



## 1995 SENATE BILL 78

February 21, 1995 – Introduced by Senators BRESKE and JAUCH, cosponsored by Representatives HANDRICK, LINTON, MUSSER and SERATTI. Referred to Committee on Education and Financial Institutions.

1     **AN ACT to amend** 121.004 (6) of the statutes, **relating to:** the deductibility of  
2     federal impact aid to school districts.

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### *Analysis by the Legislative Reference Bureau*

Under current federal law, the federal government provides “federal impact aid” to the following school districts:

1. School districts in which revenues available from local sources have been reduced as a result of the acquisition of real property by the United States.
2. School districts that provide education to children who reside on federal property or to children whose parents are employed on federal property.
3. School districts that experience a sudden and substantial increase in school attendance as the result of federal activities.

Under current state law, most federal impact aid is deducted from a school district’s costs before the district’s state aid is computed. This bill eliminates that deduction.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

3     **SECTION 1.** 121.004 (6) of the statutes is amended to read:  
4     121.004 (6) NET COST. The “net cost” of a fund means the gross cost of that fund  
5     minus all nonduplicative revenues and other financing sources of that fund except  
6     property taxes and, general aid. ~~In this subsection, “nonduplicative revenues”~~

1 includes and federal financial assistance under 20 USC 236 to 245, ~~to the extent~~  
2 ~~permitted under federal law and regulations.~~

3 **SECTION 2.** Initial applicability. This act first applies to state aid paid in the  
4 1994-95 school year.

5 (END)