Fiscal Estimate - 2009 Session

Original	Updated	Corre	cted	Supplemental			
LRB Number 09-3496/3	3	Introduction	on Number 🛮 🗚	AB-0509			
Description Exempting certain capital expenditures made by a technical college district from the requirement for a referendum							
Fiscal Effect							
State: No State Fiscal Effect Indeterminate Increase Existing Appropriations Decrease Existing Appropriations Create New Appropriation	Increase E Revenues Decrease I Revenues	-		s - May be possible in agency's budget \to No ts			
Local: No Local Government Cost Indeterminate 1. Increase Costs Permissive Mandat 2. Decrease Costs Permissive Mandat	3. Increase Rory Permissive 4. Decrease I	Mandatory	☐Counties ☐	nits Affected Village Cities Others WTCS Districts			
Fund Sources Affected GPR FED PRO	PRS SEG	An SEGS	ffected Ch. 20 App	propriations			
Agency/Prepared By	Auth	orized Signat	ure	Date			
WTCS/ Conor Smyth (608) 266-2	TCS/ Conor Smyth (608) 266-2991 Morn			10/23/2009			

Fiscal Estimate Narratives WTCS 10/23/2009

LRB Number 09-3496/3	Introduction Number	AB-0509	Estimate Type	Original			
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Assumptions Used in Arriving at Fiscal Estimate

Section 38.15(1), Wis. Stats., requires technical college districts to submit to public referendum capital expenditures exceeding \$1.5 million. Section 38.15(3), Wis. Stats., identifies exceptions to this requirement.

AB 509, if enacted, This bill would add an exception to the referendum requirement by allowing technical college districts to subtract the portion of capital expenditures to be generated from student housing payments when calculating the total capital expenditure amount for student resident facilities.

At this time, none of the 16 technical college districts own student residence facilities and only one--Western Technical College in La Crosse--leases such a facility. Western Technical College has received the required approval from the Wisconsin Technical College System Board to lease a new student residence facility. If AB 509 is enacted, it is expected that Western Technical College will seek district and WTCS Board approval to purchase this facility, using student housing payments to finance the purchase cost.

Long-Range Fiscal Implications

If enacted, AB 509 would provide a new financing mechanism for technical colleges to construct or purchase student housing facilities and, therefore, technical colleges other than Western Technical College could consider constructing or purchasing student housing facilities. However, enactment of AB 509 creates no long-term fiscal effect on technical college property tax levies or tuition levels because AB 509 does not expand technical colleges' levy or expenditure authority or the Wisconsin Technical College System Board's capital project review and approval authority.