



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2011 Senate Bill 20

**Senate Substitute Amendment
1, as Amended**

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Current Law

Under current law, the schoolhouses for the Milwaukee Public School (MPS) District and the sites on which they are located are the property of the City of Milwaukee. The MPS board must adopt a resolution in order for a site to be purchased or leased or for a schoolhouse to be constructed. Generally, deeds of conveyance and leases must be made to the City of Milwaukee. City-owned property used for school purposes may be sold only upon the written request of the MPS board and if the Milwaukee Common Council adopts a resolution approving the sale.

If property is sold, the MPS board must determine whether the proceeds of the sale are deposited in the school operations fund or in the school construction fund. If the proceeds are deposited into the school operations fund, they must generally be used to pay the principal and other fees and premiums due on bonds issued for school facilities.

The MPS board has the possession, control, and management of the schools, facilities, operations, property, and affairs of the school district.

Senate Substitute Amendment 1

Under Senate Substitute Amendment 1, if the Common Council finds that city-owned property used for school purposes has been unused or underutilized for at least 12 consecutive months, including the 12 months preceding the effective date of the substitute amendment, or if the MPS board has determined by resolution prior to January 1, 2011, that any city-owned property used for school purposes is surplus to the needs of the district, the Common Council may sell or lease that property if it adopts a resolution to do so.

If the Common Council adopts a resolution approving the sale or lease of school property, the MPS board must provide the Common Council and city employees and agents copies of all documents related to the property and access to and entry upon and into the property for purposes related to the property's sale or lease.

If the city sells or leases school property using the process created in Senate Substitute Amendment 1, the net proceeds of the sale or lease must be deposited in the school operations fund, which is used to pay the principal, fees, and premiums due on bonds issued for school facilities.

If the city leases school property using the process created in Senate Substitute Amendment 1, the lease *may* provide for the care, operation, and maintenance of the property and its facilities.

For any existing lease between the MPS board and non-instrumentality charter schools that is in effect as of January 1, 2011, Assembly Substitute Amendment 1 provides that the Common Council must be made party to the lease and may negotiate with the charter school to modify the terms of the lease if the common council adopts a resolution to do so. If a lease is modified, extended, or renewed, then the net proceeds must be deposited in the school operations fund.

Senate Amendment 1 to Senate Substitute Amendment 1

Senate Amendment 1 to Senate Substitute Amendment 1 provides that a lease of school property *must require* the lessee to assume responsibility for the care, operation, and maintenance of the real property and its facilities for the duration of the lease.

Senate Amendment 3 to Senate Substitute Amendment 1

Under Senate Amendment 3 to Senate Substitute Amendment 1, before the Common Council may approve the sale or lease of underutilized city-owned property used for school purposes, the Council must adopt a set of criteria under which the Council may or may not find that the property is underutilized. In order to determine whether property satisfies the criteria adopted, the Council must request from the MPS board, and the board must provide to the Council within 15 days of the request, all relevant information regarding the current and planned utilization of the property that is proposed for sale or lease.

Legislative History

Senate Substitute Amendment 1 and Senate Amendment 1 to Senate Substitute Amendment 1 were offered by the Senate Committee on Education. Senate Amendment 3 to Senate Substitute Amendment 1 was offered by Senator Darling. On May 10, 2011, the Senate unanimously adopted Senate Amendment 1 to Senate Substitute Amendment 1 and adopted Senate Amendment 3 to the substitute amendment on a vote of Ayes, 19; Noes, 14. The Senate adopted Senate Substitute Amendment 1 on a vote of Ayes, 19; Noes, 14 and passed the bill, as amended, on a vote of Ayes, 19; Noes, 14.

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