

CHAPTER 552

AN ACT to amend 25.18 (1) (d); and to create 25.17 (3) (bh) and (10) of the statutes, relating to the powers and duties of the state of Wisconsin investment board.

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

SECTION 1. 25.17 (3) (bh) and (10) of the statutes are created to read:

25.17 (3) (bh) Invest the conservation wardens pension fund, state life fund, state teachers retirement fund, Milwaukee teachers retirement fund and Wisconsin retirement fund in loans secured by mortgages upon unincumbered and improved real property in the United States or Canada when such real estate is leased to a corporation incorporated or existing under the laws of the United States or any state, district or territory thereof, or Canada or any Province thereof, whose income available for fixed charges for the period of 5 fiscal years next preceding the date of the investment has averaged not less than one and one-half times its average annual fixed charges applicable to such period, if there is pledged and assigned, either absolutely or conditionally, as additional security for the loan either the lease or sufficient of the rentals payable thereunder to repay the principal and interest of the loan within the unexpired term of the lease. Real property and leasehold estates are not incumbered within the meaning of this section by reason of the existence of unpaid assessments and taxes not delinquent, mineral, oil or timber rights, easements or rights of way for public highways, private roads, railroads, telegraph, telephone, electric light and power lines, drains, sewers or other similar easements or rights of way, liens for service and maintenance of water rights when not delinquent, party wall agreements, building restrictions, or other restrictive covenants or conditions, with or without a reversionary clause, or leases under which rents or profits are reserved to the owner. The foregoing limitations and restrictions shall not apply to real estate loans which are insured under the national housing act by the federal housing administration or to real estate loans made under ch. 219.

(10) Notwithstanding s. 206.34 (1) (c) whenever a building constitutes any part of the security for a loan made by the state of Wisconsin investment board under either s. 25.17 (3) (bh) or 206.34 (1) (c), such building shall be kept insured for at least the unpaid amount of the loan or such larger amount as may be necessary to comply with any coinsurance clause inserted in or attached to the policy. When the full insurable value of the building is less than the unpaid amount of the loan, such building shall be kept insured for the full insurable value thereof.

SECTION 2. 25.18 (1) (d) of the statutes is amended to read:

25.18 (1) (d) * * * Liquidate or cause to be liquidated any corporation 100 per cent of whose common stock is owned by the board, or to operate such corporation until it can be liquidated to recoup the investment of the board, but such period shall not exceed 5 years.

Approved May 25, 1964.