



2011 ASSEMBLY BILL 37

March 1, 2011 – Introduced by Representatives HONADEL, FIELDS, BERCEAU, BIES, MARKLEIN, PRIDEMORE, RIVARD, STRACHOTA and THIESFELDT, cosponsored by Senators DARLING, LAZICH, CARPENTER and GROTHMAN. Referred to Committee on Education.

1 **AN ACT to amend** 119.46 (1), 119.60 (1) and 119.60 (2); and **to create** 119.60 (2m)
2 of the statutes; **relating to:** authorizing the City of Milwaukee to sell
3 city-owned property used for school purposes.

Analysis by the Legislative Reference Bureau

Currently, the board of school directors of Milwaukee Public Schools (MPS) is vested with authority to purchase, lease, control, and manage the schools and property of the school district. School buildings located in the City of Milwaukee (city), and the sites on which the school buildings sit, however, are the property of the city, and deeds and conveyances of property are made to the city. MPS must adopt a resolution prior to purchasing or leasing a building site or constructing a school house. The city must sell city-owned property used for school purposes if MPS submits a written request to the city and the common council adopts a resolution approving the sale. The board determines whether proceeds of the sale of city-owned property used for school purposes are deposited into the school operations fund or the school construction fund. In general, if the proceeds are deposited into the school operations fund, the moneys must be used to pay the principal and other fees and premiums due on bonds issued for school facilities.

Under this bill, if the common council finds that city-owned property used for school purposes has been unused or underutilized for at least 18 consecutive months, the common council may sell or lease the property. The bill requires the board to provide the common council and city employees and agents copies of all documents related to the property and access to the property for purposes related to the sale or

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leasing of the property. Net proceeds from the sale or lease of property, when authorized by the common council as provided in the bill, are deposited in the school operations fund and are to be applied to reduce taxes levied by the city for MPS.

For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 119.46 (1) of the statutes is amended to read:

2 119.46 (1) As part of the budget transmitted annually to the common council
3 under s. 119.16 (8) (b), the board shall report the amount of money required for the
4 ensuing school year to operate all public schools in the city under this chapter, to
5 repair and keep in order school buildings and equipment, to make material
6 improvements to school property, and to purchase necessary additions to school sites.
7 The report shall specify the amount of net proceeds from the sale or lease of
8 city-owned property used for school purposes deposited in the immediately
9 preceding school year into the school operations fund as specified under s. 119.60
10 (2m) (c). The amount included in the report for the purpose of supporting the
11 Milwaukee Parental Choice Program under s. 119.23 shall be reduced by the amount
12 of aid received by the board under s. 121.136 and by the amount specified in the
13 notice received by the board under s. 121.137 (2). The common council shall levy and
14 collect a tax upon all the property subject to taxation in the city, which shall be equal
15 to the amount of money required by the board for the purposes set forth in this
16 subsection less the amount of net proceeds from the sale or lease of city-owned
17 property used for school purposes deposited in the immediately preceding school
18 year into the school operations fund as specified under s. 119.60 (2m) (c), at the same
19 time and in the same manner as other taxes are levied and collected. Such taxes shall

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1 be in addition to all other taxes which the city is authorized to levy. The taxes so
2 levied and collected, any other funds provided by law and placed at the disposal of
3 the city for the same purposes, and the moneys deposited in the school operations
4 fund under s. 119.60 (1) and (2m) (c), shall constitute the school operations fund.

5 **SECTION 2.** 119.60 (1) of the statutes is amended to read:

6 119.60 (1) If Except as provided in sub. (2m) (c), if any real property within the
7 city which is used for school purposes is sold, the board shall determine whether the
8 proceeds of the sale are deposited in the school operations fund under s. 119.46 or are
9 deposited in the school construction fund under s. 119.48.

10 **SECTION 3.** 119.60 (2) of the statutes is amended to read:

11 119.60 (2) ~~City-owned~~ Except as provided in sub. (2m), city-owned property
12 used for school purposes shall be sold by the city upon written request of the board
13 if the common council adopts a resolution approving the sale. If, within 12 months
14 after a written request by the board, the city has not disposed of the property, has
15 failed to obtain a written agreement to dispose of the property or has not provided
16 the board with a written report giving specific reasons, which are not identified by
17 the city attorney as constituting a conflict of interest, for its failure to dispose of the
18 property or to obtain an agreement to dispose of the property, the board may retain
19 a real estate agent to represent the board in its real estate transactions.

20 **SECTION 4.** 119.60 (2m) of the statutes is created to read:

21 119.60 (2m) (a) If the common council finds that city-owned property used for
22 school purposes has been unused or underutilized for at least 18 consecutive months,
23 including the 18 months preceding the effective date of this paragraph [LRB
24 inserts date], the common council may sell or lease that property if it adopts a
25 resolution approving the sale or lease.

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1 (b) If a resolution is adopted as provided under par. (a), the board shall provide
2 the common council and city employees and agents copies of all documents related
3 to the property and access to and entry upon and into the property for purposes
4 related to the sale or leasing of the property.

5 (c) If any real property within the city which is used for school purposes is sold
6 or leased as provided in this subsection, the net proceeds of the sale or lease shall be
7 deposited in the school operations fund under s. 119.46.

8 (END)