

# Legislative Update

## Wisconsin Technical College District Boards Association

Layla Merrifield, Executive Director

### Advocacy 2021

WTCS submitted a budget request for \$12 million in annual operations increases, \$11.8 million annually for need-based grants to technical college students, \$50,000 annually for new fire certification software, and the repeal of s. 36.31, which prohibits expansion of transfer programs at technical colleges without UW Board of Regents approval. The Governor proposed for WTCS: \$18 million annually for operations, \$2.3 million in 2021-22 and \$4.6 million in 2022-23 for need-based grants, a 2% minimum increase in net new construction, \$50,000 annually for fire certification software, and no change in s. 36.31.

The Legislature substantially reduced overall education spending from the Governor's proposal, while eliminating a number of proposed revenue enhancements. In part, the Joint Finance Committee cited unprecedented sums rolling into the state from Washington in the form of COVID relief as the rationale for reduced state education spending. Despite a \$4.4 billion surplus as of May 2021, legislators focused on tax relief rather than additional spending, leaving the remaining surplus available in the form of a large general fund balance and substantial rainy day fund. Should state revenues decline unexpectedly, those funds could be key to stabilizing state spending.

In the final analysis, technical colleges received \$2.25 million annually in general operations increases (70% formula, 30% outcomes based funding), \$2.25 million annually in grants funding, and \$29 million in 2021-22 and \$43 million in 2022-23 in property tax relief aid. The 2% net new construction minimum was deleted. Separate legislation to repeal s. 36.31 has advanced out of committee in the Assembly, and momentum

Highlights of State Budget and  
Legislative Action in 2021

continues to build for a re-think of credit transfer and access to higher education in Wisconsin.

## Items of Interest

In total, the budget spends 5.4% more than the prior biennium, or a total of \$87.5 billion in all funds spending over the two years, net of \$3 billion in income and assorted property tax reductions. Included in the budget is the elimination of the personal property tax on equipment, along with \$202 million to reimburse local governments for their loss of revenue.

K-12 received a net increase of \$128 million, and \$89 million in increased aid for special education. K-12 property taxes will be reduced by \$192.8 million in 2021-22 and \$381.9 million in 2022-23, via increases general school aids but no corresponding per pupil revenue limit increase. The Legislature bought back a \$75 million delayed payment, as well as providing direct funding for independent charter schools, eliminating a corresponding general school aid reduction. The Governor has vowed to find another \$100 million for school districts in state COVID relief funds, though the source is unclear at this time.

The University of Wisconsin System's tuition authority was restored by Joint Finance, following an 8-year tuition freeze. However, with just two months until the start of the fall semester, the Board of Regents declined to raise tuition for the 2021-22 academic year. The Joint Finance Committee set aside in their own appropriation \$8.25 million over the biennium that is earmarked for specific UW projects. System Administration will be required to apply to Joint Finance for the funds' release.

A new \$5 million nurse educator program was established under HEAB to encourage more nurses to complete their terminal degrees and join higher education faculty. Once up and running, the funds will provide fellowships and loan repayment assistance.

The Legislature also provided \$125 million in borrowing authority, to continue to build out the state's broadband infrastructure.



COVID relief dollars from federal CARES, CRRSSA, and ARPA legislation factored heavily in state budget decisions