



2023 ASSEMBLY BILL 1220

April 11, 2024 - Introduced by Representatives MADISON, HONG and CLANCY, cosponsored by Senator LARSON. Referred to Committee on Financial Institutions.

1 **AN ACT to repeal** 34.045; **to amend** 13.172 (1), 13.48 (13) (a), 13.62 (2), 13.94 (4)
2 (a) 1., 13.95 (intro.), 16.002 (2), 16.004 (4), 16.004 (5), 16.004 (12) (a), 16.045 (1)
3 (a), 16.15 (1) (ab), 16.41 (4), 16.417 (1) (b), 16.52 (7), 16.528 (1) (a), 16.53 (2),
4 16.54 (9) (a) 1., 16.765 (1), 16.765 (2), 16.765 (5), 16.765 (6), 16.765 (7) (intro.),
5 16.765 (7) (d), 16.765 (8), 16.85 (2), 16.865 (8), 20.907 (5) (e) 12r., 34.03 (2), 34.05
6 (4) (intro.), 34.07, 71.26 (1) (be), 77.54 (9a) (a), 100.45 (1) (dm) and 230.03 (3);
7 **and to create** 13.94 (1) (dt), 13.94 (1s) (c) 11., 15.07 (1) (a) 7., 15.07 (2) (n), 15.07
8 (3) (bm) 7., 15.07 (5) (g), 15.185 (3), 19.42 (10) (t), 19.42 (13) (s), 20.195, 34.05
9 (5), 40.02 (54) (n), 70.11 (38v) and chapter 239 of the statutes; **relating to:**
10 creating an authority to be known as the Public Bank of Wisconsin and making
11 an appropriation.

Analysis by the Legislative Reference Bureau

This bill creates an authority known as the Public Bank of Wisconsin (the Public Bank). The Public Bank is a public body corporate and politic, but is not a state agency and the state is not liable for its acts or obligations. The Public Bank must organize as a state-chartered bank supervised by the Division of Banking in

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the Department of Financial Institutions and generally accepts deposits only of public moneys from the state (as described below).

The Public Bank's purpose is to accept and hold deposits of public funds and utilize those funds in this state to further the Public Bank's goals to do all of the following:

1. Accomplish the Public Bank's mission by adhering to the following priorities: institutional safety and soundness; long-term viability; social return and monetary return on lending and investments; prudent and best banking and business practices; highest ethical, accountability, and transparency standards; and insulation from political influence.

2. Support the expansion and development of public and private measures to mitigate the grave dangers that climate change poses to the public and local enterprises, and to promote reductions in greenhouse gas emissions.

3. Promote economic development and job creation in this state, and support the economic well-being and health of this state, by providing affordable financing to eligible recipients (as discussed below) and small- and medium-sized businesses, especially in underserved communities.

4. Assist businesses and municipalities in recovering from the economic repercussions of external shocks, including pandemics, recessions, and natural disasters.

5. Respond to the unmet affordable financing needs of local governmental units.

6. Address the historic and current disadvantages experienced by the state's minority-owned and women-owned enterprises by providing affordable financing.

7. Assist workers and communities in creating jobs by supporting cooperative business models including worker-owned cooperatives.

8. Increase available affordable housing options for state residents.

9. Promote sustainable agriculture and address food insecurity, particularly by providing financing to family-owned farms and rural businesses that serve them.

10. Support nonprofit and community-based organizations that work to address the results of racial injustice or to promote women's economic and social equity.

11. Provide economic support to state agencies, local governmental units, and nonprofit organizations, including community development authorities, redevelopment authorities, housing authorities, and community development corporations.

12. Strengthen state-chartered banks, particularly through participatory loan programs.

13. Enable the state to share in the methods of monetary support the federal government provides to commercial banks.

14. Assist students in need of additional low-cost student loans in financing the cost of higher education.

Under the bill, an 11-member governing board exercises the powers and duties of the Public Bank. Board members include the state treasurer, the state superintendent of public instruction, and the president of the University of

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Wisconsin System, or their designees, along with eight members of varying backgrounds appointed by the governor. Board members are not compensated for their services but may be reimbursed for expenses. The board must appoint a chief executive officer (CEO) of the Public Bank and may delegate powers and duties to the CEO. As the executive and administrative head of the Public Bank, the CEO is responsible for the Public Bank's management, administration, and legal compliance.

The bill generally requires the state to deposit the state's public moneys in the Public Bank. The required deposits are phased in over a four-year period, with at least 30 percent of the state's public deposits required to be in the Public Bank by January 1, 2025, and all of the state's public deposits required to be in the Public Bank by January 1, 2028, subject to limited exceptions.

Under the bill, with limited exceptions, the Public Bank has all the powers of a state-chartered bank. Among the exceptions, the Public Bank accepts only state public deposits and, if the Public Bank is serving as a banker's bank (discussed below), deposits from state-chartered financial institutions. The Public Bank may not pay interest on deposit accounts. The Public Bank may accept and solicit property, including donations, grants, and loans, for any purpose of the Public Bank. The Public Bank's governing board must operate the Public Bank to ensure its soundness and sustainability and to accomplish its purposes, but the governing board may direct the Public Bank's earnings to be added to the Public Bank's capital, invested in the State Investment Fund managed by the Investment Board, or distributed to the state. The governing board must regularly review the Public Bank's financial statements and other records to ensure that the Public Bank is in compliance with all applicable laws and reporting requirements. The governing board must also establish technical advisory committees and consult with public and private sector experts related to the Public Bank's mission, objectives, and duties. The governing board, along with the secretary of administration, must ensure that the Public Bank maintains at all times cash or demand deposits in an amount needed to meet the operational needs of the state.

The bill authorizes or requires specific activities of the Public Bank, including all of the following:

1. The Public Bank must use its powers to extend affordable financing to eligible recipients that have entered into labor peace agreements. The bill defines "affordable financing," "labor peace agreement," and "eligible recipient," the latter of which includes in part a local governmental unit; a nonprofit organization involved in community development; a land trust; a cooperative; an entity created by financial institutions that pools funds to lend for affordable housing development; a developer of housing or preservation projects if all the entities financing a project invite the Public Bank to participate; a state-chartered financial institution if the financing extended is used to support another eligible recipient; a community development authority, redevelopment authority, housing authority, or community development corporation; a small business enterprise that meets certain criteria; and a small- or medium-sized farm and its related industries.

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2. The Public Bank, in partnership with independent community banks, credit unions, community development authorities, redevelopment authorities, housing authorities, or community development corporations, may do the following: 1) leverage at least 30 percent of public deposits as financial capital and resources to provide access to low-cost capital or credit to small businesses, minority-owned and women-owned business enterprises, entrepreneurs, start-up businesses, farmers, and communities and individuals of this state having below average income, to further economic growth, create jobs, reduce greenhouse gases, and build and sustain affordable housing; 2) leverage the Public Bank's financial capital and resources to provide access to low-cost capital to bring fiscally sound and financially successful businesses into this state; and 3) leverage the Public Bank's financial capital and resources to provide access to low-cost capital or credit to established businesses in this state for the purpose of providing financial stability for the Public Bank.

3. The Public Bank may join in making participation loans in which the Public Bank shares in funding the loan with community banks, credit unions, community development authorities, redevelopment authorities, housing authorities, and community development corporations in this state, to qualified individuals and businesses residing or doing business in this state if the originator of the loan is a state-chartered financial institution.

4. The Public Bank may facilitate investment in, and financing of, construction or improvement of new and existing public infrastructure systems, but the Public Bank must first submit to the governor and legislature an implementation plan that includes certain information.

5. The Public Bank, in partnership with independent community banks, credit unions, or community development corporations, may administer a state guarantee loan program to assist students in need of low-cost student loans and related loan benefits, including the refinancing of existing student loan debt. Before doing so, the Public Bank must develop an implementation plan for the program that includes specified elements.

6. The Public Bank may serve as a clearinghouse for financial institutions that make the Public Bank a reserve depository.

7. The Public Bank may serve as a banker's bank for this state's state-chartered financial institutions by providing correspondent banking services and other related services for these financial institutions in unbanked and underserved communities. The Public Bank may not compete with this state's state-chartered financial institutions, particularly in unbanked and underserved communities.

8. The Public Bank may make loans and incur debt and other nondeposit liabilities, including money market borrowing, federal reserve borrowing, and capital market borrowing. The Public Bank may buy and sell federal funds; issue letters of credit for public deposits; rediscount paper; and provide a safekeeping service for securities, bonds, and other investments.

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9. The Public Bank must provide to the state all reasonable and necessary depository services and may charge its cost of services to the state. The Public Bank may provide corporate trust services for the state.

The bill requires the Public Bank to develop and maintain a business plan that sets forth the Public Bank's strategy for accomplishing its statutory directives through safe and sound operation. The bill specifies a process for developing the business plan that includes input from the public. The business plan must include the method of providing security or insurance for the public deposits that the Public Bank receives. The Public Bank must make the business plan available to the public, and the business plan must be updated at least once every four years. In developing the business plan and in conducting its operations, the Public Bank must give priority to the following considerations:

1. Supporting eligible recipients subject to the historic and current economic inequities experienced by communities in underserved neighborhoods, as well as eligible recipients working to remedy those inequities.

2. Supporting eligible recipients subject to the historic and current economic inequities experienced by women throughout the state.

3. Supporting rural business and farming concerns.

4. Supporting businesses with compensation structures that provide a livable wage or demonstrate a commitment to equitable pay.

5. Supporting entities that address the impacts of climate change and the reduction of greenhouse gases.

6. Funding the need of municipalities to update and build safe and sustainable infrastructure.

7. Supporting the operation of local governmental units, nonprofit organizations, credit unions, local community banks, community development authorities, redevelopment authorities, housing authorities, community development corporations, and state-chartered financial institutions, including by complementing or partnering rather than competing with these entities to strengthen them and to expand affordable financing in the state.

8. Seeking participation loan options with the entities identified in 7., when appropriate, rather than originating or servicing the loan itself.

9. Promoting equitable distribution of the Public Bank's resources across the state, including ensuring that rural areas are given full and fair consideration.

The bill requires the Public Bank's CEO to implement the business plan and manage the Public Bank consistently with the business plan. The Public Bank must conduct its operations in compliance with the business plan, and the Public Bank's governing board must monitor the Public Bank's compliance. The business plan may only be overridden under certain emergency circumstances. As part of its examination of the Public Bank as a state-chartered bank, the Division of Banking must assess the Public Bank's compliance with the business plan, and this assessment is available to the public six months after the examination.

Numerous provisions of current law treat state-created authorities similar to state agencies for certain purposes. Although the Public Bank is not a state agency, the bill treats the Public Bank similar to a state agency in the following respects,

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among others: 1) it is generally subject to the open records and open meetings laws, although certain information must be held confidential; 2) it is subject to auditing by the Legislative Audit Bureau; 3) its CEO and members of the governing board are subject to certain provisions of the state code of ethics; 4) its employees may participate in the system for state retirement benefits and health insurance coverage; and 5) it is exempt from sales and use taxes, property taxes, and income taxes. Under the bill, the Public Bank is also subject to certain conflict-of-interest restrictions, including that it may not transact business with its board members or its officers or their immediate family members.

The bill requires the Public Bank to submit an annual report to the governor and the legislature that includes specified information, including audited financial statements, a description of the benefits of the Public Bank's activities to the state, and certain compensation information.

The bill also creates an 18-member Board of Advisors, a state agency attached to the Department of Financial Institutions, that reviews the Public Bank's activities. The Board of Advisors must hold public meetings and maintain a website that contains a comments portal that allows the public to comment on the activities and future initiatives of the Public Bank. The Board of Advisors also communicates to the Public Bank policy recommendations and concerns regarding the Public Bank. The Public Bank must pay from its operating budget expenses incurred by the Board of Advisors. The Public Bank must keep the Board of Advisors informed of the Public Bank's operations, and the Public Bank and Board of Advisors must hold an annual joint meeting.

For further information see the state 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:

1 **SECTION 1.** 13.172 (1) of the statutes is amended to read:

2 13.172 (1) In this section, "agency" means an office, department, agency,
3 institution of higher education, association, society, or other body in state
4 government created or authorized to be created by the constitution or any law, that
5 is entitled to expend moneys appropriated by law, including the legislature and the
6 courts, and any authority created in subch. II of ch. 114 or in ch. 231, 233, 234, 238,
7 239, or 279.

8 **SECTION 2.** 13.48 (13) (a) of the statutes is amended to read:

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1 13.48 (13) (a) Except as provided in par. (b) or (c), every building, structure or
2 facility that is constructed for the benefit of or use of the state, any state agency,
3 board, commission or department, the University of Wisconsin Hospitals and Clinics
4 Authority, the Fox River Navigational System Authority, the Public Bank of
5 Wisconsin, the Wisconsin Economic Development Corporation, or any local
6 professional baseball park district created under subch. III of ch. 229 if the
7 construction is undertaken by the department of administration on behalf of the
8 district, shall be in compliance with all applicable state laws, rules, codes and
9 regulations but the construction is not subject to the ordinances or regulations of the
10 municipality in which the construction takes place except zoning, including without
11 limitation because of enumeration ordinances or regulations relating to materials
12 used, permits, supervision of construction or installation, payment of permit fees, or
13 other restrictions.

14 **SECTION 3.** 13.62 (2) of the statutes is amended to read:

15 13.62 (2) “Agency” means any board, commission, department, office, society,
16 institution of higher education, council, or committee in the state government, or any
17 authority created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237, 238, 239,
18 or 279, except that the term does not include a council or committee of the legislature.

19 **SECTION 4.** 13.94 (1) (dt) of the statutes is created to read:

20 13.94 (1) (dt) Biennially, beginning in 2025, conduct a financial audit of the
21 Public Bank of Wisconsin and a program evaluation audit of the programs
22 administered by the Public Bank of Wisconsin under ch. 239. The legislative audit
23 bureau shall file a copy of each audit report under this paragraph with the
24 distributees specified in par. (b).

25 **SECTION 5.** 13.94 (1s) (c) 11. of the statutes is created to read:

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1 13.94 (1s) (c) 11. The Public Bank of Wisconsin for the cost of the audit required
2 to be performed under sub. (1) (dt).

3 **SECTION 6.** 13.94 (4) (a) 1. of the statutes is amended to read:

4 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
5 credentialing board, commission, independent agency, council or office in the
6 executive branch of state government; all bodies created by the legislature in the
7 legislative or judicial branch of state government; any public body corporate and
8 politic created by the legislature including specifically the Fox River Navigational
9 System Authority, the Lower Fox River Remediation Authority, the Wisconsin
10 Aerospace Authority, the Public Bank of Wisconsin, the Wisconsin Economic
11 Development Corporation, a professional baseball park district, a local professional
12 football stadium district, a local cultural arts district, and a long-term care district
13 under s. 46.2895; every Wisconsin works agency under subch. III of ch. 49; every
14 provider of medical assistance under subch. IV of ch. 49; technical college district
15 boards; every county department under s. 51.42 or 51.437; every nonprofit
16 corporation or cooperative or unincorporated cooperative association to which
17 moneys are specifically appropriated by state law; and every corporation, institution,
18 association or other organization which receives more than 50 percent of its annual
19 budget from appropriations made by state law, including subgrantee or
20 subcontractor recipients of such funds.

21 **SECTION 7.** 13.95 (intro.) of the statutes is amended to read:

22 **13.95 Legislative fiscal bureau.** (intro.) There is created a bureau to be
23 known as the “Legislative Fiscal Bureau” headed by a director. The fiscal bureau
24 shall be strictly nonpartisan and shall at all times observe the confidential nature
25 of the research requests received by it; however, with the prior approval of the

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1 requester in each instance, the bureau may duplicate the results of its research for
2 distribution. Subject to s. 230.35 (4) (a) and (f), the director or the director's
3 designated employees shall at all times, with or without notice, have access to all
4 state agencies, the University of Wisconsin Hospitals and Clinics Authority, the
5 Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the
6 Public Bank of Wisconsin, the Wisconsin Economic Development Corporation, and
7 the Fox River Navigational System Authority, and to any books, records, or other
8 documents maintained by such agencies or authorities and relating to their
9 expenditures, revenues, operations, and structure.

10 **SECTION 8.** 15.07 (1) (a) 7. of the statutes is created to read:

11 15.07 (1) (a) 7. Members of the board of advisors shall be appointed as provided
12 in s. 15.185 (3), without senate confirmation.

13 **SECTION 9.** 15.07 (2) (n) of the statutes is created to read:

14 15.07 (2) (n) In addition, the board of advisors shall hold a meeting to elect a
15 chairperson whenever a majority of the members of the board of advisors call for such
16 an election.

17 **SECTION 10.** 15.07 (3) (bm) 7. of the statutes is created to read:

18 15.07 (3) (bm) 7. The board of advisors shall meet quarterly.

19 **SECTION 11.** 15.07 (5) (g) of the statutes is created to read:

20 15.07 (5) (g) Members of the board of advisors appointed under s. 15.185 (3) (a)
21 2. to 13., an amount determined by the governing board of the Public Bank of
22 Wisconsin.

23 **SECTION 12.** 15.185 (3) of the statutes is created to read:

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1 15.185 (3) BOARD OF ADVISORS. (a) There is created a board of advisors, attached
2 to the department of financial institutions under s. 15.03. Subject to par. (c) 1., the
3 board of advisors shall consist of the following members:

4 1. The lieutenant governor or the lieutenant governor's designee.

5 2. One member appointed by the community development experts of the
6 Federal Reserve Bank of Chicago.

7 3. One member nominated by state-chartered financial institutions, including
8 credit unions, that receive more than 90 percent of their deposits from residents of
9 this state or nominated by associations representing predominantly these financial
10 institutions, appointed by the governor.

11 4. One member nominated by a minority-owned financial institution,
12 appointed by the governor.

13 5. Two members, each nominated by separate community development
14 authorities, redevelopment authorities, housing authorities, or community
15 development corporations that focus primarily on supporting economic development
16 in this state, including rural and economic cooperative models and worker-owned
17 enterprises, appointed by the governor.

18 6. Two members, each nominated by separate nonprofit organizations that
19 support underserved neighborhoods, appointed by the governor.

20 7. Two members, each nominated by separate associations representing the
21 interests of small business entities, particularly businesses owned by cognizable
22 groups currently receiving less credit than proportional to their size or serving in
23 areas operating in underserved neighborhoods, appointed by the governor.

24 8. One member nominated by nonprofit organizations that support sustainable
25 agriculture, appointed by the governor.

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1 9. One member nominated by nonprofit organizations that support food
2 security, appointed by the governor.

3 10. One member nominated by nonprofit organizations that support climate
4 change amelioration and environmental finance, appointed by the governor.

5 11. One member nominated by nonprofit organizations that support
6 environmental justice, appointed by the governor.

7 12. Two members, each nominated by separate municipalities or state-based
8 associations or chapters of municipal planners or professionals, appointed by the
9 governor.

10 13. Two members, each nominated by separate organizations in which
11 employees or workers participate and which exist for the purpose, in whole or in part,
12 of representing the interests of workers concerning grievances, labor disputes,
13 wages, rates of pay, hours of employment, or conditions of work, at least one
14 organization of which represents the interests of low-income workers, appointed by
15 the governor.

16 (b) The members under par. (a) 2. to 13. shall be appointed for a term of 4 years.

17 (c) 1. A nomination under par. (a) may not be made by an entity or organization
18 unless the entity or organization has been in existence for at least 4 years.

19 2. All nominations under par. (a) shall be available to the public and posted on
20 the Public Bank of Wisconsin's website.

21 (d) An individual may not serve as a member of the board of advisors for more
22 than 8 years.

23 **SECTION 13.** 16.002 (2) of the statutes is amended to read:

24 16.002 (2) "Departments" means constitutional offices, departments, and
25 independent agencies and includes all societies, associations, and other agencies of

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1 state government for which appropriations are made by law, but not including
2 authorities created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237, 238, 239,
3 or 279.

4 **SECTION 14.** 16.004 (4) of the statutes is amended to read:

5 16.004 (4) FREEDOM OF ACCESS. The secretary and such employees of the
6 department as the secretary designates may enter into the offices of state agencies
7 and authorities created under subch. II of ch. 114 and under chs. 231, 233, 234, 237,
8 238, 239, and 279, and may examine their books and accounts and any other matter
9 that in the secretary's judgment should be examined and may interrogate the
10 agency's employees publicly or privately relative thereto.

11 **SECTION 15.** 16.004 (5) of the statutes is amended to read:

12 16.004 (5) AGENCIES AND EMPLOYEES TO COOPERATE. All state agencies and
13 authorities created under subch. II of ch. 114 and under chs. 231, 233, 234, 237, 238,
14 239, and 279, and their officers and employees, shall cooperate with the secretary
15 and shall comply with every request of the secretary relating to his or her functions.

16 **SECTION 16.** 16.004 (12) (a) of the statutes is amended to read:

17 16.004 (12) (a) In this subsection, "state agency" means an association,
18 authority, board, department, commission, independent agency, institution, office,
19 society, or other body in state government created or authorized to be created by the
20 constitution or any law, including the legislature, the office of the governor, and the
21 courts, but excluding the University of Wisconsin Hospitals and Clinics Authority,
22 the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the
23 Wisconsin Economic Development Corporation, the Public Bank of Wisconsin, and
24 the Fox River Navigational System Authority.

25 **SECTION 17.** 16.045 (1) (a) of the statutes is amended to read:

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1 16.045 (1) (a) “Agency” means an office, department, independent agency,
2 institution of higher education, association, society, or other body in state
3 government created or authorized to be created by the constitution or any law, that
4 is entitled to expend moneys appropriated by law, including the legislature and the
5 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 232,
6 233, 234, 237, 238, 239, or 279.

7 **SECTION 18.** 16.15 (1) (ab) of the statutes is amended to read:

8 16.15 (1) (ab) “Authority” has the meaning given under s. 16.70 (2), but
9 excludes the University of Wisconsin Hospitals and Clinics Authority, the Lower Fox
10 River Remediation Authority, the Public Bank of Wisconsin, and the Wisconsin
11 Economic Development Corporation.

12 **SECTION 19.** 16.41 (4) of the statutes is amended to read:

13 16.41 (4) In this section, “authority” means a body created under subch. II of
14 ch. 114 or under ch. 231, 233, 234, 237, 238, 239, or 279.

15 **SECTION 20.** 16.417 (1) (b) of the statutes is amended to read:

16 16.417 (1) (b) “Authority” means a body created under subch. II of ch. 114 or
17 ch. 231, 232, 233, 234, 237, 238, 239, or 279.

18 **SECTION 21.** 16.52 (7) of the statutes is amended to read:

19 16.52 (7) **PETTY CASH ACCOUNT.** With the approval of the secretary, each agency
20 that is authorized to maintain a contingent fund under s. 20.920 may establish a
21 petty cash account from its contingent fund. The procedure for operation and
22 maintenance of petty cash accounts and the character of expenditures therefrom
23 shall be prescribed by the secretary. In this subsection, “agency” means an office,
24 department, independent agency, institution of higher education, association,
25 society, or other body in state government created or authorized to be created by the

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1 constitution or any law, that is entitled to expend moneys appropriated by law,
2 including the legislature and the courts, but not including an authority created in
3 subch. II of ch. 114 or in ch. 231, 233, 234, 237, 238, 239, or 279.

4 **SECTION 22.** 16.528 (1) (a) of the statutes is amended to read:

5 16.528 (1) (a) “Agency” means an office, department, independent agency,
6 institution of higher education, association, society, or other body in state
7 government created or authorized to be created by the constitution or any law, that
8 is entitled to expend moneys appropriated by law, including the legislature and the
9 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 233,
10 234, 237, 238, 239, or 279.

11 **SECTION 23.** 16.53 (2) of the statutes is amended to read:

12 16.53 (2) IMPROPER INVOICES. If an agency receives an improperly completed
13 invoice, the agency shall notify the sender of the invoice within 10 working days after
14 it receives the invoice of the reason it is improperly completed. In this subsection,
15 “agency” means an office, department, independent agency, institution of higher
16 education, association, society, or other body in state government created or
17 authorized to be created by the constitution or any law, that is entitled to expend
18 moneys appropriated by law, including the legislature and the courts, but not
19 including an authority created in subch. II of ch. 114 or in ch. 231, 233, 234, 237, 238,
20 239, or 279.

21 **SECTION 24.** 16.54 (9) (a) 1. of the statutes is amended to read:

22 16.54 (9) (a) 1. “Agency” means an office, department, independent agency,
23 institution of higher education, association, society or other body in state
24 government created or authorized to be created by the constitution or any law, which
25 is entitled to expend moneys appropriated by law, including the legislature and the

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1 courts, but not including an authority created in subch. II of ch. 114 or in ch. 231, 233,
2 234, 237, 238, 239, or 279.

3 **SECTION 25.** 16.765 (1) of the statutes is amended to read:

4 16.765 (1) Contracting agencies, the University of Wisconsin Hospitals and
5 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
6 Aerospace Authority, the Lower Fox River Remediation Authority, the Public Bank
7 of Wisconsin, the Wisconsin Economic Development Corporation, and the Bradley
8 Center Sports and Entertainment Corporation shall include in all contracts executed
9 by them a provision obligating the contractor not to discriminate against any
10 employee or applicant for employment because of age, race, religion, color, handicap,
11 sex, physical condition, developmental disability as defined in s. 51.01 (5), sexual
12 orientation as defined in s. 111.32 (13m), or national origin and, except with respect
13 to sexual orientation, obligating the contractor to take affirmative action to ensure
14 equal employment opportunities.

15 **SECTION 26.** 16.765 (2) of the statutes is amended to read:

16 16.765 (2) Contracting agencies, the University of Wisconsin Hospitals and
17 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
18 Aerospace Authority, the Lower Fox River Remediation Authority, the Public Bank
19 of Wisconsin, the Wisconsin Economic Development Corporation, and the Bradley
20 Center Sports and Entertainment Corporation shall include the following provision
21 in every contract executed by them: "In connection with the performance of work
22 under this contract, the contractor agrees not to discriminate against any employee
23 or applicant for employment because of age, race, religion, color, handicap, sex,
24 physical condition, developmental disability as defined in s. 51.01 (5), sexual
25 orientation or national origin. This provision shall include, but not be limited to, the

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1 following: employment, upgrading, demotion or transfer; recruitment or recruitment
2 advertising; layoff or termination; rates of pay or other forms of compensation; and
3 selection for training, including apprenticeship. Except with respect to sexual
4 orientation, the contractor further agrees to take affirmative action to ensure equal
5 employment opportunities. The contractor agrees to post in conspicuous places,
6 available for employees and applicants for employment, notices to be provided by the
7 contracting officer setting forth the provisions of the nondiscrimination clause”.

8 **SECTION 27.** 16.765 (5) of the statutes is amended to read:

9 16.765 (5) The head of each contracting agency and the boards of directors of
10 the University of Wisconsin Hospitals and Clinics Authority, the Fox River
11 Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox
12 River Remediation Authority, the Public Bank of Wisconsin, the Wisconsin Economic
13 Development Corporation, and the Bradley Center Sports and Entertainment
14 Corporation shall be primarily responsible for obtaining compliance by any
15 contractor with the nondiscrimination and affirmative action provisions prescribed
16 by this section, according to procedures recommended by the department. The
17 department shall make recommendations to the contracting agencies and the boards
18 of directors of the University of Wisconsin Hospitals and Clinics Authority, the Fox
19 River Navigational System Authority, the Wisconsin Aerospace Authority, the Lower
20 Fox River Remediation Authority, the Public Bank of Wisconsin, the Wisconsin
21 Economic Development Corporation, and the Bradley Center Sports and
22 Entertainment Corporation for improving and making more effective the
23 nondiscrimination and affirmative action provisions of contracts. The department
24 shall promulgate such rules as may be necessary for the performance of its functions
25 under this section.

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1 **SECTION 28.** 16.765 (6) of the statutes is amended to read:

2 16.765 (6) The department may receive complaints of alleged violations of the
3 nondiscrimination provisions of such contracts. The department shall investigate
4 and determine whether a violation of this section has occurred. The department may
5 delegate this authority to the contracting agency, the University of Wisconsin
6 Hospitals and Clinics Authority, the Fox River Navigational System Authority, the
7 Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the
8 Public Bank of Wisconsin, the Wisconsin Economic Development Corporation, or the
9 Bradley Center Sports and Entertainment Corporation for processing in accordance
10 with the department's procedures.

11 **SECTION 29.** 16.765 (7) (intro.) of the statutes is amended to read:

12 16.765 (7) (intro.) When a violation of this section has been determined by the
13 department, the contracting agency, the University of Wisconsin Hospitals and
14 Clinics Authority, the Fox River Navigational System Authority, the Wisconsin
15 Aerospace Authority, the Lower Fox River Remediation Authority, the Public Bank
16 of Wisconsin, the Wisconsin Economic Development Corporation, or the Bradley
17 Center Sports and Entertainment Corporation, the contracting agency, the
18 University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational
19 System Authority, the Wisconsin Aerospace Authority, the Lower Fox River
20 Remediation Authority, the Public Bank of Wisconsin, the Wisconsin Economic
21 Development Corporation, or the Bradley Center Sports and Entertainment
22 Corporation shall:

23 **SECTION 30.** 16.765 (7) (d) of the statutes is amended to read:

24 16.765 (7) (d) Direct the violating party to take immediate steps to prevent
25 further violations of this section and to report its corrective action to the contracting

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1 agency, the University of Wisconsin Hospitals and Clinics Authority, the Fox River
2 Navigational System Authority, the Wisconsin Aerospace Authority, the Lower Fox
3 River Remediation Authority, the Public Bank of Wisconsin, the Wisconsin Economic
4 Development Corporation, or the Bradley Center Sports and Entertainment
5 Corporation.

6 **SECTION 31.** 16.765 (8) of the statutes is amended to read:

7 16.765 (8) If further violations of this section are committed during the term
8 of the contract, the contracting agency, the Fox River Navigational System Authority,
9 the Wisconsin Aerospace Authority, the Lower Fox River Remediation Authority, the
10 Public Bank of Wisconsin, the Wisconsin Economic Development Corporation, or the
11 Bradley Center Sports and Entertainment Corporation may permit the violating
12 party to complete the contract, after complying with this section, but thereafter the
13 contracting agency, the Fox River Navigational System Authority, the Wisconsin
14 Aerospace Authority, the Lower Fox River Remediation Authority, the Public Bank
15 of Wisconsin, the Wisconsin Economic Development Corporation, or the Bradley
16 Center Sports and Entertainment Corporation shall request the department to place
17 the name of the party on the ineligible list for state contracts, or the contracting
18 agency, the Fox River Navigational System Authority, the Wisconsin Aerospace
19 Authority, the Lower Fox River Remediation Authority, the Public Bank of
20 Wisconsin, the Wisconsin Economic Development Corporation, or the Bradley
21 Center Sports and Entertainment Corporation may terminate the contract without
22 liability for the uncompleted portion or any materials or services purchased or paid
23 for by the contracting party for use in completing the contract.

24 **SECTION 32.** 16.85 (2) of the statutes is amended to read:

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1 16.85 (2) To furnish engineering, architectural, project management, and other
2 building construction services whenever requisitions therefor are presented to the
3 department by any agency. The department may deposit moneys received from the
4 provision of these services in the account under s. 20.505 (1) (kc) or in the general
5 fund as general purpose revenue — earned. In this subsection, “agency” means an
6 office, department, independent agency, institution of higher education, association,
7 society, or other body in state government created or authorized to be created by the
8 constitution or any law, which is entitled to expend moneys appropriated by law,
9 including the legislature and the courts, but not including an authority created in
10 subch. II of ch. 114 or in ch. 231, 233, 234, 237, 238, 239, or 279.

11 **SECTION 33.** 16.865 (8) of the statutes is amended to read:

12 16.865 (8) Annually in each fiscal year, allocate as a charge to each agency a
13 proportionate share of the estimated costs attributable to programs administered by
14 the agency to be paid from the appropriation under s. 20.505 (2) (k). The department
15 may charge premiums to agencies to finance costs under this subsection and pay the
16 costs from the appropriation on an actual basis. The department shall deposit all
17 collections under this subsection in the appropriation account under s. 20.505 (2) (k).
18 Costs assessed under this subsection may include judgments, investigative and
19 adjustment fees, data processing and staff support costs, program administration
20 costs, litigation costs, and the cost of insurance contracts under sub. (5). In this
21 subsection, “agency” means an office, department, independent agency, institution
22 of higher education, association, society, or other body in state government created
23 or authorized to be created by the constitution or any law, that is entitled to expend
24 moneys appropriated by law, including the legislature and the courts, but not

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SECTION 33

1 including an authority created in subch. II of ch. 114 or in ch. 231, 232, 233, 234, 237,
2 238, 239, or 279.

3 **SECTION 34.** 19.42 (10) (t) of the statutes is created to read:

4 19.42 (10) (t) The chief executive officer and members of the governing board
5 of the Public Bank of Wisconsin.

6 **SECTION 35.** 19.42 (13) (s) of the statutes is created to read:

7 19.42 (13) (s) The chief executive officer and members of the governing board
8 of the Public Bank of Wisconsin.

9 **SECTION 36.** 20.005 (3) (schedule) of the statutes: at the appropriate place,
10 insert the following amounts for the purposes indicated:

2023-24 2024-25

11 **20.195 Public Bank of Wisconsin**

12 (1) LOAN PROGRAMS

13 (a) General program operations; ini-
14 tial funding

GPR C 250,000,000 250,000,000

15 **SECTION 37.** 20.195 of the statutes is created to read:

16 **20.195 Public Bank of Wisconsin.** There is appropriated to the Public Bank
17 of Wisconsin for the following programs:

18 (1) LOAN PROGRAMS. (a) *General program operations; initial funding.* As a
19 continuing appropriation, the amounts in the schedule for the initial costs of
20 operating the Public Bank of Wisconsin and for initial funding for loans and other
21 banking activities under ch. 239.

22 **SECTION 38.** 20.907 (5) (e) 12r. of the statutes is amended to read:

ASSEMBLY BILL 1220**SECTION 38**

1 20.907 (5) (e) 12r. Transfers from the income account of the state investment
2 fund, to pay bank service costs ~~under s. 34.045 (1) (bm).~~

3 **SECTION 39.** 34.03 (2) of the statutes is amended to read:

4 34.03 (2) Require any public depository or the trustees of segregated trusts
5 created by banks for the benefit of public depositors to furnish information upon
6 request. ~~Any~~ Except as provided in s. 34.05 (5), any public depository which refuses
7 or neglects to give any information so requested shall be excluded from the right to
8 receive public deposits. Information obtained under this subsection may not be
9 disclosed by the division of banking unless disclosed as provided in s. 220.06.

10 **SECTION 40.** 34.045 of the statutes is repealed.

11 **SECTION 41.** 34.05 (4) (intro.) of the statutes is amended to read:

12 34.05 (4) (intro.) Notwithstanding sub. (1), s. 66.0603 (1m) (a), or any other
13 provision of law, the governing board of a public depository, other than the state, may
14 direct the treasurer of the governing board to deposit public moneys in a selected
15 public depository and, directly or through an authorized agent, instruct the public
16 depository to arrange for the redeposit of the moneys through a deposit placement
17 program that meets all of the following conditions:

18 **SECTION 42.** 34.05 (5) of the statutes is created to read:

19 34.05 (5) (a) Notwithstanding any other provision of this chapter, the Public
20 Bank of Wisconsin shall be a public depository of the state and, no later than January
21 1, 2028, the Public Bank of Wisconsin shall be the state's only public depository.
22 Except as provided in pars. (b) and (c), to accomplish this transition, the state's public
23 moneys shall be deposited as follows:

24 1. By January 1, 2025, at least 30 percent of the state's public deposits shall be
25 with the Public Bank of Wisconsin.

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1 2. By January 1, 2026, at least 50 percent of the state's public deposits shall be
2 with the Public Bank of Wisconsin.

3 3. By January 1, 2027, at least 80 percent of the state's public deposits shall be
4 with the Public Bank of Wisconsin.

5 4. By January 1, 2028, all of the state's public deposits shall be with the Public
6 Bank of Wisconsin.

7 (b) No later than November 1, 2024, the governing board of the Public Bank of
8 Wisconsin shall review state accounts to determine whether any public moneys
9 received by the state are unsuitable for deposit in the Public Bank of Wisconsin and
10 shall submit to the governor, to the secretary of administration, and to the chief clerk
11 of each house of the legislature, for distribution to the appropriate standing
12 committees under s. 13.172 (3), a report identifying any such public moneys. Upon
13 approval of the secretary of administration, such public moneys may not be deposited
14 in the Public Bank of Wisconsin.

15 (c) If the governing board of the Public Bank of Wisconsin, in consultation and
16 agreement with the secretary of administration, determines that the Public Bank of
17 Wisconsin does not have sufficient capacity to accept and manage the state's public
18 moneys, the deposit schedule under par. (a) shall be delayed and the governing board
19 shall provide to the secretary of administration a plan and time frame to begin such
20 deposits. Deposits may not be delayed under this paragraph beyond December 31,
21 2025.

22 **SECTION 43.** 34.07 of the statutes is amended to read:

23 **34.07 Security.** A surety bond or other security, including an irrevocable letter
24 of credit issued by a federal home loan bank, state bank, national bank, federal or
25 state savings bank, federal or state credit union, or federal or state savings and loan

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1 association, may be required of or given by any public depository for any public
2 deposits that exceed the amount of deposit insurance provided by an agency of the
3 United States and the coverage provided under s. 34.08 (2). This section does not
4 apply with respect to the Public Bank of Wisconsin.

5 **SECTION 44.** 40.02 (54) (n) of the statutes is created to read:

6 40.02 (54) (n) The Public Bank of Wisconsin.

7 **SECTION 45.** 70.11 (38v) of the statutes is created to read:

8 70.11 (38v) PUBLIC BANK OF WISCONSIN. All property owned by the Public Bank
9 of Wisconsin, provided that use of the property is primarily related to the purposes
10 of the Public Bank of Wisconsin.

11 **SECTION 46.** 71.26 (1) (be) of the statutes is amended to read:

12 71.26 (1) (be) *Certain authorities.* Income of the University of Wisconsin
13 Hospitals and Clinics Authority, of the Fox River Navigational System Authority, of
14 the Wisconsin Economic Development Corporation, of the Public Bank of Wisconsin,
15 and of the Wisconsin Aerospace Authority.

16 **SECTION 47.** 77.54 (9a) (a) of the statutes is amended to read:

17 77.54 (9a) (a) This state or any agency thereof, the University of Wisconsin
18 Hospitals and Clinics Authority, the Wisconsin Aerospace Authority, the Wisconsin
19 Economic Development Corporation, the Public Bank of Wisconsin, and the Fox
20 River Navigational System Authority.

21 **SECTION 48.** 100.45 (1) (dm) of the statutes is amended to read:

22 100.45 (1) (dm) "State agency" means any office, department, agency,
23 institution of higher education, association, society, or other body in state
24 government created or authorized to be created by the constitution or any law which
25 is entitled to expend moneys appropriated by law, including the legislature and the

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1 courts, the Wisconsin Housing and Economic Development Authority, the Bradley
2 Center Sports and Entertainment Corporation, the University of Wisconsin
3 Hospitals and Clinics Authority, the Wisconsin Health and Educational Facilities
4 Authority, the Wisconsin Aerospace Authority, the Wisconsin Economic
5 Development Corporation, the Public Bank of Wisconsin, and the Fox River
6 Navigational System Authority.

7 **SECTION 49.** 230.03 (3) of the statutes is amended to read:

8 230.03 (3) “Agency” means any board, commission, committee, council, or
9 department in state government or a unit thereof created by the constitution or
10 statutes if such board, commission, committee, council, department, unit, or the
11 head thereof, is authorized to appoint subordinate staff by the constitution or
12 statute, except the Board of Regents of the University of Wisconsin System, a
13 legislative or judicial board, commission, committee, council, department, or unit
14 thereof or an authority created under subch. II of ch. 114 or under ch. 231, 232, 233,
15 234, 237, 238, 239, or 279. “Agency” does not mean any local unit of government or
16 body within one or more local units of government that is created by law or by action
17 of one or more local units of government.

18 **SECTION 50.** Chapter 239 of the statutes is created to read:

19 **CHAPTER 239**

20 **PUBLIC BANK OF WISCONSIN**

21 **239.01 Definitions.** In this chapter:

22 (1) “Affordable financing” means any of the following:

23 (a) As provided to an eligible recipient, any of the following:

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1 1. The provision of credit and loans, including long-term loans and unsecured
2 loans, at affordable rates and for which the Public Bank of Wisconsin employs
3 underwriting methods that are flexible in their criteria, terms, and uses.

4 2. The provision of letters of credit, guarantees, subordinate loans, and other
5 forms of risk management to facilitate additional financing from sources other than
6 the Public Bank of Wisconsin.

7 3. The provision of any type of financing authorized for a state bank organized
8 under ch. 221.

9 4. The provision of technical assistance.

10 (b) As provided to an eligible recipient under sub. (7) (c), (e), (h), or (k), any of
11 the following:

12 1. The provision of equity financing, including preferred stock, common stock,
13 equity-equivalent capital, and other hybrid instruments.

14 2. The provision of grants, donations, and contributions, including grants given
15 over a period of years to provide predictability for an eligible recipient.

16 **(2)** “Affordable housing” means any of the following:

17 (a) Affordable housing, as defined in s. 66.1105 (2) (ab).

18 (b) Low-income housing, as defined in s. 70.11 (4a) (b).

19 **(3)** “Board,” except in the phrase “board of advisors,” means the governing
20 board of the Public Bank of Wisconsin.

21 **(4)** “Community development authority” means a housing and community
22 development authority organized under s. 66.1335.

23 **(5)** “Community development corporation” has the meaning given in s. 234.94
24 (2).

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1 (6) “Division” means the division of banking in the department of financial
2 institutions.

3 (7) “Eligible recipient,” with respect to affordable financing provided by the
4 Public Bank of Wisconsin, means any of the following:

5 (a) Any local governmental unit or enterprise managed in whole or in part by
6 a local governmental unit.

7 (b) A nonprofit organization that has a primary goal of benefitting the state or
8 its residents through community development.

9 (c) A land trust.

10 (d) A cooperative organized under ch. 185 or 193.

11 (e) An entity created by financial institutions that pools funds to lend for
12 affordable housing development.

13 (f) A developer of housing or preservation projects if all the entities financing
14 a project invite the Public Bank of Wisconsin to participate with financing.

15 (g) A bank, savings bank, savings and loan association, or credit union
16 organized under the laws of this state if the affordable financing extended to the
17 bank, savings bank, savings and loan association, or credit union is used to support
18 another eligible recipient under this subsection.

19 (h) A community development authority, redevelopment authority, housing
20 authority, or community development corporation.

21 (i) A small business enterprise doing business primarily in this state that offers
22 a sustainable business plan and merits credit but is unable to procure affordable
23 financing from other financial institutions in this state.

24 (j) A small- or medium-sized farm and its related industries.

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1 (k) An investment vehicle created for the primary purpose of supporting
2 another eligible recipient under this subsection.

3 (8) "Housing authority" means a housing authority organized under ss.
4 66.1201 to 66.1213.

5 (9) "Land trust" means a nonstock corporation or other nonprofit organization
6 that acquires, manages, develops, or maintains land or easements to promote the
7 preservation or restoration of land in this state for recreational, agricultural, scenic,
8 residential, or commercial use, including for use related to climate security, water
9 resource protection, or affordable housing.

10 (10) "Local governmental unit" has the meaning given in s. 16.97 (7).

11 (11) "Minority group member" has the meaning given in s. 16.287 (1) (f).

12 (12) "Municipality" means a city, village, or town.

13 (13) "Nonprofit organization" has the meaning given in s. 23.097 (1).

14 (14) "Participation loan" means a loan in which the Public Bank of Wisconsin
15 shares in funding or overseeing an advance of credit under a written agreement
16 between the originator of the loan and the Public Bank of Wisconsin.

17 (15) "Public Bank of Wisconsin" or "Bank" means the authority created under
18 s. 239.02.

19 (16) "Public deposit" has the meaning given in s. 34.01 (3).

20 (17) "Redevelopment authority" means a redevelopment authority organized
21 under s. 66.1333.

22 (18) "Rural area" means a municipality with a population density of less than
23 500 persons per square mile, according to the latest federal decennial census.

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1 **(19)** “Rural business concern” means a small business that has its principal
2 business operations in one or more rural areas and that is engaged in an occupation
3 that directly supports the economy of the rural area or areas in which it is located.

4 **(20)** “Small business” has the meaning given in s. 227.114 (1).

5 **(21)** “Underserved neighborhood” means a neighborhood that meets any of the
6 following criteria:

7 (a) The annual median household income in the neighborhood does not exceed
8 65 percent of the statewide annual median household income.

9 (b) Minority group members comprise at least 40 percent of the population in
10 the neighborhood.

11 (c) At least 25 percent of households in the neighborhood lack English language
12 proficiency.

13 (d) Minority group members comprise at least 25 percent of the population of
14 the neighborhood and the annual median household income of the municipality in
15 which the neighborhood is located does not exceed 150 percent of the statewide
16 annual median household income.

17 **239.02 Creation of authority.** (1) There is created an authority, which is a
18 public body corporate and politic, to be known as the “Public Bank of Wisconsin.”

19 (2) The Public Bank of Wisconsin shall take all action necessary to organize as
20 a state bank under ch. 221.

21 **239.03 Organization of authority; governing board; chief executive**
22 **officer.** (1) All powers and duties of the Public Bank of Wisconsin shall be exercised
23 or carried out by a governing board appointed under this section, except to the extent
24 the board delegates the power or duty to an employee of the Bank or a committee
25 established by the board.

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1 **(2)** (a) Subject to the requirements under subs. (3) and (4), the board shall
2 consist of the following members:

3 1. The state treasurer or the state treasurer's designee.

4 2. The state superintendent of public instruction or the state superintendent's
5 designee.

6 3. The president of the University of Wisconsin System or the president's
7 designee.

8 4. One member with professional experience and expertise in the operation of
9 small business enterprises located in this state, appointed by the governor.

10 5. One member with professional experience and expertise in economic
11 development, appointed by the governor.

12 6. One member with professional experience and expertise in local government
13 and administration, appointed by the governor.

14 7. One member with professional experience and expertise in environmentally
15 conscious financing, appointed by the governor.

16 8. One member with professional experience and expertise in the operation of
17 state banks or state-chartered savings banks or savings and loan associations,
18 appointed by the governor.

19 9. One member with professional experience and expertise in the operation of
20 state-chartered credit unions, appointed by the governor.

21 10. One member with professional experience and expertise in public finance,
22 appointed by the governor.

23 11. One member with professional experience and expertise in the operation
24 of community development authorities, redevelopment authorities, housing
25 authorities, or community development corporations, appointed by the governor.

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1 (b) The members under par. (a) 4. to 11. shall be appointed for a term of 4 years.

2 (3) (a) An individual may not serve as a board member unless the individual
3 is a resident of this state and, if appointed, was a resident of this state for at least
4 90 days before the appointment.

5 (b) Except for a board member described in sub. (2) (a) 1. to 3., an individual
6 may not serve as, or be appointed as, a board member if any of the following applies:

7 1. The individual holds a federal, state, or local elected or appointed office or
8 is a candidate for such an office.

9 2. The individual serves as an official in a political party.

10 3. Within the immediately preceding 4-year period, the individual held an
11 office described in subd. 1.

12 (c) An individual may not serve as a board member for more than 8 years.

13 (4) Each board member shall take an oath to faithfully and impartially execute
14 his or her duties as a board member.

15 (5) A vacancy on the board shall be filled in the same manner as the original
16 appointment to the board for the remainder of the unexpired term, if any.

17 (6) A member of the board may not be compensated for his or her services but
18 shall be reimbursed for actual and necessary expenses, including travel expenses,
19 incurred in the performance of his or her duties.

20 (7) The members of the board shall annually elect a chairperson and may elect
21 other officers as they consider appropriate. Upon motion of at least 6 board members,
22 the board shall hold a vote at a special meeting to retain or replace the board
23 chairperson.

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1 **(8)** Nine board members constitute a quorum of the board and the affirmative
2 vote of a majority of board members present and voting is required for any action of
3 the board, including election of the board chairperson.

4 **(9)** (a) The board shall meet quarterly and at any other time it considers
5 necessary or upon the written request of the board chairperson or 6 board members.
6 The board may hold meetings by means of remote communication.

7 (b) The board shall provide notice of any board meeting to all board members,
8 to the chairperson of the board of advisors, and to any other person who requests
9 notice.

10 (c) The board shall adopt procedures governing its meetings.

11 (d) All board meetings shall be staffed with a Bank officer to serve as the board
12 secretary. The board secretary shall keep a record of the proceedings of the board
13 meeting and shall be the custodian of all meeting records.

14 (e) The chairperson of the board of advisors or the chairperson's designee, or
15 both, may attend any board meetings as a nonvoting participant, except those
16 meetings authorized under ch. 19 to be conducted in closed session.

17 **(10)** (a) The board shall appoint a chief executive officer of the Bank who may
18 not be a member of the board and who shall serve at the pleasure of the board.
19 Notwithstanding sub. (8), appointment of the chief executive officer requires the
20 affirmative vote of at least 8 board members. At the discretion of the board
21 chairperson, the board may utilize a form of ranked-choice voting to ensure that the
22 8-vote threshold is satisfied.

23 (b) The board may delegate to the chief executive officer any powers and duties
24 the board considers proper.

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1 (c) The board shall terminate the chief executive officer upon a vote of no
2 confidence in the chief executive officer by at least 8 board members. If this occurs,
3 the board shall immediately initiate the process of hiring a new chief executive
4 officer.

5 (d) If there is a vacancy, absence, or disability in the position of chief executive
6 officer, as determined by the board, then notwithstanding sub. (8), the board may,
7 upon the affirmative vote of 7 board members, designate an acting chief executive
8 officer who has similar qualifications to those required under this subsection for the
9 chief executive officer. An acting chief executive officer has all the powers and duties
10 of the chief executive officer.

11 (e) 1. The chief executive officer shall be compensated as determined by the
12 board and shall devote full time and attention to the duties of the office.

13 2. The chief executive officer shall have skill and experience in management
14 and banking.

15 3. The chief executive officer is the executive and administrative head of the
16 Bank and is responsible for the Bank's administration and the Bank's compliance
17 with this chapter. The chief executive officer is responsible for all aspects of the
18 Bank's management, including its physical facilities, investments, loan portfolio,
19 accounting, risk management, and regulatory compliance, as well as the
20 responsibilities specified in s. 239.05 (2).

21 4. The chief executive officer may employ other employees, consultants, agents,
22 and advisors, including legal counsel, and shall attend meetings of the board, except
23 those board meetings authorized under ch. 19 to be conducted in closed session.

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1 **239.035 Purpose of the Public Bank of Wisconsin.** The purpose of the
2 Public Bank of Wisconsin is to accept and hold deposits of public funds and utilize
3 those funds in this state to further the Bank's goals to do all of the following:

4 **(1)** Accomplish the Bank's mission by adhering to priorities of institutional
5 safety and soundness as ensured by division supervision; long-term viability; social
6 return and monetary return on lending and investments; prudent and best banking
7 and business practices; highest ethical, accountability, and transparency standards;
8 and insulation from political influence.

9 **(2)** Support the expansion and development of public and private measures to
10 mitigate the grave dangers that climate change poses to the public and local
11 enterprises, and to promote reductions in greenhouse gas emissions.

12 **(3)** Promote economic development and job creation in this state, and support
13 the economic well-being and health of this state, by providing affordable financing
14 to eligible recipients and small- and medium-sized businesses, especially in
15 underserved communities.

16 **(4)** Assist businesses and municipalities in recovering from the economic
17 repercussions of external shocks, including pandemics, recessions, and natural
18 disasters.

19 **(5)** Respond to the unmet affordable financing needs of local governmental
20 units.

21 **(6)** Address the historic and current disadvantages experienced by the state's
22 minority-owned and women-owned enterprises by providing affordable financing.

23 **(7)** Assist workers and communities in creating jobs by supporting cooperative
24 business models including worker-owned cooperatives.

25 **(8)** Increase available affordable housing options for all residents of this state.

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1 **(9)** Promote sustainable agriculture and address food insecurity, particularly
2 by providing financing to family-owned farms and rural businesses that serve them.

3 **(10)** Support nonprofit and community-based organizations that work to
4 address the results of racial injustice or to promote women's economic and social
5 equity or both.

6 **(11)** Provide economic support to state agencies, local governmental units, and
7 nonprofit organizations, including community development authorities,
8 redevelopment authorities, housing authorities, and community development
9 corporations.

10 **(12)** Strengthen state-chartered banks, particularly through participatory
11 loan programs.

12 **(13)** Enable the state to share in the methods of monetary support the federal
13 government provides to commercial banks.

14 **(14)** Assist students in need of additional low-cost student loans in financing
15 the cost of higher education.

16 **239.04 Powers and duties of the Bank, board.** **(1)** (a) Except as provided
17 in par. (e) and as otherwise provided in this chapter, the Public Bank of Wisconsin
18 shall have all the powers of a state bank organized under ch. 221.

19 (b) 1. The Public Bank of Wisconsin may, but is not required to, become a
20 member of the federal reserve system.

21 2. The Public Bank of Wisconsin may, but is not required to, become a member
22 of the federal deposit insurance corporation.

23 3. The Public Bank of Wisconsin may, but is not required to, establish a master
24 account with the federal reserve system to enhance the Bank's liquidity.

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1 (c) The Public Bank of Wisconsin may conduct operations or engage in activities
2 through subsidiaries to the same extent as other state banks organized under ch.
3 221, but these subsidiaries are subject to any restriction or limitation applicable if
4 the Bank directly conducted the operation or engaged in the activity.

5 (d) The Public Bank of Wisconsin may accept and solicit property, including any
6 gifts, donations, grants, bequests, loans, public funds, or other private contributions,
7 for any of the purposes of this chapter.

8 (e) The Public Bank of Wisconsin may accept public deposits and open deposit
9 accounts only as provided in sub. (7) (d) and s. 34.05 (5). The Public Bank of
10 Wisconsin may not pay interest on deposit accounts.

11 (f) The Public Bank of Wisconsin shall maintain complete records of all banking
12 transactions.

13 (g) The board shall establish technical advisory committees and consult with
14 public and private sector experts in substantive areas related to the Bank's mission,
15 objectives, and duties.

16 **(2)** (a) The board shall have all the powers necessary or convenient to carry out
17 the purposes and provisions of this chapter.

18 (b) 1. The board shall operate the Bank to ensure its soundness and
19 sustainability and, subject to subd. 2., to accomplish the Bank's purposes under this
20 chapter. The board shall adhere to the operating priorities identified in s. 239.035
21 (1).

22 2. The board may direct the Bank's annual earnings to be added to the Bank's
23 capital or distributed to the state, and the board may direct Bank deposits to be
24 invested in the state investment fund under s. 25.14.

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1 (c) The board shall regularly review the Bank's financial statements and other
2 records to ensure that the Bank is in compliance with all applicable laws and
3 regulations and with all reporting requirements under s. 239.08 (1).

4 (d) The board shall keep the board of advisors fully informed of the Bank's
5 operations and loan portfolio and shall convey the recommendations of the board of
6 advisors to the Bank's chief executive officer. The board shall hold an annual joint
7 meeting of the board with the board of advisors and the Bank's chief executive officer.
8 The board chairperson shall preside over this meeting. If requested by a majority
9 of the members of the board of advisors, the board shall schedule and hold additional
10 joint meetings in the same year as the annual joint meeting.

11 (e) In conducting its operations, the Public Bank of Wisconsin shall comply with
12 its business plan under s. 239.05 and further give priority to the following
13 considerations:

14 1. Supporting eligible recipients subject to the historic and current economic
15 inequities experienced by communities in underserved neighborhoods, including
16 enterprises established by residents there, as well as eligible recipients working to
17 remedy those inequities.

18 2. Supporting eligible recipients subject to the historic and current economic
19 inequities experienced by women throughout the state.

20 3. Supporting rural business and farming concerns.

21 4. Supporting businesses with compensation structures that provide a livable
22 wage, establish an equitable ratio between the least-paid and highest-paid
23 members of the business, or otherwise demonstrate a commitment to equitable pay.

24 5. Supporting entities that address the impacts of climate change and the
25 reduction of greenhouse gases.

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1 6. Funding the need of municipalities to update and build safe and sustainable
2 infrastructure.

3 7. Supporting the operation of local governmental units, nonprofit
4 organizations, credit unions, local community banks, community development
5 authorities, redevelopment authorities, housing authorities, community
6 development corporations, and state-chartered financial institutions, including by
7 complementing or partnering rather than competing with these entities to
8 strengthen them and to expand affordable financing in the state.

9 8. Seeking participation loan options with the entities under subd. 7., when
10 appropriate, rather than originating or servicing the loan itself.

11 9. Promoting equitable distribution of the Bank's resources across the state,
12 including ensuring that rural areas are given full and fair consideration and have
13 all necessary support in completing the application process.

14 **(3)** In addition to all other powers granted the board under this chapter, the
15 board may specifically do any of the following:

16 (a) Adopt, amend, and repeal bylaws, policies, and procedures for the
17 regulation of its affairs and the conduct of its business.

18 (b) Sue and be sued.

19 (c) Establish the Public Bank of Wisconsin's annual budget and monitor the
20 fiscal management of the Bank.

21 (d) Execute contracts and other instruments required for the operation of the
22 Public Bank of Wisconsin.

23 (e) Make loans and incur debt and other nondeposit liabilities, including money
24 market borrowing, federal reserve borrowing, and capital market borrowing.

25 (f) Procure liability insurance.

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1 (g) Employ officers, staff, and agents and determine their qualifications,
2 duties, and compensation.

3 (h) Employ and compensate consultants, advisers, or other professionals to
4 assist the board in carrying out its functions and exercising its authority under this
5 chapter.

6 (4) (a) In this subsection, "labor peace agreement" means an agreement
7 between an eligible recipient and a labor organization, as defined in s. 5.02 (8m), that
8 does all of the following:

9 1. Prohibits labor organizations and its members from engaging in picketing,
10 work stoppages, boycotts, and any other economic interference with persons
11 operating in this state.

12 2. Prohibits the eligible recipient from disrupting the efforts of the labor
13 organization to communicate with and to organize and represent the eligible
14 recipient's employees.

15 3. Provides the labor organization access at reasonable times to areas in which
16 the eligible recipient's employees work for the purpose of meeting with employees to
17 discuss their right to representation, employment rights under state law, and terms
18 and conditions of employment.

19 (b) Subject to par. (c), the Public Bank of Wisconsin shall use its powers to
20 extend affordable financing to eligible recipients.

21 (c) The Public Bank of Wisconsin may not extend affordable financing to an
22 eligible recipient unless the eligible recipient does all of the following:

23 1. Certifies to the Bank that the eligible recipient has entered into a labor peace
24 agreement and will abide by the terms of the agreement as a condition of receiving
25 the affordable financing.

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1 2. Submits to the Bank a copy of the page of the labor peace agreement that
2 contains the signatures of the labor organization representative and the
3 representative of the eligible recipient.

4 **(5)** (a) The board may facilitate investment in, and financing of, construction,
5 rehabilitation, replacement, and improvement of new and existing public
6 infrastructure systems.

7 (b) Before initiating operations under par. (a), the board shall submit to the
8 governor and to the chief clerk of each house of the legislature, for distribution to the
9 appropriate standing committees under s. 13.172 (3), an implementation plan,
10 including a proposal for any necessary legislation, that includes all of the following:

11 1. Identification of the public infrastructure systems that the Bank plans to
12 initially target.

13 2. Identification of any existing state programs that the Bank recommends be
14 transferred under its authority, and the steps and timelines for the transitions.

15 3. A description of additional financing products and services the Bank plans
16 to offer, the target markets, and anticipated rates, terms, and conditions.

17 4. A demonstration of how Bank products and services will increase access to
18 capital for public infrastructure systems and complement those of existing public
19 and private sources.

20 5. A demonstration of how the Bank plans to maximize public benefit.

21 **(6)** (a) The Public Bank of Wisconsin, in partnership with independent
22 community banks, credit unions, or community development corporations, may
23 administer a state guarantee loan program to assist students in need of low-cost
24 student loans and related loan benefits to address educational needs as necessary to
25 support student success, including the refinancing of existing student loan debt.

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1 (b) The board shall develop an implementation plan for the program under par.

2 (a). The implementation plan shall include all of the following:

3 1. Identification of the needs and benefits to selected students that the program
4 will initially target.

5 2. The policies and criteria that the Bank will use to balance public benefit and
6 public risk.

7 3. Identification of the ways that the program will address all of the following
8 issues related to loans:

9 a. Qualification criteria for students.

10 b. Obligations and options for loan repayment.

11 c. Requirements for loan guarantees and reserves.

12 d. Establishing criteria for refinancing existing debt.

13 e. Fee and interest rate structures.

14 f. Maximum loan amounts.

15 g. Ensuring student awareness of grants, federal loans, and other financial aid
16 programs.

17 **(7)** (a) The Public Bank of Wisconsin, in partnership with independent
18 community banks, credit unions, community development authorities,
19 redevelopment authorities, housing authorities, or community development
20 corporations, may do any of the following:

21 1. Leverage at least 30 percent of public deposits as financial capital and
22 resources to provide access to low-cost capital or credit or both to small businesses,
23 minority-owned and women-owned business enterprises, entrepreneurs, start-up
24 businesses, farmers, and communities and individuals of this state having below
25 average income, to further economic growth, create jobs, reduce greenhouse gases,

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1 and build and sustain affordable housing for this state's residents, as provided under
2 this subsection.

3 2. Leverage the Bank's financial capital and resources to provide access to
4 low-cost capital to bring fiscally sound and financially successful businesses into
5 this state, as provided under this subsection.

6 3. Leverage the Bank's financial capital and resources to provide access to
7 low-cost capital or credit or both to established businesses in this state for the
8 purpose of providing financial stability for the Bank, as provided under this
9 subsection.

10 (b) The Public Bank of Wisconsin may make loans in the form of participation
11 loans with community banks, credit unions, community development authorities,
12 redevelopment authorities, housing authorities, and community development
13 corporations in this state, to qualified individuals and businesses residing or doing
14 business in this state if the originator of the loan is a financial institution chartered
15 under ch. 186, 214, 215, or 221.

16 (c) The Public Bank of Wisconsin may serve as a banker's bank for this state's
17 state-chartered financial institutions by providing correspondent banking services
18 and other related services for these financial institutions in unbanked and
19 underserved communities. The Bank may not compete with this state's
20 state-chartered financial institutions, particularly in unbanked and underserved
21 communities.

22 (d) The Public Bank of Wisconsin may accept deposits related to transactions
23 under par. (c) from this state's state-chartered financial institutions.

24 **(8)** (a) 1. For financial institutions that make the Public Bank of Wisconsin a
25 reserve depository, the Bank may serve as a clearinghouse, including all facilities for

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1 providing domestic and foreign exchange, and may rediscount paper, on terms the
2 board provides.

3 2. The Bank may provide corporate trust services for the state, including
4 trustee, escrow agent, paying agent, bond registrar, and transfer agent.

5 3. The Bank may buy and sell federal funds; issue letters of credit for public
6 deposits; and provide a safekeeping service for United States treasury securities,
7 federal agency securities, corporate bonds, tax-free bonds, money market
8 investments, and mortgage-backed securities.

9 (b) The Bank shall provide to the state all reasonable and necessary depository
10 services and may charge its cost of services to the state.

11 (c) The secretary of administration and the board shall together ensure that the
12 Bank maintains at all times cash or demand deposits in an amount needed to meet
13 the operational needs of the state.

14 **239.05 Business plan. (1)** The Public Bank of Wisconsin shall develop and
15 maintain a business plan that sets forth the Bank's strategy for accomplishing its
16 statutory directives through safe and sound operation of the Bank. In developing the
17 business plan, the Bank shall give priority to the considerations specified in s. 239.04

18 (2) (e). The business plan shall include the method of providing security or insurance
19 for the public deposits that the Bank receives. The Bank shall make the business
20 plan available to the public. The business plan shall be updated at least once every
21 4 years.

22 (2) (a) The chief executive officer of the Bank is responsible for developing the
23 business plan and, upon approval by the board, for implementing the business plan
24 and managing the Bank consistently with the business plan.

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1 (b) The chief executive officer shall send a draft of the business plan to the board
2 and, at the same time, to the chairperson of the board of advisors at least 30 days
3 before the board of advisors' next scheduled quarterly meeting. The board of advisors
4 shall immediately make the draft business plan publicly accessible on the board of
5 advisors' website and shall publicly announce that the draft is available for public
6 comment through the board of advisors' comments portal. Within 30 days after the
7 board of advisors' quarterly meeting, the chairperson of the board of advisors shall
8 combine the comments and suggestions of the members of the board of advisors,
9 along with any public input that the board of advisors considers pertinent, into a
10 concise list of recommended modifications to the business plan and shall distribute
11 those recommendations to the members of the board of advisors and to the board.
12 The board shall promptly convey these recommendations, together with any
13 comments of its own, to the chief executive officer. The chief executive officer shall
14 then prepare a new draft business plan taking these recommendations into account
15 as the chief executive officer sees fit and shall convey the new draft business plan to
16 the board and to the board of advisors within 30 days of the recommendations'
17 receipt. The board of advisors' comments and recommendations, together with the
18 public's input from the board of advisors' meetings and from the comments portal and
19 the business plan approved under sub. (3), shall be made publicly available on the
20 board of advisors' website.

21 (3) (a) The board is responsible for reviewing and approving the business plan
22 developed under sub. (2). Notwithstanding s. 239.03 (8), approval of the business
23 plan requires the affirmative vote of at least 8 board members.

24 (b) Within 30 days of receiving the updated draft business plan under sub. (2)
25 (b), the board shall vote upon approval of the business plan at a regularly scheduled

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1 or special meeting of the board. In approving the business plan, the board shall
2 ensure that the business plan pays due attention to the recommendations of the
3 Bank's board of advisors. After approving the business plan, the board shall monitor
4 the Bank's compliance with the business plan.

5 (c) If the board holds a vote under par. (b) on a draft business plan and the board
6 fails to approve the draft business plan, the process under sub. (2) shall be repeated
7 until the board approves a business plan. Upon the 3rd consecutive failure of the
8 board to approve a draft business plan in a vote under par. (b), the board shall
9 terminate the chief executive officer who developed the failed business plans and
10 hire a new chief executive officer to begin the process again.

11 (4) (a) After the board's approval of the business plan under sub. (3), the
12 business plan may not be overridden by the board except through a declaration of
13 emergency under par. (b).

14 (b) In the event of a natural or man-made disaster, the board shall declare a
15 state of emergency that requires the chief executive officer to override the business
16 plan in the manner the board considers necessary to address and recover from the
17 disaster. Notwithstanding s. 239.03 (8), the board's declaration of a state of
18 emergency requires the affirmative vote of at least 9 board members and may only
19 be made after consultation with the chairperson of the board of advisors. The
20 declaration of a state of emergency shall specify the duration of the emergency, which
21 may not exceed one year. Notwithstanding s. 239.03 (8), at the conclusion of this
22 one-year period, the board may extend the declaration of a state of emergency for an
23 additional one-year period upon the affirmative vote of at least 9 board members.

24 (5) In making its examination of the Public Bank of Wisconsin under s. 220.04
25 (1) (a), the division shall assess the Public Bank of Wisconsin's compliance with the

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1 business plan. Notwithstanding s. 220.06 (3) (a), the division's assessment of the
2 Public Bank of Wisconsin's compliance with the business plan shall be made
3 available to the public beginning 6 months after the date on which the examination
4 is concluded.

5 **239.06 Board of advisors. (1)** (a) At its quarterly meetings, the board of
6 advisors shall review the activities of the Public Bank of Wisconsin.
7 Notwithstanding any provision in ch. 19, the board of advisors shall provide public
8 notice of its meetings at least 30 days before the meeting. The chairperson of the
9 board of advisors may attend all meetings of the Bank's board and be recognized to
10 speak, except those meetings authorized under ch. 19 to be conducted in closed
11 session.

12 (b) The board of advisors shall maintain a website for the board of advisors and
13 shall ensure that the public has an opportunity to provide input to the board of
14 advisors on an ongoing basis through an Internet-based comments portal. The
15 board of advisors shall make the establishment of the comments portal its first order
16 of business and shall provide the Bank's board, as well as the chief executive officer
17 and staff of the Bank, full access to the portal. The chairperson of the board of
18 advisors is responsible for managing the comments portal and shall ensure that the
19 comments on the portal are fully accessible to the public.

20 **(2)** The board of advisors' responsibilities include all of the following:

21 (a) Establishing rules of procedure for the board of advisors.

22 (b) Scheduling and publicizing the quarterly meetings of the board of advisors
23 and providing to the public, on a timely basis, the minutes of these meetings.

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1 (c) Establishing an Internet-based comments portal for the public to review
2 and comment on the activities of the Public Bank of Wisconsin and make proposals
3 regarding future initiatives for the Bank's consideration.

4 (d) Reviewing the Bank's draft business plan and providing feedback as
5 described in s. 239.05.

6 (e) Communicating to the Bank's board and chief executive officer policy
7 recommendations and any significant concerns arising from the board of advisors'
8 quarterly meetings or from its comments portal.

9 (3) The Public Bank of Wisconsin shall pay from its operating budget all
10 expenses incurred by the board of advisors in fulfilling its obligations, including the
11 expenses related to the comments portal and any stipend or per diem under s. 15.07
12 (5) (g).

13 **239.07 Conflicts of interest.** (1) The Public Bank of Wisconsin may not
14 transact business with or extend financing to any of the following:

15 (a) A member of the board.

16 (b) An officer of the Public Bank of Wisconsin.

17 (c) A member of the board of advisors.

18 (d) An immediate family member of any person under par. (a), (b), or (c).

19 (e) An entity in which a person under par. (a) or (b) has an interest.

20 (2) The prohibition under sub. (1) shall remain in effect for 4 years after the
21 person under sub. (1) (a) or (b) is no longer a board member or officer.

22 (3) Subsection (1) does not prohibit the Public Bank of Wisconsin from
23 transacting business with or extending financing to an entity with which a member
24 of the board of advisors is associated.

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1 **239.08 Reports; confidential information.** (1) Annually, on or before April
2 15, the board shall submit to the governor and to the chief clerk of each house of the
3 legislature under s. 13.172 (2) a report that includes all of the following for the prior
4 calendar year:

5 (a) Audited financial statements of the Public Bank of Wisconsin.

6 (b) A description of the benefits of the Bank's activities to the state, including
7 all of the following:

8 1. Analysis of the extent to which the Bank was able to meet affordable
9 financing priorities.

10 2. For each type of eligible recipient, the number of recipients to whom the Bank
11 extended affordable financing and the total principal amount of financing provided
12 to each type of eligible recipient.

13 3. A description of the main forms of affordable financing provided by the Bank
14 in each county of the state.

15 (c) A statement identifying the compensation paid by the Bank to the Bank's
16 board members, the Bank's chief executive officer, and the other employees and
17 consultants of the Bank.

18 **(2)** Annually, on or before April 15, the secretary of administration shall submit
19 to the governor and to the chief clerk of each house of the legislature under s. 13.172
20 (2) a report that identifies, for the prior calendar year, each public depository, as
21 defined in s. 34.01 (5), used by the state and the current and average amount of cash
22 and cash equivalents held by the state in each public depository.

23 **(3)** (a) The board shall make all reports under sub. (1) available to the public.

24 (b) The board shall maintain as confidential the identity and financial
25 information of all eligible recipients.

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1 **239.09 Liability limited.** Neither the state nor any political subdivision of
2 the state, nor any officer, employee, or agent of the state or a political subdivision of
3 the state who is acting within the scope of employment or agency, is liable for any
4 debt, obligation, act, or omission of the Public Bank of Wisconsin.

5 **SECTION 51. Nonstatutory provisions.**

6 (1) PUBLIC BANK OF WISCONSIN.

7 (a) Notwithstanding the length of terms specified in s. 239.03 (2) (b), the initial
8 members of the governing board of the Public Bank of Wisconsin appointed under s.
9 239.03 (2) (a) 5., 7., 9, and 11. shall be appointed for initial terms of 2 years.

10 (b) The initial members of the governing board of the Public Bank of Wisconsin
11 shall be appointed no later than 120 days after the effective date of this paragraph.

12 (c) The governing board of the Public Bank of Wisconsin shall elect the board's
13 officers, including the board chairperson, at its first meeting. Initial board meetings
14 shall be staffed by an interim board employee acting as secretary.

15 (d) The chairperson of the governing board of the Public Bank of Wisconsin
16 shall publicly solicit applications for the chief executive officer position immediately
17 upon the chairperson's appointment by the board. The board shall expeditiously hire
18 the chief executive officer. The chief executive officer shall cause to be drafted the
19 initial business plan no later than one year after being hired by the board.

20 (2) BOARD OF ADVISORS.

21 (a) Notwithstanding the length of terms specified for the members of the board
22 of advisors under s. 15.185 (3) (b), the following initial members of the board of
23 advisors shall be appointed for initial terms of 2 years:

24 1. The members appointed under s. 15.185 (3) (a) 3., 8., and 10.

25 2. One of the members appointed under s. 15.185 (3) (a) 5.

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1 3. One of the members appointed under s. 15.185 (3) (a) 6.

2 4. One of the members appointed under s. 15.185 (3) (a) 7.

3 5. One of the members appointed under s. 15.185 (3) (a) 12.

4 6. One of the members appointed under s. 15.185 (3) (a) 13.

5 (b) The initial members of the board of advisors shall be appointed no later than
6 90 days after the appointment of the last appointed member of the governing board
7 of the Public Bank of Wisconsin.

8 (c) The board of advisors shall elect a chairperson at its first meeting, who shall
9 serve a term of 2 years as chairperson.

10 (3) EXISTING DEPOSITORY AGREEMENTS.

11 (a) In this subsection:

12 1. “Public depository” has the meaning given in s. 34.01 (5).

13 2. “Public moneys” has the meaning given in s. 34.01 (6).

14 (b) Notwithstanding s. 34.05 (5), if the deposit of public moneys in the Public
15 Bank of Wisconsin would result in the state breaching a contract with a public
16 depository that is in effect on the effective date of this paragraph, the state may defer
17 the deposit of public moneys under s. 34.05 (5) until the deposit does not result in a
18 breach of the state’s contract. However, if the existence of such a contract requires
19 the state to defer deposits under this paragraph, the state shall take all action
20 necessary to rightfully terminate the contract at the earliest date possible and may
21 not renew or otherwise extend the contract term.

22 **SECTION 52. Effective dates.** This act takes effect on the day after publication,
23 except as follows:

