

# August 1992 Special Session

WEDNESDAY, September 23, 1992

The chief clerk makes the following entries under the above date.

## EXECUTIVE COMMUNICATIONS

State of Wisconsin  
Office of the Governor

September 18, 1992

To the Honorable, the Senate:

The following bills, originating in the senate, have been approved, signed and deposited in the office of the Secretary of State:

Senate Bill	Act No.	Date Approved
1, August 1992 Special Session -----	----- 324 -----	September 18, 1992

Respectfully,  
TOMMY G. THOMPSON  
Governor

State of Wisconsin  
Office of the Governor

September 18, 1992

To the Honorable, the Senate:

I have approved **Senate Bill 1**, August 1992 Special Session, as 1991 Wisconsin Act 324 and have deposited it in the office of the Secretary of State. Because this is an appropriation bill, I have exercised a partial veto by vetoing nonstatutory language. I believe this language was intended to prohibit transaction, or portions of transactions, which do not produce positive economic savings to the State. This language may unintentionally restrict the Building Commission in its ability to carry out a transaction that is in the best overall economic interests of the State. The problem with the nonstatutory language is that there is an ambiguity. The meaning of the words "restructuring public debt" is uncertain and this uncertainty could prevent bond counsel from giving an approving opinion on a transaction which meets normally accepted standards for an economic refunding

that does not carry negative economic costs and that produces positive savings for the State, both in terms of gross debt service and present value savings.

I am directing the Department of Administration, in considering the structure of a refunding bond issue, to use the following standard in structuring any refunding bond issue based on the debt authorization provided by this legislation:

A structural refunding component to a refunding bond issue will not be used if the structural refunding component reduces the present value debt service savings for the State. A structural refunding component of a refunding bond issue may be presented to the Building Commission for their consideration if it increases present value debt service savings for the State.

I am in agreement with what I believe was the policy intent of this nonstatutory amendment to the bill, namely that refunding transactions should be used to save money, and I pledge that the refunding bond authority added by this legislation will not be used contrary to that intent. With that in mind, the bill enables Wisconsin to refund certain higher interest general obligation debt with lower interest debt, producing real savings to Wisconsin taxpayers.

Respectfully,  
TOMMY G. THOMPSON  
Governor

## CHIEF CLERK'S REPORT

The chief clerk records:

**Senate Bill 1**, August 1992 Special Session.

Correctly enrolled and presented to the Governor on September 15, 1992.