

Rep. Vruwink: How best to manage public Trust Funds

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Every two years, the Legislature convenes study committees to examine important issues facing Wisconsin. This year I serve on the Special Committee on the Investment and Use of School Trust Funds.

As a former history and government teacher, this subject is of special interest to me because the School Trust Funds date back to the founding of our state. The funds originated from the sale of land that the federal government granted to our state when our nation was being settled.

Wisconsin took title to nearly 1.5 million acres when it became a state in 1848. To this day, the Trust Funds generate revenue by selling and leasing lands, making loans to municipalities, and through the sale of timber on public lands.

The agency that oversees the Trust Funds is called the Board of Commissioner of Public Lands. As of June 30, 2018, there were outstanding loans in the following amounts: \$191 million to cities; \$159 million to school districts; \$119 million to villages; \$89 million to towns; \$58 million to counties, and smaller amounts to sanitary districts, lake districts, and federated library systems.

Part of the job of the Legislature is to update laws that are outdated and to revise those in need of revision. The study committee on which I serve is tasked with reviewing the School Trust Funds statutes and assessing whether changes need to be made to ensure the effective investment and use of the revenue that is generated.

When I was appointed to this study committee, I made it clear that I want to make

sure that funding going to school libraries and universities is not disrupted nor diminished. School Trust Funds are the sole source of state funding for public school libraries. All other library purchases are paid for through property taxes. In 2018, school libraries in my district received the following amounts: Edgerton, \$66,143; Milton, \$141,733; Oregon, \$134,068; Whitewater, \$65,931; and Parkview, \$36,622.

Examples of recent loans to municipalities are: \$320,000 to the Town of Rutland to refinance the fire/EMS district building; \$674,000 to the Town of Fulton for road repairs and projects; \$300,000 to the Town of Janesville to finance fire protection needs; \$215,000 to the Town of Center to finance a bridge project; and \$225,000 to the Village of Footville to finance water tower maintenance.

The co-chairs of the study committee have done a great job of bringing in speakers who represent a broad array of views. Some people have proposed changes to state law to allow banks to better compete with the School Trust Funds when it comes to loans to municipalities.

One of my goals as a committee member is to make sure that the public interest is best served by whatever changes we make to state laws. I welcome your thoughts and suggestions.

State Representative Don Vruwink represents parts of Rock, Walworth, Jefferson, and Dane counties. These include the communities of Whitewater, Milton, Edgerton, Footville, the Town of Janesville, part of the Village of Oregon, and surrounding townships. He can be reached at 608-266-3790, Rep.Vruwink@legis.wisconsin.gov, and P.O. Box 8953, Madison WI 53708.