

2003 SENATE BILL 451

February 10, 2004 – Introduced by Senator LEIBHAM, cosponsored by Representatives KRAWCZYK and WIECKERT. Referred to Select Committee on Job Creation.

1 **AN ACT** *to amend* 38.39 (3) (c); and *to create* 20.292 (1) (cn), 20.292 (1) (kn) and
2 38.39 (4) and (4m) of the statutes; **relating to:** appropriating money to
3 technical college districts for the Wisconsin Advantage Jobs Training Program
4 and making an appropriation.

Analysis by the Legislative Reference Bureau

Under the provisions of Senate Substitute Amendment 1 to 2003 Senate Bill 384, a technical college district board, with the approval of the state Technical College System Board, may contract with a business to provide job training, adult basic education, vocational and professional services, and training facilities, equipment, and material to the business. Training and services may be provided only to Wisconsin residents and individuals who are required to file Wisconsin income tax returns. A contract may not provide more than \$3,500 in services to a trainee unless the Joint Committee on Finance (JCF) 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 JCF approves a higher limit. The bill allows a district board to issue revenue bonds to finance the costs of providing these services and materials to a business.

For ten years or until the bonds are retired, whichever occurs first, the substitute amendment 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.

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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.

Contingent upon the enactment of 2003 Senate Bill 384, this bill appropriates to the Technical College System Board, for distribution to the districts, the amount certified for each district. The district board must use the funds to pay debt service on the revenue bonds.

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 and for transfer to the appropriation
5 account under par. (kn).

6 **SECTION 2.** 20.292 (1) (kn) of the statutes is created to read:

7 20.292 (1) (kn) *Revenue bond stabilization.* All moneys transferred from the
8 appropriation account under par. (cn) for the purposes specified in s. 38.39 (4m) (b).

9 **SECTION 3.** 38.39 (3) (c) of the statutes, as created by 2003 Wisconsin Act ...
10 (Senate Bill 384), is amended to read:

11 38.39 (3) (c) The district board shall maintain a special fund, to be identified
12 as the Wisconsin Advantage Jobs Training Program special redemption fund, into
13 which it deposits the fees received under sub. (2), the payments received from the
14 state under sub. (4), and any other moneys designated by the district board for
15 deposit into the special fund. The district board may use this revenue solely for the
16 payment of principal and interest on the bonds issued under par. (a) until all such

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1 bonds are retired. When the bonds are retired, the district board shall transmit the
2 balance in the fund to the secretary of administration for deposit in the general fund.

3 **SECTION 4.** 38.39 (4) and (4m) of the statutes are created to read:

4 38.39 (4) Annually the board shall pay to the district board, from the
5 appropriation under s. 20.292 (1) (cn), an amount equal to the amount calculated for
6 that district by the department of revenue under s. 73.03 (61).

7 (4m) (a) Annually the board shall determine the amount to be transferred from
8 the appropriation account under s. 20.292 (1) (cn) to the appropriation account under
9 s. 20.292 (1) (kn). The amount transferred may not exceed an amount equal to the
10 following:

11 1. In the 2004–05 fiscal year, 7 percent of the total of the amounts determined
12 by the department of revenue in that fiscal year under s. 73.03 (61).

13 2. In the 2005–06 fiscal year, 6 percent of the total of the amounts determined
14 by the department of revenue in that fiscal year under s. 73.03 (61).

15 3. In the 2006–07 fiscal year and in each fiscal year thereafter, 5 percent of the
16 total of the amounts determined by the department of revenue in that fiscal year
17 under s. 73.03 (61).

18 (b) The board shall use the moneys appropriated under s. 20.292 (1) (kn) to
19 offset any shortfall in revenue collected by the districts for payment of principal and
20 interest on the bonds issued under sub. (3) (a). If in any fiscal year the board
21 determines that the unencumbered balance in the appropriation account under s.
22 20.292 (1) (kn) is more than sufficient for that purpose, the board shall distribute the
23 excess to the district boards according to each district's proportional share of the total
24 of the amounts calculated by the department of revenue under s. 73.03 (61)

25 **SECTION 5. Nonstatutory provisions.**

