

2001 DRAFTING REQUEST

Senate Amendment (SA-SB55)

Received: 06/07/2001

Received By: grantpr

Wanted: As time permits

Identical to LRB:

For: Legislative Fiscal Bureau 6-8314

By/Representing: Kava

This file may be shown to any legislator: NO

Drafter: grantpr

May Contact:

Addl. Drafters:

Subject: Education - school finance

Extra Copies: MJL

Submit via email: NO

Requester's email:

Pre Topic:

LFB:.....Kava -

Topic:

Delay in school aid payment

Instructions:

See Attached

Drafting History:

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Typed</u> | <u>Proofed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
|--------------|----------------|-----------------|--------------|----------------|------------------|-----------------|-----------------|
| /? | grantpr | wjackson | | | | | |
| | 06/07/2001 | 06/07/2001 | | | | | |
| | grantpr | csicilia | | | | | |
| | 06/08/2001 | 06/08/2001 | | | | | |
| /1 | | | pgreensl | | lrb_docadmin | | |
| | | | 06/08/2001 | | 06/09/2001 | | |

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Typed</u> | <u>Proofed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
|--------------|-----------------------|--------------------|------------------------|----------------|----------------------------|-----------------|-----------------|
| /2 | grantpr 06/09/2001 | jdye 06/09/2001 | jfrantze 06/10/2001 | _____ | lrb_docadmin 06/10/2001 | | |

FE Sent For:

<END>

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| /? | grantpr 06/07/2001 | wjackson 06/07/2001 | | _____ | | | |
| | grantpr 06/08/2001 | csicilia 06/08/2001 | | _____ | | | |
| /1 | | 1/2 6/9 jld | | | | | |
| | | | pgreensl 06/08/2001 | _____ | lrb_docadmin 06/09/2001 | | |
| | | | jf 6/9 | | kjb/pg 6/10 | | |

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By/Representing: **Kava**

This file may be shown to any legislator: **NO**

Drafter: **grantpr**

May Contact:

Addl. Drafters: **RAC**

Subject: **Education - school finance**

Extra Copies: **MJL**

Submit via email: **NO**

Requester's email:

Pre Topic:

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|--------------|----------------|-----------------|--------------|----------------|------------------|-----------------|-----------------|
| 1? | grantpr | 1 ej5 6/8 01 | 6/8 PS | 6/8 PS/LE | | | |

FE Sent For:

<END>

23. LFB P:
of financial service r
competitive, public no

| | | | | | |
|-------------------|-------------|---------|-----------|------------|---|
| Post-It* Fax Note | 7671 | Date | 6/7/01 | # of pages | 1 |
| To | Peter Grant | From | Russ Kava | | |
| Co./Dept. | | Co. | | | |
| Phone # | | Phone # | 6-3847 | | |
| Fax # | 4-6948 | Fax # | | | |

t the contracting
from the state's
ate contracts

24. Direct
supported commercial
long-term general obli
\$25 million annually.

te general fund
-03 biennium to
ould increase by

25. Provide \$75 million of general obligation bonding in a new bonding appropriation for refunding tax-supported and self-amortizing general obligation bonds. Specify that no bonds could be issued after June 30, 2003. Increase estimated GPR-Lapses by \$50 million in 2002-03 to reflect projected savings from refunding \$50 million of general fund supported bonds that otherwise would be paid off in that year.

26. Delay the payment of \$115,000,000 GPR of general school aids scheduled to be made on the third Monday in June 2003 until the fourth Monday in July, 2003. Provide \$700,000 GPR in 2002-03 in a separate sum sufficient appropriation created for this purpose to pay interest to school districts for their portion of the delayed payment. Specify that this interest payment for each school district would be calculated using the annualized state investment fund earnings rate for April 2003, to provide each school district with the amount of interest it would have earned using that earnings rate on its portion of the payment delay for the period of the delay. Provide that this payment of interest would be made by DPI on the third Monday in June, 2003. Specify that this payment of interest would be outside of revenue limits and would not count towards two-thirds funding of partial school revenues.

~~27. Specify that the statutory balance only for 2002-03 would be \$50 million.~~

28. Modify the proposed tax relief fund and tax relief credit to specify that the first \$115 million of monies received that otherwise would be deposited in the tax relief fund, would instead be used to buy back the \$115 million school aid payment delay.

29. Reserve \$44 million in 2002-03 for prescription drug legislation.

30. Exclude community service levies from the limited levy under revenue limits. Specify that the community service levy would be excluded from a district's prior year base revenues and from a district's current year revenue limit beginning with revenue limits calculated for the 2001-02 school year. Exclude these levies from the definition of partial school revenues. Delete \$11,333,900 GPR annually in general school aids to adjust two-thirds funding.

31. Eliminate the December 31, 2003, scheduled termination of the sales tax exemption on gross receipts from the sale or use of a one-time seat license for Green Bay Packers football games.

32. Create an individual income tax checkoff for donations to a local professional baseball park district (Baseball District). Provide that the revenues from the individual income tax

50% -
50% -

2001

Date (time) needed _____

LRB b 06821, 1

**LFB BUDGET AMENDMENT
[ONLY FOR LFB]**

PG & RAC : 1 : _____
CJS

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**LFB AMENDMENT
TO 2001 ASSEMBLY BILL 144 AND 2001 SENATE BILL 55**

>>FOR JT. FIN. SUB. — NOT FOR INTRODUCTION<<

At the locations indicated, amend the bill as follows:

#. Page , line :

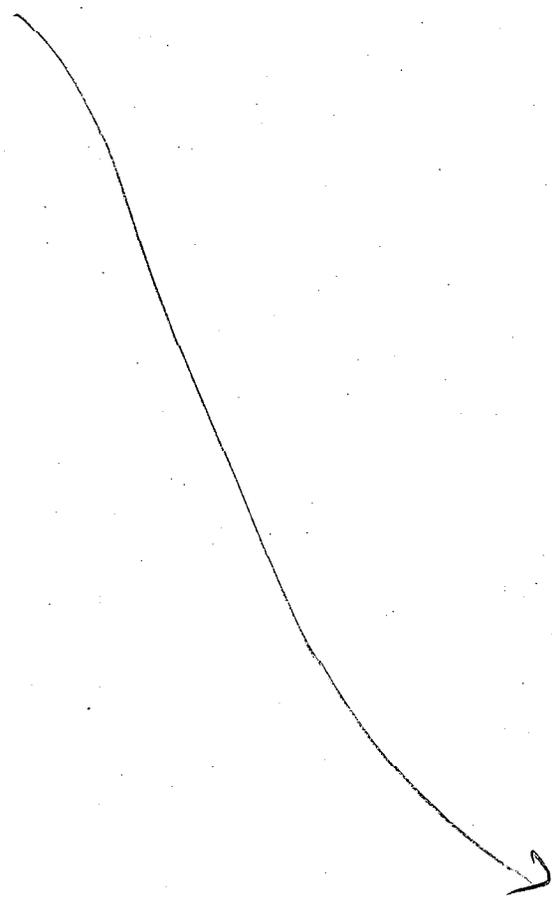
#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :



#. Page 225, line 18: delete lines 18 to 20
and substitute:

ⓑ
“(4) Annually, the secretary shall calculate the difference between the amount calculated under sub. (2) and the amount transferred to the budget stabilization fund under sub. (3). If the difference between the amounts is at least \$115,000,000, the secretary shall transfer from the general fund to the tax relief fund the amount that exceeds \$115,000,000.”

Statutory material

If the amount of ^{moneys projected} money projected to be ^{deposited} deposited in the ^{general fund} general fund during the ^{fiscal} fiscal year that are designated as “Taxes” in the ^{Summary} summary is less than the amount of such ^{moneys actually deposited} moneys actually deposited in the general fund during the fiscal year;

¶ #. Page 492, line 24: after that line

insert:

¶ "SEC. 546m. CR; 20.255(2)(am)

255 (2) (am) (I)
¶ 20.255 (2) (am) Interest on delayed school aid

(I)
payment. A sum sufficient to make
interest payments school districts under
interest payments to school districts under

s. 121.085(2) (I)

Page 1162, line 22: after that
line insert:

II " SEC. 2767m. CR; 121.085

III 121.085 Interest on delayed payment. Beginning

in 2003; annually
on the ~~third~~ Monday in July; ~~2002~~ from
(3rd)

the appropriation under s. 20.255(2)(am),

the department shall pay to each school

district an amount equal to the ~~amount~~

of interest the school district would have

earned on its portion of the delayed

school aid payment under s. 121.15(1m)(a) 4.

had the payment been made on the

3rd Monday in June ~~2002~~ ^{Interest} Interest shall

be calculated using the annualized

~~monthly~~ rate of return ^{return} for on investments

state investment fund
in the state investment fund for

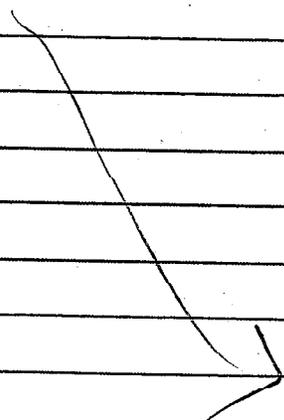
April 1st 1968

¶ # Page 1164, line 24: delete the
material beginning with that line and
ending with page 1165, line 50

¶ # Page 1165, line 8: delete lines 8
to 12 and substitute:

¶ " SEC. 2777m. CR. 121.15 (1m) (a) 4.

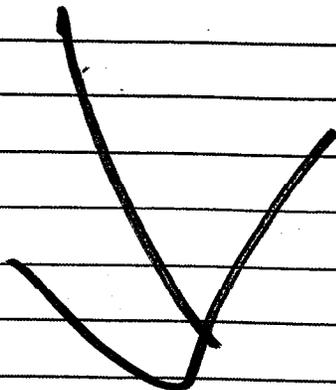
~~Beginning in 2053, annually
121.15 (1m) (a) 4. An amount equal
of the amount appropriated under s. 20.255 (2) (ac)
to \$15,000,000 shall be paid to school
districts on the 4th Monday in July 2053,
instead of on the 3rd Monday in June 2053."~~



①
¶ 12.15(1m)(a)4. Of the amount appropriated under
s. 20.255(2)(ac) ↑
s. 20.255(2)(ac) in 2013 and annually
thereafter an amount determined as
follows shall be paid to school
districts on the 4th Monday in July
instead of on the 3rd Monday in June:

¶ a. Subtract the amount transferred
to the tax relief fund under s. 16.518(4) ✓
from the amount calculated by the
secretary of administration under s. 16.518(4) ✓
secretary of administration under s. 16.518(4).

¶ b. Subtract the remainder
under ~~(1m)~~ subd. 1. a. from \$115,000,000
\$115,000,000 ① ②



Page 1165, line 15: delete "amounts"

amount" and substitute "amounts";

Page 1165, line 15: ↑

~~and~~ delete "and" and substitute

~~the~~ " (am) and " .

(End) ✓

L + JLD
JLD

LFB:.....Kava - Delay in school aid payment

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 2001 SENATE BILL 55 AND 2001 ASSEMBLY BILL 144

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 225, line 18: delete lines 18 to 20 and substitute:

3 “(4) If the amount of moneys projected to be deposited in the general fund
4 during the fiscal year that are designated as “Taxes” in the summary is less than the
5 amount of such moneys actually deposited in the general fund during the fiscal year,
6 annually the secretary shall calculate the difference between the amount calculated
7 under sub. (2) and the amount transferred to the budget stabilization fund under
8 sub. (3). If the difference between the amounts is at least \$115,000,000, the secretary
9 shall transfer from the general fund to the tax relief fund the amount that exceeds
10 \$115,000,000.”.

11 **2.** Page 498, line 24: after that line insert:

1 "SECTION 546m. 20.255 (2) (am) of the statutes is created to read:

2 20.255 (2) (am) Interest on delayed school aid payment. A sum sufficient to
3 make interest payments to school districts under s. 121.085."

4 3. Page 1162, line 22: after that line insert:

5 SECTION 2767m. 121.085 of the statutes is created to read:

6 121.085 Interest on delayed payment. Beginning in 2003, annually on the
7 3rd Monday in ~~July~~ ^{June} from the appropriation under s. 20.255 (2) (am), the department
8 shall pay to each school district an amount equal to the interest ^{that} the school district
9 would ~~have earned~~ ^{STEE} on its portion of the delayed school aid payment under s. 121.15
10 (1m) (a) 4. ~~had~~ ^{if} the school aid payment) ~~been~~ ^{had} made on the 3rd Monday in ~~July~~ ^{June}.
11 Interest shall be calculated using the annualized rate of return on investments in the
12 state investment fund for April."

13 4. Page 1164, line 24: delete the material beginning with that line and ending
14 with page 1165, line 5.

15 5. Page 1165, line 8: delete lines 8 to 12 and substitute:

16 SECTION 2777m. 121.15 (1m) (a) 4. of the statutes is created to read:

17 121.15 (1m) (a) 4. ~~Of the amount appropriated under s. 20.255 (2) (ac) in 2003~~
18 ~~and annually thereafter~~ an amount determined as follows ~~shall be paid to school~~
19 ~~districts~~ on the 4th Monday in July ^{of the following school year} ~~instead of on the 3rd Monday in June~~:

- 20 a. Subtract the amount transferred to the tax relief fund under s. 16. 518 (4)
- 21 from the amount calculated by the secretary of administration under s. 16.518 (4).
- 22 b. Subtract the remainder under subd. 1. a. from \$115,000,000.

23 6. Page 1165, line 15: delete "amounts amount" and substitute "amounts".

Beginning in the 2002-03 school year, ^{from the appropriation under s. 20.255 (2) (ac)} annually the state shall pay to school districts

INS. 2-4

7
9
10

instead of on the 4th Monday in July

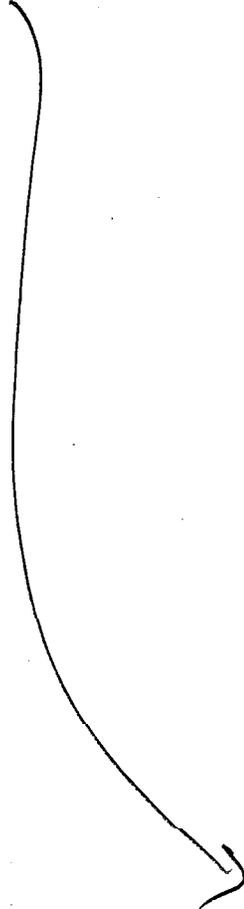
INS. 2-22

1

7. Page 1165, line 15: delete "and" and substitute "am and".

2

~~and~~



Page 1165, line 21: after that line insert:

cc Section #. 121.15 (3m) (a) 2. of the statutes is amended to read:

2279m ✓

121.15 (3m) (a) 2. "State school aids" means those aids appropriated under s. 20.255 (2), other than s. 20.255 (2) (fm), (fu), (k) and (m), and under ss. 20.275 (1) (d), (cs), (ct) and (f) and 20.285 (1) (ee), (r) and (rc) and those aids appropriated under s. 20.275 (1) (s) that are used to provide grants or educational telecommunications access to school districts under s. 44.73. ”

History: 1977 c. 29 s. 1098; 1977 c. 273; Stats. 1977 s. 121.15; 1979 c. 34; 1985 a. 29, 120; 1987 a. 27; 1989 a. 207; 1993 a. 16, 437; 1995 a. 27 ss. 4073 to 4075m, 9145 (1); 1997 a. 27, 113, 228; 1997 a. 237 ss. 368v to 369, 727p; 1999 a. 9, 17.

(am), ✓

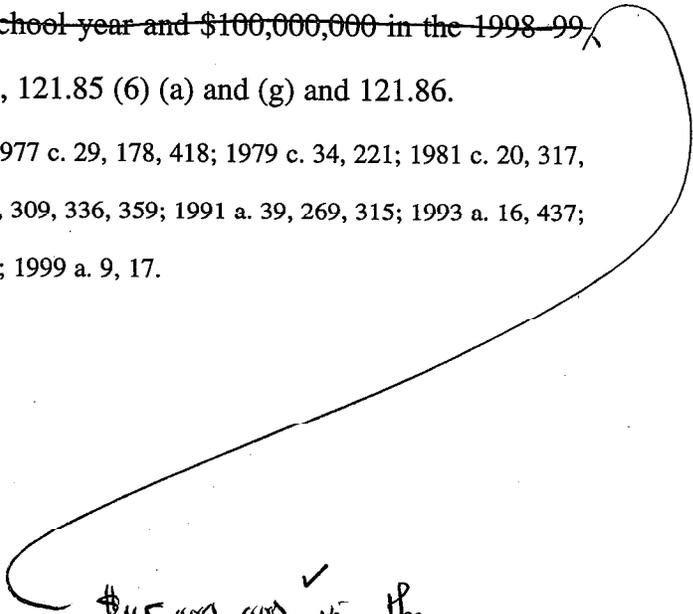
(End) ✓

2-4

u 2767f
Section 121.07 (7) (b) of the statutes is amended to read:

121.07 (7) (b) The "secondary guaranteed valuation per member" is an amount, rounded to the next lower dollar, that, after subtraction of payments under ss. 121.09 and 121.85 (6) (b) 2. and 3. and (c), fully distributes an amount equal to the amount remaining in the appropriation under s. 20.255 (2) (ac) plus ~~\$75,000,000 in the 1997-98 school year and \$100,000,000 in the 1998-99~~ school year for payments under ss. 121.08, 121.105, 121.85 (6) (a) and (g) and 121.86.

History: 1971 c. 125; 1973 c. 61, 90, 190, 333; 1975 c. 39; 1977 c. 29, 178, 418; 1979 c. 34, 221; 1981 c. 20, 317, 385; 1983 a. 27, 212; 1985 a. 29; 1987 a. 27; 1989 a. 31, 114, 309, 336, 359; 1991 a. 39, 269, 315; 1993 a. 16, 437; 1995 a. 27 ss. 4046m to 4064, 9145 (1); 1997 a. 27, 113, 286; 1999 a. 9, 17.



\$115,000,000 ✓ in the
2002-03

(end ins 2-4)

2-22

Section #. 121.15 (1m) (b) of the statutes is amended to read:

121.15 (1m) (b) The percentages under subs. (1) (a) and (1g) (a) shall be reduced proportionally to reflect the payments made under par. (a). School districts shall treat the payments made in July under par. (a) as if they had been received in the previous school year.

History: 1977 c. 29 s. 1098; 1977 c. 273; Stats. 1977 s. 121.15; 1979 c. 34; 1985 a. 29, 120; 1987 a. 27; 1989 a. 207; 1993 a. 16, 437; 1995 a. 27 ss. 4073 to 4075m, 9145 (1); 1997 a. 27, 113, 228; 1997 a. 237 ss. 368v to 369, 727p; 1999 a. 9, 17.

3. The percentage for June under subs. (1)(a) and (1g)(a) shall also be reduced to reflect the payment made under par. (a)

LFB:.....Kařa – Delay in school aid payment

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 2001 SENATE BILL 55 AND 2001 ASSEMBLY BILL 144

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 225, line 18: delete lines 18 to 20 and substitute:

3 “(4) If the amount of moneys projected to be deposited in the general fund
4 during the fiscal year that are designated as “Taxes” in the summary is less than the
5 amount of such moneys actually deposited in the general fund during the fiscal year,
6 annually the secretary shall calculate the difference between the amount calculated
7 under sub. (2) and the amount transferred to the budget stabilization fund under
8 sub. (3). If the difference between the amounts is at least \$115,000,000, the secretary
9 shall transfer from the general fund to the tax relief fund the amount that exceeds
10 \$115,000,000.”.

11 **2.** Page 498, line 24: after that line insert:

1 “**SECTION 546m.** 20.255 (2) (am) of the statutes is created to read:

2 20.255 (2) (am) *Interest on delayed school aid payment.* A sum sufficient to
3 make interest payments to school districts under s. 121.085.”

4 **3.** Page 1162, line 22: after that line insert:

5 “**SECTION 2767f.** 121.07 (7) (b) of the statutes is amended to read:

6 121.07 (7) (b) The “secondary guaranteed valuation per member” is an amount,
7 rounded to the next lower dollar, that, after subtraction of payments under ss. 121.09
8 and 121.85 (6) (b) 2. and 3. and (c), fully distributes an amount equal to the amount
9 remaining in the appropriation under s. 20.255 (2) (ac) plus ~~\$75,000,000 in the~~
10 ~~1997–98 school year and \$100,000,000 in the 1998–99~~ \$115,000,000 in the 2002–03
11 school year for payments under ss. 121.08, 121.105, 121.85 (6) (a) and (g) and 121.86.

12 **SECTION 2767m.** 121.085 of the statutes is created to read:

13 **121.085 Interest on delayed payment.** Beginning in 2003, annually on the
14 3rd Monday in June, from the appropriation under s. 20.255 (2) (am), the department
15 shall pay to each school district an amount equal to the interest that the school
16 district would have earned on its portion of the delayed school aid payment under s.
17 121.15 (1m) (a) 4. if the school aid payment had been made on the 3rd Monday in June
18 instead of on the 4th Monday in July. Interest shall be calculated using the
19 annualized rate of return on investments in the state investment fund for April.”

20 **4.** Page 1164, line 24: delete the material beginning with that line and ending
21 with page 1165, line 5.

22 **5.** Page 1165, line 8: delete lines 8 to 12 and substitute:

23 “**SECTION 2777g.** 121.15 (1m) (a) 4. of the statutes is created to read:

1 121.15 (1m) (a) 4. Beginning in the 2002–03 school year, from the
2 appropriation under s. 20.255 (2) (ac), annually the state shall pay to school districts
3 an amount determined as follows on the 4th Monday in July of the following school
4 year:

5 a. Subtract the amount transferred to the tax relief fund under s. 16. 518 (4)
6 from the amount calculated by the secretary of administration under s. 16.518 (4).

7 b. Subtract the remainder under subd. 1. a. from \$115,000,000.

8 **SECTION 2777r.** 121.15 (1m) (b) of the statutes is amended to read:

9 121.15 (1m) (b) The percentages under subs. (1) (a) and (1g) (a) shall be reduced
10 proportionally to reflect the payments made under par. (a) 3. The percentage for
11 June under subs. (1) (a) and (1g) (a) shall also be reduced to reflect the payment made
12 under par. (a) 4. School districts shall treat the payments made in July under par.
13 (a) as if they had been received in the previous school year.”.

14 **6.** Page 1165, line 15: delete “~~amounts~~ amount” and substitute “amounts”.

15 **7.** Page 1165, line 15: delete “and” and substitute “(am) and”.

16 **8.** Page 1165, line 21: after that line insert:

17 **“SECTION 2779m.** 121.15 (3m) (a) 2. of the statutes is amended to read:

18 121.15 (3m) (a) 2. “State school aids” means those aids appropriated under s.
19 20.255 (2), other than s. 20.255 (2) (am), (fm), (fu), (k) and (m), and under ss. 20.275
20 (1) (d), (es), (et) and (f) and 20.285 (1) (ee), (r) and (rc) and those aids appropriated
21 under s. 20.275 (1) (s) that are used to provide grants or educational
22 telecommunications access to school districts under s. 44.73.”.

23

(END)