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# Budget Briefs

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## WISCONSIN TECHNICAL COLLEGE SYSTEM

The biennial state budget act (1999 Wisconsin Act 9), passed by the legislature and signed by Governor Tommy Thompson on October 27, 1999, makes a number of changes related to technical colleges, including development of applied technology centers, funding for programs related to high-demand occupations, changes to the Youth Options Program, and creation of the Governor's Work-Based Learning Board.

### APPLIED TECHNOLOGY CENTERS

In consultation with business and labor representatives, the Technical College System Board will develop a process for reviewing and approving proposals by technical college district boards for the development of applied technology centers. The Board must determine that the proposed center is: 1) likely to maintain or increase high-skill, high-wage employment in the region; 2) likely to increase employee productivity; 3) funded by one or more businesses in the region to be served by the center; and 4) developed by the district board in consultation with business and labor.

The district board must have a contract with one or more businesses to cover all the center's direct operating costs and at least 20% of indirect operating costs. The businesses served must also fund at least 30% of the capital costs.

Capital expenditures of up to \$5 million, made before January 1, 2002, for applied technology centers, will be exempt from the existing district referendum requirement. (In the case of other capital expenditures, a referendum is required if costs exceed \$500,000.)

### GRANT PROGRAMS FOR STUDENTS

**\$500 Grants for Recent High School Graduates.** Act 9 creates a new \$6.6 million program to award annual grants of \$500 per student to full-time students who enter a Wisconsin Technical College System (WTCS) associate degree or vocational diploma program within three years of graduation from a Wisconsin high school. The program first applies to new students who enter a WTCS program in 2000-01. Recipients would be required to maintain a minimum 2.0 grade point average, and grants may be renewed for one additional term. The legislation specifies that the administrative rules implementing the program must require repayment of grants by students who lose their eligibility.

**Wisconsin Higher Education Grants.** Act 9 provides a 6% annual increase in funding for Wisconsin Higher Education Grants, which are need-based grants of \$250-\$1,800 awarded to resident technical college students enrolled at least half time. A total of nearly \$25.7 million is appropriated for these grants in the 1999-2000 biennium.

### CHANGES TO THE YOUTH OPTIONS PROGRAM

Act 9 modifies the Youth Options Program, which allows high school students to take technical college courses for high school credit. It limits a student to no more than two consecutive semesters in the program once the student has attained Grade 12 status. It also changes the school district's reimbursement to the technical college from a formula based on

the school district's costs to an amount equal to the technical college's tuition, course fees, and books. The act also specifies that an institution may not charge the school district more than the resident tuition rate. Under Act 9, the reimbursement is paid for all students regardless of the number of credits taken. (Previously, school districts reimbursed the technical college only for students enrolled for seven or more credits.)

### **COURSE EXPANSION GRANTS**

**Grants for Additional Courses.** Act 9 appropriates \$2.2 million in 2000-01 for grants to technical college district boards for additional sections of courses in which student demand exceeds existing course capacity.

**Capacity Building Program.** The Department of Administration is authorized to award \$5 million in grants to technical college district boards to develop or expand programs in occupational areas in which there is a high demand for workers. The department can also make capital expenditures that are necessary for such development or expansion.

### **WORK-BASED LEARNING BOARD**

Act 9 creates the Governor's Work-Based Learning Board, a 15-member board attached to the Department of Workforce Development, to develop youth apprenticeship, school-to-work, work-based learning, and other educational programs for school districts, technical college districts, and employers.

### **FOR MORE INFORMATION**

For copies of the changes to Chapter 38 and Sections 15.225, 106.12, 106.13, 118.55, Wisconsin Statutes, contact the Legislative Reference Bureau at (608) 266-0342 or use the searchable text of 1999 Wisconsin Act 9 available at <http://folio.legis.state.wi.us>.