

CHAPTER 182

MISCELLANEOUS CORPORATE PROVISIONS; TURNPIKE CORPORATIONS

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182.004 Housing corporations. (1) The articles of a corporation formed for the purpose of acquiring land, platting the same, erecting houses thereon and otherwise improving and developing the same, shall state that the purpose is to form a housing corporation under these statutes. The articles shall further provide for the issuance of preferred stock, and for the payment of dividends thereon, at a specified rate, before dividends are paid upon common stock, and for the accumulation of such dividends. No preference shall be given to such preferred stock in the distribution of the corporate assets other than profits.

(2) Such corporation shall have the powers enumerated in ss. 180.04 and 180.71, except as herein provided otherwise.

(3) Such corporation shall have the following additional powers:

(a) To acquire land and plat the same, laying out streets, lots, playgrounds and such other subdivisions as it may deem best; but no plat shall be valid until approved by the public land commission or city planning commission of the city in which the property of such corporation is located, or if such land be located within 6 miles of a city of the first class, by the public land commission or city planning commission of such city of the first class, if there be a public land commission or city planning commission in such city, and until accepted by the common council

of the city within which such land is located, or if within 6 miles of a city of the first class, until accepted by the common council of such city of the first class; and no land shall be acquired by the corporation in any city or within 6 miles from the boundary of a city having a health department or health officer, unless and until the location of such land has been approved by said health department or health officer as a healthful location.

(b) To improve and develop said land for residential purposes; but no single dwelling shall be erected, the cost of which shall exceed \$10,000, and sufficient ground space must be provided to furnish adequate air and light to the tenants thereof.

(c) To lease for indefinite periods parcels of land owned by it together with improvements thereon.

(d) To do all such other things as are reasonably necessary and proper to carry out the powers of said corporation, not inconsistent with the provisions of this section.

(e) To hold its first meeting and transact business with its members at any time after one-fourth of its capital stock shall have been subscribed; and may transact business with others than its members when one-fourth of its capital stock shall have been duly subscribed and one-tenth of its authorized capital stock actually paid in.

(4) No land shall be sold by the corporation, except land not necessary or desirable for the purposes of the corporation, and except improved real estate where the entire purchase price is paid in cash, and except when acting pursuant to the provisions of subsection (11) of this section, and then only by a vote of three-fourths of the stock of the corporation then outstanding.

(5) No lease of any land or buildings shall be made except to a stockholder for his use, and no tenant shall hold stock beyond the value of the premises occupied by him, except that single buildings designed, built and fit for more than one family may be leased in their entirety to a stockholder, who may sublease the portion not occupied by himself or his family to any person; but leases for an indefinite period may be made to American soldiers, sailors or marines of World War I and World War II, who are not stockholders. The corporation may also lease land to the city or county for any use consistent with the residential district, or to a private individual or association of the corporation, for a use beneficial to the tenants of said land. No lease shall be terminated by the corporation without the consent of the lessee, except for violation of the terms of the lease, and then only in the manner provided by law. A lease may be terminated at any time by a tenant, except that the corporation may require not to exceed 90 days' notice thereof. At the termination of a lease of a stockholder, the corporation shall cancel his stock, and shall be liable to him for the amount paid thereon, less any lawful claims of the corporation against him. If the corporation is unable to sell said stock at the termination of the lease, it shall give him, in lieu of said stock, its promissory note for the net amount due him, payable on or before one year from the date thereof, with interest at the rate of 5 per cent per annum. Such stock shall be resold for not less than par before any unissued stock is sold, and as soon as sold, there shall be paid to the former owner thereof the amount due him from the corporation; provided, the corporation may pay the amount due either at the time of the termination of the lease or at any other time before the expiration of said year, whether said stock has been sold or not.

(6) Stock may be issued and leases made to husband and wife, and to the survivor of them, in which event title thereto shall descend the same as in like conveyances of real property; otherwise title to the stock and lease shall descend to the persons to whom a homestead of such stockholder would descend. The interest of a tenant in such lease and stock shall be exempt from execution to the same extent as a homestead in real estate.

(7) Stock shall be sold upon such terms and conditions as may be provided in the articles or bylaws of the corporation. Section 180.38 shall not apply to corporations organized under this section, but no dividends shall be declared until a surplus fund shall have been created equal to 2 per cent of the paid-in preferred stock and paid-in common stock, nor shall any dividends ever be declared which will impair the capital or such surplus, and no dividend exceeding 5 per cent per annum shall be paid except to a tenant stockholder. There shall also be annually set aside 10 per cent of the year's profits for the purpose of retiring preferred stock.

(8) The common council of any city and the board of supervisors of any county may subscribe for preferred stock of any such corporation whose land, owned or to be acquired, shall be within the limits of such city or county, and in case of a city of the first class, within a distance of 6 miles beyond the boundaries of such city.

(9) The stockholders shall be entitled to one vote for each share of stock, common or preferred, held by them, as shown by the books of the company. The common council of the city and the board of supervisors of the county shall designate some person to vote their shares; and the person so designated shall be eligible as a director.

(10) The directors shall receive no compensation until the surplus fund of 2 per cent of the capital has been set aside, and until the dividends on preferred stock have been paid, and at no time shall the compensation of directors exceed \$500 each per annum.

(11) When the land shall have been platted, the directors shall fix the value of the several lots and parcels of land to be used for residential purposes, and thereafter in computing the rental to be paid therefor a valuation not exceeding that so fixed shall be used.

(12) Outstanding notes or paid-up preferred or common stock may be exchanged for land contracts, mortgages or bonds of such corporation. Exchanged stock shall be canceled.

(13) Any such corporation may be dissolved in the manner provided in ch. 180, except that the resolution providing for the dissolution must be adopted by at least a majority vote of all of the stock, both common and preferred, and that after such vote the affairs of the corporation shall be placed in the hands of a trustee elected by the board of directors. Said trustee shall sell all assets on land contract or otherwise. Said corporation shall have power to pass free legal title to any purchaser or grantee of any lands, and any assignment or sale of any lands by such

trustee shall pass the title of such corporation in such lands.

(14) No filing fee is required to be paid by any corporation organized under this section.

182.005 Water reservoirs. The articles of a corporation organized in whole or in part to establish, maintain or operate a system of water reservoirs for the purpose of regulating the flow of any river in the state shall guarantee to every owner of water power located below such reservoir system, who does not already own his quota of stock, the right at any time to purchase from the corporation at par such a pro rata share of all of the capital stock of the corporation as the cubic foot storage fall of the water power of such owner shall be of the sum of the cubic foot storage falls of all water powers benefited by such reservoir system. The cubic foot storage fall of any water power is the product of the height expressed in feet of the head obtained or obtainable by the dam at said power, multiplied by the storage capacity expressed in cubic feet of the reservoirs tributary to such power. The articles shall never be amended so as to withdraw said guaranty.

182.007 Charitable corporations and community funds, amending articles. (1) A community fund, community chest or community union corporation of a kind mentioned in sub. (1m) may change substantially the original purposes of its organization upon the affirmative vote of at least two-thirds of its members entitled to vote, at a meeting called for that purpose and in no event shall its purposes be other than charitable.

(1m) Any nonstock corporation organized solely for charitable purposes and any community fund, community chest or community union corporation, organized for the purpose of raising funds for and serving community and public welfare agencies or services may, in addition to any method provided in its articles of organization, amend its articles at any annual meeting or at any special meeting duly called for that purpose. Notice of the meeting shall be published as a class 2 notice, under ch. 985, the last insertion not less than 20 days prior thereto. The notice shall specify the time and place of such meeting, that such amendment will be proposed and a copy thereof. Unless otherwise provided in the articles 10 members shall constitute a quorum, and the amendment may be adopted by affirmative vote of two-thirds of the members present.

182.011 Corporate powers. Every corporation may take and acquire by lease, purchase, sale, conveyance or assignment and thereafter

own, hold and enjoy any right, privilege or franchise granted to any person by any law of this state where such right, privilege or franchise would be in direct aid of the business of such corporation.

182.012 Special power to transfer property of nonstock corporation. (1) Whenever the board of directors of any domestic corporation organized without capital stock determines that a sale or mortgaging of the whole or any part of its property is desirable, and that by reason of the removal, nonresidence of a great number of its members, or the loss of its records of membership, or other cause, it is impossible to call or hold any regular meeting at which a quorum of the members can be represented in person or by proxy, the board may cause a verified petition to be made in behalf of said corporation and presented to the circuit judge of the county in which said corporation has its location. Such petition shall set forth the date of the organization and the purpose of said corporation, the nature and extent of its property, reasons for the sale or mortgaging of the whole or any part thereof, the facts preventing the calling or holding of a meeting of a quorum of its members and such other matters as may be deemed material. Upon presentation thereof the circuit judge shall by order fix a time and place for a meeting of the members of such corporation and prescribe the time and manner of giving, and contents of a notice of said meeting, and direct the publication thereof as a class 2 notice, under ch. 985, in a newspaper designated in the order.

(2) Two-thirds of the members present at any meeting so called shall have power to sell, convey or mortgage or authorize to be sold, conveyed or mortgaged the whole or any part of the property described in such petition.

(3) If such sale or mortgaging be approved or authorized, the officers of said corporation shall cause the petition, the order of the judge, proof by affidavit of the giving of notice of said meeting as required by said order and a certified copy of the minutes of the said meeting to be promptly filed in the office of the clerk of the circuit court of said county upon payment to said clerk of the fees properly chargeable in a special proceeding. Upon such filing, such property may be conveyed or mortgaged with the same right and authority as if such sale or mortgaging had been authorized by a sufficient affirmative vote of all members of said corporation.

182.0135 Public utility corporation directors; not to delegate duty to manage; removal by commission. (1) The directors of

corporations which are public utilities shall not, directly or indirectly, delegate or in any manner, temporarily or permanently, relinquish or surrender their duty to manage and direct the stock, property, affairs and business of such corporation.

(2) Any director violating the provisions of this section may be removed by the public service commission, after notice and hearing. When a director of a public utility shall be removed by the commission he shall be ineligible for a period of 2 years to serve as a director of said public utility.

182.016 River improvement corporations may flow lands. Any domestic corporation created in whole or in part for the purpose of improving any stream and driving, holding or handling logs therein, and any corporation owning or controlling dams, booms or improvements designed to accomplish any of said purposes, or any municipality or any domestic corporation organized for the purpose of furnishing electric current for public purposes, shall have the power to acquire all such lands as shall be necessary for its use for ponds and reservoir purposes. Nothing in this section shall be construed as repealing any provision of section 31.30.

182.017 Transmission lines; privileges; damages. (1) **RIGHT OF WAY FOR.** Any domestic corporation organized to furnish telegraph, telephone, service or transmit heat, power or electric current to the public or for public purposes, and any co-operative association organized under chapter 185 to furnish telegraph, telephone or transmit heat, power or electric current to its members, may, subject to reasonable regulations made by any city or village through which its transmission lines or systems may pass, construct and maintain such lines or systems with all necessary appurtenances in, across or beneath any public highway or bridge or any stream or body of water, or upon any lands of any owner consenting thereto, and for such purpose may acquire lands or the necessary easements; and may connect and operate its lines or system with other lines or systems devoted to like business, within or without this state, and charge reasonable rates for the transmission and delivery of messages or the furnishing of heat, power or electric light.

(2) **NOT TO OBSTRUCT PUBLIC USE.** But no such line or system or any appurtenance thereto shall at any time obstruct or incommode the public use of any highway, bridge, stream or body of water.

(3) **ABANDONED LINES REMOVED.** The public service commission after a public hearing as provided in section 196.26, and subject to the right of review as provided in chapter 227, may declare any line to have been abandoned or discontinued, if the facts warrant such finding. Whenever such a finding shall have been made the corporation shall remove such line, and on failure for 3 months after such finding of abandonment or discontinuance, any person owning land over, through or upon which such line shall pass, may remove the same, or the supervisors of any town within which said lines may be situated, may remove the said lines from the limits of its highways, and such person or supervisors shall be entitled to recover from the company owning the lines the expense for labor involved in removing the property.

(4) **LOCATION OF POLES.** In case of dispute as to the location of poles, pipes or conduits, the commissioners appointed in condemnation proceedings under chapter 32 may determine the location. In no case, except where the owner consents, shall poles be set in front of or upon any residence property, or in front of a building occupied for business purposes, unless the commissioners find that the same is necessary and the court may review the finding.

(5) **LIMITATION OF ACTION.** The proceedings authorized in chapter 32 shall not be taken nor other action commenced against the corporation in respect to its rights to use or possess lands, unless begun within 6 years after the commencement of such use or possession.

(6) **TREES PROTECTED, PENALTIES.** Any such corporation which shall in any manner destroy, trim or injure any shade or ornamental trees along any such lines or systems, or cause any damage to buildings, fences, crops, live stock or other property, except by the consent of the owner, or after the right so to do has been acquired, shall be liable to the person aggrieved in 3 times the actual damage sustained, besides costs.

(7) **MUNICIPAL FRANCHISE REQUIRED.** No lighting or heating corporation shall have any right hereunder in any city or village until it has obtained a franchise or written consent for the erection or installation of its lines from such city or village.

Cross Reference: As to sub. (5), see 893.12.

182.018 Wires over railroads. (1) All wires strung over any steam railroad prior to August 1, 1949, shall be tied to insulators fastened to double cross-arms attached to a pole at each side of the crossing. The poles if of wood shall not be less than 6 inches in diameter at the top (if of other materials at least the equivalent strength thereof), set not less than 5 feet in the

ground, securely guyed, and, unless the railroad right of way is over 100 feet in width, shall be set not more than 100 feet apart. The cross-arms shall be attached to the poles by machine bolts, and braced by at least one iron brace from each cross-arm to the pole. All wires shall be maintained not less than 25 feet above the rails, except street railway trolley wires, which shall be maintained not less than 22 feet above the rails.

(2) Any person ordered by the public service commission to change its wires so as to conform to this section failing to comply with such order within 10 days from the service thereof shall forfeit \$25, and a like forfeiture for every additional 10 days of noncompliance with the order, unless a greater length of time to make such change shall be granted.

(3) All wires strung over any steam railroad on or after August 1, 1949 shall be strung in such a way as to meet requirements of the Wisconsin state electrical code. Any person stringing wires in violation of the code shall be subject to a forfeiture of not more than \$100 nor less than \$25. Each 10-day period, after the first day, that such violation occurs shall be a separate violation and shall subject the violator to an additional forfeiture of not less than \$25 nor more than \$100 for each such violation.

182.019 Damages for nondelivery of message or power. Persons owning or operating any telegraph, telephone or power transmission line or heat system for public purposes shall be liable for all damages occasioned by the failure or negligence of their operators, servants or employes in receiving, copying, transmitting or delivering dispatches, messages or the furnishing of power to its patrons for public purposes, including damages for mental anguish resulting directly and proximately from or occasioned by such failure or negligence in receiving, copying, transmitting or delivering dispatches or messages, but not to exceed \$500 for mental anguish.

182.020 Driving park corporation. Any corporation formed under this chapter to establish, maintain and manage any driving park may have grounds and courses for improving and testing the speed of horses and may offer and award prizes for competition; but no racing for any bet or wager shall be allowed; and any such corporation may prevent gambling or betting of any kind, and preserve order on its grounds, and establish rules therefor, and appoint officers and agents who, for that purpose, shall have the power of constables.

182.021 Gun clubs. Any domestic corporation formed for the purpose of sharpshooting or improving in the use of firearms may acquire suitable grounds therefor, and may establish, use and maintain a rifle range for its exercises. After such grounds and range are permanently located and improved by the erection of buildings, breastworks, ramparts or otherwise, no public street shall be opened through the tract so used or occupied, unless the necessity therefor shall be first established by verdict of a jury; nor shall any suit be maintained against such corporation to restrain, enjoin or impede its exercises at the place so selected on complaint of any private individuals or parties, who shall acquire title to any property adversely affected by such exercises after such grounds and range are permanently located and improved as aforesaid.

182.025 Mortgages. (1) Any domestic corporation formed to furnish water, heat, light, power, telegraph or telephone service or signals by electricity may, subject to the provisions of ch. 184 and by an affirmative vote of at least two-thirds of its outstanding shares entitled to vote thereon, or any co-operative association organized under ch. 185 to furnish water, heat, light, power, telegraph or telephone service to its stockholders or members only may, by a vote of a majority of a quorum of its stockholders or members present at any regular or special meeting held upon due notice as to the purpose of the meeting or when authorized by the written consent of the holders of a majority of its capital stock outstanding and entitled to vote or of a majority of its members, mortgage or trust deed any or all of the property, rights and privileges and franchises that it may then own or thereafter acquire, to secure the payment of its bonds or notes to a fixed amount or in amounts to be from time to time determined by the board of directors, and may, in and by such mortgage or deed of trust, provide for the disposal of any of its property and the substitution of other property in its place. Every such mortgage or deed of trust may be recorded in the office of the register of deeds of the county in which such corporation is located at the time of such recording, and such record shall have the same effect as if the instrument were filed in the proper office as a chattel mortgage or financing statement, and so remain until satisfied or discharged without any further affidavit, continuation statement or proceeding whatever. For this purpose the location of such corporation shall be deemed to be: as to a corporation or a co-operative association not at the time subject to either s. 180.09 or 185.08, the location designated in its articles as then in effect; as to a corporation subject to s. 180.09, the location of

its registered office; and as to a co-operative association subject to s. 185.08, the location of its principal office or registered agent as designated thereunder.

(2) Any foreign corporation licensed to transact any business in this state defined in s. 76.02 (5b) and (8) and duly authorized to do so in accordance with the laws of the state of incorporation and by its charter may borrow money and execute its bonds or notes therefor; and to secure the payment of such bonds or notes to a fixed amount or in amounts to be from time to time determined by the board of directors may mortgage or trust deed any or all the property, rights, privileges and franchises that it may own or thereafter acquire in this state and may, in and by mortgage or deed of trust provide for the disposal of any of such property and the substitution of other property in its place. Every such mortgage or deed of trust may be recorded in the office of the register of deeds of the county designated by the corporation as its registered office in this state at the time of such recording and such record shall have the same effect as if such instrument were filed in the proper office as a chattel mortgage or financing statement and so remain until satisfied or discharged without any further affidavit, continuation statement or proceeding whatever.

(3) Any mortgage or deed of trust issued and executed by such foreign corporation and heretofore [July 6, 1957] recorded as a real estate mortgage and filed as a chattel mortgage in one or more counties in accordance with any other statute, including any supplements thereto, shall continue in full force and effect as provided by this section without any requirement for future filing of any further affidavit or proceeding and any such mortgage or deed of trust and any supplement thereto shall continue to be effective if recorded as provided in sub. (2).

182.026 Boards of trade. An incorporated board of trade shall have the right to establish reasonable by-laws or rules for the government of the business transactions of its members, and to establish committees of reference or arbitration for the determination of differences and controversies according to the usages of other similar bodies. And any award by such committee on arbitration, made according to such by-laws and rules, may be filed in the circuit court of the county and judgment entered thereupon according to the practice and subject to review as provided in case of awards under chapter 298.

182.027 Lyceum, libraries and art galleries. Any corporation formed for the establishment and maintenance of lyceums, libraries, art

galleries and the like shall have power to make by-laws for the protection of its property, and to provide fines upon its members or patrons for their infraction by way of liquidated damages; and may collect the same in a tort action.

182.028 School corporations. Any corporation formed for the establishment and maintenance of schools, academies, seminaries, colleges or universities or for the cultivation and practice of music shall have power to enact by-laws for the protection of its property, and provide fines as liquidated damages upon its members and patrons for violating the by-laws, and may collect the same in tort actions, and to prescribe and regulate the courses of instruction therein, and to confer such degrees and grant such diplomas as are usually conferred by similar institutions or as shall be appropriate to the courses of instruction prescribed. Any stockholder may transfer his stock to the corporation for its use; and if the written transfer shall so provide such stock shall be perpetually held by the board of directors with all the rights of a stockholder, including the right to vote.

182.029 Universities and colleges may unite. (1) Any university or college may receive any other university or college, upon resolution of the board of trustees of both institutions, as a branch of the former, and shall be subject to such rules, regulations, agreements and liabilities as may be agreed upon. The receiving university or college may grant such diplomas and confer such degrees as shall be appropriate to courses of instruction prescribed and pursued in such received university or college, and any such university or college so received may upon such terms as shall be agreed to by its corporate members and trustees sell, or give an option to purchase, all its property, business and effects to such receiving college or university.

(2) Any privately supported school, academy or seminary may receive any other privately supported school, academy or seminary upon resolution of the board of trustees of both institutions, as a branch of the former, and shall be subject to such rules, regulations, agreements and liabilities as may be agreed upon. Any such privately supported school, academy or seminary so received may, upon such terms as shall be agreed to by two-thirds of its corporate members and trustees, convey all its property, business and effects to such receiving school, academy or seminary.

182.030 Corporations having church affiliations. Whenever any corporation shall be formed for the benefit of, or be in any manner connected with, any church or religious denom-

ination or society, its articles of organization may provide that it shall be under the supervision and control of such church, denomination or society; and that the officers or trustees be communicants thereof.

182.031 Railway equipment companies.

(1) **DIRECTORS; STOCKS; BONDS.** The board of directors of any corporation organized under the laws of this state for the purpose of buying, selling, leasing or in any manner dealing in railway cars, locomotive engines or other railway equipment may classify or divide its property into series or classes, and suitably designate each such series or class; and may, by a resolution, ratified by vote of a majority of its common stock, authorize the issue of a special or a preferred stock based in whole or in part upon any such class or series, with such provision as to preference dividends out of the earnings or or profits upon the property of the series or class upon which such stock is based, and with such voting power, if any, and other such rights and provisions generally as may be defined in said resolution; and such stock may be issued in as many classes or series as the said corporation may have classes or series of equipment property, and in such amount as to each series or class as may be stated in said resolution, and the same may be issued from time to time and sold or disposed of in such manner and upon such terms as said board shall determine; and every such corporation shall have the power to issue, in like manner, its bonds or obligations for such amount and upon such terms as shall be defined by the resolution, and may secure the same by mortgage or deed of trust upon all of its property then owned or thereafter to be acquired, or upon any one or more of the classes or series of its property, or it may issue and secure both said general and special bonds or obligations in like manner.

(2) **POWERS; PLACE OF BUSINESS.** Every such corporation shall possess all the rights and powers conferred upon corporations by chs. 180 and 184. It may have its principal place of business without the state. If its principal place of business is outside the state, process in actions against it may be served upon the secretary of state, as provided in ss. 180.801 to 180.849 for service upon a licensed foreign corporation.

182.032 Hospital service corporations, public policy.

(1) As a guide to the interpretation and application of this section, the public policy of this state is declared to be: To ease the burden of payment for hospital services, particularly in the low income groups, where with the advance of scientific methods the payment for adequate hospital services is a pressing problem

with grave social ramifications, nonprofit hospital service corporations, based on the tested experience in many parts of the United States, economically sound and socially beneficent, are needed. While in no way changing the present status of voluntary hospitals in the state, these corporations will enable a larger number to procure for themselves adequate hospital services and leave the use of the free and part-free services given by the hospitals to those whose economic status makes self-procurement of such services impossible. Without imposing the burden on the public treasury and free from any motive of profit, these corporations will contribute to the solution of a pressing social and economic problem in the state and merit the support of the citizens.

(2) (a) Nonprofit corporations, that is corporations formed without capital stock, operated not for profit and exclusively for the purposes in this section set forth, and which declare no dividend, benefit or pecuniary profit, to be paid to or received by any of their members or directors, may be organized under this section for the purpose of establishing, maintaining and operating service plans, whereby hospital services may be provided to persons or groups of persons, subscribers to such plans and their respective dependents, by hospitals with which such corporations may make a contract thereof.

(b) Such contracts shall be with participating hospitals or with service hospitals, as defined in par. (d). Whenever their boards of directors so order, such corporations may pay other hospitals, in Wisconsin or elsewhere, with which they do not have contractual relations, for services to a subscriber or his dependents, such amounts and under the terms, conditions and regulations as the said boards prescribe.

(c) The boards of directors shall have control of all of the management and business of such corporations, and they may do all things necessary, proper or incidental to the exercise of the powers granted to such corporations in this section.

(d) Such hospitals shall be participating hospitals or service hospitals. As used in this section:

1. "Participating hospital" means a voluntary nonprofit hospital, acceptable to the corporation, and accepted by action of its board of directors, which may contract with the corporation under the terms, conditions, provisions and regulations as the board of directors prescribes, qualifying it to designate members of the corporation as hereinafter provided.

2. "Service hospital" means a voluntary nonprofit hospital, a hospital owned, operated and maintained by the state or any political subdivision thereof, or any other hospital acceptable to

the corporation and accepted by action of its board of directors, which may contract with it under the terms, conditions, provisions and regulations that the board of directors prescribes, but which will grant no right to such service hospital to designate members of the corporation as aforesaid.

3. "Subscriber" means any person to whom, or for whose benefit, the corporation issues a service contract, entitling such person or his dependents to hospital services as provided therein.

(e) Such hospital service corporations may enter into contracts with the state medical society of Wisconsin or with county medical societies of this state, operating plans under ch. 148, with disability insurance corporations licensed to transact business in this state, and others to act as enrolling, billing and record-keeping agent to such extent as may be agreed.

(f) Such corporations may also provide for the sickness care of indigents and low income groups, and others, through contracts with persons other than physicians and surgeons and dentists, and by other means, provided only that free choice of professional persons providing professional services be retained, and that the responsibility of such other professional persons providing professional services to patient and all other contract and tort relationships with patient shall remain as though the dealings were direct between such professional persons providing professional services and patient.

(3) The articles of incorporation of any corporation organized under this section shall provide:

(a) That the members of the corporation shall be: 1. Three nonmedical persons, excepting medical administrators, designated by each participating hospital, at least 2 of whom shall be directors or be active in the operation of such participating hospital; and 2. A number of persons equal to the number of participating hospitals, each of whom shall be a physician and surgeon and shall be appointed by the medical staff of the hospital from its own members. In case there should be no such staff, or in case of the failure of the staff so to appoint, then such appointment shall be made by the governing board of the hospital, but in either case the physicians and surgeons so appointed shall be approved by the state medical society of Wisconsin. The members shall be appointed annually for terms of one year each and shall be such members until their successors are appointed and qualified and vacancies shall be filled by the same method of appointment for unexpired terms.

(b) That the directors shall consist of such number of corporate members as is specified in

the articles of incorporation or in the bylaws. At least one-fourth of the directors shall be directors of or active in the operation of a participating hospital and at least one-fourth shall be physicians or surgeons. Except at the first meeting not more than one-third of the directors shall be elected at any annual meeting.

(c) That all contracts between such corporations and a subscriber, or for the benefit of a subscriber, shall only provide for hospital services and for sickness care. Such contract shall not be interpreted to place upon the subscriber the obligation of choosing for hospital services any particular participating or service hospital among the contracting hospitals, or give the corporation the right to designate or require the choice of any particular participating or service hospital.

(d) Such hospital service corporations, heretofore or hereafter so formed and conducted, shall be governed by the provisions of this section and s. 200.26 and by no other law relating to insurance unless such law is referred to in s. 200.26 and no law hereinafter enacted shall apply to such plans unless they are expressly designated therein or refer to such corporations as are responsible for the operation of such plans.

(4) Such corporation shall not enter into contracts with subscribers until it shall have contracts with not less than 6 participating hospitals having a total of not less than 600 beds.

(5) Such corporation shall be governed by ch. 181, and unless express reference is made in this section, or unless expressly designated therein, no other law shall apply to such corporation. Every such corporation is hereby declared to be a charitable and benevolent corporation, and its property, real, personal and mixed, its income, and property transferred to it, shall be exempt from taxation as provided in ss. 70.11, 71.01 (3), 72.04 and 72.75 to 72.81, and its employes shall be excluded from the provisions of ch. 108 as provided in s. 108.02.

(6) All nonprofit hospital service plans shall be operated in this state exclusively by corporations organized and operated under this section. No such corporation shall contract or continue a contract with a participating hospital which contracts with any other corporation operating a nonprofit hospital service plan under this section.

(7) Nothing in any contract to be made by any such corporation with a participating hospital or subscriber shall have the effect of imposing upon any participating hospital any obligation or liability for any act, omission or default of any other participating hospital or of such corporation.

182.104 Title to property after dissolution. (1) Whenever any domestic corporation shall have been dissolved, owning any real property in this state, the resolution of dissolution required by s. 182.103 [Stats. 1953] to be recorded with the register of deeds of the county in which such corporation is located, or in the case of any corporation which was dissolved prior to June 29, 1945, owning any interest in real estate, the affidavit of the person who was the president or the secretary of such corporation at the date of its dissolution stating the names of the persons holding stock in said corporation and the number of shares or proportional interest of said persons in the corporate property at such date, when recorded with the register of deeds of the county in which such corporation was located, shall be prima facie evidence of the title of said persons in said corporate property.

(2) This section shall not affect the rights of creditors of the corporation, and shall not apply where any court has made disposition of the property, or where the property has been conveyed by the corporation, or distributed among the stockholders, and the conveyance is of record in the office of the register of deeds.

182.202 Mutual telephone company; quorum; proxies. (2) At any meeting of the stockholders of a farmers' mutual telephone company, members representing 20 per cent of the outstanding stock, shall constitute a quorum. Any member may hold and vote the proxy of not exceeding 3 stockholders.

182.219 Mutual telephone company; dividends. (4) No dividend in excess of 7 per cent of its capital shall be paid in any year by any farmers' mutual telephone company.

182.220 Examination by attorney general and legislature. The attorney general, whenever required by the governor, shall examine into the affairs of any corporation in this state and report in writing a detailed statement of the facts to the governor, who shall lay the same before the legislature, and for that purpose the attorney general may conduct hearings and examine the vaults, books, papers and documents belonging to such corporation or pertaining to its affairs and condition; and the legislature, or either branch thereof, shall have like power at all times, and for that purpose any legislative committee may examine any person in relation to the affairs and condition of such corporation, and its vaults, safes, books, papers and documents, and compel the production of all keys, books, papers and documents by contempt proceedings.

182.23 Facsimile signatures on corporate obligations. On any bond, note or debenture issued by a corporation organized or created under the laws of this state which is countersigned or otherwise authenticated by the signature of a trustee acting in connection with the issuance, the signatures of the officers of the corporation and its seal may be facsimiles. If any officer who has signed or whose facsimile signature has been placed upon a bond, note or debenture has ceased to be such officer before such bond, note or debenture is issued, it may be issued by the corporation with the same effect as if he were such officer at the date of its issue.

182.24 Transfers from joint tenants. If any security issued by a corporation, whether or not organized or created under the laws of this state, is registered in the names of 2 or more individuals who are named in the registration as joint tenants, then any bank, broker, issuer, transfer agent or purchaser for value, acting either within or without this state in connection with a sale, exchange, transfer, redemption or retirement of such security, incurs no liability by reason of treating the interest created by such registration as a joint tenancy and, if one or more of such named individuals is deceased, incurs no liability by reason of treating the survivor or survivors as the owner or owners unless such bank, broker, issuer, transfer agent or purchaser for value has actual knowledge of a contrary adjudication pursuant to s. 230.48. Nothing in this section shall affect inheritance tax liability for failure to comply with s. 72.11 (3).

Note: Chap. 339, laws of 1969, amends this section, effective April 1, 1971, by substituting "867.03" for the reference to "230.48".

182.25 Stock transfers on books, how compelled. Whenever it is made to appear to the circuit court by affidavit or otherwise that the proper officer or agent of an issuer, in violation of the issuer's duty under s. 408.401 (1) has neglected or refused for 2 days after proper demand to register the transfer of a security, the court immediately shall issue an order requiring the officer or agent to show cause why he should not register the transfer of the security. The court shall in the order prescribe the manner of its service and the date, not more than 10 days after the date of the order, when the issuer's officer or agent must show cause before the court. Unless the officer or agent at that time shows to the satisfaction of the court why the transfer should not be registered, the court shall order him to register the transfer at a time and place the court deems reasonable.

182.30 Turnpike act; title. Sections 182.30 to 182.48 shall be known and may be cited as the "Wisconsin Turnpike Corporation Act."

182.31 Definitions. As used in ss. 182.30 to 182.48, the following words and terms shall have the following meanings, unless the context shall indicate another or different meaning or intent:

(1) "Corporation" or "turnpike corporation" means any corporation organized not for profit and without stock for the purposes and with the powers set forth hereunder.

(2) "Project" or "turnpike project" means any highway, express highway, superhighway or motorway constructed under the provisions of ss. 182.30 to 182.48, including all bridges, tunnels, overpasses, underpasses, interchanges, entrance plazas, approaches, toll houses, service stations, weighing stations, administration, storage and other buildings and facilities which the corporation may deem necessary for the operation of the project, together with all property, rights, easements and interests which may be acquired by the corporation for the construction or the operation of the project.

(3) "Cost" as applied to a turnpike project shall embrace the cost of construction, including bridges over or under existing highways and railroads, the cost of acquisition of all land, rights of way, property, rights, easements and interests acquired by the corporation for such construction, the cost of demolishing or removing any buildings or structures on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of diverting highways, interchange of highways, access roads to private property, including the cost of land or easements therefor, the cost of all machinery and equipment, financing charges, interest prior to, during and after construction, cost of traffic estimates and of engineering and legal expenses, plans, specifications, surveys, estimates of costs and revenues, other expenses, necessary or incidental to determining the feasibility or practicability of constructing any such project, administrative expenses, and such other expenses as may be necessary or incident to the construction of the project, the financing of such construction and the placing of the project in operation.

(4) "Owner" includes all individuals, copartnerships, associations, or corporations having any title or interests in any property, right, easement and interest authorized and required to be taken under authority of ss. 182.30 to 182.48.

(5) "Revenues" shall mean all tolls, rentals, gifts, grants, moneys, and all other forms of property coming into the possession or under

the control of the corporation by virtue of the terms and provisions hereof, except the proceeds from the sale of bonds issued under the provisions of ss. 182.30 to 182.48.

182.32 General powers. Turnpike corporations may be organized under ch. 181 and shall have the powers enumerated therein except as otherwise provided in ss. 182.30 to 182.48.

182.33 Additional powers. Such corporation shall have the following additional powers:

(1) To construct, maintain, repair, police and operate turnpike projects as hereinbefore defined, upon such routes as are agreed to by the highway commission by and with the written consent of the governor; and to establish rules and regulations for the use of any such turnpike project.

(2) To fix, devise, charge and collect tolls for transit over each turnpike project and to provide and issue special licenses authorizing transit over the turnpike project without the payment of such tolls during the period specified in the license and to fix and devise fees to be charged for such licenses.

(3) To designate the locations, and to establish, limit and control such points of ingress and egress from each turnpike project as may be necessary or desirable in the judgment of the corporation to insure the proper operation and maintenance of such project, and to prohibit ingress to such project from any point not so designated. The corporation shall cause to be erected, at its cost, at all points of ingress and egress, large and suitable signs facing the traffic from each direction on the turnpike. Such signs shall designate the number and other designations, if any, of all highways of ingress and egress, the names of all appropriate municipalities of the state and the distance in miles to such designated municipalities.

(4) (a) To employ consulting engineers, superintendents, managers, and such other engineers, construction and consultant experts, attorneys, and other employes and agents as may be necessary in its judgment, and to fix their compensation; provided that all such expenses shall be payable solely from the proceeds of turnpike revenue bonds issued under the provisions of ss. 182.30 to 182.48 or from revenues.

(b) State employes may be employed by the corporation with the consent of the governor and the department concerned. Such employes shall retain uninterrupted their civil service rating, sick leave, vacation and other rights under ch. 16 and after termination of their employment by the corporation shall be returned to the

respective departments and agencies from which they were transferred for resumption of their regular employment.

(5) To lease suitable parcels of land for or to construct and lease to private persons, after competitive bidding, gasoline stations, garages, stores, hotels, motels, restaurants, tourist rooming houses, and such other facilities as the corporation may deem to be necessary or desirable. The corporation shall have full power to determine the number and location of such facilities.

(6) To receive and accept from any federal agency, subject to the approval of the governor, grants for or in aid of the construction or maintenance of any turnpike project, and to receive and accept aid, gifts or contributions from any source of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants and contributions may be made.

(7) To do all acts and things necessary or proper to carry out the powers expressly or impliedly granted in ss. 182.30 to 182.48.

182.34 Issuance of bonds. (1) The corporation is authorized to provide by resolution at one time or from time to time for issuance of turnpike revenue bonds in such amount as may be required to pay for all or part of the cost of any one or more turnpike projects. It is likewise authorized similarly to provide for the issuance of refunding bonds, to retire any bonds then outstanding at the principal amount thereof plus any redemption premium and accrued interest thereon; and to pay for all or part of the cost of future extensions, enlargements, or improvements of the project for which the bonds being refunded were issued.

(2) The bonds to be so issued may be offered and sold by the corporation in such manner as is determined by the corporation to be most suitable and economical. The bonds shall be signed by the chairman and vice chairman of the corporation or by their facsimile signatures, and the official seal of the corporation shall be affixed thereto and attested by the secretary-treasurer of the corporation, and any coupons attached thereto shall bear the facsimile signature of the chairman of the corporation. In case any officer whose signature or facsimile of whose signature appears on any bonds or coupons ceases to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient, for all purposes the same as if he had remained in office until such delivery. All bonds issued under ss. 182.30 to 182.48 shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under ch. 408.

(3) To the extent that the proceeds of any bonds sold exceed the cost of the project or projects for which such bonds were issued, those funds shall be applied to the credit of the sinking fund reserve or other reserve for such issue.

(4) The corporation is authorized to take any action in connection with the mechanics of setting up and servicing the issuing of bonds which will provide proper and adequate protection for the purchasers, and which may be required by the circumstances then in force.

(5) Turnpike revenue bonds and refunding bonds issued under the provisions of ss. 182.30 to 182.48 shall be payable solely from the funds pledged for their payment as herein authorized and shall not constitute a debt of the state or of any political subdivision of the state.

(6) All expenses incurred by a turnpike corporation shall be payable solely from funds provided under the authority of ss. 182.30 to 182.48 and nothing contained in this act shall be construed to authorize a turnpike corporation to incur indebtedness or liability on behalf of or payable by the state or any political subdivision of the state.

(7) Tolls and license fees authorized under s. 182.33 (2) shall be so fixed and adjusted in respect of the aggregate of tolls of each turnpike project including any extension or section thereof in connection with which the bonds of any issue shall have been issued as to provide a fund sufficient with other revenue from such turnpike project or extensions or sections thereof, if any, to pay (a) the cost of maintaining, repairing and operating such turnpike project or extension or section thereof, including the legal liabilities of the corporation, and (b) the principal of and the interest on such bonds as the same shall become due and payable, and to create reserve for such purposes. Such tolls shall not be subject to supervision or regulation by any commission, board, bureau or agency of the state. The tolls and all other revenues derived from each turnpike project or extensions or sections in connection with which the bonds of any issue shall have been issued, except such part thereof as may be necessary to pay such costs of maintenance, repair and operation including the legal liabilities of the corporation, and to provide such reserves therefor as may be provided for in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in such resolution or such trust agreement in a sinking fund which shall be pledged to and charged with, the payment of the principal of and the interest on such bonds as the same shall become due, and the redemption price and the purchase price of bonds retired by

call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made; the tolls or other revenues or other moneys so pledged and thereafter received by the corporation shall immediately be subject to the lien of such pledge without any physical delivery thereof, or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the corporation. All trust agreements and all resolutions relating thereto shall be filed in the office of the secretary of state and recorded in the records of the corporation.

(8) All moneys received pursuant to the authority of ss. 182.30 to 182.48, whether as proceeds from the sale of bonds, or as revenues, shall be deemed to be trust funds, to be held and applied solely as provided in ss. 182.30 to 182.48. Such funds shall be kept in such depositories as are selected by the corporation.

(9) Any holder of bonds issued under the provisions of ss. 182.30 to 182.48 or any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by such trust agreement, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the state or granted hereunder or under such trust agreement or the resolution authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by ss. 182.30 to 182.48 or by such trust agreement or resolution to be performed by the corporation or by any officer thereof, including the fixing, charging and collecting of tolls.

(10) The issuance of turnpike revenue bonds or turnpike revenue refunding bonds under the provisions of ss. 182.30 to 182.48 need not comply with the requirements of any other law applicable to the issuance of bonds.

182.35 Acquisition of lands and interests therein. (1) Turnpike corporations may acquire by gift, devise, purchase or condemnation any lands determined by them to be necessary for establishing, laying out, widening, enlarging, extending, constructing, reconstructing, improving and maintaining its project including lands which may be necessary for toll houses and appropriate concessions and for any other purpose authorized by ss. 182.30 to 182.48. Title may be acquired in fee simple and any other interest in lands may be acquired as may be deemed expedient or necessary by the corporation. Any lands determined to be unneeded by the corporation may be sold by the corporation at public or private sale with or without restrictions or reservations concerning the future use

and occupation of such lands so as to protect the project and improvements and their environs and to preserve the view, appearance, light, air and usefulness of the project.

(2) If the lands or interests therein cannot be purchased expeditiously for a reasonable price, the corporation may acquire the same by condemnation under ch. 32.

182.36 Authority to construct grade separations and relocate public roads, streets, highways, railroads and public utilities. (1) It is declared that the construction of modern toll roads in this state is in the promotion of public and social welfare and for the benefit of public travel. It is recognized that in the construction of such highways, it will become necessary to make changes and adjustments in the lines and grades of public roads, streets, highways, railroads and public utility systems and, in some instances, to relocate the same.

(2) In the furtherance of the public interest, the corporation is hereby granted the authority to construct grade separations at intersections of any turnpike project with public roads, streets, highways and railroads and to change and adjust the lines and grades of public roads, streets and highways, and, if necessary, to relocate the same. Such changes in public roads, streets and highways shall be made with the approval of the appropriate governmental highway or street authority. If the corporation and local authority cannot agree in any matter, such changes may be made with the consent of the highway commission. The cost of the grade separations and changes and any damages incurred thereby shall be ascertained and paid by the turnpike corporation as a part of the cost of such turnpike project.

(3) The corporation may enter into contracts with public utilities, including railroads, for the removal or change in location of the lines of such public utilities where the same is deemed necessary by the corporation in the construction of the project. Such contracts shall be for the payment of damages caused the utilities by the relocation of their lines. In the event the corporation and the utility are unable to reach an agreement, the public service commission shall direct the manner, location and time allowed for the change in the utility line and the corporation shall be liable for the reasonable costs of such change. In the event the public utility fails to comply with the order of the public service commission it shall be liable to the corporation for all damages occasioned by such failure.

182.37 Rights of public utilities. All public utilities shall have the right to cross the lands or easements of the corporation with any

lines at such reasonable place and in such reasonable manner, either over or under the project, as the corporation may direct upon payment of damages to the corporation. In cases of dispute, utilities shall have the right to condemn easements under ch. 32 but such easements shall not conflict with the planned operation, or operation of the project.

182.38 Entry upon lands. The turnpike corporation by its authorized agents and employees may enter upon any lands in the state for the purpose of making such surveys and examinations as are necessary or proper for the purposes of ss. 182.30 to 182.48. Such entry shall not be deemed a trespass nor entry under any kind of condemnation proceedings which may be then pending. The corporation shall make reimbursement for any actual damage resulting to such lands or premises and to private property located on the same as a result of such activities.

182.39 Use of state lands. This state, subject to the approval of the governor, hereby consents to the use of all lands owned by it, including lands lying under water which are necessary or proper for the operation and construction of any turnpike project provided adequate compensation is made for such use.

182.40 Toll exemptions. (1) The following government agencies are to be exempt from the payment of tolls: All armed forces of the United States including the Wisconsin national guards and national guard units from other states; the Wisconsin state guard; and civilian defense organizations.

(2) When not traveling on an emergency mission the corporation shall have the power to designate the time of such use, the length and timing of convoys, serials and march units, rate of march, and intervals, and make such other requirements as may be necessary to properly control traffic in the interest of general safety and convenience of travel.

(3) The corporation shall have the power to exempt law enforcement officers and those operating emergency vehicles from the payment of tolls upon such conditions as it may direct.

182.41 Corporation to be nonprofit. All turnpike corporations shall be nonprofit corporations, that is, corporations formed without capital stock, operated not for profit and exclusively for the purposes set forth in ss. 182.30 to 182.48 and which declare no dividend, benefit or pecuniary profit to be paid to or received by any of their members, directors or officers.

182.42 Not to be considered public utilities. Turnpike corporations are not to be subject to regulations under ch. 196 as a public utility.

182.43 Underpass authorized. Wherever a turnpike project divides the land of one owner so as to prevent ingress to and egress from said lands, the corporation is authorized to provide an underpass or culvert sufficient to provide ingress and egress between said lands. Plans for the existence of an underpass shall be admissible in evidence in condemnation proceedings.

182.44 Limitations on powers. Turnpike corporations shall not have the power to secure any of their obligations by mortgage or pledge of all or any of their properties, either real, personal or mixed, except the pledging of tolls as herein provided.

182.45 Reports. On or before the first day of February of each year, the corporation shall make an annual report of its activities for the preceding calendar year to the secretary of state. Each such report shall set forth a complete operating and financial statement covering its operations during the year. The corporation shall cause an audit of its books to be made at least once each year by certified public accountants and the cost thereof may be treated as a part of the cost of the construction or of operations of the project.

182.46 Tax exemptions. The exercise of the powers granted by ss. 182.30 to 182.48 will be in all respects for the benefit of the people of this state, for the increase of their commerce and prosperity and for the improvement of their health and living conditions, therefore the corporation shall not be required to pay any taxes or assessments upon any turnpike project or any property acquired or used by the corporation under the provisions of ss. 182.30 to 182.48 or upon the income therefrom, and the bonds issued under the provisions of ss. 182.30 to 182.48, their transfer and the income therefrom (including any profit made on the sale thereof) shall at all times be free from taxation within this state.

182.47 Motor vehicle laws to apply. (1) The provisions of chs. 86 and 341 to 349 relative to the operation of motor vehicles on highways and the protection of public highways including the weight restriction laws shall be applicable to turnpikes and for the purpose of these laws, turnpikes shall be deemed to be public highways. Turnpikes shall be considered as class "A" highways under s. 348.15 and all limitations on the use of such class "A" highways

shall be applicable. Turnpikes shall not be subject to traffic control by any local governmental ordinance or rule.

(2) The corporation is authorized to hire suitable persons to enforce the statutes referred to in sub. (1), and, upon approval of the governor, they are vested for that purpose with the powers of state traffic officers. Such authority shall be evidenced by the governor's certificate of approval.

182.48 State may acquire. When all turnpike revenue bonds issued under the provisions of ss. 182.30 to 182.48 in connection with any turnpike project or extension or sections thereof and the interest thereon shall have been paid or a sufficient amount for the payment of all such bonds and the interest thereon to the maturity thereof shall have been set aside in trust for the benefit of the bondholders, such project or extension or sections thereof, shall become a part of the state trunk highway system and shall thereafter be maintained by the highway commission and shall be free of tolls.

182.60 Surplus federal property development corporations. (1) **CREATION.** Nonprofit federal surplus property development corporations hereafter known as development corporations may be created by the Wisconsin federal surplus property development commission when a majority of the commissioners determines that the acquisition of federal surplus property, except lands within the Bong air base in Kenosha county, is feasible. Such corporations may be organized under ch. 181 and shall have the powers enumerated therein except as otherwise provided in this section. The members of such corporations shall constitute the board of directors thereof.

(2) **ACQUIRE LAND.** Development corporations may acquire by gift, devise, lease or purchase any land and improvements and appurtenances thereto (hereinafter called "property") made available by the federal government, except lands within the Bong air base in Kenosha county, if it is determined by them to be necessary to assure that the economic, social and governmental institutions of the state will thereby be enhanced or benefited and protected from piecemeal, unplanned and inefficient development which would adversely affect the tax base or the efficient development of the property. The interest acquired by the corporation may be in fee simple or less than fee simple as may be deemed expedient or necessary by the corporation. Any property thereto determined to be unneeded by the corporation may be leased or sold by the corporation at public or private sale with or without restrictions, condi-

tions or reservations concerning the future use and occupation of such property so as to protect the property and its environs and to preserve the values thereof.

(3) **DEVELOPMENT OF PROPERTIES.** Development corporations may develop surplus property acquired by platting such lands, installing utilities, laying out streets and roads and doing all other things which may enhance the development of such property.

(4) **ISSUANCE OF BONDS.** Development corporations may by resolution provide for the issuance of mortgage or revenue bonds or both in such amount as may be required to pay for all or part of the cost of acquiring and developing any surplus federal property. They likewise may provide for the issuance of refunding bonds, to retire any bonds then outstanding at the principal amount thereof plus any redemption premium and accrued interest thereon; and to pay for all or part of the cost of development of the property for which the bonds being refunded were issued. The bonds to be so issued may be offered and sold by the corporation in such manner as is determined by the corporation to be most suitable and economical. The bonds shall be signed by the chairman and vice chairman of the corporation or by their facsimile signatures, and the official seal of the corporation shall be affixed thereto and shall bear the facsimile signature of the chairman of the corporation. In case any officer, whose signature or facsimile of whose signature appears on any bonds or coupons, ceases to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient, for all purposes the same as if he had remained in office until such delivery. All bonds issued under this section shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under ch. 408. To the extent that the proceeds of any bonds sold exceed the cost of the development for which such bonds were issued, those funds shall be applied to the credit of the sinking fund reserve or other reserve for such issue. The corporation may take any action in connection with the mechanics of setting up and servicing the issuance of bonds which will provide adequate protection for the purchasers, and which may be required by the circumstances then in force. Bonds issued under this section shall be payable solely from the property and the funds pledged or mortgaged for their payment as herein authorized and shall not constitute a debt of the state or of any political subdivision of the state. All expenses incurred by a development corporation shall be paid solely from

funds provided under the authority of this section.

(5) **PAYMENT OF BONDS.** All moneys accruing from the sale of federal surplus property acquired by a development corporation shall provide a fund to pay the interest and retire the bonds of such property when the same becomes due and to create a reserve for such purpose. Such moneys shall be deemed to be trust funds to be held and applied solely to these purposes. Such bonds may be retired by the corporation before the date of maturity. Upon dissolution of the corporation, all trust funds remaining in the name of the corporation shall revert to the state.

(6) **SALE OR LEASE OF PROPERTY.** The corporation may by majority vote determine to sell or lease all or part of any property acquired when the sale thereof will, in the opinion of the corporation and with the approval of the development commission, result in effective utilization of such property. Such sale or lease may be to a private person or to a governmental agency.

(7) **REPORTS.** The corporations shall annually on or before September 1 of each year submit a report for the prior fiscal year to the department of resource development.

(8) **TAX EXEMPTION.** All property held by a development corporation shall be exempt from all general property taxes, but shall be liable for all special assessments.

(9) **DISSOLUTION.** A corporation created hereunder may be dissolved by the officers when they find:

(a) That the corporation has paid all of its bonded indebtedness and other obligations;

(b) That the purposes for which the corporation was created have been solved or are impossible of accomplishment; and

(c) That all funds and property of the corporation remaining as payment of all indebtedness and obligations have been surrendered to those appropriate agencies of the state.

(10) **SPECIAL DISTRICT.** If a majority of the directors of the surplus property corporation find that the creation of a special economic improvement district is in the public interest, they may petition the governor to create such a district. The boundaries of the district shall be co-extensive with the boundaries of the surplus

property.

(a) If the governor finds that the creation of such district is necessary for the accomplishment of the purposes of s. 15.995, he shall create such a district and give it a corporate name by which in all proceedings it shall thereafter be known, and thereupon the district shall be a body corporate and a local unit of government with powers herein specified.

(b) Within 20 days after the governor creates an economic improvement district, an appeal may be taken directly to the supreme court by any interested person feeling himself aggrieved.

(c) If no appeal is taken within 20 days of the creation of the district, the governor shall transmit to the secretary of state, and the register of deeds in each of the counties having lands within the district, copies of the findings and decisions of the governor incorporating said district. The same shall be filed in the above-mentioned offices in the manner prescribed by law concerning corporations, upon the payment of the requisite fee.

(d) Every such district may borrow money and issue its obligations therefor and the board of supervisors created in par. (f) may levy special assessments on such surplus property to pay such debts and for other purposes. The districts may sue and be sued and shall in addition have all powers specified for surplus federal property development corporations under this section.

(e) Any such district, when in temporary need, is authorized to borrow money pursuant to the provisions and limitations applicable to cities, or s. 67.12 and to levy special assessments upon such surplus property to pay such debts.

(f) The district shall be governed by a board of supervisors which shall establish its own by-laws. The board of supervisors shall consist of the members of the commission appointed under s. 15.995 and 5 persons named by the county board or boards for the county or counties in which the property is located. The term of office of supervisors appointed by such county board or boards shall be 3 years.

(11) **POWERS.** A corporation created hereunder shall have all of the powers of a county, town, city or village under ss. 114.11, 114.14, 114.32, 114.33, 114.34 and 114.35, except the power of condemnation.