

Assembly Bill 997

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Chapter 653

AN ACT to amend 41.155 (4), as affected by chapter 292, laws of 1965, 67.04 (7) and 67.12 (12) (aa); and to create 41.155 (4m) of the statutes, relating to disposition of property of vocational and adult education schools operated by cities or villages upon the creation of new vocational, technical and adult education districts.

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

SECTION 1. 41.155 (4) of the statutes, as affected by chapter 292, laws of 1965, is amended to read:

41.155 (4) Upon the creation of a vocational, technical and adult education district under this section all property, assets, claims, contracts, obligations, rights, duties and liabilities of any nature and kind relating and pertaining to the vocational and adult education schools operated in the territory of the district shall become properties, assets, claims, contracts, obligations, rights, duties and liabilities of such district; except that where the existing vocational and adult education school is operated by a city, village, city operating its school under the city school plan, or a city operating its schools under ch. 38, existing building and equipment used or pertaining to the operation of such school may be transferred to the district or the board may enter into agreements for the use of such facilities as otherwise provided in sub. (4m).

SECTION 2. 41.155 (4m) of the statutes is created to read:

41.155 (4m) (a) Upon the creation of a vocational, technical and adult education district under this section, all property, assets, claims, contracts, obligations, rights, duties and liabilities of any nature and kind relating and pertaining to any vocational and adult education school operated in any city or village located in the area included in such district shall remain the property, assets, claims, contracts, obligations, rights, duties and liabilities of such city or village, unless at the option of the governing body of such city or village, the whole or any portion thereof, is transferred to the district under an agreement between such city or village and the district as to the use, obligation and ownership thereof.

(b) The purchase price of such property, except as otherwise agreed upon under par. (a), shall be the fair market value as determined by an independent appraiser selected jointly by the governing bodies of the city or village and of the vocational, technical and adult education district, less any outstanding obligations against the property which shall be assumed by said district.

(c) A vocational, technical and adult education district in financing the purchase of property transferred to the district under this subsection may issue its bonds or promissory notes under ch. 67 to pay the cost thereof including assumption of outstanding obligations.

(d) The city or village shall deposit the proceeds of the sale of vocational and adult education school property in the sinking fund or funds, if any, created for payment of existing vocational and adult education school obligations and the indebtedness of such city or village shall, for purposes of computing its legal debt limit, be deemed reduced by the amount of such deposit. The city or village may invest these sinking fund moneys under s. 66.04 (2) or 67.11 (2) and (3). Bonds and notes issued by vocational, technical and adult education districts for purposes of this subsection shall not be subject to referendum. The purchase agreement shall include an irrevocable clause providing that the district shall pay annually to the city or village a sum of money equal to the amount in which the interest received by the city or village upon investments authorized hereunder is less than the amount of interest paid by the city or village on the bonds of the city or village for vocational and adult education school purposes.

(e) The vocational, technical and adult education district purchasing property under this subsection may, with approval by the city council or village board involved, pay the purchase price by issuing and delivering directly to the city or village the general obligation promissory notes or notes of the district under the provisions, including an irrevocable tax levy, of s. 67.12 (12), except that no referendum shall be held and the 10-year limitation on such notes under s. 67.12 (12) shall be inapplicable to such notes issued under this paragraph. Such notes shall mature and be payable at such times, in such amounts and at such rate of interest as will amortize and pay when due the principal and interest on the outstanding obligations of the city or village for vocational and adult education school purposes. All such notes, upon execution and delivery to the city or village, shall in all respects be held and considered as an authorized investment under s. 66.04 (2) or 67.11 (2) and (3) of the sinking fund created for payment of the city or village obligations issued for vocational and adult education school purposes and shall be offset against city or village indebtedness in computing legal debt limit to the same extent as other authorized investments of the sinking fund and such notes may be sold and hypothecated. If the offset against city or village indebtedness under this paragraph is determined to be invalid in any respect, such city or village may immedi-

ately require the district issuing to such city or village promissory notes hereunder to comply with pars. (c) and (d) to the extent necessary to cure such invalidity.

SECTION 3. 67.04 (7) of the statutes is amended to read:

67.04 (7) By any common school district ~~or~~, unified school district or vocational, technical and adult education district, by the board thereof: to purchase the school property, including vocational school property, of a city or village therein upon abandonment of a city school plan or common school district plan, or upon creation of a unified school district or upon the reorganization of vocational, vocational and adult, or vocational, technical and adult schools ~~under s. 41.15 (9)~~. Such bonds shall not be subject to a referendum.

SECTION 4. 67.12 (12) (aa) of the statutes is amended to read:

67.12 (12) (aa) A school district board of any newly created school district, including a common school district or unified school district created upon abandonment of the city school plan or vocational, technical and adult education school district, may, pursuant to this section, issue promissory notes to refund any indebtedness assumed by such school district upon its creation.

Approved July 4, 1966.
