

BUILDING COMMISSION

Budget Summary					FTE Position Summary	
Fund	2018-19 Adjusted Base	<u>Governor</u>		2019-21 Change Over <u>Base Year Doubled</u>		There are no full time positions authorized for the Building Commission.
		2019-20	2020-21	Amount	%	
GPR	\$43,860,000	\$30,636,800	\$34,852,000	-\$22,231,200	- 25.3%	
PR	1,696,100	927,500	2,345,900	- 118,800	- 3.5	
SEG	<u>1,024,200</u>	<u>1,024,200</u>	<u>1,024,200</u>	<u>0</u>	<u>0.0</u>	
TOTAL	\$46,580,300	\$32,588,500	\$38,222,100	-\$22,350,000	- 24.0%	

Budget Change Items

1. DEBT SERVICE REESTIMATE

GPR	-\$22,231,200
PR	<u>- 118,800</u>
Total	-\$22,350,000

Governor: Decrease funding by \$13,223,200 GPR in 2019-20 and by \$9,008,000 GPR in 2020-21 to reflect the reestimate of GPR debt service costs on state general obligation bonds and commercial paper debt issued for GPR-supported bonds as shown in the following table. Modify funding by -\$768,600 PR in 2019-20 and \$649,800 PR in 2020-21 for debt service on PR-supported bonds.

[Bill Section: 125]

	2018-19 Base <u>Level Funding</u>	Current Law <u>Debt Service Changes</u>	
		<u>2019-20</u>	<u>2020-21</u>
GPR Debt Service Appropriation			
Amounts Not Initially Allocated to Agencies	\$25,155,600	-\$12,053,600	-\$6,481,400
Other Public Purposes	1,372,500	-44,900	139,200
Capitol and Executive Residence	9,289,000	-205,300	-2,430,300
AIDS Network	23,900	-600	-300
Grand Opera House in Oshkosh	43,600	-500	2,100
Aldo Leopold Climate Change Classroom and Interactive Laboratory	37,700	0	1,600
Bradley Center Sports and Entertainment Corp.	3,213,200	-1,329,600	-1,481,800
AIDS Resource Center of Wisconsin	63,700	-1,600	-800
Madison Children's Museum	19,900	-500	-200
Myrick Hixon EcoPark	40,000	-5,500	3,500
Lac du Flambeau Indian Tribal Center	18,400	-200	-600
Family Justice Center	768,400	-9,200	-16,300
HR Academy Youth Center	134,100	-8,700	-200
Hmong Cultural Centers	16,400	6,100	5,100

	2018-19 Base Level Funding	Current Law Debt Service Changes	
		2019-20	2020-21
GPR Debt Service Appropriation (continued)			
Children's Research Institute	\$935,300	\$68,200	\$19,100
Milwaukee Police Athletic League Youth Activity Center	86,900	5,400	1,700
Wisconsin Agriculture Education Center	270,700	43,300	85,500
Civil War Exhibit at Kenosha Museum	33,000	4,000	5,900
Bond Health Center	75,800	-500	800
Eau Claire Confluence Arts	799,300	181,800	266,600
Carroll University	192,900	1,500	11,000
Domestic Abuse Intervention Facilities	40,000	-300	-1,000
K I Convention Center	137,000	-1,300	-2,100
Dane County Livestock Facilities	659,600	-5,500	-22,000
Wisconsin Maritime Center of Excellence	406,800	-7,300	-12,700
Norskedalen Nature and Heritage Center	26,300	-26,300	-17,500
La Crosse Center	0	17,900	250,000
St. Ann Center for Intergenerational Care, Inc.; Bucyrus Campus	0	125,000	401,300
Brown County Innovation Center	0	25,000	265,800
Total GPR	\$43,860,000	-\$13,223,200	-\$9,008,000
PR Debt Service Appropriation			
Energy Conservation Projects	\$1,430,300	-\$758,900	\$659,400
Aquaculture Demonstration Facility	265,800	-9,700	-9,600
Total PR	\$1,696,100	-\$768,600	\$649,800

2. TRANSFER FROM THE GENERAL FUND TO THE STATE BUILDING TRUST FUND GPR-Transfer \$10,000,000

Governor: Transfer \$10,000,000 in the 2019-21 fiscal biennium from the general fund to the state building trust fund. The state building trust fund is a segregated, nonlapsible fund that is used to finance advanced planning activities for projects enumerated in the state building program.

[Bill Section: 9104(1)]

3. USE OF PROCEEDS FROM THE LEASE OR SALE OF STATE-OWNED REAL PROPERTY

Governor: Modify current law procedures under which the Department of Administration (DOA) or the State Building Commission may lease or sell state-owned real property to allow the proceeds from the lease or sale of such property to be used in lieu of bonding for state building projects.

Authorize DOA or the Building Commission to deposit some or all of the net proceeds from the lease or sale of state-owned real property, not to exceed the amount that would have deposited in the bond and security and redemption fund under current law, into the capital improvement fund for use as a substitute source of funding for a project enumerated under the authorized state

building program that is within the same statutory bond purpose as the property leased or sold. Specify that DOA or the Building Commission would be responsible for determining which projects to fund and would authorize expenditures for those projects. Modify the current factors considered by DOA or the Building Commission to also consider the costs of establishing an escrow needed to redeem the outstanding debt and the costs of maintaining federal tax law compliance in the selection of the project financed with the lease or sale proceeds. Specify that if DOA or the Building Commission deposits lease or sale proceeds into the capital improvement fund for use as a substitute source of funding, the amount of public debt that may be contracted under the statutory bond purpose for which the amount deposited is used as a substitute funding source would be reduced by the amount used as a substitute source of funding.

Require that if there are any outstanding revenue obligations used to finance the acquisition, construction, or improvement of any property that is leased or sold, DOA and the Building Commission must adhere to any restrictions in the authorizing resolution governing the use of the lease or sale proceeds. To the extent the authorizing resolution does not restrict the use of such proceeds, authorize DOA or the Building Commission to deposit an amount in the appropriate revenue obligation fund or apply the amount for a purpose for which similar revenue obligations may be issued under current law. Specify that if the net proceeds exceed the amount required to be deposited, paid, or used for another purpose, then in addition to paying debt service, the net proceeds or the remaining net proceeds could be used for a purpose for which similar revenue obligations may be issued under current law. Specify that if DOA or the Building Commission deposits net proceeds from a property leased or sold into an appropriate fund or applies net proceeds for a purpose for which revenue obligations may be issued, the amount of revenue obligations authorized under current law would be reduced by the amount deposited or applied.

Specify that these exceptions do not apply to bonds issued for the Milwaukee Initiative, the Wisconsin Initiative for State Technology and Applied Research Program, the HealthStar Program, the BioStar Initiative, amounts allocated for the repair and renovation of University of Wisconsin System facilities, and for the Bradley Center Sports and Entertainment Corporation.

Under current law, if there is any outstanding public debt used to finance the acquisition, construction, or improvement of property leased or sold by the state, DOA or the Building Commission must deposit the net proceeds from the lease or sale into the bond security and redemption fund to repay the principal and to pay the interest on the debt and to pay any premium due upon refunding any of that debt. DOA or the Building Commission must also allocate an amount from the net proceeds to pay for the costs of maintaining federal tax law compliance applicable to the debt. If the property was acquired, constructed, or improved with federal financial assistance, DOA or the Building Commission must pay to the federal government any of the proceeds required by federal law. If the property was acquired by gift or grant or with gift or grant funds, DOA or the Building Commission must adhere to any restriction governing use of the proceeds. If there is no debt outstanding on the property, there are no moneys payable to the federal government, and there is no restriction governing use of the proceeds, and if the net proceeds exceed the amount required to be deposited, paid, or used for another purpose, DOA or the Building Commission must use the net proceeds (or remaining net proceeds) to pay principal and interest costs on outstanding public debt issued to finance the acquisition, construction, or improvement of other state property. If any net proceeds remain thereafter, DOA or the Building

Commission must use the net proceeds to pay principal and interest costs on other outstanding public debt.

[Bill Sections: 19 thru 26, 68 thru 75, and 315]