



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #535

Historical Legacy Trust Fund (Historical Society)

CURRENT LAW

A nonlapsible historical legacy trust fund was created in 1997 Act 27. The first \$50,000 deposited to the legacy trust fund and earnings from this money are deposited to a separate account within the fund, designated as the bicentennial account. The statutes provide that the balance in this account will be used for the period between January 1, 2046 and December 30, 2048, to commemorate the 200th anniversary of Wisconsin's statehood.

Release of the remaining trust fund balance is contingent upon the Society providing matching moneys or pledges. Upon release, the legacy funds and the matching funds are to be placed in an endowment fund. Earnings from the endowment may be used to fund historical legacy programs which include: (1) programs that increase funding or develop new sources of revenues for the Society; and (2) creation and expansion of historical outreach programs related to the activities of the former Wisconsin Sesquicentennial Commission.

GOVERNOR

No provision.

DISCUSSION POINTS

1. The historical legacy trust fund was created to continue to receive any residual funds generated by the Wisconsin Sesquicentennial Commission once the state's 150th anniversary was finished, and once the Commission ceased to exist. As of April 30, 2001, the balance in the legacy trust fund was \$96,300, including a \$4,900 balance in a related DOA appropriation that would be repealed under the bill. Of this, \$50,000 plus interest to date of approximately \$6,500, is reserved in

a separate account within the trust fund for the state's bicentennial celebration. The remaining balance was approximately \$39,800.

2. By the end of the biennium, the unreserved balance of the historical legacy trust fund is expected to be approximately \$40,000. The Historical Society has not and does not intend to seek release of these funds to generate revenues to fund historical legacy programs, as provided under current law. Therefore, the unreserved balance of the historical legacy trust fund could be lapsed to the general fund.

3. The Historical Society has indicated that it would be their priority to use these funds, which were generated to celebrate the history of Wisconsin, for a program to promote history education. Specifically, the Society would like to use these funds toward administration of the History Day program in the state.

4. The History Day program is a year-long curricular effort in which students conduct original research on an historical topic chosen at the national level by the nonprofit National History Day program. Students showcase their original projects through performances, media, exhibits or research papers at a series of local, regional and state competitions.

5. The national History Day program has been in existence since 1974, and has been conducted in Wisconsin on and off since the early 1980s, primarily by various University of Wisconsin institutions. The University of Wisconsin – Stevens Point hosted the program last year, and has agreed to host it for 2001, but has indicated that 2001 will be its last year. According to Historical Society officials, if the Society does not take over administration of the program the program will likely cease to exist in Wisconsin.

6. Currently, 47 states and the District of Columbia participate in the History Day program, involving more than 700,000 students from grades six through 12. Winners at the state level are eligible to participate in the national competition. Because the Wisconsin program has been primarily run by volunteers, there has been no central tracking as to the number of Wisconsin students that participate in the program.

7. In its budget request, the Society included a proposal for \$105,200 GPR in 2002-03 to administer the History Day program, including funding for providing central coordination of the program, developing and distributing instructional materials around the annual theme, offering in-service workshops for teachers to incorporate the program in to the curriculum, providing ongoing assistance for participating students, coordinating regional competitions and hosting the state competition.

8. Historical Society officials indicate that the \$40,000 in one-time funds that would be available from the unreserved balance of the legacy trust fund could assist in providing some start-up funds toward the cost of implementing the program. The Society will continue to work toward generating private funds for the program in 2001-02, and identifying a stable source of funds to continue the program on an ongoing basis.

9. The Committee could lapse the unreserved balance of the trust fund to the Society’s program revenue general operations appropriation to provide one-time funding of \$40,000 PR in 2001-02 for the Historical Society to use toward taking over the administration of the History Day program.

ALTERNATIVES

1. Eliminate the historical legacy program appropriation and statutory language relating to historical legacy programs under the Historical Society. Specify that the historical legacy trust fund bicentennial account would remain and would continue to generate interest on the reserved \$50,000 for the state’s bicentennial celebration. Provide that the unreserved balance of the historical legacy trust fund with total funds of approximately \$40,000, would lapse to the general fund, including the balance of a DOA appropriation from the fund that would be repealed under the bill.

Alternative 1	GPR
2001-03 REVENUE (Change to Bill)	\$40,000

2. Include the provisions of Alternative 1, except deposit the unreserved balance of the historical legacy trust fund to the Society’s program revenue, general operations appropriation. The \$40,000 PR would be appropriated as one-time funds in 2001-02 for the Society to administer the History Day program.

Alternative 2	PR
2001-03 REVENUE (Change to Bill)	\$40,000
2001-03 FUNDING (Change to Bill)	\$40,000

3. Maintain current law.

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