



## 1999 SENATE BILL 445

March 7, 2000 - Introduced by Senators DECKER, PLACHE, MOEN, COWLES and ERPENBACH, cosponsored by Representatives LADWIG, PLOUFF, MUSSER, HUBER, REYNOLDS, RYBA, J. LEHMAN, GOETSCH, TURNER, JOHNSRUD, SERATTI and MILLER. Referred to Committee on Education.

1     **AN ACT** *to repeal* 121.08 (4); *to renumber and amend* 119.23 (5); *to amend*  
2         121.05 (1) (a) 9., 121.07 (1) (a), 121.91 (2m) (e) (intro.), 121.91 (2m) (r) 1. (intro.)  
3         and 2. and 121.91 (4) (f); and *to create* 118.40 (2r) (fm) and (g), 119.23 (5) (am)  
4         and (bm), 121.05 (1) (a) 4. and 121.91 (2m) (f) of the statutes; **relating to:**  
5         responsibility for payments to parents and guardians of pupils attending  
6         private schools under the Milwaukee parental choice program and for  
7         payments to certain charter schools.

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### ***Analysis by the Legislative Reference Bureau***

Under current law, the state pays to the parent or guardian of a pupil who attends a private school under the Milwaukee parental choice program (MPCP) the lesser of the amount equal to the private school's operating and debt service cost per pupil that is related to education or the sum of the amount paid per pupil under the MPCP in the previous school year and the amount of revenue increase per pupil allowed in the current school year. State aid to Milwaukee Public Schools (MPS) is reduced by 50% of the amount paid to the parents or guardians; the other 50% of the cost is borne by all other school districts. MPCP pupils are not counted in the enrollment of MPS for state aid purposes.

This bill counts MPCP pupils in the enrollment of MPS for state aid purposes and requires that 100% of the payments to parents and guardians under the MPCP be subtracted from MPS' state aid.

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Under current law, the state makes payments to certain charter schools (those established in the city of Milwaukee by the Milwaukee common council, the University of Wisconsin–Milwaukee and the Milwaukee Area Technical College). The general aid of all school districts is reduced proportionately in order to fund these payments. Pupils enrolled in these charter schools are not counted in the enrollment of MPS for state aid purposes.

This bill counts these pupils in the enrollment of MPS for state aid purposes and requires that state aid to MPS be reduced by the entire amount of these payments.

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:*

1           **SECTION 1.** 118.40 (2r) (fm) and (g) of the statutes are created to read:

2           118.40 **(2r)** (fm) The department shall annually reduce the aid paid under s.  
3 121.08 to the board of a school district operating under ch. 119 by an amount equal  
4 to the total amount paid under par. (e).

5           (g) The department shall ensure that aid paid to other school districts under  
6 s. 121.08 is neither reduced nor increased as a result of the payments under par. (e)  
7 or the reduction in aid to the board under par. (fm) and that the amount of the aid  
8 reduction under par. (fm) lapses to the general fund.

9           **SECTION 2.** 119.23 (5) of the statutes, as affected by 1999 Wisconsin Act 9, is  
10 renumbered 119.23 (5) (intro.) and amended to read:

11           119.23 **(5)** (intro.) The state superintendent shall ~~ensure~~:

12           (c) Ensure that pupils and parents and guardians of pupils who reside in the  
13 city are informed annually of the private schools participating in the program under  
14 this section.

15           **SECTION 3.** 119.23 (5) (am) and (bm) of the statutes are created to read:

16           119.23 **(5)** (am) Annually reduce the aid paid to the board under s. 121.08 by  
17 the total amount paid under subs. (4) and (4m).

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1 (bm) Ensure that aid paid to other school districts under s. 121.08 is neither  
2 reduced nor increased as a result of the payments under subs. (4) and (4m) or the  
3 reduction in aid to the board under par. (am) and that the amount of the aid reduction  
4 under par. (am) lapses to the general fund.

5 **SECTION 4.** 121.05 (1) (a) 4. of the statutes is created to read:

6 121.05 (1) (a) 4. Pupils enrolled in a private school under s. 119.23.

7 **SECTION 5.** 121.05 (1) (a) 9. of the statutes, as affected by 1999 Wisconsin Act  
8 9, is amended to read:

9 121.05 (1) (a) 9. Pupils enrolled in a charter school, ~~other than a charter school~~  
10 under s. 118.40 (2r).

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

13 121.07 (1) (a) The membership of the school district in the previous school year  
14 and the shared cost for the previous school year shall be used in computing general  
15 aid, except that the membership used to compute state aid to the school district  
16 operating under ch. 119 shall include those pupils who are attending a private school  
17 under s. 119.23 in the current school year and were enrolled in grades kindergarten  
18 to 3 in a private school located in the city of Milwaukee other than under s. 119.23  
19 in the previous school year. If a school district has a state trust fund loan as a result  
20 of s. 24.61 (3) (c) 2., the school district's debt service costs shall be based upon current  
21 school year costs for the term of the loan and for one additional school year.

22 **SECTION 7.** 121.08 (4) of the statutes, as created by 1999 Wisconsin Act 9, is  
23 repealed.

24 **SECTION 8.** 121.91 (2m) (e) (intro.) of the statutes, as created by 1999 Wisconsin  
25 Act 9, is amended to read:

**SENATE BILL 445****SECTION 8**

1           121.91 (2m) (e) (intro.) Except as provided in subs. (3) and (4), no school district  
2 may increase its revenues for the 1999-2000 school year ~~or for any school year~~  
3 ~~thereafter~~ to an amount that exceeds the amount calculated as follows:

4           **SECTION 9.** 121.91 (2m) (f) of the statutes is created to read:

5           121.91 (2m) (f) Except as provided in subs. (3) and (4), no school district may  
6 increase its revenues for the 2000-01 school year or for any school year thereafter  
7 to an amount that exceeds the amount calculated as follows:

8           1. Divide the sum of the amount of state aid received in the previous school year  
9 and property taxes levied for the previous school year, excluding funds described  
10 under sub. (4) (c), by a number calculated by adding the number of pupils enrolled  
11 in the 3 previous school years, subtracting from that total the number of pupils  
12 attending charter schools under s. 118.40 (2r) and private schools under s. 119.23 in  
13 the 4th, 3rd and 2nd preceding school years and dividing the remainder by 3.

14           2. Multiply the amount of the revenue increase per pupil allowed under this  
15 subsection for the previous school year by the sum of 1.0 plus the allowable rate of  
16 increase under s. 73.0305 expressed as a decimal.

17           3. Add the result under subd. 1. to the result under subd. 2.

18           4. Multiply the result under subd. 3. by a number calculated by adding the  
19 number of pupils enrolled in the current and the 2 preceding school years,  
20 subtracting from that total the number of pupils attending charter schools under s.  
21 118.40 (2r) and private schools under s. 119.23 in the 3 previous school years and  
22 dividing the remainder by 3.

23           **SECTION 10.** 121.91 (2m) (r) 1. (intro.) and 2. of the statutes, as affected by 1999  
24 Wisconsin Act 9, are amended to read:

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1           121.91 **(2m)** (r) 1. (intro.) Notwithstanding pars. (c), ~~(d) and (e)~~ to (f), if a school  
2 district is created under s. 117.105, its revenue limit under this section for the school  
3 year beginning with the effective date of the reorganization shall be determined as  
4 follows except as provided under subs. (3) and (4):

5           2. If a school district is created under s. 117.105, the following adjustments to  
6 the calculations under pars. (c), ~~(d) and (e)~~ to (f) apply for the 2 school years beginning  
7 on the July 1 following the effective date of the reorganization:

8           a. For the school year beginning on the first July 1 following the effective date  
9 of the reorganization the number of pupils in the previous school year shall be used  
10 under pars. (c) 1., (d) 1. ~~and~~, (e) 1. and (f) 1. instead of the average of the number of  
11 pupils in the 3 previous school years, and for the school year beginning on the 2nd  
12 July 1 following the effective date of the reorganization the average of the number  
13 of pupils in the 2 previous school years shall be used under pars. (c) 1., (d) 1. ~~and~~, (e)  
14 1. and (f) 1. instead of the average of the number of pupils in the 3 previous school  
15 years.

16           b. For the school year beginning on the first July 1 following the effective date  
17 of the reorganization the average of the number of pupils in the current and the  
18 previous school years shall be used under pars. (c) 4., (d) 4. ~~and~~, (e) 3. 4. and (f) 4.  
19 instead of the average of the number of pupils in the current and the 2 preceding  
20 school years.

21           **SECTION 11.** 121.91 (4) (f) of the statutes, as affected by 1999 Wisconsin Act 9,  
22 is amended to read:

23           121.91 **(4)** (f) 1. For the ~~1999-2000~~ 2000-01 school year or any school year  
24 thereafter, if the average of the number of pupils enrolled in the current and the 2  
25 preceding school years, as calculated under sub. (2m) (f) 4., is less than the average

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1 of the number of pupils enrolled in the 3 previous school years, as calculated under  
2 sub. (2m) (f) 1., the limit otherwise applicable under sub. (2m) ~~(e)~~ (f) is increased by  
3 the additional amount that would have been calculated had the decline in average  
4 enrollment been 25% of what it was.

5 2. Any additional revenue received by a school district as a result of subd. 1.  
6 shall not be included in the base for determining the school district's limit under sub.  
7 (2m) ~~(e)~~ (f) for the following school year.

8 **SECTION 12. Initial applicability.**

9 (1) This act first applies to state aid distributed in the 2000-01 school year.

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(END)