (a) All appropriation bonds shall be registered by the  
4 county clerk or county treasurer of the county issuing the appropriation bonds, or  
5 such other officers or agents, including fiscal agents, as the board may determine.  
6 After registration, no transfer of an appropriation bond is valid unless made by the  
7 registered owner's duly authorized attorney, on the records of the county and  
8 similarly noted on the appropriation bond. The county may treat the registered  
9 owner as the owner of the appropriation bond for all purposes. Payments of principal  
10 and interest shall be by electronic funds transfer, check, share draft, or other draft  
11 to the registered owner at the owner's address as it appears on the register, unless  
12 the board has otherwise provided. Information in the register is not available for  
13 inspection and copying under s. 19.35 (1). The board may make any other provision  
14 respecting registration as it considers necessary or desirable.

15 (b) The board may appoint one or more trustees or fiscal agents for each issue  
16 of appropriation bonds. The county treasurer may be designated as the trustee and  
17 the sole fiscal agent or as cofiscal agent for any issue of appropriation bonds. Every  
18 other fiscal agent shall be an incorporated bank or trust company authorized by the  
19 laws of the United States or of the state in which it is located to conduct banking or  
20 trust company business. There may be deposited with a trustee, in a special account,  
21 moneys to be used only for the purposes expressly provided in the resolution  
22 authorizing the issuance of appropriation bonds or an agreement between the county  
23 and the trustee. The board may make other provisions respecting trustees and fiscal  
24 agents as the board considers necessary or desirable and may enter into contracts  
25 with any trustee or fiscal agent containing such terms, including compensation, and

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1 conditions in regard to the trustee or fiscal agent as the board considers necessary  
2 or desirable.

3 (c) If any appropriation bond is destroyed, lost, or stolen, the county shall  
4 execute and deliver a new appropriation bond, upon filing with the board evidence  
5 satisfactory to the board that the appropriation bond has been destroyed, lost, or  
6 stolen, upon providing proof of ownership thereof, and upon furnishing the board  
7 with indemnity satisfactory to it and complying with such other rules of the county  
8 and paying any expenses that the county may incur. The board shall cancel the  
9 appropriation bond surrendered to the county.

10 (d) Unless otherwise directed by the board, every appropriation bond paid or  
11 otherwise retired shall be marked “canceled” and delivered to the county treasurer,  
12 or to such other fiscal agent as applicable with respect to the appropriation bond, who  
13 shall destroy them and deliver a certificate to that effect to the county clerk.

14 **(8) APPROPRIATION BONDS AS LEGAL INVESTMENTS.** Any of the following may  
15 legally invest any sinking funds, moneys, or other funds belonging to them or under  
16 their control in any appropriation bonds issued under this section:

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

19 (b) Banks and bankers, savings and loan associations, credit unions, trust  
20 companies, savings banks and institutions, investment companies, insurance  
21 companies, insurance associations, and other persons carrying on a banking or  
22 insurance business.

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

24 **(9) MORAL OBLIGATION PLEDGE.** If the board considers it necessary or desirable  
25 to do so, it may express in a resolution authorizing appropriation bonds its

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1 expectation and aspiration to make timely appropriations sufficient to pay the  
2 principal and interest due with respect to such appropriation bonds, to make  
3 deposits into a reserve fund created under sub. (4) (a) with respect to such  
4 appropriation bonds, to make payments under any agreement or ancillary  
5 arrangement entered into under s. 59.86 with respect to such appropriation bonds,  
6 to make deposits into any stabilization fund established or continued under s. 59.87  
7 with respect to such appropriation bonds, or to pay related issuance or  
8 administrative expenses.

9 **(10) PENSION STUDY COMMITTEE.** The 2 public members of the pension study  
10 committee, created by chapter 405, laws of 1965, shall have at least 10 years of  
11 financial experience.

12 **(11) APPLICABILITY.** This section does not apply if a county does not issue  
13 appropriation bonds as authorized under sub. (2).

14 **SECTION 3.** 59.86 of the statutes is created to read:

15 **59.86 Agreements and ancillary arrangements for certain notes and**  
16 **appropriation bonds.** At the time of issuance or in anticipation of the issuance of  
17 appropriation bonds under s. 59.85, or general obligation promissory notes under s.  
18 67.12 (12), to pay unfunded prior service liability with respect to an employee  
19 retirement system, or at any time thereafter so long as the appropriation bonds or  
20 general obligation promissory notes are outstanding, a county having a population  
21 of 500,000 or more may enter into agreements or ancillary arrangements relating to  
22 the appropriation bonds or general obligation promissory notes, including trust  
23 indentures, liquidity facilities, remarketing or dealer agreements, letters of credit,  
24 insurance policies, guaranty agreements, reimbursement agreements, indexing  
25 agreements, and interest exchange agreements. Any payments made or amounts

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1 received with respect to any such agreement or ancillary arrangement shall be made  
2 from or deposited as provided in the agreement or ancillary arrangement.

3 **SECTION 4.** 59.87 of the statutes is created to read:

4 **59.87 Employee retirement system liability financing in populous**  
5 **counties; additional powers. (1) DEFINITIONS.** In this section:

6 (a) “Board” means the county board of supervisors in any county.

7 (b) “County” means any county having a population of 500,000 or more.

8 (c) “Pension funding plan” means a strategic and financial plan related to the  
9 payment of all or part of a county’s unfunded prior service liability with respect to  
10 an employee retirement system.

11 (d) “Trust” means a common law trust organized under the laws of this state,  
12 by the county, as settlor, pursuant to a formal, written, declaration of trust.

13 **(2) SPECIAL FINANCING ENTITIES, FUNDS, AND ACCOUNTS.** (a) To facilitate a pension  
14 funding plan and in furtherance thereof, a board may create one or more of the  
15 following:

16 1. A trust.

17 2. A nonstock corporation under ch. 181.

18 3. A limited liability company under ch. 183.

19 4. A special fund or account of the county.

20 (b) An entity described under par. (a) has all of the powers provided to it under  
21 applicable law and the documents pursuant to which it is created and established.  
22 The powers shall be construed broadly in favor of effectuating the purposes for which  
23 the entity is created. A county may appropriate funds to such entities and to such  
24 funds and accounts, under terms and conditions established by the board, consistent  
25 with the purposes for which they are created and established.

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1           **(3) STABILIZATION FUNDS.** (a) To facilitate a pension funding plan a board may  
2 establish a stabilization fund. Any such fund may be created as a trust, a special fund  
3 or account of the county established by a separate resolution or ordinance, or a fund  
4 or account created under an authorizing resolution or trust indenture in connection  
5 with the authorization and issuance of appropriation bonds under s. 59.85 or general  
6 obligation promissory notes under s. 67.12 (12). A county may appropriate funds for  
7 deposit to a stabilization fund established under this subsection.

8           (b) Moneys in a stabilization fund established under this subsection may be  
9 used, subject to annual appropriation by the board, solely to pay principal or interest  
10 on appropriation bonds issued under s. 59.85 and general obligation promissory  
11 notes under s. 67.12 (12) issued in connection with a pension funding plan, for the  
12 redemption or repurchase of such appropriation bonds or general obligation  
13 promissory notes, to make payments under any agreement or ancillary arrangement  
14 entered into under s. 59.86 with respect to such appropriation bonds or general  
15 obligation promissory notes, or to pay annual pension costs other than normal costs.  
16 Moneys on deposit in a stabilization fund may not be subject to any claims, demands,  
17 or actions by, or transfers or assignments to, any creditor of the county, any  
18 beneficiary of the county's employee retirement system, or any other person, on  
19 terms other than as may be established in the resolution or ordinance creating the  
20 stabilization fund. Moneys on deposit in a stabilization fund established under this  
21 subsection may be invested and reinvested in the manner directed by the board or  
22 pursuant to delegation by the board as provided under s. 66.0603 (5).

23           **SECTION 5.** 66.0602 (3) (d) 3. of the statutes is created to read:

24           66.0602 **(3)** (d) 3. The limit otherwise applicable under this section does not  
25 apply to amounts levied by a county having a population of 500,000 or more for the

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1 payment of debt service on appropriation bonds issued under s. 59.85, including debt  
2 service on appropriation bonds issued to fund or refund outstanding appropriation  
3 bonds of the county, to pay related issuance costs or redemption premiums, or to  
4 make payments with respect to agreements or ancillary arrangements authorized  
5 under s. 59.86.

6 **SECTION 6.** 66.0603 (1m) (e) of the statutes is created to read:

7 66.0603 **(1m)** (e) Subject to s. 67.11 (2) with respect to funds on deposit in a debt  
8 service fund for general obligation promissory notes issued under s. 67.12 (12), a  
9 county having a population of 500,000 or more, or a person to whom the county has  
10 delegated investment authority under sub. (5), may invest and reinvest in the same  
11 manner as is authorized for investments and reinvestments under s. 881.01, any of  
12 the following:

13 1. Moneys held in any stabilization fund established under s. 59.87 (3).

14 2. Moneys held in a fund or account, including any reserve fund, created in  
15 connection with the issuance of appropriation bonds under s. 59.85 or general  
16 obligation promissory notes under s. 67.12 (12) issued to provide funds for the  
17 payment of all or a part of the county's unfunded prior service liability.

18 3. Moneys appropriated or held by the county to pay debt service on  
19 appropriation bonds or general obligation promissory notes under s. 67.12 (12).

20 4. Moneys constituting proceeds of appropriation bonds or general obligation  
21 promissory notes described in subd. 2. that are available for investment until they  
22 are spent.

23 5. Moneys held in an employee retirement system of the county.

24 **SECTION 7.** 66.0603 (5) of the statutes is created to read:

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1           **66.0603 (5)** DELEGATION OF INVESTMENT AUTHORITY IN CONNECTION WITH PENSION  
2 FINANCING IN POPULOUS COUNTIES. The governing board of a county having a  
3 population of 500,000 or more may delegate investment authority over any of the  
4 moneys described in sub. (1m) (e) to any of the following persons, which shall be  
5 responsible for the general administration and proper operation of the county's  
6 employee retirement system, subject to the board's finding that such person has  
7 expertise in the field of investments:

8           (a) A public board that is organized for such purpose under county ordinances.

9           (b) A trustee, investment advisor, or investment banking or consulting firm.

10           **SECTION 8.** 67.01 (9) (intro.) of the statutes is amended to read:

11           67.01 **(9)** (intro.) This chapter is not applicable to appropriation bonds issued  
12 by a county under s. 59.85 and, except ss. 67.08 (1), 67.09 and 67.10, is not applicable:

13           **SECTION 9.** 67.04 (5) (b) 4. of the statutes is amended to read:

14           67.04 **(5)** (b) 4. To pay unfunded prior service liability contributions under the  
15 Wisconsin retirement system, or to pay unfunded prior service liability with respect  
16 to an employee retirement system, if all of the net proceeds of the note will be used  
17 to pay for such contributions or payments.

18           **SECTION 10.** 67.045 (1) (g) of the statutes is created to read:

19           67.045 **(1)** (g) The debt is issued by a county having a population of 500,000 or  
20 more to pay unfunded prior service liability with respect to an employee retirement  
21 system.

22           **SECTION 11.** 67.12 (12) (a) of the statutes is amended to read:

23           67.12 **(12)** (a) Any municipality may issue promissory notes as evidence of  
24 indebtedness for any public purpose, as defined in s. 67.04 (1) (b), including but not  
25 limited to paying any general and current municipal expense, and refunding any



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1 municipal obligations, including interest on them. Each note, plus interest if any,  
2 shall be repaid within 10 years after the original date of the note, except that notes  
3 issued under this section for purposes of ss. 119.498, 145.245 (12m), 281.58, 281.59,  
4 281.60, and 281.61, ~~or issued~~ to raise funds to pay a portion of the capital costs of a  
5 metropolitan sewerage district, or issued by a county having a population of 500,000  
6 or more to pay unfunded prior service liability with respect to an employee  
7 retirement system shall be repaid within 20 years after the original date of the note.

8

(END)