

WISCONSIN TECHNICAL COLLEGE SYSTEM

Funds Received From Digital Broadcast Spectrum Auction

Motion:

Move to allow a technical college system board that receives funds from participation in an auction of digital broadcast spectrum administered by the Federal Communications Commission (FCC) to use the funds to provide scholarships to cover program fees for students who meet eligibility criteria established by the board.

Allow the board to hold such funds in trust and to invest and reinvest the funds in the same manner authorized for investments under current law establishing fiduciary standards for prudent investing. Additionally, allow a technical college district to delegate investment authority over the funds to an investment manager who meets the requirements and qualifications specified in the trust's investment policy and who is registered as an investment adviser under the federal Investment Advisors Act of 1940.

Specify that funds held in trust could only be distributed from the trust in a manner consistent with state law as it applies to the technical college system and in accordance with the terms of the trust. Require any such trust to be separate from any other trust created by, or under the control of, the technical college district. Require a technical college district that establishes such a trust to annually publish a written report that includes the following information: (a) the amount in the trust; (b) the investment return earned by the trust since the last report was published; (c) the total disbursements made from the trust since the last report was published; and (d) the name of the investment manager, if investment authority has been delegated to such an individual.

Note:

In March, 2016, the FCC initiated a process to auction spectrum, or radio frequencies used to transmit sound, data, and video to TVs or phones. Under the auction, spectrum licensed by the FCC and previously used by broadcasters, including public television stations, was repurposed and sold to mobile carriers and other wireless providers. In April, 2017, it was announced that Milwaukee public television station WMVT-TV (Channel 36), which had been owned by the Milwaukee Area Technical College since 1963, was sold for \$84.9 million.

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