



2003 BILL

Tobay

the powers of technical college district boards

regenerate

1 AN ACT to amend 38.28 (1m)(a) 1. and 66.0621 (1) (c); and to create 20.292 (1)  
 2 (cn), 38.39, 73.03 (61) and 560.03 (24) and (25) of the statutes; relating to:  
 3 authorizing technical college districts to issue revenue bonds for the purpose of  
 4 providing services and facilities to businesses, granting rule-making authority,  
 5 and making an appropriation.

**Analysis by the Legislative Reference Bureau**

A

This bill authorizes a technical college district board, with the approval of the state Technical College System Board, to enter into a contract with a business to provide job training, adult basic education, vocational and professional services, and training facilities, equipment, and material to the business. The bill allows the district to issue revenue bonds to finance the costs of providing these services and materials.

or retained

The bill requires the Department of Revenue (DOR) to determine the amount of wages from which income tax withholding is calculated for an individual whose job is created as a result of training and education provided to the individual by a technical college district under a contract entered into by a business and a district as described above and calculate the total for each technical college district. The names of such individuals are certified to DOR by the Department of Commerce. DOR must then certify 1.5 percent of the amount calculated for each technical college district to the Technical College System Board, which distributes the amounts to the districts.

B

**BILL**

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. 20.292 (1) (cn) of the statutes is created to read:

2 20.292 (1) (cn) *Services provided to businesses.* A sum sufficient equal to the  
3 total of the amounts determined by the department of revenue under s. 73.03 (61) for  
4 distribution to the districts under s. 38.39.

5 SECTION 2. 38.28 (1m) (a) 1. of the statutes, as affected by 2003 Wisconsin Act  
6 33, is amended to read:

7 38.28 (1m) (a) 1. "District aidable cost" means the annual cost of operating a  
8 technical college district, including debt service charges for district bonds and  
9 promissory notes for building programs or capital equipment, but excluding all  
10 expenditures relating to auxiliary enterprises and community service programs, all  
11 expenditures funded by or reimbursed with federal revenues, all receipts under sub.  
12 (6) and ss. 38.12 (9), 38.14 (3) and (9), 38.39, 118.15 (2) (a), 118.55 (7r), and 146.55  
13 (5), all receipts from grants awarded under ss. 38.04 (8), (20), (28), and (31), 38.14  
14 (11), 38.26, 38.27, 38.33, and 38.38, all fees collected under s. 38.24, and driver  
15 education and chauffeur training aids.

16 SECTION 3. 38.39 of the statutes is created to read:

17 38.39 Wisconsin Advantage Program. (1) There is created a regional  
18 project for the creation <sup>and retention</sup> of jobs to be known as the Wisconsin Advantage Program.

19 (2) With the approval of the board, a district board may on its own or jointly  
20 with any other entity contract with a business to provide the business with one or  
21 more of the following:

**BILL**

*or retained*

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(a) Training for jobs created by the business.

(b) Adult basic education.

(c) Vocational and skill-assessment services.

(d) Training facilities, equipment, and material.

(e) Professional services.

(3) A contract under sub. (2) may require the business to pay fees for the services provided, or to pay all or a portion of the costs of the services provided.

(4) (a) The district board may issue revenue obligations under s. 66.0621 to provide funds for payment of the costs of providing services under a contract under sub. (2).

(b) The district board shall maintain a special fund, to be identified as the Wisconsin Advantage Program special redemption fund, into which it deposits the fees received under sub. (3), the payments received from the state under sub. (5), and any other moneys designated by the district board for deposit into the special fund.

The district board may use this revenue only for the payment of principal and interest on bonds issued under par. (a).

← STET

(5) Annually the board shall pay to the district board, from the appropriation under s. 20.292 (1) (cn), an amount equal to the amount calculated for that district by the department of revenue under s. 73.03 (61).

(6) The board shall promulgate rules to implement and administer this section.

SECTION 4. 66.0621 (1) (c) of the statutes is amended to read:

66.0621 (1) (c) "Revenue" means all moneys received from any source by or for the operation of a public utility and all rentals and fees and, in the case of a local professional baseball park district created under subch. III of ch. 229 includes tax revenues deposited into a special fund under s. 229.685 and payments made into a

## BILL

1 special debt service reserve fund under s. 229.74 and, in the case of a local  
2 professional football stadium district created under subch. IV of ch. 229 includes tax  
3 revenues deposited into a special fund under s. 229.825 and payments made into a  
4 special debt service reserve fund under s. 229.830 and, in the case of a technical  
5 college district includes revenues deposited into a special fund under s. 38.39 (4) (b).

6 SECTION 5. 73.03 (61) of the statutes is created to read:

7 73.03 (61) To determine the amount of wages from which withholding under  
8 s. 71.64 (1) is calculated for an individual whose name is reported to the department  
9 by the department of commerce under s. 560.03 (25), and to certify 1.5 percent of that  
10 amount, aggregated by each technical college district, to the technical college system  
11 board.

12 SECTION 6. 560.03 (24) and (25) of the statutes are created to read:

13 560.03 (24) Promulgate rules for determining the number of full-time  
14 equivalent jobs a business creates <sup>or retains</sup> and the identity of each individual employed in  
15 each such ~~created~~ job, for purposes of sub. (25) and ss. 38.39 and 73.03 (61).

16 (25) No later than July 1 of each year, report to the department of revenue the  
17 number of jobs created <sup>or retained</sup> by each business that enters into a contract under s. 38.39 (2)  
18 and the identity of each individual employed in each such ~~created~~ job.

19 (END)



(B)

(9) The bill also <sup>authorizes</sup> authorizes a district board to organize a <sup>nonstock</sup> nonstock corporation for the purposes of ~~the~~ raising funds <sup>and</sup> and providing support for the district, and ~~authorizes a district board~~ to contract with a nonstock corporation to <sup>carry out any</sup> carry out <sup>any</sup> any duty or power ~~of the d~~

2-4:1

SEC. # RN. 38.04 (1)✓, 38.04 (1r)✓

SEC. # CR. 38.04 (1g)✓

38.04 (1g) Powers of the board = The district board has all powers necessary or convenient for the operation of the district except as expressly limited by law or by rule, resolution, or policy.

SEC. # CR. 38.14 (15)✓

38.14 (15) Nonstock corporations (No fl)

(a) The district board may organize one or more nonstock corporations under chapter 181 for the purposes of raising funds and providing support for the operation and management

2-4:2

of the districts

§ (b) The district board may contract  
with <sup>one</sup> one or more nonstock corporations <sup>organized</sup> under  
ch 181 for the purpose of <sup>carrying</sup> carrying out any  
duty <sup>or</sup> or power of the district board.



**Barman, Mike**

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**From:** Vander Sanden, Patrick  
**Sent:** Wednesday, November 26, 2003 2:30 PM  
**To:** LRB.Legal  
**Subject:** Draft review: LRB 03-3625/3 Topic: Issuance of bonds by technical college districts for job creation

It has been requested by <Vander Sanden, Patrick> that the following draft be jacketed for the SENATE:

Draft review: LRB 03-3625/3 Topic: Issuance of bonds by technical college districts for job creation

**Grant, Peter**

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**From:** Davis, Brett  
**Sent:** Monday, December 01, 2003 2:31 PM  
**To:** Grant, Peter

Peter -

The Senator would like to have the Wisconsin Advantage Program be a five-year pilot project allowed in areas affected by substantial job loss. For the purposes of the Program, substantial job loss is defined as technical college districts that are affected by a plant closing on or after February 1, 2001, where 1) at least 500 people from a single plant closing, or 1,000 people from more than one plant closing in a county lose their jobs over a twelve month period, or 2) the unemployment rate in a county for that year is over 7.0%.

Please let me know if you have any questions.

Thanks.

Brett

*- 3 yrs. in which to enter into it*

Brett

6-2056

12/1/03

pilot project

nonstock corp. lang ~~?~~  
OK

↓  
areas that have been impacted  
by job loss

- delete rec. & corp powers lang
- assn can't raise lang for this purpose  
(if co. pre-bankrupt)

12/3/03

TC from Brett

drop 5 yr. requirement

*TOP 1*

*stays*

# 2003 BILL

1 AN ACT *to renumber* 38.04 (1); *to amend* 38.28 (1m) (a) 1. and 66.0621 (1) (c);  
 2 and *to create* 20.292 (1) (cn), 38.04 (1g), 38.14 (15), 38.39, 73.03 (61) and 560.03  
 3 (24) and (25) of the statutes; **relating to:** ~~the powers of technical college district~~  
 4 ~~boards~~ authorizing technical college districts to issue revenue bonds for the  
 5 purpose of providing services and facilities to businesses, granting  
 6 rule-making authority, and making an appropriation.

*rephrase*

*of an eligible technical college district*

### **Analysis by the Legislative Reference Bureau**

Under current law, technical college district boards have only those powers that are expressly provided or necessarily implied by statute. This bill provides that a district board has all of the powers necessary or convenient for the operation of the district except as expressly limited by law or by rule, resolution, or policy adopted by the state Technical College System Board.

This bill authorizes a ~~technical college~~ district board, with the approval of the state Technical College System Board, to enter into a contract with a business to provide job training, adult basic education, vocational and professional services, and training facilities, equipment, and material to the business. The bill allows the district to issue revenue bonds to finance the costs of providing these services and materials.

The bill requires the Department of Revenue (DOR) to determine the amount of wages from which income tax withholding is calculated for an individual whose

*A district is eligible if a certain number of jobs have been lost in the district or if the unemployment rate in <sup>part</sup> of the district is greater than seven ~~27~~ percent at least*

**BILL**

job is created or retained as a result of training and education provided to the individual by a technical college district under a contract entered into by a business and a district as described above and calculate the total for each technical college district. The names of such individuals are certified to DOR by the Department of Commerce. DOR must then certify 1.5 percent of the amount calculated for each technical college district to the Technical College System Board, which distributes the amounts to the districts.

The bill also authorizes a district board to organize a nonstock corporation for the purposes of raising funds and providing support for the district, and to contract with a nonstock corporation to carry out any district board duty or power.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1           **SECTION 1.** 20.292 (1) (cn) of the statutes is created to read:

2           20.292 (1) (cn) *Services provided to businesses.* A sum sufficient equal to the  
3 total of the amounts determined by the department of revenue under s. 73.03 (61) for  
4 distribution to the districts under s. 38.39.

5           ~~**SECTION 2.** 38.04 (1) of the statutes is renumbered 38.04 (1r).~~

6           ~~**SECTION 3.** 38.04 (1g) of the statutes is created to read:~~

7           ~~38.04 (1g) **POWERS.** The district board has all of the powers necessary or  
8 convenient for the operation of the district except as expressly limited by law or by  
9 board rule, resolution, or policy.~~

10           ~~**SECTION 4.** 38.14 (15) of the statutes is created to read:~~

11           ~~38.14 (15) **NONSTOCK CORPORATIONS.** (a) The district board may organize one  
12 or more nonstock corporations under ch. 181 for the purposes of raising funds and  
13 providing support for the operation and management of the district.~~

**BILL**

1 (b) The district board may contract with one or more nonstock corporations  
2 organized under ch. 181 for the purpose of carrying out any duty or power of the  
3 district board.

3 - 3 →

4 ~~SECTION 5.~~ SECTION 38.28 (1m) (a) 1. of the statutes, as affected by 2003 Wisconsin Act  
5 33, is amended to read:

6 38.28 (1m) (a) 1. "District aidable cost" means the annual cost of operating a  
7 technical college district, including debt service charges for district bonds and  
8 promissory notes for building programs or capital equipment, but excluding all  
9 expenditures relating to auxiliary enterprises and community service programs, all  
10 expenditures funded by or reimbursed with federal revenues, all receipts under sub.  
11 (6) and ss. 38.12 (9), 38.14 (3) and (9), 38.39, 118.15 (2) (a), 118.55 (7r), and 146.55  
12 (5), all receipts from grants awarded under ss. 38.04 (8), (20), (28), and (31), 38.14  
13 (11), 38.26, 38.27, 38.33, and 38.38, all fees collected under s. 38.24, and driver  
14 education and chauffeur training aids.

15 SECTION ~~6.~~ 38.39 of the statutes is created to read:

3-16

of an eligible district may establish

16 **38.39 Wisconsin Advantage Program.** (1) ~~There is created~~ a regional  
17 project for the creation and retention of jobs ~~to be known as the Wisconsin Advantage~~

more

18 ~~Program.~~ Under the program, the district board ~~may~~

19 (2) With the approval of the board, a district board may on its own or jointly  
20 with any other entity contract with a business to provide the business with one or  
21 more of the following: located in the district

22 (a) Training for jobs created or retained by the business.

23 (b) Adult basic education.

24 (c) Vocational and skill-assessment services.

25 (d) Training facilities, equipment, and material.

**BILL**

1 (e) Professional services.

2 (3) A contract under sub. (2) may require the business to pay fees for the  
3 services provided, or to pay all or a portion of the costs of the services provided.

4 (4) (a) The district board may issue revenue obligations under s. 66.0621 to  
5 provide funds for payment of the costs of providing services under a contract under  
6 sub. (2).

7 (b) The district board shall maintain a special fund, to be identified as the  
8 Wisconsin Advantage Program special redemption fund, into which it deposits the  
9 fees received under sub. (3), the payments received from the state under sub. (5), and  
10 any other moneys designated by the district board for deposit into the special fund.  
11 The district board may use this revenue only for the payment of principal of and  
12 interest on the bonds issued under par. (a).

13 (5) Annually the board shall pay to the district board, from the appropriation  
14 under s. 20.292 (1) (cn), an amount equal to the amount calculated for that district  
15 by the department of revenue under s. 73.03 (61).

16 (6) The board shall promulgate rules to implement and administer this section.

17 SECTION 7. 66.0621 (1) (c) of the statutes is amended to read:

18 66.0621 (1) (c) "Revenue" means all moneys received from any source by or for  
19 the operation of a public utility and all rentals and fees and, in the case of a local  
20 professional baseball park district created under subch. III of ch. 229 includes tax  
21 revenues deposited into a special fund under s. 229.685 and payments made into a  
22 special debt service reserve fund under s. 229.74 and, in the case of a local  
23 professional football stadium district created under subch. IV of ch. 229 includes tax  
24 revenues deposited into a special fund under s. 229.825 and payments made into a

**BILL**

1 special debt service reserve fund under s. 229.830 and, in the case of a technical  
2 college district includes revenues deposited into a special fund under s. 38.39 (4) (b).

3 **SECTION ~~8~~ 73.03 (61)** of the statutes is created to read:

4 73.03 (61) To determine the amount of wages from which withholding under  
5 s. 71.64 (1) is calculated for an individual whose name is reported to the department  
6 by the department of commerce under s. 560.03 (25), and to certify 1.5 percent of that  
7 amount, aggregated by each technical college district, to the technical college system  
8 board.

9 **SECTION ~~9~~ 560.03 (24) and (25)** of the statutes are created to read:

10 560.03 (24) Promulgate rules for determining the number of full-time  
11 equivalent jobs a business creates or retains and the identity of each individual  
12 employed in each such job, for purposes of sub. (25) and ss. 38.39 and 73.03 (61).

13 (25) No later than July 1 of each year, report to the department of revenue the  
14 number of jobs created or retained by each business that enters into a contract under  
15 s. 38.39 (2) and the identity of each individual employed in each such job.

16 (END)



3-3

SEC. CR. 38.16(3)

38.16(3) The district board may not  
levy a tax to pay debt service on revenue  
obligations issued under ~~subchapter~~ for the  
purposes of paying the costs of providing  
services under a contract entered into under  
S. 36.39, or to pay the costs of providing  
services under such a contract.

3-16

In this section, "eligible district" means  
a district in which a

business closed on or after February 1, 2008,  
and <sup>in which</sup> at least one of the following applies: <sup>(12)</sup>

# (a) At least 500 people lost their jobs <sup>over a twelve-month period</sup> as a result of  
single <sup>or</sup>  
a business closing, or at

~~at least~~ least 1000 people lost their jobs  
<sup>12</sup>  
over a twelve-month period as a result of  
more than one business closing.

(b) The unemployment rate of a county  
<sup>or</sup>  
located in whole <sup>or</sup> in part in the district is  
<sup>more than</sup> <sup>percent</sup> 7% for the <sup>12</sup>  
~~at least~~ <sup>(12)</sup> twelve-month period in par. (a).

LPS: Go to <sup>(1)</sup>  
<sup>(2)</sup> next



State of Wisconsin  
2003 - 2004 LEGISLATURE

LRB-3625/4

PG/RJM/MES:kjf&wlj:jf

*Tsdht*

*stays*

*P. 1, 3, 4*

2003 SENATE BILL

**REGEN**

1 AN ACT to amend 38.28 (1m) (a) 1. and 66.0621 (1) (c); and to create 20.292 (1)  
2 (cn), 38.14 (15), 38.16 (3), 38.39, 73.03 (61) and 560.03 (24) and (25) of the  
3 statutes; relating to: authorizing technical college districts to issue revenue  
4 bonds for the purpose of providing services and facilities to businesses, granting  
5 rule-making authority, and making an appropriation.

*a county located in*

**Analysis by the Legislative Reference Bureau**

This bill authorizes a district board of an eligible technical college district, with the approval of the state Technical College System Board, to enter into a contract with a business to provide job training, adult basic education, vocational and professional services, and training facilities, equipment, and material to the business. The bill allows the district to issue revenue bonds to finance the costs of providing these services and materials. A district is eligible if a certain number of jobs have been lost in the district or if the unemployment rate in ~~at least part of~~ the district is greater than 7 percent.

The bill requires the Department of Revenue (DOR) to determine the amount of wages from which income tax withholding is calculated for an individual whose job is created or retained as a result of training and education provided to the individual by a technical college district under a contract ~~entered into by a business and a district as~~ described above and calculate the total for each technical college district. The names of such individuals are certified to DOR by the Department of Commerce. DOR must then certify 1.5 percent of the amount calculated for each

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technical college district to the Technical College System Board, which distributes the amounts to the districts.

The bill also authorizes a district board to organize a nonstock corporation for the purposes of raising funds and providing support for the district, and to contract with a nonstock corporation to carry out any district board duty or power.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1           **SECTION 1.** 20.292 (1) (cn) of the statutes is created to read:

2           20.292 (1) (cn) *Services provided to businesses.* A sum sufficient equal to the  
3 total of the amounts determined by the department of revenue under s. 73.03 (61) for  
4 distribution to the districts under s. 38.39.

5           **SECTION 2.** 38.14 (15) of the statutes is created to read:

6           **38.14 (15) NONSTOCK CORPORATIONS.** (a) The district board may organize one  
7 or more nonstock corporations under ch. 181 for the purposes of raising funds and  
8 providing support for the operation and management of the district.

9           (b) The district board may contract with one or more nonstock corporations  
10 organized under ch. 181 for the purpose of carrying out any duty or power of the  
11 district board.

12           **SECTION 3.** 38.16 (3) of the statutes is created to read:

13           **38.16 (3)** The district board may not levy a tax to pay debt service on revenue  
14 obligations issued for the purposes of paying the costs of providing services under a  
15 contract entered into under s. 36.39, or to pay the costs of providing services under  
16 such a contract.

17           **SECTION 4.** 38.28 (1m) (a) 1. of the statutes, as affected by 2003 Wisconsin Act  
18 33, is amended to read:

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1           38.28 (1m) (a) 1. "District aidable cost" means the annual cost of operating a  
2 technical college district, including debt service charges for district bonds and  
3 promissory notes for building programs or capital equipment, but excluding all  
4 expenditures relating to auxiliary enterprises and community service programs, all  
5 expenditures funded by or reimbursed with federal revenues, all receipts under sub.  
6 (6) and ss. 38.12 (9), 38.14 (3) and (9), 38.39, 118.15 (2) (a), 118.55 (7r), and 146.55  
7 (5), all receipts from grants awarded under ss. 38.04 (8), (20), (28), and (31), 38.14  
8 (11), 38.26, 38.27, 38.33, and 38.38, all fees collected under s. 38.24, and driver  
9 education and chauffeur training aids.

10           **SECTION 5.** 38.39 of the statutes is created to read:

11           **38.39 Wisconsin Advantage Program.** (1) In this section, "eligible district"  
12 means a district in which a business closed on or after February 1, 2002, and in which  
13 at least one of the following applies:

14           (a) At least 500 people lost their jobs over a 12-month period as a result of a  
15 single business closing, or at least 1,000 people lost their jobs over a 12-month period  
16 as a result of more than one business closing.

17           (b) The unemployment rate of a county located in whole or in part in the district  
18 is more than 7 percent for the 12-month period in par. (a).

19           (2) With the approval of the board, a district board of an eligible district may  
20 establish a regional project for the creation and retention of jobs. Under the ~~program~~ <sup>project</sup>,  
21 the district board may on its own or jointly with any other entity contract with a  
22 business located in the district to provide the business with one or more of the  
23 following:

24           (a) Training for jobs created or retained by the business.

25           (b) Adult basic education.

## SENATE BILL

1 (c) Vocational and skill-assessment services.

2 (d) Training facilities, equipment, and material.

3 (e) Professional services.

4 (3) A contract under sub. (2) may require the business to pay fees for the  
5 services provided, or to pay all or a portion of the costs of the services provided.

6 (4) (a) The district board may issue revenue obligations under s. 66.0621 to  
7 provide funds for payment of the costs of providing services under a contract under  
8 sub. (2).

9 (b) The district board shall maintain a special fund, to be identified as the  
10 Wisconsin Advantage Program special redemption fund, into which it deposits the  
11 fees received under sub. (3), the payments received from the state under sub. (5), and  
12 any other moneys designated by the district board for deposit into the special fund.  
13 The district board may use this revenue only for the payment of principal of and  
14 interest on the bonds issued under par. (a).

15 (5) Annually the board shall pay to the district board, from the appropriation  
16 under s. 20.292 (1) (cn), an amount equal to the amount calculated for that district  
17 by the department of revenue under s. 73.03 (61).

18 (6) The board shall promulgate rules to implement and administer this section.

19 SECTION 6. 66.0621 (1) (c) of the statutes is amended to read:

20 66.0621 (1) (c) "Revenue" means all moneys received from any source by or for  
21 the operation of a public utility and all rentals and fees and, in the case of a local  
22 professional baseball park district created under subch. III of ch. 229 includes tax  
23 revenues deposited into a special fund under s. 229.685 and payments made into a  
24 special debt service reserve fund under s. 229.74 and, in the case of a local  
25 professional football stadium district created under subch. IV of ch. 229 includes tax

**SENATE BILL**

1 revenues deposited into a special fund under s. 229.825 and payments made into a  
2 special debt service reserve fund under s. 229.830 and, in the case of a technical  
3 college district includes revenues deposited into a special fund under s. 38.39 (4) (b).

4 **SECTION 7.** 73.03 (61) of the statutes is created to read:

5 73.03 (61) To determine the amount of wages from which withholding under  
6 s. 71.64 (1) is calculated for an individual whose name is reported to the department  
7 by the department of commerce under s. 560.03 (25), and to certify 1.5 percent of that  
8 amount, aggregated by each technical college district, to the technical college system  
9 board.

10 **SECTION 8.** 560.03 (24) and (25) of the statutes are created to read:

11 560.03 (24) Promulgate rules for determining the number of full-time  
12 equivalent jobs a business creates or retains and the identity of each individual  
13 employed in each such job, for purposes of sub. (25) and ss. 38.39 and 73.03 (61).

14 (25) No later than July 1 of each year, report to the department of revenue the  
15 number of jobs created or retained by each business that enters into a contract under  
16 s. 38.39 (2) and the identity of each individual employed in each such job.

17 (END)

4-14

¶ (c) Notwithstanding  $\S$  66.0621 (4)(a) 10<sup>2</sup> ~~and~~  
in ~~the~~ <sup>the</sup> statement included with each bond  
that if at any time the revenues received <sup>or</sup>  
expected to be received in the special  
redemption fund under para (b) <sup>are</sup> insufficient  
to pay the principal and interest on the bond  
~~obligation~~ when due, the district board shall  
make the payment  
from other district funds.

The district board shall express its <sup>expectation</sup>  
~~aspiration~~ <sup>aspiration</sup> and



# 2003 SENATE BILL

TUSA

PP-1 & 3

REGEN

1 AN ACT to amend 38.28 (1m) (a) 1. and 66.0621 (1) (c); and to create 20.292 (1)  
 2 (cn), 38.14 (15), 38.16 (3), 38.39, 73.03 (61) and 560.03 (24) and (25) of the  
 3 statutes; relating to: authorizing technical college districts to issue revenue  
 4 bonds for the purpose of providing services and facilities to businesses, granting  
 5 rule-making authority, and making an appropriation.

an eligible

### Analysis by the Legislative Reference Bureau

This bill authorizes a district board of an eligible technical college district, with the approval of the state Technical College System Board, to enter into a contract with a business to provide job training, adult basic education, vocational and professional services, and training facilities, equipment, and material to the business. The bill allows the district to issue revenue bonds to finance the costs of providing these services and materials. A district is eligible if a certain number of jobs have been lost in the district or if the unemployment rate in a county located in the district is greater than 7 percent.

The bill requires the Department of Revenue (DOR) to determine the amount of wages from which income tax withholding is calculated for an individual whose job is created or retained as a result of training and education provided to the individual by a technical college district under a contract described above and calculate the total for each technical college district. The names of such individuals are certified to DOR by the Department of Commerce. DOR must then certify 1.5 percent of the amount calculated for each technical college district to the Technical College System Board, which distributes the amounts to the districts.

**SENATE BILL**

The bill also authorizes a district board to organize a nonstock corporation for the purposes of raising funds and providing support for the district, and to contract with a nonstock corporation to carry out any district board duty or power.

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.** 20.292 (1) (cn) of the statutes is created to read:

2           20.292 (1) (cn) *Services provided to businesses.* A sum sufficient equal to the  
3 total of the amounts determined by the department of revenue under s. 73.03 (61) for  
4 distribution to the districts under s. 38.39.

5           **SECTION 2.** 38.14 (15) of the statutes is created to read:

6           **38.14 (15) NONSTOCK CORPORATIONS.** (a) The district board may organize one  
7 or more nonstock corporations under ch. 181 for the purposes of raising funds and  
8 providing support for the operation and management of the district.

9           (b) The district board may contract with one or more nonstock corporations  
10 organized under ch. 181 for the purpose of carrying out any duty or power of the  
11 district board.

12           **SECTION 3.** 38.16 (3) of the statutes is created to read:

13           **38.16 (3)** The district board may not levy a tax to pay debt service on revenue  
14 obligations issued for the purposes of paying the costs of providing services under a  
15 contract entered into under s. 36.39, or to pay the costs of providing services under  
16 such a contract.

17           **SECTION 4.** 38.28 (1m) (a) 1. of the statutes, as affected by 2003 Wisconsin Act  
18 33, is amended to read:

SENATE BILL

1           38.28 (1m) (a) 1. "District aidable cost" means the annual cost of operating a  
 2 technical college district, including debt service charges for district bonds and  
 3 promissory notes for building programs or capital equipment, but excluding all  
 4 expenditures relating to auxiliary enterprises and community service programs, all  
 5 expenditures funded by or reimbursed with federal revenues, all receipts under sub.  
 6 (6) and ss. 38.12 (9), 38.14 (3) and (9), ~~38.39~~, 118.15 (2) (a), 118.55 (7r), and 146.55  
 7 (5), all receipts from grants awarded under ss. 38.04 (8), (20), (28), and (31), 38.14  
 8 (11), 38.26, 38.27, 38.33, and 38.38, all fees collected under s. 38.24, and driver  
 9 education and chauffeur training aids.

10           **SECTION 5.** 38.39 of the statutes is created to read:

11           **38.39 Wisconsin Advantage Program.** (1) In this section, "eligible district"  
 12 means <sup>any of the following: A (a) A</sup> a district <sup>board of a district</sup> in which a business closed on or after February 1, 2002, and in which  
 13 at least one of the following applies:

14           ~~10~~ At least 500 people lost their jobs over a 12-month period as a result of a  
 15 single business closing, or at least 1,000 people lost their jobs over a 12-month period  
 16 as a result of more than one business closing.

17           ~~20~~ The unemployment rate of a county located in whole or in part in the district  
 18 is more than 7 percent for the 12-month period in ~~par (a) 1~~ <sup>sub d 1</sup>

19           (2) With the approval of the board, a district board of an eligible district <sup>board</sup> may  
 20 establish a regional project for the creation and retention of jobs. Under the project,  
 21 the district board may on its own or jointly with any other entity contract with a  
 22 business located in the district to provide the business with one or more of the  
 23 following:

- 24           (a) Training for jobs created or retained by the business.
- 25           (b) Adult basic education.

3-18 → 18  
 19

board

board

**SENATE BILL**

1 (c) Vocational and skill–assessment services.

2 (d) Training facilities, equipment, and material.

3 (e) Professional services.

4 (3) A contract under sub. (2) may require the business to pay fees for the  
5 services provided, or to pay all or a portion of the costs of the services provided.

6 (4) (a) The district board may issue revenue obligations under s. 66.0621 to  
7 provide funds for payment of the costs of providing services under a contract under  
8 sub. (2).

9 (b) The district board shall maintain a special fund, to be identified as the  
10 Wisconsin Advantage Program special redemption fund, into which it deposits the  
11 fees received under sub. (3), the payments received from the state under sub. (5), and  
12 any other moneys designated by the district board for deposit into the special fund.  
13 The district board may use this revenue only for the payment of principal of and  
14 interest on the bonds issued under par. (a).

15 (c) Notwithstanding s. 66.0621 (4) (a) 1., in the statement included with each  
16 bond the district board shall express its expectation and aspiration that if at any time  
17 the revenues received or expected to be received in the special redemption fund under  
18 par. (b) are insufficient to pay the principal and interest on the bond when due, the  
19 district board shall make the payment from other district funds.

20 (5) Annually the board shall pay to the district board, from the appropriation  
21 under s. 20.292 (1) (cn), an amount equal to the amount calculated for that district  
22 by the department of revenue under s. 73.03 (61).

23 (6) The board shall promulgate rules to implement and administer this section.

24 **SECTION 6.** 66.0621 (1) (c) of the statutes is amended to read:



A

~~year of the district board~~

(w/4) If a district does not satisfy these  
criteria, it ~~may request~~ the joint  
committee on finance may <sup>nevertheless</sup> allow the  
district to participate <sup>but</sup> the district  
board may not request <sup>such</sup> approval until  
at least 12 months after this bill  
becomes law.

3-18

¶ (b) A district ~~is governed by a district~~  
board that obtains ~~the approval of the joint~~  
~~committee on finance~~ <sup>approval</sup> to enter into a contract

under subo (2) from the joint committee on  
finance <sup>Ⓢ</sup> the first day of the 13th  
month beginning after the effective date of  
this paragraph <sup>....</sup> [reviser inserts date] Ⓢ

A district board may not request the approval of  
the joint committee on finance under this  
paragraph until

12/16/03

mtg w/ Sen. Leibman  
Rep. Weidner } and aides  
Rep. Krwaczuk }

+ tech. college positions

① max cost per trainee = \$3500  
dist. bd. must get JFC approval to  
exceed (passive review)

② ~~limit bonding authority~~ - \$15M state  
limit to ~~from~~ statewide per year for  
cost of K's  
dist. bd. can speak to JFC (passive)  
to exceed

③ statewide availability

④ annual report  
dist. bd. → by 1/1 year.

⑤ require 10-year pay off of bonds

---

then compile w/ LRB-3510/3

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TODAY

↓  
stays

# 2003 SENATE BILL

A contract may not provide more than \$3,500 in services to a trainee unless the Joint Committee on Finance approves a higher limit. In addition, the state board does not exceed \$10,000,000 unless the Joint Committee on Finance approves a higher limit.

Technical college

must ensure that the total cost in any fiscal year does not exceed \$10,000,000 unless the Joint Committee on Finance approves a higher limit.

**REGEN**

AN ACT to amend 38.28 (1m) (a) 1. and 66.0621 (1) (c); and to create 20.292 (1) (cn), 38.14 (15), 38.16 (3), 38.39, 73.03 (61) and 560.03 (24) and (25) of the statutes; relating to: authorizing technical college districts to issue revenue bonds for the purpose of providing services and facilities to businesses, granting rule-making authority, and making an appropriation.

### Analysis by the Legislative Reference Bureau

This bill authorizes a district board of an eligible technical college district, with the approval of the state Technical College System Board, to enter into a contract with a business to provide job training, adult basic education, vocational and professional services, and training facilities, equipment, and material to the business. The bill allows an eligible district board to issue revenue bonds to finance the costs of providing these services and materials. A district board is eligible if a certain number of jobs have been lost in the district or if the unemployment rate in a county located in the district is greater than 7 percent. If a district does not satisfy these criteria, the Joint Committee on Finance may nevertheless allow the district to participate, but the district board may not request such approval until at least 12 months after this bill becomes law.

The bill requires the Department of Revenue (DOR) to determine the amount of wages from which income tax withholding is calculated for an individual whose job is created or retained as a result of training and education provided to the individual by a technical college district under a contract described above and

has  or who has been provided

**SENATE BILL**

*under the program created by this bill*

calculate the total for each technical college district. The names of such individuals are certified to DOR by the Department of Commerce. DOR must then certify 1.5 percent of the amount calculated for each technical college district to the Technical College System Board, which distributes the amounts to the districts.

The bill also authorizes a district board to organize a nonstock corporation for the purposes of raising funds and providing support for the district, and to contract with a nonstock corporation to carry out any district board duty or power.

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. 20.292 (1) (cn) of the statutes is created to read:

2 20.292 (1) (cn) *Services provided to businesses.* A sum sufficient equal to the  
3 total of the amounts determined by the department of revenue under s. 73.03 (61) for  
4 distribution to the districts under s. 38.39.

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6 38.14 (15) NONSTOCK CORPORATIONS. ~~15~~ The district board may organize one  
7 or more nonstock corporations under ch. 181 for the purposes of raising funds and  
8 providing support for the operation and management of the district.

*move to P-5*

9 ~~B(5)~~ ~~15~~ The district board may contract with one or more nonstock corporations  
10 organized under ch. 181 for the purpose of carrying out any duty or power of the  
11 district board. *under this section*

12 SECTION 3. 38.16 (3) of the statutes is created to read:

13 38.16 (3) The district board may not levy a tax to pay debt service on revenue  
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15 contract entered into under s. 38.39, ~~or to pay the costs of providing services under~~  
16 ~~such a contract.~~

**SENATE BILL**

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5 promissory notes for building programs or capital equipment, but excluding all  
6 expenditures relating to auxiliary enterprises and community service programs, all  
7 expenditures funded by or reimbursed with federal revenues, all receipts under sub.  
8 (6) and ss. 38.12 (9), 38.14 (3) and (9), 38.39, 118.15 (2) (a), 118.55 (7r), and 146.55  
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10 (11), 38.26, 38.27, 38.33, and 38.38, all fees collected under s. 38.24, and driver  
11 education and chauffeur training aids.

12           **SECTION 5.** 38.39 of the statutes is created to read:

13           **38.39 Wisconsin Advantage Program.** (1) In this section, “eligible district

14 board” means any of the following:

15           (a) A district board of a district in which a business closed on or after February  
16 1, 2002, and in which at least one of the following applies:

17           1. At least 500 people lost their jobs over a 12-month period as a result of a  
18 single business closing, or at least 1,000 people lost their jobs over a 12-month period  
19 as a result of more than one business closing.

20           2. The unemployment rate of a county located in whole or in part in the district  
21 is more than 7 percent for the 12-month period in subd. 1.

22           (b) A district board that obtains approval to enter into a contract under sub. (2)  
23 from the joint committee on finance. A district board may not request the approval  
24 of the joint committee on finance under this paragraph until the first day of the 13th  
25 month beginning after the effective date of this paragraph .... [reviser inserts date].

SENATE BILL

1(a) h

a

1

~~1~~ (With the approval of the board, ~~an eligible~~ district board may establish a regional project for the creation and retention of jobs. Under the project, the district board may on its own or jointly with any other entity contract with a business located in the district to provide the business with one or more of the following:

5

10 (2) Training for jobs created or retained by the business.

6

20 (b) Adult basic education.

7

30 (c) Vocational and skill-assessment services.

8

40 (d) Training facilities, equipment, and material.

9

50 (e) Professional services.

4-9

10

(2) ~~(b)~~ A contract under sub. ~~(2)~~ <sup>(1)</sup> may require the business to pay fees for the services provided, or to pay all or a portion of the costs of the services provided.

12

(3) ~~(4)~~ (a) The district board may issue revenue obligations under s. 66.0621 to provide funds for payment of the costs of providing services under a contract under sub. ~~(2)~~ <sup>(1)</sup>

ins. 4-14

14

15

(c) ~~(b)~~ The district board shall maintain a special fund, to be identified as the Wisconsin Advantage Program special redemption fund, into which it deposits the fees received under sub. <sup>(2)</sup> ~~(2)~~, the payments received from the state under sub. <sup>(4)</sup> ~~(4)~~, and any other moneys designated by the district board for deposit into the special fund.

17

19

The district board may use this revenue <sup>solely</sup> ~~only~~ for the payment of principal of and interest on the bonds issued under par. (a) until all such bonds are retired

20

21

(d) ~~(c)~~ Notwithstanding s. 66.0621 (4) (a) 1., <sup>all of the following apply to the bonds issued under par. (a)</sup> ~~in~~ the statement included with each bond the district board shall express its expectation and aspiration that if at any time the revenues received or expected to be received in the special redemption fund under par. <sup>(c)</sup> ~~(b)~~ are insufficient to pay the principal and interest on the bond when due, the district board shall make the payment from other district funds.

22

23

24

25

2. The bonds are payable at times not to exceed 10 years from the date of issuance.

all of the following apply to the bonds issued under par. (a) In

SENATE BILL

insert from p. 2 then 5-4

1 ~~(4)(a)~~ Annually the board shall pay to the district board, from the appropriation  
2 under s. 20.292 (1) (cn), an amount equal to the amount calculated for that district  
3 by the department of revenue under s. 73.03 (61).

4 ~~(1)(a)~~ The board shall promulgate rules to implement and administer this section.

5 SECTION 6. 66.0621 (1) (c) of the statutes is amended to read:

6 66.0621 (1) (c) "Revenue" means all moneys received from any source by or for  
7 the operation of a public utility and all rentals and fees and, in the case of a local  
8 professional baseball park district created under subch. III of ch. 229 includes tax  
9 revenues deposited into a special fund under s. 229.685 and payments made into a  
10 special debt service reserve fund under s. 229.74 and, in the case of a local  
11 professional football stadium district created under subch. IV of ch. 229 includes tax  
12 revenues deposited into a special fund under s. 229.825 and payments made into a  
13 special debt service reserve fund under s. 229.830 and, in the case of a technical  
14 college district includes revenues deposited into a special fund under s. 38.39 ~~(a)(1)(c)~~

15 SECTION 7. 73.03 (61) of the statutes is created to read:

16 73.03 (61) To determine the amount of wages from which withholding under  
17 s. 71.64 (1) is calculated for an individual whose name is reported to the department  
18 by the department of commerce under s. 560.03 (25), and to certify 1.5 percent of that  
19 amount, aggregated by each technical college district, to the technical college system  
20 board.

21 SECTION 8. 560.03 (24) and (25) of the statutes are created to read:

22 560.03 (24) Promulgate rules for determining the number of ~~full-time~~  
23 ~~equivalent jobs a business creates or retains~~ and the identity of each ~~individual~~ <sup>such person</sup>  
24 ~~employed in each such job~~, for purposes of sub. (25) ~~and s. 38.39~~ <sup>s.</sup> and 73.03 (61).

persons provided training, education, or services under s. 38.39

SENATE BILL

1

(25) No later than July 1 of each year, report to the department of revenue the number of ~~jobs created or retained by each business that enters into a contract under~~

2

~~s. 38.39 (2) and the identity of each individual employed in each such job~~ such person

3

4

(END)

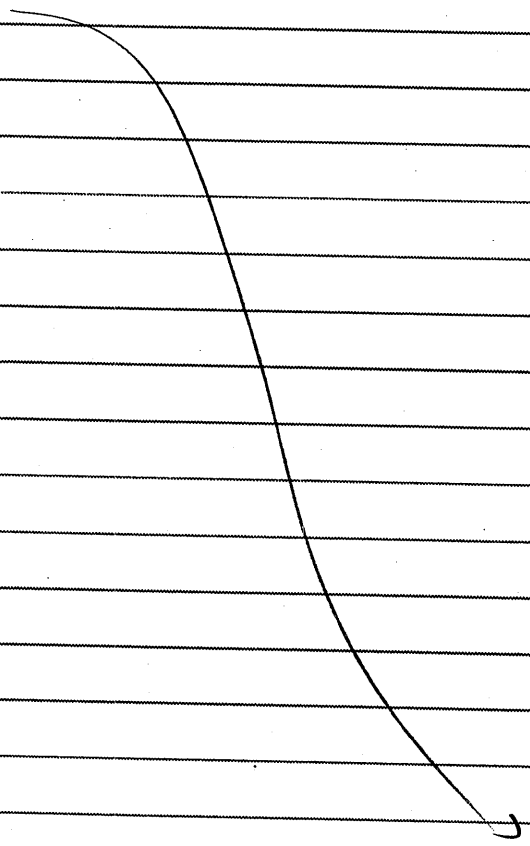
persons provided training, education, or  
services under s. 38.39

5-4

¶ (6) <sup>(B)</sup> Annually, the board shall submit a report to the governor; and to the legislature under <sup>7</sup> 1013.142 (2) <sup>1</sup> detailing describing the contracts entered into under this section and the success of the program under this section in creating and retaining jobs.

4-9:1

§ (b) <sup>10 Exempt as provided in subsec 20, ↑</sup> a district board may not enter into a contract under par (a) ~~that provides for more than~~ ~~\$ 2500~~ in which the cost per trainee exceeds ~~3,500~~ \$ 3,500.





4-9:2

district board ✓

contract ✓

13.48(14)(d)4.

20 4. If the ~~commission~~ proposes to sell or transfer a parcel of surplus land having a fair market value of at least \$20,000, the ~~commission~~ shall notify the joint committee on finance in writing of its proposed action. If the cochairpersons of the committee do not notify the ~~commission~~ that the committee has scheduled a meeting for the purpose of reviewing the proposed ~~sale or transfer~~ within 14 working days after the date of the ~~commission's~~ notification, the parcel may be sold or transferred by the ~~commission~~. If, within 14 working days after the date of the ~~commission's~~ notification, the cochairpersons of the committee notify the ~~commission~~ that the committee has scheduled a meeting for the purpose of reviewing the proposed ~~sale or transfer~~, the parcel may be sold or transferred under this subdivision only upon approval of the committee.

contract

district board's

district board

district board may enter into the contract ✓

enter into a contract under subd 10 in which the cost per acre exceeds \$3,500 ✓

district board may enter into the contract



4-9:3

¶ (c) <sup>6</sup> Except as provided under subd (20),  
the board shall ensure that ~~no more than~~

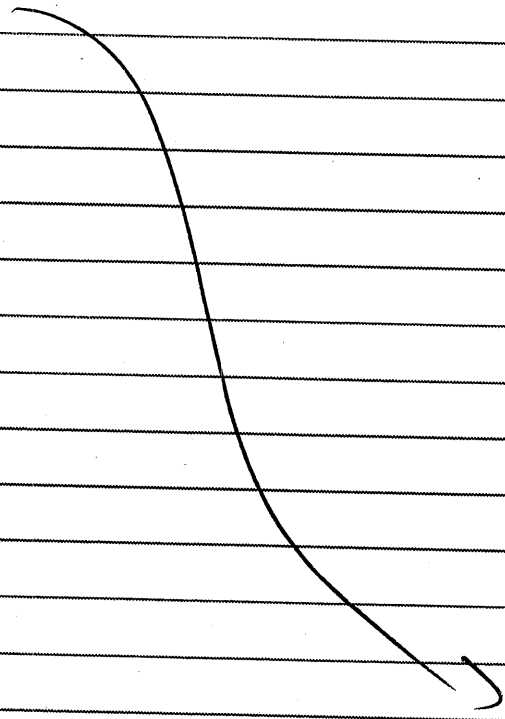
~~\$10,000,000~~ in contracts

total  
the cost ~~of the contracts~~  
of the contracts

~~under~~ to the district boards ~~(under para (a))~~

does not exceed \$10,000,000 in any fiscal year.

I



4-9:4

13-18(14)(d)4.

2011 If the ~~commission~~ proposes to ~~sell or transfer~~ a parcel of surplus land having a fair market value of at least \$20,000, the ~~commission~~ shall notify the joint committee on finance in writing of its proposed action. If the cochairpersons of the committee do not notify the ~~commission~~ that the committee has scheduled a meeting for the purpose of reviewing the proposed ~~sale or transfer~~ within 14 working days after the date of the ~~commission's~~ notification, the ~~parcel may be sold or transferred by the commission~~. If, within 14 working days after the date of the ~~commission's~~ notification, the cochairpersons of the committee notify the ~~commission~~ that the committee has scheduled a meeting for the purpose of reviewing the proposed ~~sale or transfer~~, the ~~parcel may be sold or transferred under this subdivision only upon approval of the committee.~~

board

board

boards

increase

board may increase the limit

under subd 10

increase the limit in any fiscal year ✓

increased the limit may be increased

4-14

¶ (b) The district board may pledge as security for repayment of the bonds issued under para (a) district property and moneys in reserve fund balances that are not derived from property taxes.



State of Wisconsin  
2003 - 2004 LEGISLATURE

LRB-3625/8  
PG/ [scribble] lif&wlj: [scribble]

TODAY

PG: KJFE  
wis  
PG-1-2-1-5

2003 SENATE BILL

Reger

1 AN ACT to amend 38.28 (1m) (a) 1. and 66.0621 (1) (c); and to create 20.292 (1)  
2 (cn), 38.14 (15), 38.16 (3), 38.39, 73.03 (61) and 560.03 (24) and (25) of the  
3 statutes; relating to: authorizing technical college districts to issue revenue  
4 bonds for the purpose of providing services and facilities to businesses, granting  
5 rule-making authority, and making an appropriation.

**Analysis by the Legislative Reference Bureau**

This bill authorizes a technical college district board, with the approval of the state Technical College System Board, to enter into a contract with a business to provide job training, adult basic education, vocational and professional services, and training facilities, equipment, and material to the business. A contract may not provide more than \$3,500 in services to a trainee unless the Joint Committee on Finance approves a higher limit. In addition, the state board must ensure that the total cost of such contracts does not exceed \$10,000,000 in any fiscal year unless the Joint Committee on Finance approves a higher limit. The bill allows a district board to issue revenue bonds to finance the costs of providing these services and materials.

The bill requires the Department of Revenue (DOR) to determine the amount of wages from which income tax withholding is calculated for an individual who has been provided training or education by a technical college district under a contract described above and calculate the total for each technical college district. The names of such individuals are certified to DOR by the Department of Commerce. DOR must then certify 1.5 percent of the amount calculated for each technical college district

(JCF)

JCF

INS. A

to a business

**SENATE BILL**

to the Technical College System Board, which distributes the amounts to the districts.

The bill also authorizes a district board to organize a nonstock corporation for the purposes of raising funds and providing support for the district, ~~and to contract with a nonstock corporation to carry out any district board duty or power under the program created by this bill.~~

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1           **SECTION 1.** 20.292 (1) (cn) of the statutes is created to read:

2           20.292 (1) (cn) *Services provided to businesses.* A sum sufficient equal to the  
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5           **SECTION 2.** 38.14 (15) of the statutes is created to read:

6           38.14 (15) **NONSTOCK CORPORATIONS.** The district board may organize one or  
7 more nonstock corporations under ch. 181 for the purposes of raising funds and  
8 providing support for the operation and management of the district.

9           **SECTION 3.** 38.16 (3) of the statutes is created to read:

10          38.16 (3) The district board may not levy a tax to pay debt service on revenue  
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12 contract entered into under s. 38.39.

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14 33, is amended to read:

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17 promissory notes for building programs or capital equipment, but excluding all  
18 expenditures relating to auxiliary enterprises and community service programs, all

**SENATE BILL**

1 expenditures funded by or reimbursed with federal revenues, all receipts under sub.  
2 (6) and ss. 38.12 (9), 38.14 (3) and (9), 38.39, 118.15 (2) (a), 118.55 (7r), and 146.55  
3 (5), all receipts from grants awarded under ss. 38.04 (8), (20), (28), and (31), 38.14  
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5 education and chauffeur training aids.

6 **SECTION 5.** 38.39 of the statutes is created to read:

7 **38.39 Wisconsin Advantage Program.** (1) (a) With the approval of the  
8 board, a district board may establish a regional project for the creation and retention  
9 of jobs. Under the project, the district board may on its own or jointly with any other  
10 entity contract with a business located in the district to provide the business with one  
11 or more of the following:

- 12 1. Training for jobs created or retained by the business.
- 13 2. Adult basic education.
- 14 3. Vocational and skill-assessment services.
- 15 4. Training facilities, equipment, and material.
- 16 5. Professional services.

17 (b) 1. Except as provided in subd. 2., a district board may not enter into a  
18 contract under par. (a) in which the cost per trainee exceeds \$3,500.

19 2. If the district board proposes to enter into a contract under subd. 1. in which  
20 the cost per trainee exceeds \$3,500, the district board shall notify the joint committee  
21 on finance in writing of its proposed action. If the cochairpersons of the committee  
22 do not notify the district board that the committee has scheduled a meeting for the  
23 purpose of reviewing the proposed contract within 14 working days after the date of  
24 the district board's notification, the district board may enter into the contract. If,  
25 within 14 working days after the date of the district board's notification, the

**SENATE BILL**

1 cochairpersons of the committee notify the district board that the committee has  
2 scheduled a meeting for the purpose of reviewing the proposed contract, the district  
3 board may enter into the contract only upon approval of the committee.

4 (c) 1. Except as provided under subd. 2., the board shall ensure that the total  
5 cost to the district boards of the contracts under par. (a) does not exceed \$10,000,000  
6 in any fiscal year.

7 2. If the board proposes to increase the limit under subd. 1. in any fiscal year,  
8 the board shall notify the joint committee on finance in writing of its proposed action.  
9 If the cochairpersons of the committee do not notify the board that the committee has  
10 scheduled a meeting for the purpose of reviewing the proposed increase within 14  
11 working days after the date of the board's notification, the board may increase the  
12 limit. If, within 14 working days after the date of the board's notification, the  
13 cochairpersons of the committee notify the board that the committee has scheduled  
14 a meeting for the purpose of reviewing the proposed increase, the limit may be  
15 increased only upon approval of the committee.

16 (2) A contract under sub. (1) may require the business to pay fees for the  
17 services provided, or to pay all or a portion of the costs of the services provided.

18 (3) (a) The district board may issue revenue obligations under s. 66.0621 to  
19 provide funds for payment of the costs of providing services under a contract under  
20 sub. (1).

21 (b) The district board may pledge as security for repayment of the bonds issued  
22 under par. (a) district property and moneys in reserve fund balances that are not  
23 derived from property taxes.

24 (c) The district board shall maintain a special fund, to be identified as the  
25 Wisconsin Advantage Program special redemption fund, into which it deposits the



## SENATE BILL

1 fees received under sub. (2), the payments received from the state under sub. (4), and  
2 any other moneys designated by the district board for deposit into the special fund.  
3 The district board may use this revenue solely for the payment of principal of and  
4 interest on the bonds issued under par. (a) until all such bonds are retired.

5 (d) Notwithstanding s. 66.0621 (4) (a) 1., all of the following apply to the bonds  
6 issued under par. (a):

7 1. In the statement included with each bond the district board shall express its  
8 expectation and aspiration that if at any time the revenues received or expected to  
9 be received in the special redemption fund under par. (c) are insufficient to pay the  
10 principal and interest on the bond when due, the district board shall make the  
11 payment from other district funds.

12 2. The bonds are payable at times not to exceed 10 years from the date of  
13 issuance.

14 (4) Annually the board shall pay to the district board, from the appropriation  
15 under s. 20.292 (1) (cn), an amount equal to the amount calculated for that district  
16 by the department of revenue under s. 73.03 (61).

17 (5) The district board may contract with one or more nonstock corporations  
18 organized under ch. 181 for the purpose of carrying out any duty or power of the  
19 district board under this section

20 (5) (5) Annually, the board shall submit a report to the governor, and to the  
21 legislature under s. 13.172 (2), describing the contracts entered into under this  
22 section and the success of the program under this section in creating and retaining  
23 jobs.

24 (5) (6) The board shall promulgate rules to implement and administer this section.

25 SECTION 6. 66.0621 (1) (c) of the statutes is amended to read:

**SENATE BILL**

1           66.0621 (1) (c) "Revenue" means all moneys received from any source by or for  
2           the operation of a public utility and all rentals and fees and, in the case of a local  
3           professional baseball park district created under subch. III of ch. 229 includes tax  
4           revenues deposited into a special fund under s. 229.685 and payments made into a  
5           special debt service reserve fund under s. 229.74 and, in the case of a local  
6           professional football stadium district created under subch. IV of ch. 229 includes tax  
7           revenues deposited into a special fund under s. 229.825 and payments made into a  
8           special debt service reserve fund under s. 229.830 and, in the case of a technical  
9           college district includes revenues deposited into a special fund under s. 38.39 (3) (c).

10           **SECTION 7.** 73.03 (61) of the statutes is created to read:

11           73.03 (61) To determine the amount of wages from which withholding under  
12           s. 71.64 (1) is calculated for an individual whose name is reported to the department  
13           by the department of commerce under s. 560.03 (25), and to certify 1.5 percent of that  
14           amount, aggregated by each technical college district, to the technical college system  
15           board.

16           **SECTION 8.** 560.03 (24) and (25) of the statutes are created to read:

17           560.03 (24) Promulgate rules for determining the number of persons provided  
18           training, education, or services under s. 38.39 and the identity of each such person,  
19           for purposes of sub. (25) and s. 73.03 (61).

20           (25) No later than July 1 of each year, report to the department of revenue the  
21           number of persons provided training, education, or services under s. 38.39 and the  
22           identity of each such person.

23                                (END)



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(In both cases, <sup>approval</sup> approval by JCF

may be by passive review; i.e., if ~~the~~ the  
cochairpersons of JCF do not schedule a  
meeting to review the request, it is considered  
approved.)



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

1 EAST MAIN, SUITE 200  
P. O. BOX 2037  
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561  
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FAX: (608) 264-6948

STEPHEN R. MILLER  
CHIEF

February 2, 2004

## MEMORANDUM

**To:** Senator Leibham

**From:** Peter R. Grant, Managing Attorney, (608) 267-3362

**Subject:** Technical Memorandum to **SB-384** (LRB 03-3625/8)

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We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

## MEMORANDUM

January 21, 2004

**TO:** Peter Grant  
Legislative Reference Bureau

**FROM:** Dennis Collier  
Department of Revenue

**SUBJECT:** Technical Memorandum on SB 384: Issuance of Bonds by Technical College Districts for Job Creation

The Department has the following comments regarding the bill:

1. The draft requires that 1.5% of income from which withholding would have been calculated be used as a funding source for the services provided by the district boards. It would be difficult for Revenue to compile the information on withholding of married persons filing a joint return. The Department would have to actually review the W-2s of the couple to determine the wages of the spouse who received the training. During the processing season, more than 2.5 million individual returns are processed. W-2s are generally scanned and discarded so it would be a labor-intensive and time-consuming task to look up each married person's W-2s. Furthermore, if the draft was amended to apply the 1.5% only to wages from the employer contracting for the training and services, Revenue would have to look up every return to determine if there was more than one employer.
2. The bill requires Commerce to report the number of persons receiving training or services under the program and the identity of each person for determining the amount of revenue to certify to each technical college district. Revenue would need to know the social security number of each person receiving training, and the technical college district that provided the services.
3. The provision that funds services with a portion of income on which withholding is calculated appears to be an attempt to tie the funding for the program to the wages of individuals receiving benefit from the program. However, the training received and the amount of funding calculated based on the individuals' income may not relate well to one another, as the following points indicate. Although these are policy concerns, rather than technical issues, we are raising them in this memorandum because they affect the administration of the program.
  - Individuals may adjust the amount withheld from their wages based on individual tax circumstances so that whether or not an individual has withholding would not relate to

the amount of educational services or income the individual received from that job. For example, a person who receives training or services may choose to have no amount withheld if he or she has exemptions or credits that eliminate tax liability.

- To the extent that training is provided to self-employed individuals, there would be no withholding.
- The 1.5% of wages subject to withholding that would be certified to the System Board would include all such wages of the named individuals, even if a portion of the wages was from work unrelated to the business providing the training.

The proposed legislation makes no provision for the funding of the costs involved in administering the activities required. The Department estimates increased annual costs for audit and other administrative activities. If the author wishes to provide funding, appropriation language could be developed and costs allocated in the following manner:

	<u>Chapter 20</u>	<u>Amount</u>
annual	s. 20.566 (1) (a)	\$19,900

If you have any questions regarding this technical memorandum, please contact Pam Walgren at 266-7817; for administrative costs contact Julie Feavel at 267-9892.