



1995 ASSEMBLY BILL 913

February 21, 1996 - Introduced by Representatives LAZICH, JENSEN, KLUSMAN, DUFF, AINSWORTH, DOBYNS, GOETSCH, GROTHMAN and HAHN, cosponsored by Senators HUELSMAN, GROBSCHMIDT, ADELMAN and PANZER. Referred to Committee on Education.

1 **AN ACT** *to amend* 67.12 (12) (e) 2. of the statutes; **relating to:** debt issued by a
2 school district to pay for unfunded prior service liability contributions under
3 the Wisconsin retirement system.

Analysis by the Legislative Reference Bureau

Under current law, with certain exceptions, whenever a school board adopts an initial resolution to issue a promissory note in excess of \$5,000 that will cause the aggregate outstanding indebtedness of the school district to exceed \$1,000,000 or an amount determined by multiplying the school district's enrollment by 1.5% of its equalized valuation per pupil, whichever is less, the school district clerk must publish notice of the resolution. A petition requesting a referendum on the resolution may be filed with the school district clerk within 15 days after publication.

This bill exempts a school board resolution to issue promissory notes for the purpose of paying unfunded prior service liability contributions under the Wisconsin retirement system from the above provisions.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

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

4 **SECTION 1.** 67.12 (12) (e) 2. of the statutes is amended to read:
5 67.12 (12) (e) 2. Unless the purpose and amount of the borrowing have been
6 approved by the electors under s. 67.05 (6a) or deemed approved by the electors under
7 s. 67.05 (7) (d) 3., the purpose is to refund any outstanding municipal obligation or

1 to pay unfunded prior service liability contributions under the Wisconsin retirement
2 system or the borrowing would not be subject to a referendum as a bond issue under
3 s. 67.05 (7) (cc), (h) or (i), or subd. 2g. applies, the school district clerk shall, within
4 10 days after a school board adopts a resolution under subd. 1. to issue a promissory
5 note in excess of \$5,000, publish notice of such adoption as a class 1 notice, under ch.
6 985. Alternatively, the notice may be posted as provided under s. 10.05. The notice
7 need not set forth the full contents of the resolution, but shall state the maximum
8 amount proposed to be borrowed, the purpose thereof, that the resolution was
9 adopted under this subsection, and the place where, and the hours during which, the
10 resolution may be inspected. If, within 15 days after publication or posting, a petition
11 conforming to the requirements of s. 8.40 is filed with the school district clerk for a
12 referendum on the resolution signed by at least 7,500 electors of the district or at
13 least 20% of the number of district electors voting for governor at the last general
14 election, as determined under s. 115.01 (13), whichever is the lesser, then the
15 resolution shall not be effective unless adopted by a majority of the district electors
16 voting at the referendum. The referendum shall be called in the manner provided
17 under s. 67.05 (6a), except that the question which appears on the ballot shall be
18 "Shall ... (name of district) borrow the sum of \$... for (state purpose) by issuing its
19 general obligation promissory note (or notes) under section 67.12 (12) of the
20 Wisconsin Statutes?"

21 **SECTION 2. Initial applicability.**

22 (1) The treatment of section 67.12 (12) (e) 2. of the statutes first applies to
23 initial resolutions adopted under section 67.12 (12) (e) 1. of the statutes on the
24 effective date of this subsection.

25 (END)