



Legislative Fiscal Bureau

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TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Senate Bill 895/Assembly Bill 921: Building Projects for UW System

SB 895 and AB 921, hereafter referred to as "the bill," are companion bills that would enumerate a number of building projects for the University of Wisconsin System.

SUMMARY OF BILL

Under the bill, five UW System projects would be enumerated as part of the 2023-25 state building program. These projects, and their respective funding sources, are outlined in the table below. A description of each project is available on the Department of Administration's website, within the document titled *2023-25 Capital Budget Agency Requests and Governor's Recommendations*.

Proposed Funding Sources for UW System Projects Under the Bill

	PR-Supported <u>Borrowing</u>	Segregated <u>Revenue</u>	Program <u>Revenue</u>	Gifts, Grants, <u>and Other</u>	<u>Total</u>
Madison -- Kronshage-Jorns-Humphrey Residence Halls Additions and Renovations	\$69,211,000	-	\$10,000,000	-	\$79,211,000
Madison -- Engineering Replacement Building/ Computer-Aided Engineering Facility Demolition	-	\$197,336,000	-	\$150,000,000	347,336,000
Whitewater -- Winther/Heide Hall Entry Additions and Renovations	-	75,489,000	-	-	75,489,000
Systemwide -- Central Plants and Utility Distribution Renovations	41,008,000	105,048,000	3,213,000	-	149,269,000
Systemwide -- Demolition Projects	-	<u>45,400,000</u>	-	-	<u>45,400,000</u>
Total	\$110,219,000	\$423,273,000	\$13,213,000	\$150,000,000	\$696,705,000

The bill would transfer \$423,273,000 from the general fund to the capital improvement fund during the 2023-25 biennium to fund the projects that would be enumerated under this bill. It would

amend the Building Commission segregated revenue continuing appropriation created under 2023 Act 19 (biennial budget act) to also designate these funds as "segregated revenue" and to authorize the expenditure of such funds for projects enumerated under the bill.

The bill would provide \$110,219,000 of new PR-supported general obligation bonding authority and would increase the UW System - self-amortizing facilities bonding authorization accordingly.

FISCAL EFFECT

The proposed transfer of \$423,273,000 from the general fund to the capital improvement fund would reduce the projected net balance in the general fund at the end of the 2023-25 biennium from the current estimate of \$4,059,533,300 to instead be \$3,636,260,300. The bill would also authorize \$110,219,000 of program revenue supported borrowing for two of the five projects.

In 2023 Act 19, the 2023-25 building program included projects with a total enumeration of \$1,997,866,200 from all sources of funding. The bill would enumerate an additional \$696,705,000, so that the 2023-25 building program (under Act 19 as amended by the bill) would total \$2,694,571,200. As part of the funding for the building program, Act 19 transfers \$1,234,081,900 from the general fund to the capital improvement fund in the 2023-25 biennium. This bill would increase that transfer by \$423,273,000, for a total transfer of \$1,657,354,900.

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