



State of Wisconsin
2017 - 2018 LEGISLATURE

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**SENATE AMENDMENT 13,
TO ASSEMBLY BILL 64**

September 15, 2017 - Offered by Senators LARSON, JOHNSON, CARPENTER, L. TAYLOR,
RISSER, VINEHOUT, BEWLEY, WIRCH, HANSEN and RINGHAND.

1 At the locations indicated, amend the bill as shown by assembly substitute
2 amendment 1, as follows:

3 **1.** Page 281, line 2: after that line insert:

4 **"SECTION 206p.** 20.255 (1) (f) of the statutes is amended to read:

5 20.255 (1) (f) *Assessments of reading readiness.* The amounts in the schedule
6 to provide school districts and, independent charter schools under s. 118.40 (2r) and
7 (2x), the governing bodies of private schools participating in the special needs
8 scholarship program under s. 115.7915, and the governing bodies of private schools
9 participating in a parental choice program under s. 118.60 or 119.23 with the
10 assessments of reading readiness under s. 118.016."

11 **2.** Page 281, line 22: delete "(a), (cm), and (e)" and substitute "(a) and (e)".

12 **3.** Page 741, line 18: after that line insert:

13 **"SECTION 1461r.** 115.28 (7) (b) of the statutes is amended to read:

1 115.28 (7) (b) Subject to the same rules and laws concerning qualifications of
2 applicants and granting and revocation of licenses ~~or certificates~~ under par. (a), the
3 state superintendent shall grant ~~certificates~~ and licenses to teachers in private
4 schools and tribal schools, except that teaching experience requirements for such
5 ~~certificates~~ and licenses may be fulfilled by teaching experience in public, private,
6 or tribal schools. An applicant is not eligible for a license ~~or certificate~~ unless the
7 state superintendent finds that the private school or tribal school in which the
8 applicant taught offered an adequate educational program during the period of the
9 applicant's teaching therein. ~~Private~~ Except as provided in ss. 115.7915 (2m) (b),
10 118.60 (2) (a) 6m., and 119.23 (2) (a) 6m., private schools are not obligated to employ
11 only licensed or certified teachers.”.

12 **4.** Page 761, line 7: delete lines 7 to 10 and substitute:

13 “**SECTION 1486bm.** 115.7915 (2) (intro.) of the statutes is amended to read:

14 115.7915 (2) SCHOLARSHIP REQUIREMENTS. (intro.) Beginning in the 2016-17
15 school year, the department shall provide to a child with a disability a scholarship
16 under sub. (4m) (a) to attend ~~a private~~ an eligible school, provided the private school
17 is in compliance with the requirements under sub. (2m), if all of the following apply:”.

18 **5.** Page 763, line 10: after that line insert:

19 “**SECTION 1488i.** 115.7915 (2) (i) of the statutes is created to read:

20 115.7915 (2) (i) The sum of the pupils attending the private school under a
21 scholarship under this section and under the programs under ss. 118.60 and 119.23
22 is less than 49 percent of the total number of pupils attending the private school.

23 **SECTION 1488k.** 115.7915 (2m) of the statutes is created to read:

1 115.7915 **(2m)** PRIVATE SCHOOLS; REQUIREMENTS FOR PARTICIPATION. A private
2 school may not participate in the program under this section unless all of the
3 following apply:

4 (a) The private school is located in this state.

5 (b) All instructional staff employed by the governing body of the private school
6 hold a license or permit to teach issued by the department. For purposes of this
7 paragraph, “instructional staff” has the meaning given in the rules promulgated by
8 the department under s. 121.02 (1) (a) 2.

9 (c) Prior to accepting applications under sub. (2) (g), the private school had been
10 in operation for the attendance of pupils for at least 2 school years.

11 (d) The governing body of the private school annually submits to an
12 independent financial audit of the private school as provided under s. 118.60 (7) (am).

13 (e) The governing body of the private school annually schedules at least one
14 meeting of the governing body of the private school each month that is open to the
15 public as provided under s. 118.60 (7) (b) 3m.

16 (f) The governing body of the private school permits public inspection and
17 copying of any record, as defined in s. 19.32 (2), of the private school to the same
18 extent as required of, and subject to the same terms and enforcement provisions that
19 apply to, a school board under subch. II of ch. 19. This paragraph applies only to
20 records that relate to pupils attending the private school under this section.

21 (g) The governing body of the private school complies with the requirement to
22 submit a copy of the school’s certificate of occupancy or a building permit to the
23 department as provided under s. 118.60 (7) (d).

1 (h) The governing body of the private school complies with the requirement to
2 conduct state and federal background checks of teachers and administrators
3 employed by and volunteers at the private school as provided in s. 118.60 (7) (h).”.

4 **6.** Page 764, line 7: delete the material beginning with that line and ending
5 on page 765, line 12, and substitute:

6 “**SECTION 1492be.** 115.7915 (4m) (a) (intro.) of the statutes is renumbered
7 115.7915 (4m) (a) and amended to read:

8 115.7915 (4m) (a) Subject to par. (c), from the appropriation under s. 20.255 (2)
9 (az), the department shall pay the private school a child attends under the
10 scholarship program under this section, on behalf of a child’s parent or guardian, the
11 following amount: under s. 118.60 (4) (bd).

12 **SECTION 1492bm.** 115.7915 (4m) (a) 1. of the statutes is repealed.

13 **SECTION 1492bs.** 115.7915 (4m) (a) 2. of the statutes is repealed.”.

14 **7.** Page 766, line 1: delete lines 1 to 17.

15 **8.** Page 767, line 1: delete “~~b. and a.,~~ d.” and substitute “b. and, d.”.

16 **9.** Page 768, line 6: after that line insert:

17 “**SECTION 1492vc.** 115.7915 (8) (a) 5. of the statutes is created to read:

18 115.7915 (8) (a) 5. Failed to provide the information required under sub. (2m)
19 (d) or (g) by the date or within the period specified.

20 **SECTION 1492vg.** 115.7915 (8) (a) 6. of the statutes is created to read:

21 115.7915 (8) (a) 6. Violated sub. (2m) (e) or (f).

22 **SECTION 1492vn.** 115.7915 (8) (a) 7. of the statutes is created to read:

23 115.7915 (8) (a) 7. Violated or employed a person who violated s. 118.016,
24 118.19 (1), 118.305, 118.31, or 118.33 (1) (f) 5.

1 **SECTION 1492vr.** 115.7915 (8) (ag) of the statutes is created to read:

2 115.7915 (8) (ag) The state superintendent may issue an order immediately
3 terminating a private school’s participation in the program under this section if he
4 or she determines that the owner of the private school would not be eligible or
5 permitted to be employed, licensed, or permitted for any of the reasons specified
6 under s. 115.31 (2g) or (6m) or 115.315.

7 **SECTION 1492vw.** 115.7915 (8) (ar) of the statutes is created to read:

8 115.7915 (8) (ar) The state superintendent may issue an order immediately
9 terminating a private school’s participation in the program under this section if he
10 or she determines that the private school has failed to comply with the requirements
11 under s. 118.60 (7) (h) or if the private school employs an individual in contravention
12 of the prohibitions under s. 118.60 (7) (h).”.

13 **10.** Page 782, line 1: before that line insert:

14 **“SECTION 1504yc.** 118.016 (1) (bm) of the statutes is created to read:

15 118.016 (1) (bm) Beginning in the 2018-19 school year, the governing body of
16 each private school participating in a parental choice program under s. 118.60 or
17 119.23 and each private school participating in the special needs scholarship
18 program under s. 115.7915 shall, using the appropriate, valid, and reliable
19 assessment of literacy fundamentals selected by the governing body, annually assess
20 each pupil enrolled in 4-year-old kindergarten to 2nd grade in the private school for
21 reading readiness. The governing body shall ensure that the assessment evaluates
22 whether a pupil possesses phonemic awareness and letter sound knowledge. The
23 governing body may administer computer adaptive assessments. This paragraph
24 applies only to pupils attending the school under s. 115.7915, 118.60, or 119.23.

1 **SECTION 1504yg.** 118.016 (1) (c) of the statutes is amended to read:

2 118.016 (1) (c) The department shall pay to the school board ~~or~~, operator, or
3 governing body, from the appropriation under s. 20.255 (1) (f), the per pupil cost of
4 the selected assessment. If the appropriation under s. 20.255 (1) (f) in any fiscal year
5 is insufficient to pay the full amount of aid under this paragraph, the state
6 superintendent shall prorate state aid payments among the school boards ~~and~~,
7 governing bodies of private schools, and operators of charter schools entitled to the
8 aid.

9 **SECTION 1504yn.** 118.016 (1g) of the statutes is amended to read:

10 118.016 (1g) If a pupil is enrolled in a special education program under subch.
11 V of ch. 115, the school board ~~or~~, operator of the charter school under s. 118.40 (2r)
12 or (2x), or governing body of the private school under s. 115.7915, 118.60, or 119.23
13 shall comply with s. 115.77 (1m) (bg).

14 **SECTION 1504yr.** 118.016 (1r) of the statutes is amended to read:

15 118.016 (1r) The school board ~~or~~, operator of the charter school, or governing
16 body of the private school under s. 115.7915, 118.60, or 119.23 shall report the results
17 of a pupil's assessment under sub. (1) to the pupil's parent or guardian.

18 **SECTION 1504yw.** 118.016 (2) of the statutes is amended to read:

19 118.016 (2) The school board of the school district ~~or~~, operator of the charter
20 school, or governing body of the private school in which the pupil is enrolled shall
21 provide a pupil whose assessment under sub. (1) indicates that he or she is at risk
22 of reading difficulty with interventions or remedial reading services, as described
23 under s. 121.02 (1) (c).”.

24 **11.** Page 783, line 7: delete lines 7 to 11 and substitute:

1 **“SECTION 1507g.** 118.19 (1) of the statutes is amended to read:

2 118.19 (1) Except as provided in subs. (1b) and (1c) and s. 118.40 (8) (b) 1. and
3 2., any person seeking to teach in a public school, including a charter school, in a
4 private school participating in a parental choice program under s. 118.60 or 119.23,
5 in the special needs scholarship program under s. 115.7915, or in a school or
6 institution operated by a county or the state shall first procure a license or permit
7 from the department.”.

8 **12.** Page 792, line 20: after that line insert:

9 **“SECTION 1525b.** 118.30 (5m) of the statutes is amended to read:

10 118.30 (5m) When determining the percentage of pupils participating in the
11 program under s. 119.23 who performed at designated proficiency levels on the
12 examinations administered as required under sub. (1s) or s. 118.301 (3), the
13 department shall ~~consider only the pupils participating in the program under s.~~
14 ~~119.23 to whom the examinations were administered at each grade level, and shall~~
15 not exclude from consideration those pupils participating in the program under s.
16 119.23 who were excused from taking the examinations under sub. (2) (b) 5.

17 **SECTION 1525d.** 118.305 (1) (gm) of the statutes is created to read:

18 118.305 (1) (gm) “Pupil” excludes pupils who are attending a private school
19 participating in a parental choice program under s. 118.60 or 119.23 or in the special
20 needs scholarship program under s. 115.7915 but not under the parental choice
21 program or scholarship program.

22 **SECTION 1525f.** 118.305 (1) (h) of the statutes is amended to read:

1 118.305 (1) (h) “School” means a public school, including a charter school, and
2 a private school participating in the program under s. 115.7915, and a private school
3 participating in a parental choice program under s. 118.60 or 119.23.

4 **SECTION 1525h.** 118.305 (3) (e) of the statutes is amended to read:

5 118.305 (3) (e) It does not constitute corporal punishment, as defined in s.
6 118.31 (1) (a).

7 **SECTION 1525j.** 118.31 (1) of the statutes is renumbered 118.31 (1) (intro.) and
8 amended to read:

9 118.31 (1) (intro.) In this section, ~~“corporal:~~

10 (a) “Corporal punishment” means the intentional infliction of physical pain
11 which is used as a means of discipline. “Corporal punishment” includes, but is not
12 limited to, paddling, slapping or prolonged maintenance of physically painful
13 positions, when used as a means of discipline. “Corporal punishment” does not
14 include actions consistent with an individualized education program developed
15 under s. 115.787 or reasonable physical activities associated with athletic training.

16 **SECTION 1525L.** 118.31 (1) (b) of the statutes is created to read:

17 118.31 (1) (b) “Private school” means a private school, as defined in s. 115.001
18 (3r), that is participating in the special needs scholarship program under s. 115.7915
19 or in any parental choice program under ss. 118.60 and 119.23.

20 **SECTION 1525n.** 118.31 (2) of the statutes is amended to read:

21 118.31 (2) Except as provided in sub. (3), no official, employee, or agent of a
22 school board or of a private school may subject a pupil enrolled in the school district
23 or in the private school to corporal punishment.

24 **SECTION 1525p.** 118.31 (3) (intro.) of the statutes is amended to read:

1 118.31 (3) (intro.) Subsection (2) does not prohibit an official, employee, or
2 agent of a school board or of a private school from:

3 **SECTION 1525r.** 118.31 (4) of the statutes is amended to read:

4 118.31 (4) Each school board and each private school shall adopt a policy that
5 allows any official, employee, or agent of the school board or private school to use
6 reasonable and necessary force for the purposes of sub. (3) (a) to (h). In determining
7 whether or not ~~a person~~ an official, employee, or agent of a school board or of a private
8 school was acting within the exceptions in sub. (3), deference shall be given to
9 reasonable, good faith judgments made by ~~an~~ the official, employee, or agent of ~~a~~
10 school board.

11 **SECTION 1525t.** 118.31 (5) of the statutes is amended to read:

12 118.31 (5) Except as provided in s. 939.61 (1), this section does not create a
13 separate basis for civil liability of a school board or of a private school or ~~their~~
14 ~~officials, employees or agents~~ of an official, employee, or agent of the school board or
15 private school for damages arising out of claims involving allegations of improper or
16 unnecessary use of force by ~~a school employees~~ official, employee, or agent against
17 students a pupil.

18 **SECTION 1525v.** 118.31 (6) of the statutes is amended to read:

19 118.31 (6) Nothing in this section shall prohibit, permit, or otherwise affect any
20 action taken by an official, employee, or agent of a school board or private school with
21 regard to a person who is not a pupil enrolled in the school district or in the private
22 school.

23 **SECTION 1525x.** 118.33 (1) (f) 5. of the statutes is created to read:

24 118.33 (1) (f) 5. Beginning in the 2018-19 school year, the governing body of
25 each private school participating in the special needs scholarship program under s.

1 115.7915 or in a parental choice program under s. 118.60 or 119.23 shall include in
2 its policy under subd. 2m. or 2r. the requirements for granting a high school diploma
3 specified in pars. (a) and (b), with the exceptions provided in pars. (d) and (e).”.

4 **13.** Page 826, line 11: after that line insert:

5 “**SECTION 1579e.** 118.60 (2) (a) (intro.) of the statutes is amended to read:

6 118.60 (2) (a) (intro.) Subject to pars. (ag) and (ar), any pupil in grades
7 kindergarten to 12 who resides within an eligible school district may attend any
8 private school under this section and, subject to pars. (ag), (ar), (be), ~~(bm)~~, and (bs),
9 any pupil in grades kindergarten to 12 who resides in a school district, other than
10 an eligible school district or a 1st class city school district, may attend any private
11 school under this section if all of the following apply:

12 **SECTION 1579m.** 118.60 (2) (a) 1. a. of the statutes, as affected by 2017
13 Wisconsin Act 36, is amended to read:

14 118.60 (2) (a) 1. a. Except as provided in ~~par. (bm)~~ subd. 1. am., the pupil is a
15 member of a family that has a total family income that does not exceed an amount
16 equal to 3.0 times the poverty level determined in accordance with criteria
17 established by the director of the federal office of management and budget. In this
18 subdivision and sub. (3m), family income includes income of the pupil’s parents or
19 legal guardians. Except as provided in subd. 1. c. and d., the family income of the
20 pupil shall be verified as provided in subd. 1. b. A pupil attending a private school
21 under this section whose family income increases above the income level in this subd.
22 1. a. may continue to attend a private school under this section.

23 **SECTION 1579s.** 118.60 (2) (a) 1. am. of the statutes is created to read:

1 118.60 (2) (a) 1. am. Beginning in the 2018-19 school year, the pupil is a
2 member of a family that has a total family income that does not exceed an amount
3 equal to 1.85 times the poverty level determined in accordance with criteria
4 established by the director of the federal office of management and budget. The
5 family income of the pupil shall be verified as provided in subd. 1. b. A pupil
6 attending a private school under this section whose family income increases above
7 the income level in this subd. 1. am. may continue to attend a private school under
8 this section.”.

9 **14.** Page 827, line 21: delete the material beginning with that line and ending
10 on page 828, line 6, and substitute:

11 **“SECTION 1582b.** 118.60 (2) (a) 6m. of the statutes is created to read:

12 118.60 (2) (a) 6m. All instructional staff employed by the private school hold
13 a license or permit to teach issued by the department. For purposes of this
14 subdivision, “instructional staff” has the meaning given in the rules promulgated by
15 the department under s. 121.02 (1) (a) 2.

16 **SECTION 1582f.** 118.60 (2) (a) 9. of the statutes is created to read:

17 118.60 (2) (a) 9. The private school has been in operation for the attendance of
18 pupils for at least 2 school years.

19 **SECTION 1582k.** 118.60 (2) (a) 10. of the statutes is created to read:

20 118.60 (2) (a) 10. The private school is located in this state.

21 **SECTION 1582p.** 118.60 (2) (be) 2m. a. of the statutes is amended to read:

22 118.60 (2) (be) 2m. a. The pupil attended a private school under par. ~~(bm)~~ (a)
23 1. am. in the previous school year.

24 **SECTION 1582s.** 118.60 (2) (bm) of the statutes is repealed.

1 **SECTION 1582w.** 118.60 (2) (c) of the statutes is amended to read:

2 118.60 (2) (c) 1. Notwithstanding par. (a) 6. and 6m., a teacher employed by a
3 private school participating in the program under this section who teaches only
4 courses in rabbinical studies is not required to have a bachelor's degree or hold a
5 license or permit to teach issued by the department.

6 2. Notwithstanding par. (a) 6. and 6m., an administrator of a private school
7 participating in the program under this section that prepares and trains pupils
8 attending the school in rabbinical studies is not required to have a bachelor's degree
9 or hold a license or permit to teach issued by the department.

10 **SECTION 1582y.** 118.60 (2) (cm) of the statutes is created to read:

11 118.60 (2) (cm) The sum of the pupils attending a private school under this
12 section and s. 119.23 and under a scholarship under s. 115.7915 shall be less than
13 49 percent of the total number of pupils attending the private school.”.

14 **15.** Page 828, line 24: delete the material beginning with that line and ending
15 on page 829, line 9, and substitute:

16 “**SECTION 1598ba.** 118.60 (3) (c) of the statutes, as affected by 2017 Wisconsin
17 Act 36, is amended to read:

18 118.60 (3) (c) If a participating private school rejects an applicant who resides
19 in a school district, other than an eligible school district or a 1st class city school
20 district, because the private school has too few available spaces, the applicant may
21 transfer his or her application to a participating private school that has space
22 available. An applicant who is rejected under this paragraph or an applicant who
23 is on the waiting list under sub. (3) (ar) 4. may, subject to sub. (2) (a) 1. am. and (be),
24 be admitted to a private school participating in the program under this section for

1 the following school year, provided that the applicant continues to reside in a school
2 district other than an eligible school district or a 1st class city school district. The
3 department may not require, in that following school year, the private school to
4 submit financial information regarding the applicant or to verify the eligibility of the
5 applicant to participate in the program under this section on the basis of family
6 income.

7 **SECTION 1598bb.** 118.60 (4) (bd) of the statutes is created to read:

8 118.60 (4) (bd) Upon receipt from the pupil's parent or guardian of proof of the
9 pupil's enrollment in the private school during a school term, the state
10 superintendent shall pay to the private school in which the pupil is enrolled on behalf
11 of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fr), an
12 amount equal to the lesser of the following:

13 1. The amount equal to the private school's eligible education expenses, as
14 defined in sub. (7) (am) 1m., per pupil, as determined by the department.

15 2. The average of the tuition paid by a pupil attending the private school, but
16 not under the program under this section or the program under s. 119.23, in the
17 current and 2 preceding school years.

18 3. \$6,442.

19 **SECTION 1598bc.** 118.60 (4) (be) of the statutes is created to read:

20 118.60 (4) (be) In determining a private school's eligible education expenses per
21 pupil under par. (bd) 1., the department shall do all of the following, but may not
22 determine separate expenses for pupils enrolled in grades kindergarten to 8 and for
23 pupils enrolled in grades 9 to 12:

24 1. Subtract only the following, up to the actual cost of the service or material
25 related to each item:

- 1 a. Fees charged pupils for books and supplies used in classes and programs.
- 2 b. Rentals for school buildings.
- 3 c. Food service revenues.
- 4 d. Governmental financial assistance.
- 5 e. Interest and other income resulting from the investment of debt proceeds.

6 2. If legal title to the private school's buildings and premises is held in the name
7 of the private school's parent organization or other related party, there is no other
8 mechanism to include the private school's facilities costs in the calculation of its
9 eligible education expenses, and the private school requests that the department do
10 so, include an amount equal to 10.5 percent of the fair market value of the school and
11 its premises. A request made by a private school under this subdivision remains
12 effective in subsequent school years and may not be withdrawn by the private school.

13 3. If immediately prior to July 1, 2011, a private school's eligible education
14 expenses, as defined under sub. (7) (am) 1m. and as determined by the department,
15 included the amount described in subd. 2., continue to include the amount described
16 in subd. 2. in subsequent school years.

17 4. Permit a private school to accumulate up to 15 percent of the private school's
18 annual eligible education expenses in a reserve account and include any increase to
19 that reserved amount in the department's determination of the private school's
20 eligible education expenses for that school year.

21 **SECTION 1598bd.** 118.60 (4) (bg) of the statutes is repealed.

22 **SECTION 1598be.** 118.60 (4d) (b) 1. a. of the statutes is amended to read:

23 118.60 (4d) (b) 1. a. Identify the incoming choice pupils residing in the school
24 district for whom a payment is made under sub. (4) (~~bg~~) (bd) in that school year.

25 **SECTION 1598bf.** 118.60 (4d) (b) 1. b. of the statutes is amended to read:

1 118.60 **(4d)** (b) 1. b. Sum the payments made under sub. (4) ~~(bg)~~ (bd) for all of
2 the pupils identified under subd. 1. a. for that school year.

3 **SECTION 1598bg.** 118.60 (4m) of the statutes is repealed and recreated to read:

4 118.60 **(4m)** In addition to the payment under sub. (4), the state
5 superintendent shall pay to each private school participating in the program under
6 this section, on behalf of the parent or guardian of each pupil attending the private
7 school under this section, in the manner described in sub. (4) (c), the amount
8 determined as follows:

9 (a) Determine the private school's eligible education expenses, as defined in
10 sub. (7) (am) 1m., per pupil in summer school.

11 (b) Multiply the amount under par. (a) by 0.40.

12 (c) Multiply the product under par. (b) by the quotient determined by dividing
13 the summer choice average daily membership equivalent of the private school by the
14 total number of pupils for whom payments are being made under sub. (4).

15 **SECTION 1598bh.** 118.60 (4r) (a) of the statutes is amended to read:

16 118.60 **(4r)** (a) Multiply the amount determined under sub. (4) ~~(bg)~~ (bd) by
17 0.616.

18 **SECTION 1598bi.** 118.60 (7) (am) 2m. a. of the statutes, as affected by 2017
19 Wisconsin Act 36, is amended to read:

20 118.60 **(7)** (am) 2m. a. An independent financial audit of the private school
21 conducted by an independent certified public accountant, accompanied by the
22 auditor's statement that the report is free of material misstatements and fairly
23 presents the private school's eligible education expenses under sub. (4) (bd) 1., and
24 beginning in the 2nd school year a private school participates in the program under
25 this section, a copy of a management letter prepared by the auditor. If the private

1 school annually received a total of at least \$100,000 under this section and ss.
2 115.7915 and 119.23 in any school year, the audit shall be prepared in accordance
3 with generally accepted accounting principles with allowable modifications for
4 long-term fixed assets. If the private school has not annually received a total of at
5 least \$100,000 under this section and ss. 115.7915 and 119.23 in any school year, the
6 audit shall be prepared as prescribed by the department by rule. The audit shall
7 include a calculation of the private school's net eligible education expenses and a
8 calculation of the balance of the private school's fund for future eligible education
9 expenses. The auditor shall conduct his or her audit, including determining sample
10 sizes and evaluating financial viability, in accordance with the auditing standards
11 established by the American Institute of Certified Public Accountants. The
12 department may not require an auditor to comply with standards that exceed the
13 scope of the standards established by the American Institute of Certified Public
14 Accountants. If a private school participating in a program under this section is part
15 of an organization and the private school and the organization share assets,
16 liabilities, or eligible education expenses, the private school may submit an audit of
17 the private school or of the organization of which it is a part. If a private school that
18 is part of an organization with which it shares assets, liabilities, or eligible education
19 expenses submits an audit of only the private school, the independent auditor shall
20 use his or her professional judgment to allocate any shared assets, liabilities, and
21 eligible education expenses between the organization and the private school. If a
22 private school participating in the program under this section also accepts pupils
23 under s. 115.7915 or 119.23, the private school may submit one comprehensive
24 financial audit to satisfy the requirements of this subdivision and ss. 115.7915 (6) (e)
25 and 119.23 (7) (am) 2m., whichever are applicable. The private school shall include

1 in the comprehensive financial audit the information specified under s. 119.23 (7)
2 (am) 2m.

3 **SECTION 1598bj.** 118.60 (7) (b) 3m. of the statutes is amended to read:

4 118.60 (7) (b) 3m. Annually, schedule ~~2 meetings~~ at least one meeting each
5 month at which members of the governing body of the private school will be present
6 and at which pupils, and the parents or guardians of pupils, applying to attend the
7 private school or attending the private school may meet and communicate with the
8 members of the governing body. The meetings shall be open to the public. The
9 private school shall, within 30 days after the start of the school term, notify the
10 department in writing of the scheduled meeting dates and shall, at least 30 days
11 before the scheduled meeting date, notify in writing each pupil, or the parent or
12 guardian of each minor pupil, applying to attend the private school or attending the
13 private school of the meeting date, time, and place. The private school shall provide
14 notice of the meetings in the manner provided in s. 19.84.

15 **SECTION 1598bk.** 118.60 (7) (b) 9. of the statutes is created to read:

16 118.60 (7) (b) 9. Permit public inspection and copying of any record, as defined
17 in s. 19.32 (2), of the private school to the same extent as required of, and subject to
18 the same terms and enforcement provisions that apply to, a school board under
19 subch. II of ch. 19. This subdivision applies only to records that relate to pupils
20 attending the private school under this section.

21 **SECTION 1598bL.** 118.60 (7) (d) 1. b. of the statutes is amended to read:

22 118.60 (7) (d) 1. b. ~~A~~ Except as provided in subd. 1. c., a copy of the school's
23 current certificate of occupancy issued by the municipality within which the school
24 is located. If the private school moves to a new location, the private school shall
25 submit a copy of the new certificate of occupancy issued by the municipality within

1 which the school is located to the department before the attendance of pupils at the
2 new location and before the next succeeding date specified in s. 121.05 (1) (a).

3 c. If the municipality within which the private school is located does not issue
4 certificates of occupancy, ~~the private school may submit~~ a certificate of occupancy
5 issued by the local or regional governmental unit with authority to issue certificates
6 of occupancy or a letter or form from the municipality within which the private school
7 is located that explains that the municipality does not issue certificates of occupancy.
8 ~~A temporary certificate of occupancy does not meet the requirement of this~~
9 ~~subdivision. This subdivision applies only to a private school located in an eligible~~
10 ~~school district~~ private school to which this subd. 1. c. applies shall annually obtain
11 a building inspection of the school building.

12 **SECTION 1598bm.** 118.60 (7) (d) 1. d. of the statutes is created to read:

13 118.60 (7) (d) 1. d. A temporary certificate of occupancy does not satisfy the
14 requirements of this subdivision.

15 **SECTION 1598bmm.** 118.60 (7) (h) of the statutes, as created by 2017 Wisconsin
16 Act 36, is amended to read:

17 118.60 (7) (h) Beginning in the 2018-19 school year, each private school
18 participating in the program under this section shall conduct criminal background
19 investigations of its employees and any independent contractors and volunteers who
20 have access to children, and exclude from employment or independent contracting
21 or volunteer service any person not permitted to hold a teaching license as the result
22 of an offense and any person who might reasonably be believed to pose a threat to the
23 safety of others.

24 **SECTION 1598bn.** 118.60 (10) (a) 7. of the statutes is amended to read:

25 118.60 (10) (a) 7. Violated sub. (7) (b) 3m., 4., 5., or 6., or 9.

1 **SECTION 1598bo.** 118.60 (10) (a) 9. of the statutes is created to read:

2 118.60 (10) (a) 9. Violated or employed a person who violated s. 118.016, 118.19
3 (1), 118.305, 118.31, or 118.33 (1) (f) 5.

4 **SECTION 1598Lp.** 118.60 (10) (a) 10. of the statutes is created to read:

5 118.60 (10) (a) 10. Violated the rules promulgated under s. 120.13 (1) (i).

6 **SECTION 1598bq.** 118.60 (10) (bg) of the statutes is created to read:

7 118.60 (10) (bg) The state superintendent may issue an order immediately
8 terminating a private school's participation in the program under this section if he
9 or she determines that the owner of the private school would not be eligible or
10 permitted to be employed, licensed, or permitted for any of the reasons specified
11 under s. 115.31 (2g) or (6m) or 115.315.

12 **SECTION 1598br.** 118.60 (10) (br) of the statutes is created to read:

13 118.60 (10) (br) The state superintendent may issue an order immediately
14 terminating a private school's participation in the program under this section if he
15 or she determines that the private school has failed to comply with the requirements
16 under sub. (7) (h) or if the private school employs or accepts volunteer services from
17 an individual in contravention of the prohibitions under sub. (7) (h).

18 **SECTION 1598bs.** 118.60 (10) (c) of the statutes is amended to read:

19 118.60 (10) (c) Whenever the state superintendent issues an order under par.
20 (a), (am), (ar), ~~or (b)~~, (bg), or (br), he or she shall immediately notify the parent or
21 guardian of each pupil attending the private school under this section.

22 **SECTION 1598bt.** 118.60 (11) (d) of the statutes is repealed.”.

23 **16.** Page 829, line 23: after that line insert:

24 “**SECTION 1599g.** 119.23 (2) (a) 1. a. of the statutes is amended to read:

1 119.23 (2) (a) 1. a. ~~The~~ Except as provided in subd. 1. am., the pupil is a member
2 of a family that has a total family income that does not exceed an amount equal to
3 3.0 times the poverty level determined in accordance with criteria established by the
4 director of the federal office of management and budget. In this subdivision and sub.
5 (3m), family income includes income of the pupil's parents or legal guardians. Except
6 as provided in subd. 1. d., the family income of the pupil shall be verified as provided
7 in subd. 1. b. A pupil attending a private school under this section whose family
8 income increases above the income level in this subd. 1. a., including a pupil who
9 attended a private school under this section in the 2010-11 school year and whose
10 family income has increased, may continue to attend a private school under this
11 section.

12 **SECTION 1599r.** 119.23 (2) (a) 1. am. of the statutes is created to read:

13 119.23 (2) (a) 1. am. Beginning in the 2018-19 school year, the pupil is a
14 member of a family that has a total family income that does not exceed an amount
15 equal to 1.85 times the poverty level determined in accordance with criteria
16 established by the director of the federal office of management and budget. The
17 family income of the pupil shall be verified as provided in subd. 1. b. A pupil
18 attending a private school under this section whose family income increases above
19 the income level in this subd. 1. am. may continue to attend a private school under
20 this section.”.

21 **17.** Page 830, line 8: delete lines 8 to 18 and substitute:

22 **“SECTION 1602da.** 119.23 (2) (a) 6m. of the statutes is created to read:

23 119.23 (2) (a) 6m. All instructional staff employed by the private school hold
24 a license or permit to teach issued by the department. For purposes of this

1 subdivision, “instructional staff” has the meaning given in the rules promulgated by
2 the department under s. 121.02 (1) (a) 2.

3 **SECTION 1602db.** 119.23 (2) (a) 9. of the statutes is created to read:

4 119.23 (2) (a) 9. The private school has been in operation for the attendance of
5 pupils for at least 2 school years.

6 **SECTION 1602dc.** 119.23 (2) (a) 10. of the statutes is created to read:

7 119.23 (2) (a) 10. The private school is located in this state.

8 **SECTION 1602dd.** 119.23 (2) (c) of the statutes is amended to read:

9 119.23 (2) (c) 1. Notwithstanding par. (a) 6. and 6m., a teacher employed by a
10 private school participating in the program under this section who teaches only
11 courses in rabbinical studies is not required to have a bachelor’s degree or hold a
12 license or permit to teach issued by the department.

13 2. Notwithstanding par. (a) 6. and 6m., an administrator of a private school
14 participating in the program under this section that prepares and trains pupils
15 attending the school in rabbinical studies is not required to have a bachelor’s degree
16 or hold a license or permit to teach issued by the department.

17 **SECTION 1602de.** 119.23 (2) (cm) of the statutes is created to read:

18 119.23 (2) (cm) The sum of the pupils attending a private school under this
19 section and s. 118.60 and under a scholarship under s. 115.7915 shall be less than
20 49 percent of the total number of pupils attending the private school.

21 **SECTION 1602df.** 119.23 (4) (bd) of the statutes is created to read:

22 119.23 (4) (bd) Upon receipt from the pupil’s parent or guardian of proof of the
23 pupil’s enrollment in the private school during a school term, the state
24 superintendent shall pay to the private school in which the pupil is enrolled on behalf

1 of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fu), an
2 amount equal to the lesser of the following:

3 1. The amount equal to the private school's eligible education expenses, as
4 defined in sub. (7) (am) 1m., per pupil that is related to educational programming,
5 as determined by the department.

6 2. The average of the tuition paid by a pupil attending the private school, but
7 not under the program under this section or the program under s. 118.60, in the
8 current and 2 preceding school years.

9 3. \$6,442.

10 **SECTION 1602dg.** 119.23 (4) (be) of the statutes is created to read:

11 119.23 (4) (be) In determining a private school's eligible education expenses per
12 pupil under par. (bd) 1., the department shall do all of the following, but may not
13 determine separate expenses for pupils enrolled in grades kindergarten to 8 and for
14 pupils enrolled in grades 9 to 12:

15 1. Subtract only the following, up to the actual cost of the service or material
16 related to each item:

17 a. Fees charged pupils for books and supplies used in classes and programs.

18 b. Rentals for school buildings.

19 c. Food service revenues.

20 d. Governmental financial assistance.

21 e. Interest and other income resulting from the investment of debt proceeds.

22 2. If legal title to the private school's buildings and premises is held in the name
23 of the private school's parent organization or other related party, there is no other
24 mechanism to include the private school's facilities costs in the calculation of its
25 eligible education expenses, and the private school requests that the department do

1 so, include an amount equal to 10.5 percent of the fair market value of the school and
2 its premises. A request made by a private school under this subdivision remains
3 effective in subsequent school years and may not be withdrawn by the private school.

4 3. If immediately prior to July 1, 2011, a private school's eligible education
5 expenses, as defined under sub. (7) (am) 1m. and as determined by the department,
6 included the amount described in subd. 2., continue to include the amount described
7 in subd. 2. in subsequent school years.

8 4. Permit a private school to accumulate up to 15 percent of the private school's
9 annual eligible education expenses in a reserve account and include any increase to
10 that reserved amount in the department's determination of the private school's
11 eligible education expenses for that school year.

12 **SECTION 1602dh.** 119.23 (4) (bg) of the statutes is repealed.

13 **SECTION 1602di.** 119.23 (4m) of the statutes is repealed and recreated to read:

14 119.23 (4m) In addition to the payment under sub. (4), the state
15 superintendent shall pay to each private school participating in the program under
16 this section, on behalf of the parent or guardian of each pupil attending the private
17 school under this section, in the manner described in sub. (4) (c), the amount
18 determined as follows:

19 (a) Determine the private school's eligible education expenses, as defined in
20 sub. (7) (am) 1m., per pupil in summer school.

21 (b) Multiply the amount under par. (a) by 0.40.

22 (c) Multiply the product under par. (b) by the quotient determined by dividing
23 the summer choice average daily membership equivalent of the private school by the
24 total number of pupils for whom payments are being made under sub. (4).

25 **SECTION 1602dj.** 119.23 (4r) (a) of the statutes is amended to read:

1 119.23 **(4r)** (a) Multiply the amount determined under sub. (4) ~~(bg)~~ (bd) by
2 0.616.

3 **SECTION 1602dk.** 119.23 (7) (am) 2m. a. of the statutes, as affected by 2017
4 Wisconsin Act 36, is amended to read:

5 119.23 **(7)** (am) 2m. a. An independent financial audit of the private school
6 conducted by an independent certified public accountant, accompanied by the
7 auditor's statement that the report is free of material misstatements and fairly
8 presents the private school's eligible education expenses under sub. (4) (bd) 1., and
9 beginning in the 2nd school year a private school participates in the program under
10 this section, a copy of the management letter prepared by the auditor. If the private
11 school annually received a total of at least \$100,000 under this section and ss.
12 115.7915 and 118.60 in any school year, the audit shall be prepared in accordance
13 with generally accepted accounting principles with allowable modifications for
14 long-term fixed assets. If the private school has not annually received a total of at
15 least \$100,000 under this section and ss. 115.7915 and 118.60 in any school year, the
16 audit shall be prepared as prescribed by the department by rule. The audit shall
17 include a calculation of the private school net eligible education expenses and a
18 calculation of the balance of the private school's fund for future eligible education
19 expenses. The auditor shall conduct his or her audit, including determining sample
20 sizes and evaluating financial viability, in accordance with the auditing standards
21 established by the American Institute of Certified Public Accountants. The
22 department may not require an auditor to comply with standards that exceed the
23 scope of the standards established by the American Institute of Certified Public
24 Accountants. If a private school participating in a program under this section is part
25 of an organization and the private school and the organization share assets,

1 liabilities, or eligible education expenses, the private school may submit an audit of
2 the private school or of the organization of which it is a part. If a private school that
3 is part of an organization with which it shares assets, liabilities, or eligible education
4 expenses submits an audit of only the private school, the independent auditor shall
5 use his or her professional judgment to allocate any shared assets, liabilities, and
6 eligible education expenses between the organization and the private school. If a
7 private school participating in the program under this section also accepts pupils
8 under s. 115.7915 or 118.60, the private school may submit one comprehensive
9 financial audit to satisfy the requirements of this subdivision and ss. 115.7915 (6) (e)
10 and 118.60 (7) (am) 2m., whichever are applicable. The private school shall include
11 in the comprehensive financial audit the information specified under s. 118.60 (7)
12 (am) 2m.

13 **SECTION 1602dL.** 119.23 (7) (b) 3m. of the statutes is amended to read:

14 119.23 (7) (b) 3m. Annually, schedule ~~two meetings~~ at least one meeting each
15 month at which members of the governing body of the private school will be present
16 and at which pupils, and the parents or guardians of pupils, applying to attend the
17 private school or attending the private school may meet and communicate with the
18 members of the governing body. The meetings shall be open to the public. The
19 private school shall, within 30 days after the start of the school term, notify the
20 department in writing of the scheduled meeting dates and shall, at least 30 days
21 before the scheduled meeting date, notify in writing each pupil, or the parent or
22 guardian of each minor pupil, applying to attend the private school or attending the
23 private school of the meeting date, time, and place. The private school shall provide
24 notice of the meetings in the manner provided in s. 19.84.

25 **SECTION 1602dm.** 119.23 (7) (b) 9. of the statutes is created to read:

1 119.23 (7) (b) 9. Permit public inspection and copying of any record, as defined
2 in s. 19.32 (2), of the private school to the same extent as required of, and subject to
3 the same terms and enforcement provisions that apply to, a school board under
4 subch. II of ch. 19. This subdivision applies only to records that relate to pupils
5 attending the private school under this section.

6 **SECTION 1602dn.** 119.23 (7) (d) 1. b. of the statutes is amended to read:

7 119.23 (7) (d) 1. b. ~~A~~ Except as provided in subd. 1. c., a copy of the school's
8 current certificate of occupancy issued by the municipality within which the school
9 is located. If the private school moves to a new location, the private school shall
10 submit a copy of the new certificate of occupancy issued by the municipality within
11 which the school is located to the department before the attendance of pupils at the
12 new location and before the next succeeding date specified in s. 121.05 (1) (a).

13 c. If the municipality within which the private school is located does not issue
14 certificates of occupancy, ~~the private school may submit~~ a certificate of occupancy
15 issued by the local or regional governmental unit with authority to issue certificates
16 of occupancy or a letter or form from the municipality within which the private school
17 is located that explains that the municipality does not issue certificates of occupancy.
18 ~~A temporary certificate of occupancy does not meet the requirement of this~~
19 ~~subdivision private school to which this subd. 1. c. applies shall annually obtain a~~
20 building inspection of the school building.

21 **SECTION 1602do.** 119.23 (7) (d) 1. d. of the statutes is created to read:

22 119.23 (7) (d) 1. d. A temporary certificate of occupancy does not satisfy the
23 requirements of this subdivision.

24 **SECTION 1602dom.** 119.23 (7) (h) of the statutes, as created by 2017 Wisconsin
25 Act 36, is amended to read:

1 119.23 (7) (h) Beginning in the 2018-19 school year, each private school
2 participating in the program under this section shall conduct criminal background
3 investigations of its employees and any independent contractors and volunteers who
4 have access to children, and exclude from employment or independent contracting
5 or volunteer service any person not permitted to hold a teaching license as the result
6 of an offense and any person who might reasonably be believed to pose a threat to the
7 safety of others.

8 **SECTION 1602dp.** 119.23 (10) (a) 3. of the statutes is amended to read:

9 119.23 (10) (a) 3. Failed to refund to the state any overpayment made under
10 s. 119.23 (4) (b), 2011 stats., or s. 119.23 (4) (bg), 2011 stats., or under sub. (4) (~~bg~~) (**bd**)
11 or (4m) by the date specified by department rule.

12 **SECTION 1602dq.** 119.23 (10) (a) 7. of the statutes is amended to read:

13 119.23 (10) (a) 7. Violated sub. (7) (b) 3m., 4., 5., or 6., or 9.

14 **SECTION 1602dr.** 119.23 (10) (a) 9. of the statutes is created to read:

15 119.23 (10) (a) 9. Violated or employed a person who violated s. 118.016, 118.19
16 (1), 118.305, 118.31, or 118.33 (1) (f) 5.

17 **SECTION 1602ds.** 119.23 (10) (a) 10. of the statutes is created to read:

18 119.23 (10) (a) 10. Violated the rules promulgated under s. 120.13 (1) (i).

19 **SECTION 1602dt.** 119.23 (10) (bg) of the statutes is created to read:

20 119.23 (10) (bg) The state superintendent may issue an order immediately
21 terminating a private school's participation in the program under this section if he
22 or she determines that the owner of the private school would not be eligible or
23 permitted to be employed, licensed, or permitted for any of the reasons specified
24 under s. 115.31 (2g) or (6m) or 115.315.

25 **SECTION 1602du.** 119.23 (10) (br) of the statutes is created to read:

1 119.23 (10) (br) The state superintendent may issue an order immediately
2 terminating a private school's participation in the program under this section if he
3 or she determines that the private school has failed to comply with the requirements
4 under sub. (7) (h) or if the private school employs or accepts volunteer services from
5 an individual in contravention of the prohibitions under sub. (7) (h).

6 **SECTION 1602dv.** 119.23 (10) (c) of the statutes is amended to read:

7 119.23 (10) (c) Whenever the state superintendent issues an order under par.
8 (a), (am), (ar), ~~or~~ (b), (bg), or (br), he or she shall immediately notify the parent or
9 guardian of each pupil attending the private school under this section.

10 **SECTION 1602dw.** 119.23 (11) (d) of the statutes is repealed.”.

11 **18.** Page 831, line 3: after that line insert:

12 “**SECTION 1623t.** 120.13 (1) (i) of the statutes is created to read:

13 120.13 (1) (i) The department shall promulgate rules establishing a procedure
14 for the expulsion of pupils attending a private school under s. 115.7915, 118.60, or
15 119.23 by the governing body of the private school. The rules shall adhere as closely
16 as feasible to the provisions applicable to public school pupils under this subsection.”.

17 **19.** Page 834, line 17: after that line insert:

18 “**SECTION 1635dm.** 121.07 (2) (b) of the statutes is amended to read:

19 121.07 (2) (b) The number of pupils residing in the school district in the
20 previous school year who were incoming choice pupils, as defined in s. 118.60 (4d) (a),
21 and for whom a payment was made under s. 118.60 (4) ~~(bg)~~ (bd) in the previous school
22 year.”.

23 **20.** Page 1068, line 20: delete that line and substitute “sections 118.60 (4m)
24 and 119.23 (4m)”.

1 **21.** Page 1083, line 7: after that line insert:

2 “(1y) MISCELLANEOUS PROVISIONS AFFECTING THE SPECIAL NEEDS SCHOLARSHIP
3 PROGRAM, THE STATEWIDE PARENTAL CHOICE PROGRAM, THE RACINE PARENTAL CHOICE
4 PROGRAM, AND THE MILWAUKEE PARENTAL CHOICE PROGRAM. If Senate Amendment
5 [LRBb0830/1] (this amendment) to Assembly Substitute Amendment 1 to
6 Assembly Bill 64 is adopted, the treatment of the provisions in this amendment takes
7 effect on July 1, 2018.”.

8

(END)