

1975 Senate Bill 463

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## CHAPTER 40, Laws of 1975

AN ACT to amend 20.866 (1) (u); and to create 13.48 (19), 20.250 (1) (e) and 20.866 (2) (zb) of the statutes, relating to increasing the public debt to aid in the construction of a science education facility at the medical college of Wisconsin and making an appropriation.

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

SECTION 1. 13.48 (19) of the statutes is created to read:

13.48 (19) DEBT INCREASE FOR MEDICAL COLLEGE OF WISCONSIN. (a) The building commission may authorize up to \$8,000,000 of general fund supported borrowing to aid in the construction of a basic science education facility at the medical college of Wisconsin. Prior to the approval of any state funding commitment, the building commission must satisfy itself that the medical college of Wisconsin has secured additional funding commitments of at least \$34,000,000 from other nonstate revenue sources; that such revenue sources are reasonable and available; that the nonstate funding commitments will not exceed \$10,000,000 in borrowed funds, the repayment of which shall be amortized over a period of years equal to at least three-fourths of the amortization period for retirement of the bond issue authorized under s. 20.866 (2) (zb), and that the nonstate funding commitment will not jeopardize the operating funds of the medical college; and that the total funding commitments will enable the signing of contracts for the construction of a complete basic sciences

educational facility. If the building commission authorizes a construction grant to the medical college of Wisconsin, the medical college, in return, shall provide the state with an option-to-purchase with the following provisions:

1. The option price shall be the appraised fair market value at the time the option is exercised, less a credit recognizing the amount of the state's initial grant. The option shall be subject to any mortgage or other security interest of any private lenders and to the lease existing between the college and Milwaukee county.

2. The option could be exercised only upon the occurrence of any one of the 3 following events:

a. Suspension of operation of a medical school by the medical college of Wisconsin or any successor organization;

b. Foreclosure of the mortgage by a private lender; or

c. Termination of the lease by Milwaukee county.

(b) If the state does not wish to exercise the option, and if the building is sold to any third party, such agreement shall provide that the state has the right to receive an amount equal to construction grant from the net proceeds of any such sale after the mortgage has been satisfied and all other secured debts have been paid. This right shall be paramount to the right of the college to the proceeds upon such sale.

SECTION 2. At the appropriate place in the schedule under section 20.005 of the statutes, insert the following amounts for the purposes indicated:

	1975-76	1976-77
<b>20.866 Public debt</b>		
(2) CAPITAL IMPROVEMENT AUTHORIZA-		
TIONS		
(zb) Medical college of Wisconsin,		
inc., basic science education		
facility	BR C 8,000,000	0

SECTION 3. 20.250 (1) (e) of the statutes is created to read:

20.250 (1) (e) *Principal repayment and interest.* A sum sufficient to reimburse s. 20.866 (1) (u) for the payment of principal and interest costs incurred in aiding the construction of a basic science education facility.

SECTION 4. 20.866 (1) (u) of the statutes is amended to read:

20.866 (1) (u) *Principal repayment and interest.* A sum sufficient from moneys appropriated under ss. 20.115 (4) (j), 20.225 (1) (c), 20.250 (1) (e), 20.255 (2) (c), 20.285 (1) (d) and (gb), 20.370 (5) (d) and (7) (b) and (em), 20.395 (5) (qa), (qb), (qc), (qd) and (qe), 20.435 (2) (ee) and (3) (e), 20.485 (1) (f) and 20.710 (1) (a) and (3) (a), (b) and (g) for the payment of principal and interest on public debt acquired in accordance with ch. 18.

SECTION 5. 20.866 (2) (zb) of the statutes is created to read:

20.866 (2) (zb) *Medical college of Wisconsin, inc., basic science education facility.* As a continuing appropriation from the capital improvement fund, the amounts in the schedule for the medical college of Wisconsin, inc., to aid in the construction of a basic science education facility. The state may contract public debt in an amount not to exceed \$8,000,000 for this purpose.