



1995 SENATE BILL 491

January 18, 1996 - Introduced by JOINT LEGISLATIVE COUNCIL. Referred to Committee on Government Effectiveness.

1 **AN ACT to repeal** 116.06; **to amend** 38.08 (1) (a) 1., 38.08 (2m), 38.10 (1) (intro.),
2 43.53 (1), 62.09 (8) (d), 62.09 (13) (a), 62.13 (1), 116.01, 116.02 (1) (a), 116.02 (2)
3 (d), 116.03 (4), 116.065 (3) and 116.07 (2); and **to create** 38.10 (3), 43.15 (2) (e),
4 43.15 (4) (e), 62.13 (2m), 66.028 and 116.02 (1) (cm) of the statutes; **relating to:**
5 municipal revenue sharing agreements, authorizing cities to create joint police
6 departments, eliminating the requirement that municipalities be contiguous in
7 order to form a joint library, public library system eligibility requirements,
8 making cooperative educational service agencies coterminous with technical
9 college districts and increasing the membership of technical college district
10 boards and cooperative educational service agency boards of control.

Analysis by the Legislative Reference Bureau

This bill is explained in the NOTES provided by the joint legislative council in the bill.

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

PREFATORY NOTE: This bill was developed by the joint legislative council's special committee on shared governmental services. The special committee on shared governmental services found that intergovernmental cooperation in the provision of services has great potential to improve the delivery of services to the residents of this

state and to reduce the costs of providing services. During the course of the special committee's deliberations, it became clear that the most significant impediments to intergovernmental cooperation in service delivery are: (1) lack of awareness by local government officials and the public of the opportunities that exist to provide better services at lower costs through cooperative efforts; and (2) attitudes on the part of local officials and the citizenry that do not foster cooperative efforts.

Opportunities for cooperative service delivery exist and are being taken advantage of by local governments in this state in the areas of education, joint purchasing, law enforcement, health and social services, libraries, sewer and water, transportation and many other areas. The special committee urges all local governments in Wisconsin to creatively explore means of improving service delivery at lower costs through intergovernmental cooperation and encourages local governments that are successfully doing so to inform other local governments and the public of their success.

The existing statutory framework for intergovernmental cooperation permits a broad range of cooperation and generally is sufficiently flexible to meet individual circumstances and allow innovation. The recommendations in this bill address the enhancement of intergovernmental cooperation in specific areas that were identified by the special committee as needing further legislative attention. The provisions of the bill are as follows:

Municipal Revenue Sharing Agreements [SECTION 12]

The bill provides explicit statutory authority to cities, villages and towns (municipalities) to enter into agreements to share revenues from taxes and special charges with other municipalities and with federally recognized Indian tribes or bands. No municipality may enter into an agreement with one or more municipalities unless the municipality is contiguous to at least one other municipality that enters into the agreement. It is anticipated, for example, that these agreements will be made in conjunction with other agreements concerning municipal boundaries and the provision of services.

Under the bill, an agreement must: (1) be for a minimum term of 10 years; (2) describe the boundaries of the area within which the revenues are to be shared in the agreement; (3) describe the formula or other means of determining the amount of revenues to be shared under the agreement; (4) specify the date or dates upon which revenues agreed to be shared are to be paid to the appropriate municipality; and (5) specify how the agreement may be invalidated after the expiration of the minimum 10-year term. In addition, the agreement may contain any other necessary and proper matters, including any agreements with respect to services or agreements with respect to municipal boundaries.

The bill requires that, at least 30 days before entering an agreement, the participating municipality must hold a public hearing on the proposed agreement (public hearing notice requirements are specified). In addition, the bill provides that an advisory referendum on a proposed agreement may be called either by the governing body of the participating municipality or by the qualified electors of a participating municipality. In the latter case, a petition, signed by a number of qualified electors equal to at least 10% of the votes cast for governor in a municipality at the last gubernatorial election must be timely filed. Time limits and notice requirements are provided for the advisory referendum.

Joint City Police Departments [SECTION 11]

The bill explicitly authorizes one or more cities to create a joint police department. The bill is modeled after provisions of ss. 61.65 and 62.13, which authorize villages to form joint police departments with cities. Under the bill, a city that creates a joint police department is not required to create a separate board of police commissioners but, rather, is required to create a joint board of police commissioners to govern the joint police department. The number of police commissioners to be appointed to the joint board and the length of each commissioner's term are decided by the cities which create the joint

police department. The members of the board of police commissioners are appointed by the mayor. The provisions of current law pertaining to the board of police and fire commissioners and to appointments, promotions, suspensions, removals, dismissals, reemployment, compensation, rest days, exemptions, organization and supervision of departments, contracts and audits apply to a joint board of police commissioners created under this bill. Under current law, the mayor is the head of the police department except in cities that have adopted s. 62.13 (6) [s. 62.09 (8) (d)]. Under s. 62.13 (6), the board of police and fire commissioners is given broad authority to manage the police and fire departments if approved by the electors of the city in a referendum at a regular city election. Under the bill, the mayors of the cities may exercise their authority over the police chief only by issuing joint orders. Likewise, the governing bodies of the cities may exercise their authority over the police chief only by issuing joint orders. In addition, the provisions of s. 62.13 (6) are applicable to a joint police department formed by one or more cities.

Libraries

Joint Libraries [SECTION 7]

Current law allows a joint library to be created by (1) any 2 or more contiguous municipalities or (2) a county and one or more municipalities located in whole or part in the county [s. 43.53 (1)]. "Municipality" is defined as "a city, village, town, tribal government or tribal association, or a school district that maintained and operated a public library facility prior to December 17, 1971" [s. 43.01 (3)].

This bill removes the requirement that 2 or more municipalities be contiguous in order to form a joint library.

Maintenance of Support Requirement [SECTIONS 5 and 6]

Current law provides for the establishment of public library systems, organized on a single-county or multicounty basis, that coordinate library development and resource sharing among libraries in a specific geographic region. There are 17 public library systems in the state, serving all 72 counties. Benefits of library system participation include resource sharing and the availability of resources from state library aid given to public library systems.

Current law allows a county to participate in a public library system if, among other things, the county maintains its support for library services at a level not lower than the average support for the 3 previous years [s. 43.15 (2) (b)]. Similarly, a municipal library, county library or joint public library may participate in a public library system if, among other things, the library receives funding from the municipal or county governing body at a level not lower than the average received for the previous 3 years [s. 43.15 (4) (c) 5.].

This bill requires the division for libraries and community services in the department of public instruction (DPI) to adjust the 3-year average minimum funding requirement in any year, as necessary, to reflect cost savings that result from the consolidation or sharing of library services if the county or the municipality: (1) demonstrates, to the satisfaction of the division, that the funding provided by the county or municipality for library services will be lower than otherwise required for public library system status because library services have been or will be consolidated or shared; and (2) the county or municipality submits a plan demonstrating, to the satisfaction of the division, that services to library patrons following the consolidation or sharing of services will be at least substantially equivalent to the services available to patrons before the consolidation or sharing.

The bill is in response to concerns that if library services are shared or consolidated and cost savings result, meeting the current 3-year average funding requirement may not be possible even when there has been no loss of service to library patrons.

CESA and Technical College Districts [SECTIONS 1 to 4 and 13 to 22]

Currently, the stated statutory purpose of cooperative educational service agencies (CESAs) is to serve as a link between school districts and between school districts and the state. The bill expands the statutory purpose of CESAs to include serving as a link between school districts and technical college districts.

The bill directs the department of education (DOE) to reorganize the 12 CESAs into 15 CESAs, effective July 1, 1997. Each reorganized CESA is coterminous with a technical college district, except that reorganized CESA no. 5 is coterminous with the territory of 2 technical college districts. The school board of a school district that is located in more than one technical college district must select the reorganized CESA in which the school district will participate. The current provision which allows a school district by petition to DOE to transfer from one CESA to another is repealed.

Under the bill, the reorganized CESAs and their coterminous technical college districts (with location of main campus) are: CESA no. 1-Gateway (Kenosha); CESA no. 2-Blackhawk (Janesville); CESA no. 3-Southwest (Fennimore); CESA no. 4-Madison; CESA no. 5-Waukesha and Milwaukee; CESA no. 6-Moraine Park (Fond du Lac); CESA no. 7-Lakeshore (Cleveland); CESA no. 8-Fox Valley (Appleton); CESA no. 9-Mid-state (Wisconsin Rapids); CESA no. 10-Western (La Crosse); CESA no. 11-Chippewa Valley (Eau Claire); CESA no. 12-North Central (Wausau); CESA no. 13-Northeast (Green Bay); CESA no. 14-Nicolet (Rhineland); and CESA no. 15-Indianhead (Shell Lake).

The bill adds 2 members, increasing membership from 9 to 11, to each technical college district board: one member of the board of control of the CESA that is located in the district and one employe of a school district or CESA who represents a school-to-work program. Both are appointed by the board of control.

The bill also adds members to each CESA board of control: one member of the board of each technical college district located in the CESA and a representative of each University of Wisconsin System institution and center that is located in the CESA. Under current law, an annual convention of representatives of school boards within the CESA region determines the number of members on the CESA board of control.

The bill contains several transition provisions relating to the reorganized CESAs. The assets and liabilities (including employment contracts but excluding real property and regional data processing equipment) of the existing CESAs are to be distributed among the reorganized CESAs based on agreements made among the existing boards of control. The agreements are to be based upon the use made of agency services by the school districts within each agency. If no agreement is reached by March 15, 1997, the secretary of education distributes the assets and liabilities. The transfer of assets and liabilities associated with real property and with regional data processing equipment is to be based on a contract assigning ownership shares to each school board that was a party to such purchases. The secretary of education approves the real property ownership contracts and resolves any disagreements related to the data processing equipment ownership contracts.

The bill provides further that no employment contract entered into or extended by a CESA board of control between the effective date of the bill and July 1, 1997 may extend beyond July 1, 1997. The CESA reorganization's impact on the wages, hours and conditions of employment of CESA employes is made a mandatory subject of collective bargaining. DOE is directed to submit a report by March 31, 1997, to the governor and the legislature on the progress made in reorganizing the CESAs.

- 1 **SECTION 1.** 38.08 (1) (a) 1. of the statutes is amended to read:
- 2 38.08 (1) (a) 1. A district board shall administer the district and shall be
- 3 composed of ~~9~~ 11 members who are residents of the district, including 2 employes,
- 4 2 employes, 3 additional members, a school district administrator, as defined under

1 s. 115.001 (8), and one elected official who holds a state or local office, as defined in
2 s. 5.02, except for the office of party committeeman or party committeewoman, a
3 member of the board of control of the cooperative educational service agency that is
4 located in the district and one employe of a school district or cooperative educational
5 service agency, located in the district, who represents a school-to-work program.
6 The board shall by rule define “employer” and “employe” for the purpose of this
7 subdivision.

8 **SECTION 2.** 38.08 (2m) of the statutes is amended to read:

9 38.08 (2m) Any member of a district board serving as an elected official under
10 sub. (1) (a) 1. shall cease to be a member upon vacating his or her office as an elected
11 official. Any member of a district board serving as a member of a board of control of
12 a cooperative educational service agency shall cease to be a member of the district
13 board upon vacating his or her position as a member of the board of control.

14 **SECTION 3.** 38.10 (1) (intro.) of the statutes is amended to read:

15 38.10 (1) (intro.) ~~District~~ Except as provided in sub. (3), district board members
16 shall be appointed by an appointment committee constituted as follows:

17 **SECTION 4.** 38.10 (3) of the statutes is created to read:

18 38.10 (3) (a) The board of control of the cooperative educational service agency
19 in which the district is located shall appoint one of its members to the district board
20 whenever a vacancy in that position on the district board occurs.

21 (b) The board of control of the cooperative educational service agency in which
22 the district is located shall appoint the school district or agency employe who
23 represents a school-to-work program whenever a vacancy in that position on the
24 district board occurs.

25 **SECTION 5.** 43.15 (2) (e) of the statutes is created to read:

1 43.15 (2) (e) The division shall adjust the 3-year average requirement under
2 par. (b) in any year, as necessary, to reflect the cost savings resulting from the
3 consolidation or sharing of library services if the county does all of the following:

4 1. Demonstrates, to the satisfaction of the division, that the county's support
5 for library services is or will be lower than otherwise required by par. (b) because
6 library services supported by the county have been or will be consolidated or shared.

7 2. Submits a plan demonstrating, to the satisfaction of the division, that
8 services to library patrons following the consolidation or sharing of services will be
9 at least substantially equivalent to the services available to patrons before the
10 consolidation or sharing.

11 **SECTION 6.** 43.15 (4) (e) of the statutes is created to read:

12 43.15 (4) (e) The division shall adjust the 3-year average requirement under
13 par. (c) 5. in any year, as necessary, to reflect the cost savings resulting from the
14 consolidation or sharing of library services if the municipal governing body or county
15 board does all of the following:

16 1. Demonstrates, to the satisfaction of the division, that the funding provided
17 by the municipality or county for library services is or will be lower than otherwise
18 required by par. (c) 5. because library services for which the funding is appropriated
19 have been or will be consolidated or shared.

20 2. Submits a plan demonstrating, to the satisfaction of the division, that
21 services to library patrons following the consolidation or sharing of services will be
22 at least substantially equivalent to the services available to patrons before the
23 consolidation or sharing.

24 **SECTION 7.** 43.53 (1) of the statutes is amended to read:

1 43.53 (1) Joint libraries may be created by any 2 or more contiguous
2 municipalities or by a county and one or more municipalities located in whole or in
3 part in the county, by appropriate agreement of their governing bodies. Section 43.52
4 applies to joint libraries.

5 **SECTION 8.** 62.09 (8) (d) of the statutes is amended to read:

6 62.09 (8) (d) Except in cities that have adopted s. 62.13 (6), and subject to s.
7 62.13 (2m) (c), the mayor shall be the head of the fire and police departments, and
8 where there is no board of police and fire commissioners shall appoint all police
9 officers, and the mayor may, in any city, appoint security personnel to serve without
10 pay, and in case of riot or other emergency, appoint as many special police officers as
11 may be necessary.

12 **SECTION 9.** 62.09 (13) (a) of the statutes is amended to read:

13 62.09 (13) (a) The chief of police shall have command of the police force of the
14 city under the direction of the mayor, or under the joint direction of 2 mayors, as
15 provided in s. 62.13 (2m) (c). The chief shall obey all lawful written orders of the
16 mayor or common council, subject to s. 62.13 (2m) (c). The chief and each police officer
17 shall possess the powers, enjoy the privileges and be subject to the liabilities
18 conferred and imposed by law upon constables, and be taken as included in all writs
19 and papers addressed to constables; shall arrest with or without process and with
20 reasonable diligence take before the municipal judge or other proper court every
21 person found in the city engaged in any disturbance of the peace or violating any law
22 of the state or ordinance of the city and may command all persons present in that case
23 to assist, and if any person, being so commanded, refuses or neglects to render
24 assistance the person shall forfeit not exceeding \$10. They shall collect the same fees

SECTION 9

1 prescribed for sheriffs in s. 814.70 for similar services, unless a higher fee is
2 applicable under s. 814.705 (2).

3 **SECTION 10.** 62.13 (1) of the statutes is amended to read:

4 62.13 (1) COMMISSIONERS. ~~Each~~ Except as provided in sub. (2m), each city shall
5 have a board of police and fire commissioners consisting of 5 citizens, 3 of whom shall
6 constitute a quorum. The mayor shall annually, between the last Monday of April
7 and the first Monday of May, appoint in writing to be filed with the secretary of the
8 board, one member for a term of 5 years. No appointment shall be made which will
9 result in more than 3 members of the board belonging to the same political party. The
10 board shall keep a record of its proceedings.

11 **SECTION 11.** 62.13 (2m) of the statutes is created to read:

12 62.13 (2m) JOINT DEPARTMENTS, CONTRACT SERVICES. (a) A city may create a joint
13 police department with another city.

14 (b) A city that creates a joint police department with another city under par.
15 (a) is not required to create a separate board of police commissioners under this
16 section. The cities shall create a joint board of commissioners to govern the joint
17 police department. The cities may jointly determine the number of commissioners
18 to be appointed to the joint board by each city and the length of the commissioners'
19 terms. A majority of the commissioners is a quorum. A joint board of commissioners
20 that is created under this paragraph to govern a joint police department is subject
21 to the provisions of subs. (3) to (7m).

22 (c) If a city creates a joint police department with another city under par. (a),
23 all of the following apply:

24 1. The mayors of each city shall jointly exercise the powers under s. 62.09 (8)
25 (d), and may only act under that paragraph by issuing a joint order. A chief of police

1 shall obey all lawful written joint orders of the mayors, notwithstanding s. 62.09 (13)
2 (a).

3 2. The governing bodies of the cities may issue lawful written orders to the chief
4 of police only by issuing a joint order. A chief of police shall obey all lawful written
5 joint orders of the governing bodies, notwithstanding s. 62.09 (13) (a).

6 **SECTION 12.** 66.028 of the statutes is created to read:

7 **66.028 Municipal revenue sharing. (1) DEFINITION.** In this section,
8 “municipality” means a city, village or town.

9 **(2) MUNICIPAL REVENUE SHARING AGREEMENT.** Subject to the requirements of this
10 section, any 2 or more municipalities may, by a majority vote of a quorum of their
11 governing bodies, enter into an agreement to share all or a specified part of revenues
12 derived from taxes and special charges, as defined in s. 74.01 (4). One or more
13 municipalities may enter into agreements under this section with federally
14 recognized American Indian tribes or bands.

15 **(3) PUBLIC HEARING.** At least 30 days before entering into an agreement under
16 sub. (2), a municipality shall hold a public hearing on the proposed agreement.
17 Notice of the hearing shall be published as a class 3 notice under ch. 985.

18 **(4) SPECIFICATIONS.** (a) An agreement entered into under sub. (2) shall meet
19 all of the following conditions:

20 1. The term of the agreement shall be for at least 10 years.

21 2. The boundaries of the area within which the revenues are to be shared in the
22 agreement shall be specified.

23 3. The formula or other means of determining the amount of revenues to be
24 shared under the agreement shall be specified.

1 4. The date upon which revenues agreed to be shared under the agreement
2 shall be paid to the appropriate municipality shall be specified.

3 5. The method by which the agreement may be invalidated after the expiration
4 of the minimum period specified in par. (a) 1. shall be specified.

5 (b) An agreement entered into under sub. (2) may address any other
6 appropriate matters, including any agreements with respect to services or
7 agreements with respect to municipal boundaries under s. 66.023 or 66.027.

8 **(5) CONTIGUOUS BOUNDARIES.** No municipality may enter into an agreement
9 under sub. (2) with one or more municipalities unless the municipality is contiguous
10 to at least one other municipality that enters into the agreement.

11 **(6) ADVISORY REFERENDUM.** (a) Within 30 days after the hearing under sub. (3),
12 the governing body of a participating municipality may adopt a resolution calling for
13 an advisory referendum on the agreement. An advisory referendum shall be held if,
14 within 30 days after the hearing under sub. (3), a petition, signed by a number of
15 qualified electors equal to at least 10% of the votes cast for governor in the
16 municipality at the last gubernatorial election, is filed with the clerk of a
17 participating municipality, requesting an advisory referendum on the revenue
18 sharing plan. The petition shall conform to the requirements of s. 8.40. If an advisory
19 referendum is held, the municipality's governing body may not vote to approve the
20 agreement under sub. (2) until the report under par. (d) is filed.

21 (b) The advisory referendum shall be held within 30 days after adoption of the
22 resolution under par. (a) calling for the referendum or within 30 days after receipt
23 of the petition under par. (a) by the municipal clerk. The municipal clerk shall give
24 notice of the referendum by publishing a notice in a newspaper of general circulation

1 in the municipality, both on the publication day next preceding the advisory
2 referendum election and one week prior to that publication date.

3 (c) The advisory referendum shall be conducted by the municipal election
4 officials. The governing body of the municipality may specify the number of election
5 officials for the referendum. The ballots shall contain the words "For the revenue
6 sharing agreement" and "Against the revenue sharing agreement" and shall
7 otherwise conform to the provisions of s. 5.64 (2). The election shall be conducted as
8 are other municipal elections in accordance with chs. 6 and 7, insofar as applicable.

9 (d) The election inspectors shall report the results of the election, showing the
10 total number of votes cast and the numbers cast for and against the revenue sharing.
11 The election inspectors shall attach their affidavit to the report and immediately file
12 the report in the office of the municipal clerk.

13 (e) The costs of the advisory referendum election shall be borne by the
14 municipality that holds the election.

NOTE: The special committee intends that municipalities which enter municipal revenue sharing agreements under this SECTION may consider, as part of the agreement, the cooperative provision of services which include but are not limited to the following: police and fire protection; public landmarks; tree care; general public works; municipal buildings, including jails, juvenile detention facilities, fire halls, police stations, garages and civic centers; weed, litter and nuisance control; sewer supply; surface and groundwater supply; septage and sludge control; planning, subdivision control and zoning; solid waste, hazardous waste and recyclable material collection; solid waste, hazardous waste, recyclable material treatment, processing, storage and disposal; health care; elections; personnel management services; general administrative services; legal services; assessment and tax collection services; accounting services; risk management and insurance services; bond services; investment services; financial services; judicial services; engineering and planning services; audit services; general public infrastructure repair and maintenance; cable television; public utilities (electricity, gas, water, sewer); telecommunications; community development and promotion, including industrial, commercial and residential housing sites; transit and transportation, including roads, bridges, trails, sidewalks, curbs and gutters, culverts, parking facilities, airports, docks and signs; libraries and museums; outdoor and indoor recreation; forestry and conservation; harbors; dams and drainage; water safety patrol; building inspection; humane animal treatment; cemeteries; nursing homes, hospitals, clinics and ambulances; day care; general environmental protection; nonmetallic mining; and general and municipal officer and employee education and training.

1 **SECTION 13.** 116.01 of the statutes, as affected by 1995 Wisconsin Act 27, is
2 amended to read:

3 **116.01 Purpose.** The organization of school districts in Wisconsin is such that
4 the legislature recognizes the need for a service unit between the school district and
5 the department. The cooperative educational service agencies are designed to serve
6 educational needs in all areas of Wisconsin by serving as a link ~~both~~ between school
7 districts, between school districts and technical college districts and between school
8 districts and the state. Cooperative educational service agencies may provide
9 leadership, coordination and education services to school districts, University of
10 Wisconsin System institutions and centers and technical colleges. Cooperative
11 educational service agencies may facilitate communication and cooperation among
12 all public and private schools, agencies and organizations that provide services to
13 pupils.

14 **SECTION 14.** 116.02 (1) (a) of the statutes, as affected by 1995 Wisconsin Act 27,
15 is amended to read:

16 116.02 (1) (a) Each agency shall be governed by a board of control composed of
17 members of school boards of school districts within the agency, one member of the
18 district board of each technical college district that is located in the agency and a
19 representative of each University of Wisconsin System institution and center that
20 is located in the agency. Annually on or after the 4th Monday in April, the school
21 board of each school district in the agency shall appoint one of its members as its
22 representative for the purpose of ~~determining~~ selecting the ~~composition~~ school board
23 members of the board of control. For the purpose of determining membership on the
24 board of control, a school district operating elementary grades only and lying in more
25 than one union high school district shall be considered part of the union high school

1 district territory in which the major portion of its equalized valuation lies. The board
2 of control shall hold an annual organizational meeting on or after the 2nd Monday
3 in May. No annual organizational meeting may be held after the 2nd Monday in
4 August.

5 **SECTION 15.** 116.02 (1) (cm) of the statutes is created to read:

6 116.02 (1) (cm) 1. The district board of each technical college district that is
7 located in the agency shall appoint one of its members to the board of control for a
8 3-year term whenever a vacancy in that position on the board of control occurs.

9 2. The chancellor of each University of Wisconsin System institution located
10 in the agency shall appoint one member to represent that institution on the board
11 of control for a 3-year term whenever a vacancy in that position on the board of
12 control occurs.

13 3. For each University of Wisconsin System center located in the agency, the
14 chancellor of the center shall appoint a member to represent that center on the board
15 of control for a 3-year term whenever a vacancy in that position on the board of
16 control occurs.

17 **SECTION 16.** 116.02 (2) (d) of the statutes, as affected by 1995 Wisconsin Act 27,
18 is amended to read:

19 116.02 (2) (d) Specifying the number of school board members on the board of
20 control.

21 **SECTION 17.** 116.03 (4) of the statutes is amended to read:

22 116.03 (4) Determine each participating ~~local unit's~~ school district's prorated
23 share of the cost of cooperative programs and assess the costs of each program
24 against each ~~unit~~ school district participating in the program including, without
25 limitation because of enumeration, unemployment compensation, litigation

1 expense, collective bargaining and monetary awards by courts and agencies, but no
2 board of control may levy any taxes. No cost may be assessed against a unit school
3 district for a cooperative program unless the unit school district enters into a contract
4 for the service.

5 **SECTION 18.** 116.06 of the statutes is repealed.

6 **SECTION 19.** 116.065 (3) of the statutes is amended to read:

7 116.065 (3) A school district that has withdrawn from the agency described
8 under sub. (1) may ~~rejoin the~~ join any agency in which it is located. The procedures
9 under subs. (1) and (2) apply to ~~readmissions~~ admissions.

10 **SECTION 20.** 116.07 (2) of the statutes is amended to read:

11 116.07 (2) Upon completion of a plan of consolidation, the affected boards of
12 control shall give 30 days' notice in writing to those school boards and technical
13 college district boards affected of a public hearing on the proposed consolidation.
14 Notice of such hearing also shall be published as a class 2 notice, under ch. 985, the
15 last insertion to be at least 20 days prior to the date of the hearing.

16 **SECTION 21. Nonstatutory provisions; public instruction.**

17 (1) REORGANIZATION OF COOPERATIVE EDUCATIONAL SERVICE AGENCIES.

18 (a) Beginning on July 1, 1996, with the advice and participation of school board
19 representatives, school district administrators and cooperative educational service
20 agency administrators, the department of education shall reorganize the 12
21 cooperative educational service agencies into 15 cooperative educational service
22 agencies. The reorganization shall be effective on July 1, 1997. The cooperative
23 educational service agencies shall be reorganized as follows:

24 1. Cooperative educational service agency no. 1 shall be coterminous with
25 Gateway technical college district.

1 2. Cooperative educational service agency no. 2 shall be coterminous with
2 Blackhawk technical college district.

3 3. Cooperative educational service agency no. 3 shall be coterminous with
4 Southwest Wisconsin technical college district.

5 4. Cooperative educational service agency no. 4 shall be coterminous with
6 Madison area technical college district.

7 5. Cooperative educational service agency no. 5 shall be coterminous with the
8 combined territory of the Waukesha County area and Milwaukee area technical
9 college districts.

10 6. Cooperative educational service agency no. 6 shall be coterminous with
11 Moraine Park technical college district.

12 7. Cooperative educational service agency no. 7 shall be coterminous with
13 Lakeshore technical college district.

14 8. Cooperative educational service agency no. 8 shall be coterminous with Fox
15 Valley technical college district.

16 9. Cooperative educational service agency no. 9 shall be coterminous with
17 Mid-state technical college district.

18 10. Cooperative educational service agency no. 10 shall be coterminous with
19 Western Wisconsin technical college district.

20 11. Cooperative educational service agency no. 11 shall be coterminous with
21 Chippewa Valley technical college district.

22 12. Cooperative educational service agency no. 12 shall be coterminous with
23 North Central technical college district.

24 13. Cooperative educational service agency no. 13 shall be coterminous with
25 Northeast Wisconsin technical college district.

1 14. Cooperative educational service agency no. 14 shall be coterminous with
2 Nicolet area technical college district.

3 15. Cooperative educational service agency no. 15 shall be coterminous with
4 Wisconsin Indianhead technical college district.

5 (b) If the territory of a school district is located in more than one technical
6 college district, the school board of that school district shall determine which of the
7 reorganized cooperative educational service agencies under paragraph (a), in which
8 the school district is located, the school district shall participate in.

9 (c) 1. Except as provided under subdivisions 2. and 3. , the assets and
10 liabilities, including employment contracts, of the existing cooperative educational
11 service agencies shall be distributed among the reorganized cooperative educational
12 service agencies, effective on July 1, 1997, by agreements made among the existing
13 boards of control. The agreements shall be based upon the use made of agency
14 services by the school districts within each agency. A copy of each such agreement
15 shall be sent to the secretary of education for his or her approval by March 15, 1997.
16 If no agreement is reached by the boards of control by March 15, 1997, the secretary
17 of education shall distribute the assets and liabilities among the reorganized
18 cooperative educational service agencies.

19 2. The assets and liabilities associated with real property shall be assigned by
20 contract as ownership shares, effective on July 1, 1997, to the school boards that were
21 parties to the purchase of the real property. A copy of each such contract shall be sent
22 to the secretary of education by March 15, 1997, for the secretary's approval. Title
23 to the real property shall transfer to the cooperative educational service agency in
24 which it is located on July 1, 1997. Upon sale of the property, the assets and liabilities
25 shall be distributed as ownership shares.

1 3. The assets and liabilities associated with regional data processing
2 equipment shall be assigned by contract as ownership shares, effective on July 1,
3 1997, to the school boards that were parties to the purchase of the equipment. Any
4 disagreements arising between school boards under this subdivision shall be
5 submitted to the secretary of education for resolution.

6 (d) All contracts for services entered into by a board of control of a cooperative
7 educational service agency under section 116.03 (3) of the statutes prior to July 1,
8 1997, which extend beyond July 1, 1997, shall on July 1, 1997, be treated as
9 obligations of the board of control of the appropriate reorganized cooperative
10 educational service agency.

11 (e) All proceedings before a board of control of a cooperative educational service
12 agency under section 116.07 of the statutes pending on July 1, 1997, shall be treated
13 as proceedings before the board of control of the appropriate reorganized cooperative
14 educational service agency.

15 (f) No contract of employment entered into or extended by a board of control of
16 a cooperative educational service agency after the effective date of this paragraph
17 but prior to July 1, 1997, may extend beyond July 1, 1997.

18 (g) The impact of any reorganization on the wages, hours and conditions of
19 employment of the employes of the cooperative educational service agency is a
20 mandatory subject of collective bargaining between the board of control and any
21 representative of the employes affected by the reorganization of the agencies.

22 (h) By March 31, 1997, the secretary of education shall submit a report to the
23 governor, and to the legislature in the manner provided under section 13.172 (2) of
24 the statutes, on the progress made in reorganizing the cooperative educational
25 service agencies under this subsection.

