



April 4, 2014

Legislative Update

Study Will Consider Ending Local Technical College Boards and Local College Funding

- *Legislative Council “Special Committee” approved for Summer, 2014, to consider the end of technical college district board governance and local control/funding.*
- *Details provided for committee process and selection of committee membership.*
- *Stating our case: Technical college responsiveness and outcomes depend on local college governance and funding.*
- *Advocacy campaign update and details.*

Legislative Council Committee to study ending technical college district board governance and local control/funding

The Joint Legislative Council, a committee comprised of 22 legislators of both houses, has approved a special study committee for Summer, 2014, as follows:

“Joint Legislative Council Special Committee on the Review of Wisconsin Technical College System Funding and Governance

Scope: The Special Committee is directed to review the current governance model of the Wisconsin Technical College System (WTCS) in the interest of transferring governance responsibilities of local district boards to the state WTCS Board and examine the current funding model for the WTCS with a preference toward reassigning current local property tax revenue to a broader state tax source.”

The special committee will be chaired by Representative John Nygren (R-Marinette), the Assembly Chair of the powerful Joint Finance Committee and one of two Assembly

members who proposed the special committee. The special committee's vice chair will be Senator Sheila Harsdorf (R-River Falls). Senator Harsdorf did not request creation of the special committee. However, she is well versed on technical college issues as Chair of the Senate Committee on Universities and Technical Colleges, and as a veteran member of the Joint Finance Committee.

Committee process and selection of committee members

Legislative Council special committees are approved at legislators' request to study issues of importance to the state. Most studies take place during interim (even-numbered year) summers between sessions. Studies are conducted by a committee of legislators joined by citizens with expertise and interest in the issue. Most committees have 10 to 14 members including 4 legislators and from 6 to 10 citizens. Membership is appointed by legislators and may be pursued by nomination or application. Any interested person should prepare a letter of application and a resume to be submitted in the near future when a call for applications is issued.

Committees are staffed by attorneys from the Legislative Council staff, the legislature's non-partisan professional research and legal team. Committees generally meet for several half-day or daylong meetings to hear from experts, consider research, and discuss the issues. They then make recommendations that are translated into draft legislation. They meet in public and take public input (e.g., letters) but are not required to hold public hearings or take public testimony in meetings.

One benefit of conducting this type of study committee is that the relevant issues are subject to open discussion prior to any proposed legislative action. This stands in contrast to, for example, amendments introduced into the state budget bill. Such amendments can be offered, adopted, and make major policy changes with little or no public discussion.

One potential challenge posed by study committees is that their scope statement may itself suggest that action is needed. The committees also have authority to introduce bills directly in the new session beginning in January. In fact, many observers of Capitol life will describe a "Leg Council" committee's main purpose as introducing legislation.

Stating our case: Technical college responsiveness and outcomes depend on local college governance and funding

Each technical college's responsiveness to local employers, residents, and economic development needs is inseparable from its local "ownership." Local employer partnerships and connections drive us to be nimble and responsive. The core reason Wisconsin technical colleges are unsurpassed in terms of performance outcomes, from graduate job placement to employer satisfaction, is their partnership

with local employers. We believe that employers can't drive the training and education outcomes they need from the local technical college if this inherently local system is taken over by the state.

Wisconsin technical colleges have been locally governed and funded since their founding in 1911. However, they also are already highly accountable to the state through the Legislature and executive branch, and through the leadership, accountability and coordination of the state Wisconsin Technical College System (WTCS) Board and staff.

Local district boards are driven by local responsiveness to employers, through business/K-12/community and economic development partnerships, and by the input of local program advisory committees steering every program at every college. Local governing boards prioritize and balance local district needs with stewardship of resources. Local college board members are carefully selected through a public, merit-based application process to represent the district's "world of work."

The 1911 legislation creating adult "continuation schools" that are today's technical colleges intentionally designed them to be governed by boards representing local employers, employees, and a K-12 school leader. These positions remain the heart of today's boards more than a century later. They were supplemented decades ago by adding an "elected official" member and at-large members to each board. These boards are merit-selected in public hearings by elected local county and school board leaders based on job applications, interviews, and a plan of representation. College board members are public officials who operate in public and follow open meeting, records, ethics and conflict of interest rules applicable to all public officials.

Technical colleges have always supported better balanced funding between state, local and student funding. The colleges have been funded primarily by local property tax levies since 1911, followed by students (through tuition) and state support. Technical colleges will become primarily state-funded for the first time later this year. In March, Governor Walker signed historic legislation replacing \$406 million annually in local property tax college funding with state funding. The \$406 million funding shift enacted by passage of January 2014 Special Session bill SB 1 (Act 145) changes college funding significantly. Among the "top 3" funding streams (as 100%), local property tax funding will shift from 68% to 33%, state funding will shift from 9% to 44%, and student tuition will remain at 23%. This shift benefits taxpayers and recognizes the colleges' longstanding call for a better funding balance. However, it also opens up the colleges to a state takeover of local governance and control at the expense of local responsiveness.

Technical colleges believe protecting the remaining portion of local funding is essential to local responsiveness. While we support additional tax relief, it should be accomplished without further erosion of colleges' local funding.

Advocacy campaign update and details

There are two ways for advocates to be involved. First, consider individuals who might apply or be nominated to serve on the study committee. We have already requested that a WTCS (state) Board member, a district board member, and a college president be appointed. Ultimately, the Legislative Council co-chairs, in consultation with the study committee chair and vice chair, select the membership.

The strongest candidates will come from the private sector, especially employers, with an understanding of how deeply local college governance and local funding are interdependent with local responsiveness. Candidates who represent employers that hire technical college graduates, support program advisory committees, utilize custom training, and have other similar connections with the college will bring an important dynamic to the table.

The second important way to be involved is to help us generate letters from employers that support local control and funding as crucial to how we serve them as businesses. We believe that almost all Wisconsin employers count on their technical colleges in ways that are interdependent with local decisionmaking and funding. This stream of letters will join others already being requested through the college presidents. Please coordinate your ideas for letters and requests for letters through the local college president or his/her responsible staff person for advocacy.

These letters should be addressed to the employer's local legislators (Assembly and Senate) with a copy to the special study committee through Chair Nygren and Vice Chair Harsdorf. Letters can be facilitated by board members and the college, but should come from the employer on business letterhead. Please also be sure to blind copy Paul Gabriel on any letters. The key time for letter delivery is late spring and early summer after the committee is up and running, but before it takes action.

Here is a broad/basic framework for powerful letters. They can be customized and can be altered to fit, for example, a local chamber writing instead of an individual business ("Our organization represents" rather than "Our business...", etc.):

Dear (local state representative and senator),

Our business (describe) counts on our local (name) technical college to respond to our needs. The college responds to us effectively (examples of any/all business connections with college such as hiring graduates, utilizing customized training, sharing expertise, contributing to advisory committees, helping with technology and facilities). These connections/activities are essential to our business success. The college's responsiveness to us is a function of local college control and decisionmaking and a local college funding stream.

We do not support eliminating local college control and governance or remaining local funding. Doing so will hurt the college's responsiveness to our needs. Additional property tax reform is very welcome, but should not focus specifically on remaining technical college funding. Importantly, welcome tax reform should not result in the creation of a state-controlled technical college system.

Our business is a partner with the college and supports the college (identify donations, etc.). We would not be involved or as involved if technical colleges were no longer locally governed and funded.

Sincerely, ...

Cc: Legislative Council Special Committee on Technical Colleges Chair Representative John Nygren and Vice Chair Senator Sheila Harsdorf. Bcc Paul Gabriel and the local college president

Conclusion

Interest in ending local control and funding appears to be a priority for a small but prominent group of legislators. When a bill is introduced or a budget amendment proposed, there are many factors that determine if it will pass. One of these is whether even a few legislators make the proposal a "bottom line" priority. Another is the level of understanding and concern about the issue by their colleagues. Their colleagues may only understand the facts so as to be non-committal or lukewarm at best. This is not due to lack of caring, it is simply how the process can work.

Bills and budget amendments can pass when a large group of legislators are lukewarm and a small committed group makes passage a top priority. Each Governor and Assembly and Senate leader needs the others to deliver a bill or budget. Each has priorities that influence the others. Each negotiates and compromises. Each legislator in the larger Assembly and Senate also has a vote, but must also negotiate and prioritize. Each typically supports lesser or non-priorities to realize his/her own priority.

That a legislator appreciates and supports your technical college today *in no way* tells us how votes will be counted in January or March of 2015 on a measure to end local control and funding. Over the coming months, each incumbent legislator (and, later, each candidate for an open seat) must come to recognize that their district's employers do not support eliminating local technical college responsiveness, control and funding. Reaching a tipping point will require a large number of legislators to consider this a priority. This support is already out there among employers. Nevertheless, it is still a daunting task to business and industry partners and to our elected state officials.

This report was prepared by Paul Gabriel for the Wisconsin Technical College District Boards Association. Any analysis or opinion is exclusively the author's.