



2013 ASSEMBLY BILL 177

April 25, 2013 - Introduced by Representatives BIES, NYGREN and T. LARSON.
Referred to Committee on Colleges and Universities.

1 **AN ACT relating to:** transferring technical college district assets, liabilities, and
2 employees to the technical college system board; limiting the authority of
3 technical college district boards and prohibiting them from levying property
4 taxes; increasing the rate of the state sales tax and use tax, and requiring a
5 referendum.

Analysis by the Legislative Reference Bureau

Effective July 1, 2015, this bill makes the following changes to the state technical college system:

1. The bill transfers all technical college district facilities, property, assets, and liabilities to the Wisconsin Technical College System (WTCS) Board.
2. The bill transfers all technical college district employees to the WTCS Board.
3. The bill prohibits the technical college district boards from levying property taxes. Under the bill, a district board's only duty is to advise the district director, who is appointed by the WTCS Board.

The bill directs the WTCS Board to develop an orderly plan for the changes described above and to submit the plan to the Joint Committee on Finance (JCF) within 30 days after the bill's effective date.

Effective January 1, 2015, the bill increases the state sales and use tax by one cent.

The bill provides that all of the changes described above are contingent upon their approval by the electorate at a referendum held at the spring election in 2014.

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Finally, the bill directs the Legislative Reference Bureau to prepare a bill, for introduction in the 2013 legislature by JCF, that reconciles the statutes with the bill's provisions.

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:

1 **SECTION 1. Nonstatutory provisions.**

2 (1) Effective July 1, 2015:

3 (a) A technical college district board's only duty is to advise the district director,
4 who is appointed by the technical college system board.

5 (b) Technical college district boards may not issue bonds or promissory notes.

6 (c) Technical college district boards may not levy property taxes.

7 (d) Incumbent employees holding positions in the technical college district
8 boards are transferred to the technical college system board, and the number of
9 authorized positions in the technical college system board is increased accordingly.
10 Employees transferred under this paragraph retain all the rights in the technical
11 college system that they enjoyed in the technical college district boards immediately
12 before the transfer.

13 (e) All facilities, property, assets, and liabilities of the technical college district
14 boards, including debt outstanding on July 1, 2015, are transferred to the technical
15 college system board, and all contracts entered into by the technical college district
16 boards in effect on July 1, 2015, are transferred to the technical college system board
17 and remain in effect until modified or rescinded by the technical college system board
18 to the extent allowed under the contracts.

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1 (2) Effective January 1, 2015, the state sales and use tax is increased by one
2 cent.

3 (3) The state technical college system board shall develop a plan for the orderly
4 transfer to the state technical college system board, on July 1, 2015, of positions,
5 employees, assets, liabilities, contracts, rules, orders, property, and pending
6 matters. The board shall submit the plan to the joint committee on finance within
7 30 days after the effective date of this subsection.

8 (4) The legislative reference bureau shall prepare a bill, for introduction in the
9 2013 legislature by the joint committee on finance, that reconciles the statutes with
10 the provisions of subsections (1) and (2). The bill shall incorporate the
11 recommendations included in the plan submitted under subsection (3), as modified
12 by the joint committee on finance.

13 (5) There shall be submitted to the vote of the electors at the spring election in
14 April 2014 the following question: "Shall SECTION 1 (1) to (4) of 2013 Wisconsin Act
15 (this act), which transfers all technical college district assets, liabilities, contracts,
16 and employees to the state technical college system board, prohibits technical college
17 district boards from borrowing money or levying property taxes, and increases the
18 state sales and use tax by one cent, become law effective July 1, 2015?" If the question
19 is approved by a majority of all votes cast on the question at the election, SECTION 1
20 (1) to (4) of this act shall become law; otherwise, SECTION 1 (1) to (4) of this act shall
21 not become law.

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(END)