



2015 - 2016 Bills of Interest to Wisconsin Technical Colleges

As of May 6, 2015

Bills or proposed bills of interest to technical colleges in the 2015 - 2016 legislative session are described below. This document evolves with the addition of new bills and updates to existing bills throughout the session.

- New and updated bills are highlighted.
- The District Boards Association's position or recommended position, if any, is provided at the end of each bill description.
- An index organized by bill subject begins on the next page.
- Each bill's complete text, sponsors, procedural history and status is available at: <http://legis.wisconsin.gov/>. Enter the bill number (e.g., "AB 22") under "Find a Proposal."
- A summary guide to understanding bills' procedural histories/status online follows at the conclusion of this report.

The District Boards Association's lobbying efforts and positions are available at the Government Accountability Board (GAB) "Eye on Lobbying" website: <https://lobbying.wi.gov/Home/Welcome?session=2015REG>. This site includes cross-referenced links to other organizations taking a lobbying interest on each bill.

The current legislative session officially runs from January 2015, through December 2016, but effectively ends with the adjournment of both houses. Adjournment may occur by late Winter or early Spring, 2016.

Readers are welcome to contact Paul Gabriel at the District Boards Association office for more information: (608) 266-9430 or pgabriel@districtboards.org.

<u>Index -- Bills of Interest by Subject</u>	Page
Broadband Expansion Grants Eligibility (AB 63 and SB 33)	7
Budget, 2015-2017 State Budget Bill (AB 21 and SB 21)	4
Charter Schools, Technical College Authority to Create Independent STEM and Occupational Charter Schools (AB 64 and SB 91)	7
Chiropractic Technicians and Radiologic Technicians, Authorized Continuing Education Providers (AB 30 and SB 17)	5
Civil Service, Requiring Local Governments Create a Civil Service System (AB 108) (New)	11
Contracts:	
Requiring U.S. Made Materials in Construction Contracts (AB 20)	4
Encouraging Purchase of Wisconsin Products and Services in Local Government Contracts (AB 87)	9
Construction Projects, Eliminating State Prevailing Wage Laws (AB 32 and SB 49)	6
Entrepreneurial Assistance (Internship and College) Grants (AB 103 and SB 112)	10
Grants to Technical Colleges:	
Broadband Grant Eligibility, Expanding (AB 63 and SB 33)	7
“Workforce Growth Grants” (AB 86)	8
Entrepreneurial Assistance (Internship and College) Grants (AB 103 and SB 112)	10
K-12:	
Reporting Remedial Courses Required at UW (AB 56 and SB 59) (Updated)	6
Prevailing Wage Law, Eliminating for Public Construction Projects (AB 32 and SB 49)	6
Procurement:	
Encouraging Local Government Purchase Products and Services from Wisconsin (AB 87)	9
Requiring Purchase of U.S. Made Materials in Construction (AB 20)	4
Property Taxes, Eliminating Personal Property Taxes (LRB 1183/1)	15
Public Notices, Posting on Internet (SB 137) (New)	15
State Budget Bill, 2015-2017 (AB 21 and SB 21)	4
Tax Incremental Finance Law Reform Package:	
(SB 50 and AB 131) (New)	13
(SB 51 and AB 132) (New)	13
(SB 52 and AB 133) (New)	14
(SB 53 and AB 134) (New)	14
(SB 54 and AB 135) (New)	14
(SB 55 and AB 136) (New)	14
(SB 56 and AB 137) (New)	14

UW, Reporting of High Schools Producing Students Needing Remedial Classes (AB 56 and SB 59) (Updated)	6
Veterans:	
Credits for Prior Learning (AB 182) (New)	11
Taskforce on Returning Veterans (AB 183) (New)	11
Resident Tuition for Non-Resident Veterans and Families (AB 186) (New)	12
“Workforce Growth Grants” to Technical Colleges (AB 86)	8
Reading Wisconsin Bill Histories Online – A Guide to Basics	18

Bills of Interest

AB 20 – Requiring that Local Government Contracts Include the Use of U.S. Made Products

AB 20 was introduced in February 2015, and is awaiting a hearing.

Like other local governments, technical college districts follow a number of rules for contracting involving facility construction or repair. This bill would require that any contract entered into by a local government, including a technical college district, contain a provision that the contractor will use materials that are manufactured in the United States.

There's no compelling reason that matters of economic common sense or patriotism need to be written into statute to be encouraged or valued. There is no strong reason to support or oppose this bill.

Recommended position: None/monitor.

AB 21 (also SB 21) – The 2015 – 2017 State Budget Bill

AB 21 and SB 21 were introduced at the Governor's request in February 2015. They were referred to the Joint Finance Committee (JFC), which held agency briefings in early March. The JFC conducted 4 public hearings between March 18 and March 26. The JFC has begun "executive action," voting to adjust the bills through hundreds of individual motions topic-by-topic over several weeks from mid-April through May. After executive action, the JFC budget bill version is sent to each house. Each house may further amend the bill and must reconcile any late changes with the other house. Once both houses pass identical versions of the budget, it goes to the Governor for line-item vetoes and signing. The state budget establishes state appropriations and state programs for the two-year period from July 1, 2015, through June 30, 2017.

For the latest budget bill updates and details, see: www.districtboards.org and click on "Legislative Updates."

AB 30 (also SB 17) – Providers of Continuing Education to Chiropractic Technicians and Chiropractic Radiologic Technicians

These twin bills were introduced in February 2015, and are awaiting committee hearings.

These twin bills change the procedure for approving the provision of continuing education to licensed chiropractors, chiropractic technicians (CTs) and chiropractic radiologic technicians (CRTs). Moraine Park Technical College offers four programs for students who then may become licensed CTs and CRTs. These bills affect MPTC's ability to provide continuing education to those licensed individuals. MPTC's ability to train these individuals and provide them continuing education was seriously undermined by 2009 budget bill provisions described below. These new bills, as introduced, do not remedy the core 2009 changes.

Currently, MPTC graduates who become licensed CTs and CRTs may not acquire continuing education from their *alma mater* unless the MPTC instruction is "sponsored" by a "program sponsor." By law, program sponsors are limited to: the Wisconsin Chiropractic Association (WCA), International Chiropractors Association, an approved college of chiropractic that trains doctors of chiropractic, or an accredited college of medicine or osteopathy.

These bills would add to the list of continuing education program sponsors the Chiropractic Society of Wisconsin and the American Chiropractic Association. The bills would not add MPTC, even though it is an accredited college offering degrees preparing students to be CTs and CRTs. While these bills expand the organizations that could sponsor MPTC continuing education, the college should have direct authority to provide continuing education as a program sponsor itself.

The background on MPTC's loss of its previous authority is quite striking. The 2009-11 state budget bill as passed contained provisions requested by the Wisconsin Chiropractic Association (WCA). They were added to the bill without discussion or debate after midnight on the final night of budget amendments in a large multi-topic miscellaneous motion.

Among other provisions, the changes altered the definition of, and authorized training and continuing education related to, the CT and CRT job positions. Until this point, MPTC's graduates were hired as highly trained and highly compensated CTs and CRTs. The budget amendment had the effect of making the CT and CRT titles refer to a much lower level of training (to be offered by the Wisconsin Chiropractic Association). It also made it impossible for MPTC graduates to use these titles unless they took new state licensing tests for the suddenly lower-level job titles.

The amendment also eliminated MPTC's authority to provide CTs and CRTs continuing education. The law required that MPTC could only offer continuing education to the extent it was sponsored (for a fee) by the WCA or others as described above. These and other controversial licensing changes helped lead some members of the

chiropractic community to create a new trade group, the Chiropractic Society of Wisconsin, as an alternative to the WCA.

While these bills broaden the groups able to sponsor MPTC continuing education, the bills should be amended to restore direct continuing education authority for CTs and CRTs to MPTC.

Recommended position: None/monitor.

AB 32 (also SB 49) – Eliminating Prevailing Wage Laws for Public Projects

These identical bills were introduced in February 2015, and are awaiting public hearings.

“Prevailing wage” laws require that workers, laborers, mechanics and truck drivers for certain public construction projects be paid the “prevailing wage” for workers in that trade in that geographic area. Three distinct prevailing wage laws cover local, state and highway projects of \$100,000 or more for multi-trade projects and \$48,000 or more for single-trade projects. These laws also require that workers be paid overtime if required to work more than the “prevailing hours” for full time employment for the trade in that area.

These bills would eliminate all state prevailing wage laws.

Recommended position: None/monitor.

Updated – AB 56 (also SB 59) – Requiring the UW System to Report on the High School of Students Requiring Remedial Instruction

This bill has passed each house and is awaiting the Governor’s signature. The Assembly version, AB 56, went to the full Assembly on March 17, 2015, where it was amended and passed on a voice vote. It was picked up and passed by the Senate on April 29th.

As amended, AB 56 requires the UW System to report annually on any high school from which 6 or more students who graduated in the prior year and immediately enrolled at the UW needed to take remedial English or math upon entering the UW. The UW would report to the Legislature and State Superintendent of Public Instruction. The State Superintendent would be required to share this information with school districts.

As drafted, this bill does not directly affect technical colleges.

Recommended position: None/monitor.

AB 63 (also SB 33) – Eligibility for Broadband Expansion Grant Program

These twin bills were introduced in February 2015, and are awaiting a hearing.

The 2013-15 state budget bill created a broadband expansion grant program. The program provides that the Public Service Commission (PSC) make up to \$500,000 in grants annually to expand broadband infrastructure in areas of the state served by less than two internet providers or that the PSC deems are underserved by broadband services. “Broadband” is the common name for large and high-speed capability to transmit communications and internet data. Under current law, grants may be awarded to: an “organization,” a telecommunications utility, or to a city, village, county or town that applies in partnership with an organization or utility.

These bills expand eligible applicants for grants to include technical college districts, school districts and/or public libraries that apply in partnership with an organization or telecommunications utility that is also an eligible applicant.

These bills would expand grant eligibility to important public community “hubs” – schools, libraries and technical colleges. Areas most in need of greater broadband access likely have large numbers of individuals dependent on these community hubs for their internet access.

Recommended position: Support.

AB 64 (also SB 91) – Technical College Authority to Operate Occupational and STEM Charter Schools

The Assembly bill was introduced in February 2015, and received a public hearing on March 10. It remains in committee with several potential amendments to be considered at a later date. The bill was scheduled for a committee vote on March 12 but was not acted upon as scheduled. One of the pending amendments, Assembly Amendment 3, by Representative Travis Tranel, R-Cuba City, would amend the state (K-12) school aid formula to provide that state aid, not local K-12 property tax levies, fund the incremental cost of any new charters under the bill. The Senate companion bill was introduced in early April. No action has been taken on that version.

Currently, school boards may contract with individuals, groups, businesses or certain public bodies to establish charter schools, which operate with fewer constraints than other schools. A limited number of public entities currently may also establish their own independent charter school with or without a contract with a school board. These

entities are: MATC Milwaukee, UW-Milwaukee, UW-Parkside, and the City of Milwaukee.

These bills would expand the independent charter school authority (ability to create a charter with or without a contract with a school board) to technical college district boards and (by bill amendment) tribal community colleges in Wisconsin. These charter schools would be limited in purpose to “occupational education” or “science, technology, engineering and mathematics (STEM).”

An independent charter school created under these bills by a technical college district could operate within the college’s district boundaries or in a “county adjacent to” the college district. The bills do not otherwise affect MATC Milwaukee’s existing authority.

No technical college requested this authority and there are no distinct plans to use it if it becomes law. Technical college leaders have noted that a college is more likely to partner with a school district under current law than to create its own charter school outside of the school district’s existing authority. At this time, financing a new charter school is most likely prohibitive to a technical college district acting independently. A number of college leaders have also noted that the colleges are faced with tight resources to accomplish an already broad mission for district taxpayers.

While many college leaders would support charter schools as a vehicle to create greater occupational and STEM opportunities for youth, the only position the colleges support by consensus is to maintain current/existing charter school law.

Recommended position: None/Monitor.

AB 86 – Workforce Growth Grants for Technical Colleges

This bill was introduced in March 2015, by 23 Assembly Democrats and 5 Senate Democrats. The bill is a combination of prior bills (Workforce Growth Grants bills were introduced but not passed in the 2011 and 2013 sessions) and several of the WTCS’s 2015-2017 state budget requests made by the WTCS Board but not included in the Governor’s executive budget bill. The equivalent of this bill was also the subject of a state budget bill motion on April 17, 2015, but failed on a 4-12 party-line vote.

First, AB 86 would appropriate \$20 million annually to the WTCS Board for new technical college “Workforce Growth Grants” distributed to districts on a competitive basis by the WTCS for projects in which:

- The college partners with a business, consortium of businesses, an economic development organization or a local workforce development board;
- To meet local needs supporting sectors with a “documented skills gap” or high workforce shortage, including manufacturing, energy, informational technology, skilled trades and healthcare;

- For activities that address development of individuals prior to entering the workforce or for workforce training; for any of the following:
 - o “Job training scholarships” based on local labor market needs;
 - o Building or infrastructure construction;
 - o Equipment and material purchases;
 - o Faculty hiring;
 - o Development of certain industry-driven curricula; and
 - o Student career support services including job placement and business recruitment.

In awarding grants, the WTCS Board would be required to consider the likely speed of responsiveness and would be required to give preference to projects that seek to eliminate waiting lists for courses in topics related to jobs with high employment demand.

Second, the bill would provide \$9 million over the next 2 years to implement three programs requested by the WTCS Board as part of its 2015 – 2017 state budget request. These requests were not put forward in the budget bills, AB 21 and SB 21, as introduced by the Governor. They are:

- Dual enrollment opportunity grants (\$3 million in 2016-17);
- Innovation grants to foster entrepreneurship (\$500,000 annually); and
- Veterans success grants (\$2.5 million annually for 2 years with project costs to be expended by June 30, 2019).

This bill is very positive in that Workforce Growth Grants would provide new capacity targeted to filling existing or emerging high skill jobs. The nature of Workforce Growth Grants would be competitive, but ongoing and stable as a new investment.

The bill also funds priorities identified by the WTCS Board in its budget request developed with input from the college presidents, district boards, faculty, and students. However, it is not common practice to request (and we didn’t request) a stand-alone bill be introduced during the budget process that restates budget request items the Governor did not include in the budget bill.

Recommended position: Support, with the understanding we did not request a bill to include budget items distinct from the formal budget process.

AB 87 – Use of Wisconsin Products and Services in State and Local Government Purchasing

This bill was introduced in February 2015, and is awaiting a public hearing.

This bill requires state purchasing and encourages, but does not require, local government purchasing of Wisconsin-sourced goods and services. The state would be required to purchase at least 20% of the value of products and services locally. For

local governments, including technical college districts, the new law would state in part: “It shall be a goal of a local government unit that, annually, at least 20 percent of the aggregate value of purchases of products and services by that local government unit shall be local.” The bill further requires the local government unit to evaluate its performance on the 20% purchasing goal, but allows any government unit to opt out of evaluating its own performance simply by passing a resolution.

It is not clear whether local government units generally, and technical colleges specifically, already exceed 20% standard. Given that the product and services would count if purchased through a Wisconsin business regardless of where they were manufactured, it seems likely this standard is already greatly exceeded. Of course, local government units already have a natural interest in “buying locally” without codifying good practice and common sense into a new state law.

Recommended position: None/monitor.

AB 103 (also SB 112) – Entrepreneurial Assistance (Internship and College Grants)

These twin bills were introduced in Late March and early April 2015, by 35 Assembly and Senate Democrats led by Assembly Minority Leader Peter Barca (D-Kenosha) and Senator Julie Lassa (D-Stevens Point). They are awaiting hearings in their respective houses.

These bills would authorize the Wisconsin Economic Development Corporation (WEDC) to award grants to “new” Wisconsin businesses and to colleges and universities, including technical colleges, in support of certain paid student internships. “New” businesses would be eligible for a grant of up to \$3,000 for providing an enrolled student (of a technical college, UW institution or private, non-profit, college/university) a paid internship in the following fields: business, engineering, information technology, or a related field. A “new” business is defined as one that applies for a grant within the first 5 years it has been organized in the state.

Once three or more businesses receive grants for interns from one qualifying college or university, and the college or university creates a program to support internships funded by the grants, the college may also apply for a grant of up to \$25,000. The bills require that WEDC award at least \$125,000 annually for this program statewide. Finally, the bills require the WEDC to actively pursue private donations to support the grants program.

Recommended position: Support.

New – AB 108 – Requiring Local Governments to Create a Civil Service System

This bill was introduced in late March 2015, by 18 Assembly Democrats and is co-sponsored by a 6 Senate Democrats. It is awaiting a public hearing.

Under current law, local governments may either create a civil service system for most employees or must have in place a grievance system (conveyed through an employee handbook) that addresses workplace safety, employee termination and employee discipline. AB 108 would instead mandate that all local governments, including technical college districts, establish a civil service system by January 1, 2017. The civil service system must grant to each employee with “permanent status,” as defined in that system, the right to a “just cause” standard for employee removal, suspension without pay, discharge, reduction in base pay, demotion, and non-renewal.

Recommended position: None/monitor.

New – AB 182 – Granting Veterans Credit for Prior Learning

This bill is one of several introduced in late April 2015, as part of a veterans’ package. Each is co-sponsored by a number of legislators led by Representatives Dianne Hesselbein (D-Middleton) and Jeremy Thiesfeldt (R-Fond du Lac). This bill is awaiting a public hearing.

AB 182 requires technical college district boards and the UW Board of Regents to create policies requiring that their respective institutions grant academic credit to a student who is a current or former member of the U.S. armed forces, or a reserve unit of the armed forces, for any course that was part of the individual’s military training or service experience if the individual demonstrates that the course:

- meets the standards of the American Council of Education or equivalent standards for awarding credit; and
- is similar in subject matter to a course offered by the technical college or UW institution.

Recommended position: None/monitor, pending additional study concerning feasibility and costs.

New – AB 183 – Creating a Taskforce on Issues Service Members Face Returning from War

This bill is one of several introduced in late April 2015, as part of a veterans’ package. Each is co-sponsored by a number of legislators led by Representatives Dianne

Hesselbein (D-Middleton) and including Jeremy Thiesfeldt (R-Fond du Lac). This bill is awaiting a public hearing.

This bill would require the adjutant general of the Department of Military Affairs to create a taskforce studying issues of concern to service members returning home from overseas deployments in combat zones and hazardous duty zones. The taskforce would issue a report within 6 months of its first meeting with findings and recommendations to the Legislature and Governor. It would exist temporarily (until 30 days after issuing its report) and then disband.

The taskforce would include 11 members: the adjutant general or designee, the secretary of the Department of Veterans Affairs or designee, the president of the Wisconsin Technical College System or designee, the president of the UW System or designee, the DWD secretary or designee, the Department of Health Services secretary or designee, and 5 public members (at least 3 of which have experience in post-deployment issues ranging from post-traumatic stress disorder to veteran homelessness, family readjustment, etc.).

Recommended position: Support.

New – AB 186 – Resident Tuition and Fees for Non-Resident Veteran Students

This bill is one of several introduced in late April 2015, as part of a veterans' package. Each is co-sponsored by a number of legislators led by Representatives Dianne Hesselbein (D-Middleton) and including Jeremy Thiesfeldt (R-Fond du Lac). This bill is awaiting a public hearing.

Current law provides for special tuition rules for veterans attending technical colleges and the UW System. Generally, non-resident students attending technical colleges are charged 150% of resident tuition. Generally, veterans and their family members already qualify as state residents. Also, many veterans and certain veterans' family members receive a full waiver of tuition and fees.

This bill applies to the UW System and technical colleges. For technical colleges, it requires districts to charge resident tuition (rather than non-resident tuition) to the extent tuition is assessed at all for the following individuals:

- any veteran living in Wisconsin regardless of whether the veteran is considered a resident if the veteran has served at least 90 days of active duty within the 3 years prior to enrollment; and
- the eligible veteran's spouse or child who lives in the state (if they qualify for federal veterans benefits by virtue of the relationship to the veteran).

This bill also establishes that the date of enrollment for the 3-year enrollment window is the date the college receives the student's tuition deposit.

After a qualifying veteran, spouse or child enrolls under this bill, the college must charge resident tuition and fees so long as the individual is continuously enrolled.

Recommended position: Support. This bill will bring Wisconsin law into symmetry with existing federal law.

New – SB 50 (also AB 131), SB 51 (also AB 132), SB 52 (also AB 133), SB 53 (also AB 134), SB 54 (also AB 135), SB 55 (also AB 136), and SB 56 (also AB 137) – Tax Incremental Finance (TIF) Reform Package

These 7 sets of twin bills would reform the state’s highly technical tax incremental finance (TIF) laws. All 14 bills were introduced by the Legislative Council Study Committee on Tax Incremental Financing in February 2015. Legislative Council study committees are joint legislator-citizen panels that study an issue area in depth. Study Committees may then directly introduce bills as a committee to propose policy changes in the topic area.

TIF districts are created by municipalities (cities, villages and, in some cases, towns and counties). They allow for development of certain property and fund public-side development costs by channeling property taxes to pay off these investments during the TIF’s life instead of distributing them to local taxing authorities including technical colleges.

The creation and operation of TIF districts affects technical colleges in several ways, and a member of the local technical college district board serves by statute as a member of the TIF district’s Joint Review Board (JRB) overseeing each TIF district. TIF districts support redevelopment of a blighted or underused portion of land, which can affect the need for skilled workers. Because TIF districts do not generate local property taxes during the TIF’s life, they take the affected land off the tax base for the TIF district’s life. This reduces the taxable base of property for local taxing authorities, including technical college districts. Upon a TIF district’s closure, the tax base is typically higher than prior to the TIF district’s creation.

SB 50 and AB 131 – Among other changes, these bills extend the Joint Review Board’s (JRB’s) maximum review period from 30 to 45 days to approve municipal resolutions related to a new or existing TIF. The Senate bill version received a public hearing in late April 2015. It was voted out of committee on a 5-0 recommendation for passage and is awaiting action by the full Senate. The Assembly version is awaiting a hearing. *Recommended position: None/monitor.*

SB 51 and AB 132 – Among other changes, these bills provide that JRBs must be in place for the life of a TIF district (they currently may be temporary). The Senate bill version received a public hearing in late April 2015. It was voted out of committee on a 5-0 recommendation for passage and is awaiting action by the full Senate. The Assembly version is awaiting a hearing. *Recommended position: None/monitor.*

SB 52 and AB 133 – Among other changes, these bills affect the allowable boundaries of “donor” TIFs and other TIFs receiving funds generated by donor TIFs. The Senate bill version received a public hearing in late April 2015. It was voted out of committee on a 5-0 recommendation for passage and is awaiting action by the full Senate. The Assembly version is awaiting a hearing. *Recommended position: None/monitor.*

SB 53 and AB 134 – TIF districts have a maximum lifespan varying from 20 to 27 years, and may or may not be extended, depending on when the TIF district was first created. Among other changes, these bills allow the creating entity to change the TIF project plan and/or extend the TIF by an additional 5 years if the amount of tax increments is negatively affected (annually or overall) by any of the following impacts: a further amendment to TIF laws; a change by the Department of Revenue to equalized valuation methods; or, a reduction in the \$406 million annually in special state aid to technical colleges that “buys down” local college levies under 2013 Wisconsin Act 145. The Senate bill version received a public hearing in late April 2015, and remains in committee. The Assembly version is awaiting a hearing. *Recommended position: None/monitor.*

SB 54 and AB 135 – Among other changes, these bills remove the restriction that property standing vacant for 7 or more years before a TIF is created may not comprise more than 25 percent of the TIF area. They also revise the calculation of the TIF’s initial tax incremental base to exclude all tax-exempt city-owned property. The Senate bill version received a public hearing in late April 2015. It was voted out of committee on a 5-0 recommendation for passage and is awaiting action by the full Senate. The Assembly version is awaiting a hearing. *Recommended position: None/monitor.*

SB 55 and AB 136 – Current law generally requires that a new TIF’s initial value plus the total value of all existing TIF districts not exceed 12% of the municipality’s total equalized value. Among other changes, these bills generally increase the limit to 15%. The Senate bill version received a public hearing in late April 2015, and remains in committee. The Assembly version is awaiting a hearing. *Recommended position: None/monitor.*

SB 56 and AB 137 – Current law allows the municipality that created a TIF district to declare it distressed or severely distressed under certain circumstances. Doing so can extend the TIF’s life from 10 to 40 years. Under current law, these provisions of state statutes “sunset” on October 1, 2015. Among other changes, these bills extend the sunset to October 1, 2020. The Senate bill version received a public hearing in late April 2015. It was voted out of committee on a 5-0 recommendation for passage and is awaiting action by the full Senate. The Assembly version is awaiting a hearing. *Recommended position: None/monitor.*

New – SB 137 – Publication of Legal Notices on the Internet

This bill was introduced in late April by a bipartisan group of legislators in both houses. It is awaiting a hearing.

Required legal notices by local governments (including technical college districts) are typically published in a newspaper likely to give notice in the affected area and to persons likely to be affected by the proposed action. Such notices may also be posted (rather than published) in three public places likely to give notice to affected persons. The publication and posting requirements are also subject to timing requirements.

This bill allows a local government to post a notice in one public place likely to give notice to affected persons (instead of three public places) if the local government also posts the notice on its web site.

Recommended position: None/monitor.

LRB 1183/1 – Eliminating Personal Property Taxes

This draft bill is being circulated by Senator Tom Tiffany (R-Hazelhurst) and Representative Bob Kulp (R-Stratford). It has not yet been introduced.

This draft bill would eliminate Wisconsin's personal property tax effective beginning in 2020. These are taxes imposed on taxable "personal" property such as business equipment, not "real" property such as land and buildings. Various types of formerly taxed personal property already have been exempted over the years including computer equipment and machinery used for manufacturing. Almost all personal property tax is assessed on commercial and manufacturing property.

Local governments currently assess approximately \$270.5 million annually in personal property taxes; about \$200 million from commercial property, \$65 million from manufacturing property, and \$5 from agricultural and other personal property.

When business computer equipment was exempted from personal property taxation, the state provided aid to local taxing authorities, including technical college districts, to replace some of the lost local revenue. Of \$88 million provided in 2013, approximately \$5.1 million was distributed to technical colleges. This bill would eliminate those aid payments beginning in 2016.

This will reduce state funding to technical colleges by roughly \$2.5 million annually. While the aid amount was \$5.1 million in 2013, the shift of \$406 million annually from local to state technical college funding will itself greatly reduce state exempt computer aid beginning this year. The actual amount is subject to a complex set of calculations. Based on a very rough estimate (a 51% decrease in total levies) the loss of remaining exempt computer aid would be approximately \$2.5 million annually beginning in 2016.

This bill would also shift property tax burdens to residential property and away from commercial and manufacturing property as of 2020.

Technical colleges may levy the same amount of tax dollars this year as in the prior year (with an adjustment for a “net new construction” growth factor and for authorized debt). Under this bill, a district levying the same dollar amount would generate more of those dollars from the district’s residential property to make up generating less from commercial, manufacturing and agricultural personal property. Residential taxpayer would see an increase due to the shift without any increase in local tax levy.

All property owners are sensitive to property tax trends. The amount a property owner pays is not only based on tax rates and changes in property value, but also on the share of total taxes paid by specific types of property. Some residential property tax sensitivity is likely due to the fact that residential property already carries a significantly larger share of total property taxes relative to other property than in the past. This bill would further shift this burden.

The share of total property taxes paid by property type in 1970(71) and 2013(14) is presented below. The final column reflects the Boards Association’s informal calculation of this bill’s impact *if the bill had already passed and been implemented* for 2013(14) tax bills:

<u>Property Type</u>	<u>1970(71)</u>	<u>2013(14)</u>	<u>2013(14) w/out personal prop. tax</u>
Residential	50.6	68.2	71.1
Commercial	19.5	23.3	21.2
Manufacturing	17.7	3.8	3.1
Agricultural	10.4	2.5	2.4
Other	1.8	2.2	2.2
	100 %	100 %	100 %

While reducing business property taxes is well-intentioned, this bill is highly problematic. It cuts college and all local government funding by eliminating exempt computer aid. It also shifts more of each dollar levied onto residential taxes. While the shift itself does not reduce college resources, it affects all property taxpayers in terms of the share of taxes they carry compared with others.

Recommended position: Oppose.

(End of Bills of Interest Section)

This report was prepared by Paul Gabriel, who is exclusively responsible for its content including any analysis or opinion. For more information, contact Paul Gabriel at 608 266-9430 or pgabriel@districtboards.org.

A Guide to Reading Bill Histories follows:

Reading Wisconsin Bill Histories – A Guide to the Basics

Paul Gabriel

Wisconsin Technical College District Boards Association

The text, sponsors, and procedural history of each state legislative bill are available at the Wisconsin Legislature's website, <http://legis.wisconsin.gov>. Enter the bill number, e.g., "AB xx," under "**Find a Proposal.**" In the search results, click on the specific bill.

At this site, under "**Links,**" readers will find the full bill text, any Report of Committee Proceedings ("ROCP"), Government Accountability Board Information (Lobbying positions on the bill), and other documents. Any twin bill introduced in the other house is linked under "**See Also.**" The bill's history and status is found under "**History.**"

When reviewing a specific bill history online, the following guide may be helpful:

Introduced by	Lists all legislators who have signed-on as a bill's co-sponsor.
Fiscal estimates	(Link to) estimated state (but not local) costs of implementing the bill as a new law.
Read first time ...	Provides the committee to which bill is referred for a hearing.
Public hearing held ...	Hearing held at which public was able to testify or register a position on the bill. Legislators may offer amendments at the hearing.
Executive action taken ...	The committee voted the bill out of committee and sent it to the full body with its recommendation/vote for passage by the full house.
Amendments	(Link to) any amendment that changes a bill text or a substitute amendment that replaces the original bill's full text.
Assembly/Senate amendment	Link(s) to the numbered amendment(s) to the bill (appears as AA 1, SA 2, etc.).
Assembly/Senate "substitute" amendment	Link(s) to the numbered "substitute" amendment. A "substitute" amendment <i>replaces entire original bill</i> . (appears as ASA 3, SSA 2, etc.).
Second reading	The full body considers the bill after it comes back from committee. This is the point at which amendments from the committee or from the floor are debated and, if adopted, officially attached.
Third reading	Clears the way for a full vote to pass or defeat the bill (on the third reading the bill may be voted up or down but not amended).

Allowing a third reading on the floor on the same day, as the second reading requires waiving the rules without objection. For controversial bills, those opposed may object to waiving the immediate third reading in order to slow down passage.

Tabling	To “park” or stop a bill or a motion or other proposed action.
Pulling	To remove a bill from committee and bring it to the floor without it first being acted upon and voted out of committee.
Referral	To stop action on the floor by returning or sending a bill back to a committee.
Voice vote	Adoption by the body without a roll call.
Ayes/Noes	Click on this link to see the member-by-member roll call vote (not available when the action was by “voice vote”).
Messaged	After passage, the action sending the bill to the other house.
Concurred in	One house’s adoption of the other’s bill or bill version.
Enrolled	The passed bill is packaged as a complete piece of legislation and is available to be called for by, or sent to, the Governor.
Report approved, vetoed, or vetoed in part	Reflects the Governor’s signing, veto, or (for appropriations bills only) partial veto.
Report published	The date on which the Secretary of State published the new law, making it official and putting it into effect as a law.
Act (number)	When a bill becomes law it is transformed from a bill number to “2015 Act xx.” Click on the Act number to see the new law.