



1995 ASSEMBLY BILL 378

May 18, 1995 - Introduced by Representatives R. POTTER, R. YOUNG, BALDUS, GROBSCHMIDT, ROBSON, NOTESTEIN, KRUG, PLOMBON, WASSERMAN, GOETSCH, SILBAUGH, SCHNEIDERS, HUBER, UNDERHEIM, DUFF, RUTKOWSKI, WALKER and OTT, cosponsored by Senators FARROW, BURKE, HUELSMAN, SCHULTZ and DARLING. Referred to Committee on Urban Education.

1 **AN ACT to amend** 43.58 (7) (b) of the statutes; **relating to:** the investment of
2 public library endowment funds.

Analysis by the Legislative Reference Bureau

Under current law, if a gift, bequest, devise or endowment (endowment fund) is made to a public library, the library board may pay or transfer the endowment fund to the municipality or county in which the public library is located, entrust the endowment fund to a public depository, that is, a credit union, savings and loan association or bank, or pay or transfer the endowment fund to the financial secretary of the library board. This bill permits the financial secretary of a library board to retain, expend, invest and reinvest any endowment funds paid or transferred to the financial secretary as permitted under the uniform management of institutional funds act. That act permits institutional funds to be invested by the governing body of an institution in any real or personal property, including stocks, bonds and other securities, and in any pooled or common fund, such as a mutual fund, so long as the governing body exercises ordinary business care and prudence in making the investment and in delegating management of the investment.

For further information see the *state and local* 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:

3 **SECTION 1.** 43.58 (7) (b) of the statutes is amended to read:
4 43.58 (7) (b) If a gift, bequest, devise or endowment is made to any public
5 library, the library board thereof may pay or transfer the gift, bequest, devise or

1 endowment, or the proceeds thereof, to the treasurer of the municipality or county
2 in which the public library is situated, may entrust any funds therefrom to a public
3 depository under ch. 34 or may pay or transfer such ~~that~~ gift, bequest, devise or
4 endowment to any member of the library board to be selected by the library board
5 and thereafter to be known as financial secretary. If the library board pays or
6 transfers that gift, bequest, devise or endowment to the financial secretary, the
7 financial secretary may retain, expend, invest and reinvest that gift, bequest, devise
8 or endowment as permitted under s. 112.10. The financial secretary shall hold office
9 only during membership on the library board and shall be elected annually at the
10 same time and in the same manner as the other officers of the library board.

11 **SECTION 2. Initial applicability.**

12 (1) This act first applies to gifts, bequests, devises and endowments held by a
13 library board on the effective date of this subsection.

14 (END)