

**SENATE SUBSTITUTE AMENDMENT 1,
TO 2003 SENATE BILL 384**

February 10, 2004 – Offered by Senator LEIBHAM.

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

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

5 **SECTION 1.** 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

1 (5), all receipts from grants awarded under ss. 38.04 (8), (20), (28), and (31), 38.14
2 (11), 38.26, 38.27, 38.33, and 38.38, all fees collected under s. 38.24, and driver
3 education and chauffeur training aids.

4 **SECTION 2.** 38.39 of the statutes is created to read:

5 **38.39 Wisconsin Advantage Jobs Training Program.** (1) (a) With the
6 approval of the board, a district board may establish a regional project for the
7 creation and retention of jobs. Under the project, the district board may on its own
8 or jointly with any other entity contract with a business located in the district to
9 provide the business with one or more of the following, subject to pars. (b) to (d):

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

15 (b) A district board may provide training, education, or services under par. (a)
16 only to residents of this state or individuals who are required to file an income tax
17 return under s. 71.03 (2).

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

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

1 within 14 working days after the date of the district board's notification, the
2 cochairpersons of the committee notify the district board that the committee has
3 scheduled a meeting for the purpose of reviewing the proposed contract, the district
4 board may enter into the contract only upon approval of the committee.

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

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

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

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

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

1 (c) The district board shall maintain a special fund, to be identified as the
2 Wisconsin Advantage Jobs Training Program special redemption fund, into which it
3 deposits the fees received under sub. (2) and any other moneys designated by the
4 district board for deposit into the special fund. The district board may use this
5 revenue solely for the payment of principal and interest on the bonds issued under
6 par. (a) until all such bonds are retired. When the bonds are retired, the district
7 board shall transmit the balance in the fund to the secretary of administration for
8 deposit in the general fund.

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

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

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

18 (e) The district board may not use moneys derived from property taxes to pay
19 debt service on revenue obligations issued under par. (a).

20 **(5)** A district board may raise funds or provide support for the program under
21 this section by any means necessary or convenient except as expressly limited by law
22 or board or district board rule.

23 **(6)** Annually, the board shall submit a report to the governor, and to the
24 legislature under s. 13.172 (2), describing the contracts entered into under this

1 section and the success of the program under this section in creating and retaining
2 jobs.

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

4 **SECTION 3.** 66.0621 (1) (c) of the statutes is amended to read:

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

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

15 73.03 (61) If a technical college district board has issued revenue bonds under
16 s. 38.39, annually for 10 years or until the bonds are retired, whichever occurs first,
17 to determine the amount of wages from which withholding under s. 71.64 (1) is
18 calculated for an individual provided training, education, or services by that
19 technical college district under s. 38.39, as reported to the department by the
20 department of commerce under s. 560.03 (24); to calculate 1.5 percent of that amount;
21 and to notify the technical college system board of the result, aggregated by each
22 technical college district.

23 **SECTION 5.** 560.03 (24) of the statutes is created to read:

24 560.03 (24) Determine the number of persons provided training, education, or
25 services by a technical college district under s. 38.39 and the identity of each such

1 person, and annually by July 1 report the information to the department of revenue
2 for the purpose of s. 73.03 (61).

3 (END)