

## 1999 ASSEMBLY BILL 576

1     **AN ACT** *to amend* 121.07 (6) (a) (intro.) and 121.15 (3m) (a) 1.; and *to create*  
2             120.135 and 121.91 (4) (h) of the statutes; **relating to:** authorizing a school  
3             board to create a capital improvement fund and adjusting a school district's  
4             revenue limit.

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*Analysis by the Legislative Reference Bureau*

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

5             **SECTION 1.** 120.135 of the statutes is created to read:  
6             **120.135 Capital improvement fund. (1)** By the first day of the 6th month  
7             commencing after the effective date of this subsection .... [revisor inserts date], by a  
8             two-thirds vote of the members elect, a school board may adopt a resolution creating  
9             a capital improvement fund for the purpose of financing the cost of acquiring and  
10            improving sites, constructing school facilities and major maintenance of or  
11            remodeling, renovating and improving school facilities if all of the following are true:

**ASSEMBLY BILL 576****SECTION 1**

1 (a) A tax incremental district that is located in whole or in part in the school  
2 district is terminated before the maximum number of years that the tax incremental  
3 district would have existed under s. 66.46 (7) (am) or (ar).

4 (b) The value increment of the tax incremental district exceeds \$300,000,000.

5 **(2)** In each year in which the school board adopts a resolution by a two-thirds  
6 vote of the members elect expressing its intention to do so until the year after the year  
7 in which the tax incremental district would have been required to terminate under  
8 s. 66.46 (7) (am) or (ar), the school board may deposit into the capital improvement  
9 fund the percentage, not to exceed 100%, specified in the resolution of the school  
10 district's portion of the positive tax increment of the tax incremental district in that  
11 year, as determined by the department of revenue under s. 66.46.

12 **(3)** The school board shall use the balance of the school district's portion of the  
13 positive tax increment of the tax incremental district to reduce the levy that  
14 otherwise would be imposed.

15 **(4)** (a) Money in the capital improvement fund may not be used for any purpose  
16 or be transferred to any other fund without the approval of a majority of the electors  
17 of the school district voting on the question at a referendum. If a referendum is  
18 adopted authorizing the use of moneys in the fund, the legislative audit bureau shall  
19 conduct an audit to determine whether the moneys have been used only for the  
20 purposes specified in sub. (1).

21 (b) The school board may not deposit into the capital improvement fund any  
22 amount other than the percentage specified under sub. (2).

23 **(5)** The school board shall submit a report by January 1 of each odd-numbered  
24 year to the governor and the joint committee on finance describing the use of the  
25 moneys deposited into the fund under sub. (1) and the effects of that use.

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1           **SECTION 2.** 121.07 (6) (a) (intro.) of the statutes, as affected by 1999 Wisconsin  
2 Act 9, is amended to read:

3           121.07 **(6)** (a) (intro.) “Shared cost” is the sum of the net cost of the general fund  
4 and the net cost of the debt service fund, except that “shared cost” excludes any costs,  
5 including attorney fees, incurred by a school district as a result of its participation  
6 in a lawsuit commenced against the state, beginning with such costs incurred in the  
7 fiscal year in which the lawsuit is commenced, excludes any expenditures from a  
8 capital improvement fund created under s. 120.135 and excludes the costs of  
9 transporting those transfer pupils for whom the school district operating under ch.  
10 119 does not receive intradistrict transfer aid under s. 121.85 (6) as a result of s.  
11 121.85 (6) (am). In this paragraph, “net cost of the debt service fund” includes all of  
12 the following amounts:

13           **SECTION 3.** 121.15 (3m) (a) 1. of the statutes, as affected by 1999 Wisconsin Act  
14 9, is amended to read:

15           121.15 **(3m)** (a) 1. “Partial school revenues” means the sum of state school aids,  
16 other than the amounts appropriated under s. 20.255 (2) (bi) and (cv), property taxes  
17 levied for school districts and aid paid to school districts under s. 79.095 (4), less the  
18 amount of any revenue limit increase under s. 121.91 (4) (a) 2. due to a school board’s  
19 increasing the services that it provides by adding responsibility for providing a  
20 service transferred to it from another school board ~~and~~, less the amount of any  
21 revenue limit increase under s. 121.91 (4) (a) 3. and less the amount of any revenue  
22 limit increase under s. 121.91 (4) (h).

23           **SECTION 4.** 121.91 (4) (h) of the statutes is created to read:

