

**1999 DRAFTING REQUEST**

**Bill**

Received: **02/11/1999**

Received By: **mlief**

Wanted: **As time permits**

Identical to LRB:

For: **Joe Plouff (608) 266-7056**

By/Representing: **himself**

This file may be shown to any legislator: NO

Drafter: **mlief**

May Contact: **Ruth Hardy**

Alt. Drafters:

Subject: **Education - school finance**

Extra Copies: **PG**

**Pre Topic:**

No specific pre topic given

**Topic:**

Eliminating primary hold harmless provision, school levy tax credit and categorical aid for children at risk and weighting children at risk for equalization aid purposes

**Instructions:**

See Attached

**Drafting History:**

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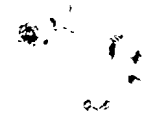
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Draft 1. Include these provisions:

- a. Eliminate primary aid hold harmless;
- b. Eliminate school levy credit;
- c. Eliminate categorical aid for children at risk;
- d. Distribute these funds as equalization aid; and
- e. Provide .2 additional equalized aid weighting for all students eligible for free or reduced lunch and/or those identified as being at risk of not graduating.

Tc w/ Joe Plouff - 2/11/99

- Equity in Funding - 114 school districts
- Ok to talk w/ Ruth Hardy about this.
- Will be sending me some supplemental material





**Lief, Madelon**

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**From:** Lief, Madelon  
**Sent:** Thursday, February 11, 1999 2:10 PM  
**To:** Plouff, Joe  
**cc:** Hardy, Ruth  
**Subject:** Drafting request

Thank you for the supplementary materials that you sent me regarding the school aid draft. With your permission, I have sent Ruth Hardy a copy of the materials and also copied her on this e-mail message. I have reviewed the materials and have the following questions:

Your request calls for eliminating the aid appropriation (20.255(2)(bc)) for the children-at-risk program under s. 118.153. The material from Equity in Funding calls for the elimination or revision of several categorical aid programs, including children-at-risk. It is not clear to me whether you want to eliminate s. 118.153 or whether you want to amend it in some way. If you wish to eliminate it entirely, I will need to know which entity should identify children at risk (and by what date) for purposes of the additional equalization aid weighting. If you wish to retain portions of s. 118.153, I will need to know which ones.

Also, am I correct in assuming that you do not wish to include all the proposals in the material from Equity in Funding but instead only those provisions contained in the document you sent me, dated 02/04/99?

Thanks for your help,  
Lonnie

---

Madelon J. Lief  
Legislative Attorney  
State of Wisconsin  
Legislative Reference Bureau

madelon.lief@legis.state.wi.us  
608-267-7380

2/26/99

Joe

Re: At Risk Program

Draft of possible revision is attached.

Note the following:

5118.153 (2) (b) repeal

(3) (a) delete reference to 1993-94

(3) (a) 1 delete application for  
aid + apply requirements to  
all who receive aid (.2 weight)

(4) (a) ditto

also remove reference to  
criteria for at risk aid.

(b) repeal

(c) repeal

(e) ~~repeal~~ repeal

(5) repeal

(6) limit audit to performance

(7) delete last sentence

Add a new provision to require school  
districts to report to state supt  
on their use of funds generated by  
.2 weight for all - not only at risk.

Hope This helps.

Wong Hasek



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ated by an individualized education program team under s. 115.782 and has not been recommended for special education, the school board shall render its decision within 30 days of the request. If the school board denies the request, the school board shall give its reasons for the denial.

(e) Any decision made by a school board or a designee of the school board in response to a request for program or curriculum modifications under par. (d) shall be reviewed by the school board upon request of the child's parent or guardian. The school board shall render its determination upon review in writing, if the child's parent or guardian so requests.

(f) At the beginning of each school term, the school board shall notify the pupils enrolled in the school district and their parents or guardians of the substance of pars. (d), (dm) and (e).

(2) (a) If the determination is made under sub. (1) (b) for a child to attend a technical college, the district board governing the technical college shall establish appropriate vocational and technical courses in accordance with s. 118.33 (3m) and the school board shall pay the technical college district board an amount calculated as follows:

1. Divide the number of credit hours of instruction scheduled by the technical college district for the pupil by 30.

2. Multiply the quotient under subd. 1 by the statewide average instructional cost for general education programs in the technical college system in the previous school years, as determined by the technical college system board.

3. Multiply the quotient under subd. 1 by any additional costs associated with direct student support services, as determined jointly by the state superintendent and the state director of the technical college system.

4. Add the product under subd. 2 to the product under subd. 3.

(c) Pupils attending a technical college under this subsection may receive general education subjects at the technical college. Payments by the school district under par. (a) shall be deemed costs of operation and maintenance.

(d) Transportation, or board and lodging under s. 121.57(1) (a), for pupils attending a technical college under this subsection shall be provided by the school district, and state aids shall be paid therefor, on the same basis as is transportation for pupils attending high school.

(3) This section does not apply to:

(a) Any child who is excused by the school board because the child is temporarily not in proper physical or mental condition to attend a school program, but who can be expected to return to a school program upon termination or abatement of the illness or condition. The school attendance officer may request the parent or guardian of the child to obtain a written statement from a licensed physician, dentist, chiropractor, optometrist, or psychologist or Christian Science practitioner living and residing in this state, who is listed in the Christian Science Journal, as sufficient proof of the physical or mental condition of the child. An excuse under this paragraph shall be in writing and shall state the time period for which it is valid, not to exceed 30 days.

(b) Any child excused by the school board in accordance with the school board's written attendance policy under s. 118.16 (4) and with the written approval of the child's parent or guardian. The child's truancy, discipline or school achievement problems or disabilities as described in s. 115.76 (5) may not be used as the reason for an excuse

under this paragraph. The excuse shall be in writing and shall state the time period for which it is effective, not to extend beyond the end of the current school year.

(c) Any child excused in writing by his or her parent or guardian before the absence. The school board shall require a child excused under this paragraph to complete any course work missed during the absence. A child may not be excused for more than 10 days in a school year under this paragraph.

(4) Instruction in a home-based private educational program that meets all of the criteria under s. 118.165 (1) may be substituted for attendance at a public or private school.

(4m) No school board, board of control of a cooperative educational service agency or county children with disabilities education board, or person employed by a school board, cooperative educational service agency or county children with disabilities education board, may in any manner compel a pregnant girl to withdraw from her educational program.

(5) (a) 1. Except as provided under par. (b) or if a person has been found guilty of a misdemeanor under s. 948.45, whoever violates this section may be penalized as follows, if evidence has been provided by the school attendance officer that the activities under s. 118.16 (5) have been completed or were not required to be completed as provided in s. 118.16 (5m):

a. For the first offense, by a fine of not more than \$500 or imprisonment for not more than 30 days or both.

b. For a 2nd or subsequent offense, by a fine of not more than \$1,000 or imprisonment for not more than 90 days or both.

2. The court may require a person who is subject to subd. 1. to perform community service work for a public agency or a nonprofit charitable organization in lieu of the penalties specified under subd. 1. Any organization or agency to which a defendant is assigned pursuant to an order under this subdivision acting in good faith has immunity from any civil liability in excess of \$25,000 for any act or omission by or impacting on the defendant.

(am) The court may order any person who violates this section to participate in counseling at the person's own expense or to attend school with his or her child, or both.

(b) 1. Paragraph (a) does not apply to a person who has under his or her control a child who has been sanctioned under s. 49.26 (1) (h).

2. In a prosecution under par. (a), if the defendant proves that he or she is unable to comply with the law because of the disobedience of the child, the action shall be dismissed and the child shall be referred to the court assigned to exercise jurisdiction under ch. 48.

Section note: Chs. 221, 298, 300, 355, Laws of 1979; Ch. 20, Laws of 1981; 1983 Act 512, 1985 Act 29; 1987 Acts 36, 285, 399; 1989 Acts 31, 336; 1991 Act 39; 1993 Acts 223, 399; 1995 Acts 27, 77, 225; 1997 Acts 27, 164, 205, 239

118.153 Children at risk. (1) In this section:

(a) "Children at risk" means pupils in grades 5 to 12 who are one or more years behind their age group in the number of high school credits attained, or 2 or more years behind their age group in basic skill levels, and are also one or more of the following:

1. Dropouts.
- 2m. Habitual truants, as defined in s. 118.16 (1) (a).
3. Parents.
4. Adjudicated delinquents.

(b) "Dropout" means a child who ceased to attend school, does not attend a public or private school, technical college or home-based private educational program on a full-time



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basis, has not graduated from high school and does not have an acceptable excuse under s. 118.15 (1) (b) to (d) or (3).

(2) (a) Every school board shall identify the children at risk who are enrolled in the school district and annually by August 15 develop a plan describing how the school board will meet their needs.

~~(b) 1. If in the previous school year a school district had 50 or more dropouts and a dropout rate exceeding 5% of its total high school enrollment, the school board shall apply to the state superintendent for aid under this section.~~

~~2. If in the previous school year a school district had 40 or more dropouts, the school board may apply to the state superintendent for aid under this section.~~

(3) (a) ~~Beginning in the 1990-94 school year:~~

1. Every school board ~~that applies for aid under sub. (2)~~ (b) shall make available to the children at risk enrolled in the school district a program for children at risk.

2. Upon request of a pupil who is a child at risk or the pupil's parent or guardian, a school board described under subd. 1 shall enroll the pupil in the program for children at risk. If the school board makes available more than one program for children at risk, the school board shall enroll the pupil in the program selected by the pupil's parent or guardian if the pupil meets the prerequisites for that program. If there is no space in that program for the pupil, the school board of the school district operating under ch. 119 shall place the pupil's name on a waiting list for that program and offer the pupil an alternative program for children at risk until space in the requested program becomes available.

(b) A program for children at risk shall be designed to allow the pupils enrolled to meet high school graduation requirements under s. 116.33. The school board of the school district operating under ch. 119 shall ensure that there are at least 40 pupils and no more than 200 pupils in each program and that a separate administrator or teacher is in charge of each program.

(c) 1. Each school board shall identify appropriate private, nonprofit, nonsectarian agencies located in the school district or within 5 miles of the boundaries of the school district to meet the requirements under pars. (a) and (b) for the children at risk enrolled in the school district.

2. The school board may contract with the agencies identified under subd. 1 for not more than 30% of the children at risk enrolled in the school district if the school board determines that the agencies can adequately serve such children.

3. The school board shall pay each contracting agency, for each full-time equivalent pupil served by the agency, an amount equal to at least 60% of the average per pupil cost for the school district.

(3m) (a) After reviewing the recommendations of the governois council on workforce excellence under s. 106.115 (2) (em), the state superintendent may appmve an innovative school-to-work pmgram pmvided by a nonprofit organization for children at risk in a county having a population of 500,000 or more to assist those children at risk in acquiring employability skills and occupational-specific competencies before leaving high school. If the state superintendent approves a program under this paragraph, the state superintendent may award a grant, from the appropriation under s. 20.255 (3) (ef), to the nonprofit organization providing the program and the nonprofit organization shall use the funds received under the grant to provide the program.

(b) The state superintendent shall establish requirements for the operation of the grant program under this subsection. Those requirements need not be promulgated

as rules.

(4) (a) Annually in August, a school board that ~~applied for aid under this section in the previous school year shall~~ submit a report to the state superintendent. The report shall include ~~only~~ information about the pupils enrolled in a program for children at risk in the previous school year that is necessary for the state superintendent to determine the number of pupils who achieved each of the objectives under par. (c).

(b) Upon receipt of a school board's annual report under par. (a) the state superintendent shall pay to the school district from the appropriation under s. 20.255 (2) (be), for each pupil enrolled in a program for children at risk who achieved at least 3 of the objectives under par. (c) in the previous school year, additional state aid in an amount equal to 10% of the school district's average per pupil aide provided under s. 20.835 (7) (a), 1991 state, and s. 20.255 (2) (ae) in the previous school year.

(c) 1. The pupil's attendance rate was at least 70%.

2. The pupil remained in school.

3. The pupil, if a high school senior, received a high school diploma.

4. The pupil earned at least 4.5 academic credits or a prorated number of credits if the pupil was enrolled in the program for less than the entire school year.

5. The pupil demonstrated, on standardized tests or other appropriate measures, at least one month's gain in reading and mathematics for each month of enrollment.

(c) If the appropriation under s. 20.255 (2) (be) in any fiscal year is insufficient to pay the full amount of aid under par. (b), state aid payments shall be prorated among the school districts entitled to such aid.

(5) The school board of the school district operating under ch. 119 shall use the additional funds received under this section to expand successful programs for children at risk or to establish new programs if expansion of a successful program would violate sub. (3) (b).

(6) Biennially, the legislative audit bureau shall audit school district eligibility, performance criteria and state aid payments under this section

(7) The state superintendent shall promulgate rules to implement and administer this section. The rules shall not be overly restrictive in defining approved programs and shall not serve to exclude programs that have demonstrated success in meeting the needs of children at risk.

Section note: 1985 Acts 29, 333; 1987 Act 27; 1989 Acts 31, 336; 1991 Acts 39, 196; 1993 Acts 16, 341, 399, 491; 1997 Acts 27, 113

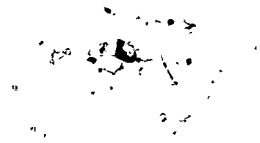
~~118.155 Released time for religious instruction. (1) Any school board shall, without approval of the state superintendent, permit pupils with written permission of a parent or guardian to be absent from school at least 60 minutes but not more than 180 minutes per week to obtain religious instruction outside the school during the required school period. The supervisor of such religious instruction shall report monthly, to the principal of the school regularly attended, the names of the pupils who attended such weekly religious instruction. The school board may deny the privilege of released time to pupils who absent themselves from such religious instruction after requesting the privilege. The time period, or periods, allotted for the pupil to be absent from school for the purpose of religious instruction shall be determined by the school board.~~

~~(2) Any transportation to religious instruction or from religious instruction to the public school shall be the responsibility of the parents or of the organization sponsoring the religious instruction.~~

~~(3) The school district shall be released from all liability~~

that receives additional aid for serving children at risk

received additional aid for serving children at risk







MSL...  
JL9

**PRELIMINARY DRAFT - NOT READY FOR** INTRODUCTION

D-N

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1 AN ACT ...; **relating to:** eliminating the school levy tax credit, categorical aid for  
2 children at risk and guaranteed aid for primary costs and <sup>✓</sup>weighting children  
3 at risk for equalization aid purposes.

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

I will provide an analysis for the first introducible draft.

---

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

4 **SECTION 1.** 13.101 (6) (a) of the statutes is amended to read:  
5 13.101 (6) (a) As an emergency measure necessitated by decreased state  
6 revenues and to prevent the necessity for a state tax on general property, the  
7 committee may reduce any appropriation made to any board, commission,  
8 department, the university of Wisconsin system or to any other state agency or  
9 activity by such amount as it deems feasible, not exceeding 25% of the  
10 appropriations, except appropriations made by ss. 20.255 (2) (ac), <sup>✓</sup>(~~be~~), (bh), (cg), (cr)

SECTION 1

1 and (q), 20.395 (1), (2) (cq), (eq) to (ex) and (gq) to (gx), (3), (4) (aq) to (ax) and (6) (aq)  
 2 and (ar), 20.435 (6) (a) and (7) (da) and 20.445 (3) (a) and (dz) or for forestry purposes  
 3 under s. 20.370 (1), or any other moneys distributed to any county, city, village, town  
 4 or school district. Appropriations of receipts and of a sum sufficient shall for the  
 5 purposes of this section be regarded as equivalent to the amounts expended under  
 6 such appropriations in the prior fiscal year which ended June 30. All functions of  
 7 said state agencies shall be continued in an efficient manner, but because of the  
 8 uncertainties of the existing situation no public funds should be expended or  
 9 obligations incurred unless there shall be adequate revenues to meet the  
 10 expenditures therefor. For such reason the committee may make reductions of such  
 11 appropriations as in its judgment will secure sound financial operations of the  
 12 administration for said state agencies and at the same time interfere least with their  
 13 services and activities.

History: 1975 c. 39, 199, 224; 1977 c. 29 ss. 1649, 1656 (15), 1979 c. 1; 1979 c. 34 ss. lb to Ig, 631j to 631s, 2102 (43) (a), (52) (a); 1979 c. 221; 1981 c. 20 ss. 3d to 3v; 1983 a. 27 ss. 5p to 7, 2202 (20) and (42); 1983 a. 538; 1985 a. 29 ss. 22,320 (51); 1987 a. 4; 1989 a. 31, 336, 366; 1991 a. 39,309; 1993 a. 16, 184, 414; 1995 a. 27, 132, 225, 227,445; 1997 a. 27, 35, 113,252.

14 **SECTION 2.** 20.255 (2) (bc) 4 of the statutes is repealed.

15 **SECTION 3.** 20.835 (3) (b) ✓ of the statutes is repealed.

16 **SECTION 4.** 41.41 (10) (b) of the statutes is amended to read:

17 **41.41 (10) (b)** Each year, the department shall ascertain from the clerk of each  
 18 taxation district in which the reserve or any land acquired by the board is located the  
 19 aggregate gross general property tax rate for the taxation district, exclusive of the  
 20 rate that applies under s. 70.58 ~~and without respect to the school levy tax credit~~  
 21 ~~under s. 79.10.~~ ✓

History: 1993 a. 349; 1995 a. 27 ss. 279,9116 (5); Stats. 1995 s. 41 41. 1995 a. 201, 216, 225; 1997 a. 194

22 **SECTION 5.** 41.41 (10) (c) 1. of the statutes is amended to read:

1           41.41 (10) (c) 1. Except as provided in par. (d), on or before each January 31,  
 2 the department shall pay to the treasurer of each taxation district specified in par.  
 3 (b), with respect to all land in the Kickapoo valley reserve and all land acquired by  
 4 the board on or before January 1 of the preceding year, an amount determined by  
 5 multiplying the estimated value of the land equated to the average level of  
 6 assessment in the taxation district by the aggregate gross general property tax rate,  
 7 exclusive of the rate that applies under s. 70.58 <sup>✓</sup> ~~and without respect to the school levy~~  
 8 ~~tax credit under s. 79.10~~, that would apply to the land in that taxation district for that  
 9 year if it were taxable.

History: 1993 a. 349; 1995 a. 27 ss. 279, 9116 (5), Stats. 1995 s. 41.41, 1995 a. 201, 216, 225; 1997 a. 194.

10           **SECTION 6.** 74.09 (3) (b) 3. of the statutes is amended to read:

11           74.09 (3) (b) 3. The tax levied on the property by the school district where the  
 12 property is located ~~minus the credit under s. 79.10 (4) allocable to the property,~~ <sup>✓</sup>  
 13 the previous year and the current year, and the percentage change in that ~~net~~ <sup>✓</sup> tax  
 14 between those years.

History: 1987 a. 378; 1989 a. 31; 1991 a. 39.60; 1993 a. 395, 1995 a. 27, 454, 1997 a. 27.

15           **SECTION 7.** 79.10 (4) of the statutes is repealed.

16           **SECTION 8.** 79.10 (6m) of the statutes is amended to read:

17           79.10 (6m) CORRECTIONS OF STATE PROPERTY TAX CREDIT PAYMENTS. If the  
 18 department of administration or the department of revenue determines by October  
 19 1 of the year of any distribution under subs. ~~(4)~~ <sup>✓</sup> ~~and sub.~~ <sup>✓</sup> (5) that there was an  
 20 overpayment or underpayment made in that year's distribution by the department  
 21 of administration to municipalities, as determined under subs. ~~(4)~~ <sup>✓</sup> ~~and sub.~~ <sup>✓</sup> (5),  
 22 because of an error by the department of administration, the department of revenue  
 23 or any municipality, the overpayment or underpayment shall be corrected as  
 24 provided in this subsection. Any overpayment shall be corrected by reducing the

SECTION 8

1 subsequent year's distribution, as determined under ~~subs. (4)~~ and sub. (5), by an  
 2 amount equal to the amount of the overpayment. Any underpayment shall be  
 3 corrected by increasing the subsequent year's distribution, as determined under  
 4 ~~subs. (4)~~ and sub. (5), by an amount equal to the amount of the underpayment.  
 5 Corrections shall be made in the distributions to all municipalities affected by the  
 6 error. Corrections shall be without interest.

History: 1971 c. 125 ss. 412, 521; Stats. 1971 s. 79.10; 1973 c. 90; 1975 c. 39, 199, 1977 c. 29, 418; 1979 c. 110 s. 60 (11), 1981 c. 20 ss. 1174 to 1182n, 2202 (45) (b); 1981 c. 93, 314, 317; 1983 a. 2 ss 6 to 10.12; 1983 a. 3.27; 1983 a. 189 s. 329 (17m); 1983 a. 395; 1985 a. 4, 29, 39, 120; 1987 a. 27, 378; 1991 a. 39, 225, 269, 323; 1993 a 16; 1995 a. 27; 1997 a. 27, 164.

7 SECTION 9. 79.10 (7m) (a) 1. of the statutes is repealed.

8 SECTION 10. 79.10 (7m) (a) 2. of the statutes is renumbered 79.10 (7m) (a).

9 SECTION 11. 79.14 of the statutes is repealed.

10 *Sec #, RN; 118.153(2)(a); 118.153(2)*

SECTION 12. 118.153 (2) (b) of the statutes is repealed.

11 *Sec #: RP: 118.153(3)(a) (intro) and 1.*

SECTION 13. 118.453 (3) (a) 2. of the statutes is renumbered 118.153 (3) (a) and

12 amended to read:

13 118.153 (3) (a) ~~Upon~~ Every school board that has identified children at risk  
 14 under sub. (2) ~~it~~ shall make available for these children a program for children at  
 15 risk and, at the request of a pupil who is a child at risk or the pupil's parent or  
 16 guardian, ~~a school board described under sub. 1.~~ shall enroll the pupil in the  
 17 program for children at risk. If the school board makes available more than one  
 18 program for children at risk, the school board shall enroll the pupil in the program  
 19 selected by the pupil's parent or guardian if the pupil meets the prerequisites for that  
 20 program. If there is no space in that program for the pupil, the school board of the  
 21 school district operating under ch. 119 shall place the pupil's name on a waiting list  
 22 for that program and offer the pupil an alternative program for children at risk until  
 23 space in the requested program becomes available.

1           **SECTION 14.** 118.153 (4) and (5) ✓ of the statutes are repealed.

2           **SECTION 15.** 118.153 (6) of the statutes is amended to read:

3           118.153 (6) Biennially, the legislative audit bureau shall audit school district  
4           eligibility, performance criteria ✓ and state aid payments under this section.

History: 1985 a. 29,332; 1987 a. 27; 1989 a. 31,336; 1991 a. 39, 196; 1993 a. 16, 341, 399, 491; 1995 a. 27 s. 9145 (1); 1997 a. 27, 113.

5           **SECTION 16.** 118.153 (7) of the statutes ✓ is amended to read:

6           118.153 (7) The state superintendent shall promulgate rules to implement and  
7           administer this section. ~~The rules shall not be overly restrictive in defining approved~~  
8           ~~programs and shall not serve to exclude programs that have demonstrated success~~  
9           ~~in meeting the needs of children at risk.~~

History: 1985 a. 29, 332; 1987 a. 27; 1989 a. 31, 336; 1991 a. 39, 196; 1993 a. 16, 341, 399, 491; 1995 a. 27 s. 9145 (1), 1997 a. 27, 113.

10          ~~**SECTION 17.** 118.53 (3) (a) (intro.) and 1. of the statutes are repealed.~~

11          **SECTION 18.** 121.004 (7) (a) of the statutes is amended to read:

12           121.004 (7) (a) "Pupils enrolled" is the total number of pupils, as expressed by  
13           official enrollments, in all schools of the school district, except as provided in pars.  
14           (b) to (e) ✓ (g). If such total contains a fraction, it shall be expressed as the nearest  
15           whole number. The same method shall be used in computing the number of pupils  
16           enrolled for resident pupils, nonresident pupils or both.

History: 1977 c. 29 ss. 1081, 1085e, 1085m; 1977 c. 418,429; 1979c. 34,221; 1979c. 346 s. IS; 1981 c. 20, 317, 1983 a. 27,189; 1985 a. 29; 1987 a. 27, 1991 a. 39, 48; 1993 a. 16; 1991 a. 27, 164,240.

17          **SECTION 19.** 121.004 (7) (f) and (g) of the statutes are created to read:

18           121.004 (7) (f) A pupil who is eligible for a free or reduced-price lunch under  
19           42 USC 1758 (b) shall be counted as 1.2 ✓ pupils, except that a pupil who is also enrolled  
20           in a kindergarten program or a preschool program under subch. V of ch. 115 ✓ shall be  
21           multiplied under this paragraph ✓ by a number equal to the result obtained by  
22           multiplying 1.2 ✓ by the appropriate fraction under par. (c), (cm) or (d) ✓.

1 (g) A pupil who is a child at risk, as defined under s. 118.153 (1) (a), shall be  
2 counted as 1.2 pupils.

3 SECTION 20. 121.007 of the statutes is amended to read:

4 **121.007 Use of state aid; exemption from execution.** All moneys paid to  
5 a school district under s. 20.255 (2) (ac), ~~(be)~~<sup>✓</sup>, (cg), (cr) and (q) shall be used by the  
6 school district solely for the purposes for which paid. Such moneys are exempt from  
7 execution, attachment, garnishment or other process in favor of creditors, except as  
8 to claims for salaries or wages of teachers and other school employes and as to claims  
9 for school materials, supplies, fuel and current repairs.

History: 1971 c. 125 s. 522 (1); 1973 c. 90; 1975 c. 39, 220; 1977 c. 29 s. 1099; Stats. 1977 s. 121.007; 1979 c. 34 s. 2102 (43) (a); 1979 c. 221; 1981 c. 20; 1983 a. 27 s. 2202 (42); 1983 a. 538; 1989 a. 31,336; 1993 a. 16; 1997 a. 27, 113.

10 SECTION 21. 121.05 ~~(2)~~<sup>1</sup> (e) of the statutes is created to read:

11 121.05 ~~(2)~~<sup>1</sup> (e) The use to which additional aid for pupils counted as 1.2 pupils  
12 under s. 121.004 (7) (f) and (g)<sup>✓</sup> was put in the previous school year.

13 SECTION 22. 121.15 (3m) (b) of the statutes is amended to read:

14 121.15 (3m) (b) By May 15, 1999, and annually by May 15 thereafter, the  
15 department, the department of administration and the legislative fiscal bureau shall  
16 jointly certify to the joint committee on finance an estimate of the amount necessary  
17 to appropriate under s. 20.255 (2) (ac) in the following school year to ensure that the  
18 sum of state school aids ~~and the school levy tax credit under s. 79.18 (4)~~<sup>✓</sup> equals  
19 two-thirds of partial school revenues.

History: 1977 c. 29 s. 1098; 1977 c. 273; Stats. 1977 s. 121.15; 1979 c. 34; 1985 a. 29, 120; 1987 a. 27; 1989 a. 207; 1993 a. 16,437; 1995 a. 27 ss. 4073 to 4075m, 9145 (1); 1997 a. 27, 113, 228; 1997 a. 237 ss. 368v to 369, 727p.

20 SECTION 23. 121.15 (4) of the statutes is amended to read:

21 121.15 (4) On July 1 and October 15, using the most accurate data available,  
22 the state superintendent shall provide the department of revenue and each school  
23 district with an estimate of the total amount of state aid, as defined in s. 121.90 (2),

1 the school district will receive in the current school year, including a separate  
2 estimate of the additional aid that each school district will receive for nunils counted  
3 under s. 121.004 (7) (f) and (g). On October 15, using the most accurate data  
4 available, the state superintendent shall calculate the total amount of state aid, as  
5 defined in s. 121.90 (2), that each school district will receive in the current school  
6 year. Any adjustments to that calculation shall be made by increasing or decreasing  
7 the payment made in September of the following school year.

History: 1977 c. 29 s. 1098; 1977 c. 273; Stats. 1977 s. 121.15; 1979 c. 34; 1985 a. 29, 120; 1987 a. 27; 1989 a. 207; 1993 a. 16,437; 1995 a. 27 ss. 4073 to 4075m, 9145 (1), 1997 a. 27, 113, 228; 1997 a. 237 ss. 368v to 369,727

8 **SECTION 24. Initial applicability.**

9 (1) This act ~~irst~~ applies to the distribution of school aid in the school year  
10 beginning after the effective date of this subsection.

11

(END)

D-NOTE  
↓

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-2 186/P1dn

MJL.....

JLg

Please review this preliminary draft carefully to make sure that it accomplishes your intent. You may wish to have Ruth Hardy at the legislative fiscal bureau review this draft.

Madelon J. Lief  
Legislative Attorney  
Phone: (608) 267-7380



**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-2186/P1dn  
MJL:jlg:jf

March 5, 1999

Please review this preliminary draft carefully to make sure that it accomplishes your intent. You may wish to have Ruth Hardy at the legislative fiscal bureau review this draft.

Madelon J. Lief  
Legislative Attorney  
Phone: (608) 267-7380



~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

See p. 5, l. 6

Regen

1 **AN ACT to repeal 20.255 (2) (bc), 20.835 (3) (b), 79.10 (4), 79.10 (7m) (a) l., 79.14,**  
2 **118.153 (2) (b), 118.153 (3) (a) (intro.) and 1. and 118.153 (4) and (5); to**  
3 **renumber 79.10 (7m) (a) 2. and 118.153 (2) (a); to renumber and amend**  
4 **118.153 (3) (a) 2.; to amend 13.101 (6) (a), 41.41 (10) (b), 41.41 (10) (c) l., 74.09**  
5 **(3) (b) 3., 79.10 (6m), 118.153 (6), 118.153 (7), 121.004 (7) (a), 121.007, 121.15**  
6 **(3m) (b) and 121.15 (4); and to create 121.004 (7) (f) and (g) and 121.05 (1) (e)**  
7 **of the statutes; relating to:** eliminating the school levy tax credit, ~~categorical~~  
8 ~~aid for children at risk~~ and guaranteed aid for primary costs and weighting  
9 children at risk for equalization aid purposes.

✓  
Insert Analysis

**Analysis by the Legislative Reference Bureau**

I will provide an analysis for the first introducible draft.

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

10 **SECTION 1.** 13.101 (6) (a) of the statutes is amended to read:

2024

13.101 (6) (a) As an emergency measure necessitated by decreased state revenues and to prevent the necessity for a state tax on general property, the committee may reduce any appropriation made to any board, commission, department, the university of Wisconsin system or to any other state agency or activity by such amount as it deems feasible, not exceeding 25% of the appropriations, except appropriations made by ss. 20.255 (2) (ac), ~~(be)~~, (bh), (cg), (cr) and (q), 20.395 (1), (2) (cq), (eq) to (ex) and (gq) to (gx), (3), (4) (aq) to (ax) and (6) (aq) and (ar), 20.435 (6) (a) and (7) (da) and 20.445 (3) (a) and (dz) or for forestry purposes under s. 20.370 (1), or any other moneys distributed to any county, city, village, town or school district. Appropriations of receipts and of a sum sufficient shall for the purposes of this section be regarded as equivalent to the amounts expended under such appropriations in the prior fiscal year which ended June 30. All functions of said state agencies shall be continued in an efficient manner, but because of the uncertainties of the existing situation no public funds should be expended or obligations incurred unless there shall be adequate revenues to meet the expenditures therefor. For such reason the committee may make reductions of such appropriations as in its judgment will secure sound financial operations of the administration for said state agencies and at the same time interfere least with their services and activities.

**SECTION 2.** 20.255 (2) (bc) of the statutes is repealed.

**SECTION 3.** 20.835 (3) (b) of the statutes is repealed.

**SECTION 4.** 41.41 (10) (b) of the statutes is amended to read:

41.41 (10) (b) Each year, the department shall ascertain from the clerk of each taxation district in which the reserve or any land acquired by the board is located the aggregate gross general property tax rate for the taxation district, exclusive of the

2024

1 rate that applies under s. 70.58 ~~and without respect to the school levy tax credit~~  
2 ~~under s. 79.10.~~

3 **SECTION 5.** 41.41 (10) (c) 1. of the statutes is amended to read:

4 41.41 (10) (c) 1. Except as provided in par. (d), on or before each January 31,  
5 the department shall pay to the treasurer of each taxation district specified in par.  
6 (b), with respect to all land in the Kickapoo valley reserve and all land acquired by  
7 the board on or before January 1 of the preceding year, an amount determined by  
8 multiplying the estimated value of the land equated to the average level of  
9 assessment in the taxation district by the aggregate gross general property tax rate,  
10 exclusive of the rate that applies under s. 70.58 ~~and without respect to the school levy~~  
11 ~~tax credit under s. 79.10~~, that would apply to the land in that taxation district for that  
12 year if it were taxable.

13 **SECTION 6.** 74.09 (3) (b) 3. of the statutes is amended to read:

14 74.09 (3) (b) 3. The tax levied on the property by the school district where the  
15 property is located ~~minus the credit under s. 79.10 (4) allocable to the property~~, for  
16 the previous year and the current year, and the percentage change in that ~~net~~ tax  
17 between those years.

18 **SECTION 7.** 79.10 (4) of the statutes is repealed.

19 **SECTION 8.** 79.10 (6m) of the statutes is amended to read:

20 79.10 (6m) CORRECTIONS OF STATE PROPERTY TAX CREDIT PAYMENTS. If the  
21 department of administration or the department of revenue determines by October  
22 1 of the year of any distribution under ~~subs. (4) and sub. (5)~~ that there was an  
23 overpayment or underpayment made in that year's distribution by the department  
24 of administration to municipalities, as determined under ~~subs. (4) and sub. (5)~~,  
25 because of an error by the department of administration, the department of revenue

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1 or any municipality, the overpayment or underpayment shall be corrected as  
2 provided in this subsection. Any overpayment shall be corrected by reducing the  
3 subsequent year's distribution, as determined under ~~subs. (4) and sub. (5)~~, by an  
4 amount equal to the amount of the overpayment. Any underpayment shall be  
5 corrected by increasing the subsequent year's distribution, as determined under  
6 ~~subs. (4) and sub. (5)~~, by an amount equal to the amount of the underpayment.  
7 Corrections shall be made in the distributions to all municipalities affected by the  
8 error. Corrections shall be without interest.

9 **SECTION 9.** 79.10 (7m) (a) 1. of the statutes is repealed.

10 **SECTION 10.** 79.10 (7m) (a) 2. of the statutes is renumbered 79.10 (7m) (a).

11 **SECTION 11.** 79.14 of the statutes is repealed.

12 **SECTION 12.** 118.153 (2) (a) of the statutes is renumbered 118.153 (2).

13 **SECTION 13.** 118.153 (2) (b) of the statutes is repealed.

14 **SECTION 14.** 118.153 (3) (a) (intro.) and 1. of the statutes are repealed.

15 **SECTION 15.** 118.153 (3) (a) 2. of the statutes is renumbered 118.153 (3) (a) and  
16 amended to read:

17 118.153 (3) (a) ~~Upon Every school board that has identified children at risk~~  
18 ~~under sub. (2) shall make available for these children a program for children at risk~~  
19 ~~and, at the request of a pupil who is a child at risk or the pupil's parent or guardian,~~  
20 ~~a school board described under subd. A., shall enroll the pupil in the program for~~  
21 ~~children at risk.~~ If the school board makes available more than one program for  
22 children at risk, the school board shall enroll the pupil in the program selected by the  
23 pupil's parent or guardian if the pupil meets the prerequisites for that program. If  
24 there is no space in that program for the pupil, the school board of the school district  
25 operating under ch. 119 shall place the pupil's name on a waiting list for that program



1 and offer the pupil an alternative program for children at risk until space in the  
2 requested program becomes available.

3 SECTION 16. 118.153 (4) and (5) of the statutes are repealed.

4 SECTION 17. 118.153 (6) of the statutes is amended to read:

5 118.153 (6) Biennially, the legislative audit bureau shall audit school district  
6 eligibility, performance criteria and state aid payments under this section.

7 SECTION 18. 118.153 (7) of the statutes is amended to read:

8 118.153 (7) The state superintendent shall promulgate rules to implement and  
9 administer this section. The rules shall not be overly restrictive in defining approved  
10 programs and shall not serve to exclude programs that have demonstrated success  
11 in meeting the needs of children at risk.

12 SECTION 19. 121.004 (7) (a) of the statutes is amended to read:

13 121.004 (7) (a) "Pupils enrolled" is the total number of pupils, as expressed by  
14 official enrollments, in all schools of the school district, except as provided in pars.  
15 (b) to (e) (g). If such total contains a fraction, it shall be expressed as the nearest  
16 whole number. The same method shall be used in computing the number of pupils  
17 enrolled for resident pupils, nonresident pupils or both.

18 SECTION 20. 121.004 (7) (f) and (g) of the statutes are created to read:

19 121.004 (7) (f) A pupil who is eligible for a free or reduced-price lunch under  
20 42 USC 1758 (b) shall be counted as 1.2 pupils, except that a pupil who is also enrolled  
21 in a kindergarten program or a preschool program under subch. V of ch. 115 shall be  
22 multiplied under this paragraph by a number equal to the result obtained by  
23 multiplying 1.2 by the appropriate fraction under par. (c), (cm) or (d).

24 (g) A pupil who is a child at risk, as defined under s. 118.153 (1) (a), shall be  
25 counted as 1.2 pupils.

2020

1           **SECTION 21.** 121.007 of the statutes is amended to read:

2           **121.007 Use of state aid; exemption from execution.** All moneys paid to  
3 a school district under s. 20.255 (2) (ac), ~~(be)~~, (cg), (cr) and (q) shall be used by the  
4 school district solely for the purposes for which paid. Such moneys are exempt from  
5 execution, attachment, garnishment or other process in favor of creditors, except as  
6 to claims for salaries or wages of teachers and other school employes and as to claims  
7 for school materials, supplies, fuel and current repairs.

8           **SECTION 22.** 121.05 (1) (e) of the statutes is created to read:

9           121.05 (1) (e) The use to which additional aid for pupils counted as 1.2 pupils  
10 under s. 121.004 (7) (f) and (g) was put in the previous school year.

11           **SECTION 23.** 121.15 (3m) (b) of the statutes is amended to read:

12           121.15 (3m) (b) By May 15, 1999, and annually by May 15 thereafter, the  
13 department, the department of administration and the legislative fiscal bureau shall  
14 jointly certify to the joint committee on finance an estimate of the amount necessary  
15 to appropriate under s. 20.255 (2) (ac) in the following school year to ensure that the  
16 sum of state school aids ~~and the school levy tax credit under s. 79.10 (4)~~ equals  
17 two-thirds of partial school revenues.

18           **SECTION 24.** 121.15 (4) of the statutes is amended to read:

19           121.15 (4) On July 1 and October 15, using the most accurate data available,  
20 the state superintendent shall provide the department of revenue and each school  
21 district with an estimate of the total amount of state aid, as defined in s. 121.90 (2),  
22 the school district will receive in the current school year, including a separate  
23 estimate of the additional aid that each school district will receive for pupils counted  
24 under s. 121.004 (7) (f) and (g). On October 15, using the most accurate data  
25 available, the state superintendent shall calculate the total amount of state aid, as

10

1 defined in s. 121.90 (2), that each school district will receive in the current school  
2 year. Any adjustments to that calculation shall be made by increasing or decreasing  
3 the payment made in September of the following school year.

4 **SECTION 25. Initial applicability.**

5 (1) This act first applies to the distribution of school aid in the school year  
6 beginning after the effective date of this subsection.

7 (END)

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# 1999 BILL

Insert  
Analysis  
KRS-2786W

WFO-  
Paragraph  
#2

4 School aid is computed using  
= school district membership, which  
is the sum of the average of pupils  
enrolled in the third Friday in September  
and the second Friday in January of  
the previous school year and the  
number of full-time equivalent pupils  
enrolled in summer school in the previous  
summer. With some

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2  
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4

AN ACT to amend 121.08 (2) of the statutes; relating to: eliminating the  
guarantee of aid for primary costs for a school district whose secondary  
tertiary equalized valuation exceeds its secondary or tertiary guaranteed  
valuation.

exceptions,  
each  
pupil  
is  
counted  
as  
1.0  
member.

### Analysis by the Legislative Reference Bureau

4 The state school aid formula is designed to equalize school district tax bases and thus minimize the differences among the abilities of school districts to raise revenue for educational programs. The formula establishes three guaranteed tax bases, known as guaranteed valuations, that apply to three different levels of expenditure. The primary guaranteed valuation applies to those costs that do not exceed the primary ceiling cost per pupil of \$1,000. The secondary guaranteed valuation applies to per pupil costs that exceed the primary ceiling. The tertiary guaranteed valuation applies to per pupil costs that exceed the secondary ceiling, which, in the 1998-99 school year, is \$6,285 per pupil. The percentage of a school district's state-aided costs at each level of expenditure is equal to the net guaranteed valuation (the difference between the applicable guaranteed valuation and the equalized value of taxable property in the school district) divided by the applicable guaranteed valuation.

Under the school aid formula, the aid generated at the primary level is reduced by aid generated at the secondary and tertiary levels but each school district is guaranteed aid for its primary costs. This bill eliminates this guarantee of aid for primary costs for a school district whose secondary or tertiary equalized valuation exceeds its secondary or tertiary guaranteed valuation.

The bill also counts children at risk (pupils in grades 3A to 6A who are academically lagging and are also dropouts, habitual truants, parents or adjudicated delinquents) as 1.2 members. OVER

91 Under current law, the school <sup>levy</sup> tax credit is distributed to municipalities based on <sup>each</sup> each municipality's share of statewide levies for school purposes during the three <sup>preceding</sup> preceding school years. Each individual taxpayer in a municipality shares in the school levy tax credit paid to the municipality based on the taxpayer's share of the municipality's total <sup>assessed</sup> assessed value. This bill of eliminates the school levy tax credit. (S)

FF - STATE & LOCAL

(end ins analysis)





State of Wisconsin  
1999 - 2000 LEGISLATURE

RMR

LRB-2186/§ 2

MJL:jlg:km

stays

TODAY

**1999 BILL**

Regen

1 **AN ACT** to repeal 20.255 (2) (bc), 20.835 (3) (b), 79.10 (4), 79.10 (7m) (a) 1., 79.14,  
2 118.153 (2) (b), 118.153 (3) (a) (intro.) and 1. and 118.153 (4) and (5); to  
3 **renumber** 79.10 (7m) (a) 2. and 118.153 (2) (a); **to renumber and amend**  
4 118.153 (3) (a) 2.; **to amend** 13.101 (6) (a), 41.41 (10) (b), 41.41 (10) (c) 1., 74.09  
5 (3) (b) 3., 79.10 (6m), 118.153 (6), 118.153 (7), 121.004 (7) (a), 121.007, 121.15  
6 (3m) (b) and 121.15 (4); and **to create** 121.004 (7) (f) and (g) and 121.05 (1) (e)  
7 of the statutes; **relating to:** eliminating the school levy tax credit, and  
8 guaranteed aid for primary costs and weighting children at risk for  
9 equalization aid purposes.

**Analysis by the Legislative Reference Bureau**

The state school aid formula is designed to equalize school district tax bases and thus minimize the differences among the abilities of school districts to raise revenue for educational programs. The formula establishes three guaranteed tax bases, known as guaranteed valuations, that apply to three different levels of expenditure. The primary guaranteed valuation applies to those costs that do not exceed the primary ceiling cost per pupil of \$1,000. The secondary guaranteed valuation applies to per pupil costs that exceed the primary ceiling. The tertiary guaranteed valuation

**BILL**

applies to per pupil costs that exceed the secondary ceiling, which, in the 1998-99 school year, is \$6,285 per pupil. The percentage of a school district's state-aided costs at each level of expenditure is equal to the net guaranteed valuation (the difference between the applicable guaranteed valuation and the equalized value of taxable property in the school district) divided by the applicable guaranteed valuation. Under the school aid formula, the aid generated at the primary level is reduced by aid generated at the secondary and tertiary levels but each school district is guaranteed aid for its primary costs.

School aid is computed using school district membership, which is the sum of the average of pupils enrolled in the third Friday in September and the second Friday in January of the previous school year and the number of full-time equivalent pupils enrolled in summer school in the previous summer. With some exceptions, each pupil is counted as 1.0 member.

X This bill eliminates ~~the~~ <sup>ne</sup> guarantee of aid for primary costs for a school district whose secondary or tertiary equalized valuation exceeds its secondary or tertiary guaranteed valuation. The bill also counts children at risk (pupils in grades five to twelve who are academically lagging and are also dropouts, habitual truants, parents or adjudicated delinquents) as 1.2 members.

X Under current law, the school levy tax credit is distributed to municipalities based on each municipality's share of statewide levies for school purposes during the three preceding school years. Each individual taxpayer in a municipality shares in the school levy tax credit paid to the municipality based on the taxpayer's share of the municipality's total assessed value. This bill eliminates the school levy tax credit.

For further information see the *state* and *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. 13.101 (6) (a) of the statutes is amended to read:**  
2           13.101 (6) (a) As an emergency measure necessitated by decreased state  
3 revenues and to prevent the necessity for a state tax on general property, the  
4 committee may reduce any appropriation made to any board, commission,  
5 department, the university of Wisconsin system or to any other state agency **or**  
6 activity by such amount as it deems feasible, not exceeding 25% of the  
7 appropriations, except appropriations made by ss. 20.255 (2) (ac), ~~(be)~~, (bh), (cg), (cr)  
8 **and (q), 20.395 (1), (2) (cq), (eq) to (ex) and (gq) to (gx), (3), (4) (aq) to (ax) and (6) (aq)**

**BILL**

1 and (ar), 20.435 (6) (a) and (7) (da) and 20.445 (3) (a) and **(dz)** or for forestry purposes  
2 under s. 20.370 (l), or any other moneys distributed to any county, city, village, town  
3 or school district. Appropriations of receipts and of a sum sufficient shall for the  
4 purposes of this section be regarded as equivalent to the amounts expended under  
5 such appropriations in the prior fiscal year which ended June 30. All functions of  
6 said state agencies shall be continued in an efficient manner, but because of the  
7 uncertainties of the existing situation no public funds should be expended or  
8 obligations incurred unless there shall be adequate revenues to meet the  
9 expenditures therefor. For such reason the committee may make reductions of such  
10 appropriations as in its judgment will secure sound financial operations of the  
11 administration for said state agencies and at the same time interfere least with their  
12 services and activities.

13 **SECTION 2.** 20.255 (2) **(bc)** of the statutes is repealed.

14 **SECTION 3.** 20.835 (3) (b) of the statutes is repealed.

15 **SECTION 4.** 41.41 (10) (b) of the statutes is amended to read:

16 **41.41 (10) (b)** Each year, the department shall ascertain from the clerk of each  
17 taxation district in which the reserve or any land acquired by the board is located the  
18 aggregate gross general property tax rate for the taxation district, exclusive of the  
19 rate that applies under s. 70.58 ~~and without respect to the school levy tax credit~~  
20 ~~under s. 79.10.~~

21 **SECTION 5.** 41.41 (10) (c) 1. of the statutes is amended to read:

22 41.41 (10) (c) 1. Except as provided in par. (d), on or before each January 31,  
23 the department shall pay to the treasurer of each taxation district specified in par.  
24 (b), with respect to all land in the Kickapoo valley reserve and all land acquired by  
25 the board on or before January 1 of the preceding year, an amount determined by

**BILL**

1 multiplying the estimated value of the land equated to the average level of  
2 assessment in the taxation district by the aggregate gross general property tax rate,  
3 exclusive of the rate that applies under s. 70.58 ~~and without respect to the school levy~~  
4 ~~tax credit under s. 79.10~~, that would apply to the land in that taxation district for that  
5 year if it were taxable.

6 **SECTION 6.** 74.09 (3) (b) 3. of the statutes is amended to read:

7 74.09 (3) (b) 3. The tax levied on the property by the school district where the  
8 property is located ~~minus the credit under s 79.10 (4) allocable to the property~~, for  
9 the previous year and the current year, and the percentage change in that net tax  
10 between those years.

11 **SECTION 7.** 79.10 (4) of the statutes is repealed.

12 **SECTION 8.** 79.10 (6m) of the statutes is amended to read:

13 79.10 (6m) CORRECTIONS OF STATE PROPERTY TAX CREDIT PAYMENTS. If the  
14 department of administration or the department of revenue determines by October  
15 1 of the year of any distribution under subs. ~~(4)~~ and sub. (5) that there was an  
16 overpayment or underpayment made in that year's distribution by the department  
17 of administration to municipalities, as determined under subs. ~~(4)~~ and sub. (5),  
18 because of an error by the department of administration, the department of revenue  
19 or any municipality, the overpayment or underpayment shall be corrected as  
20 provided in this subsection. Any overpayment shall be corrected by reducing the  
21 subsequent year's distribution, as determined under ~~subs. (4) and sub.~~ sub. (5), by an  
22 amount equal to the amount of the overpayment. Any underpayment shall be  
23 corrected by increasing the subsequent year's distribution, as determined under  
24 ~~subs. (4) and sub.~~ sub. (5), by an amount equal to the amount of the underpayment.

**BILL**

1 Corrections shall be made in the distributions to all municipalities affected by the  
2 error. Corrections shall be without interest.

3 **SECTION 9.** 79.10 (7m) (a) 1. of the statutes is repealed.

4 **SECTION 10.** 79.10 (7m) (a) 2. of the statutes is renumbered 79.10 (7m) (a).

5 **SECTION 11.** 79.14 of the statutes is repealed.

6 **SECTION 12.** 118.153 (2) (a) of the statutes is renumbered 118.153 (2).

7 **SECTION 13.** 118.153 (2) (b) of the statutes is repealed.

8 **SECTION 14.** 118.153 (3) (a) (intro.) and 1. of the statutes are repealed.

9 **SECTION 15.** 118.153 (3) (a) 2. of the statutes is renumbered 118.153 (3) (a) and  
10 amended to read:

11 118.153 (3) (a) ~~Upon Every school board that has identified children at risk~~  
12 ~~under sub. (2) shall make available for these children a program for children at risk~~  
13 ~~and. at the request of a pupil who is a child at risk or the pupil's parent or guardian,~~  
14 ~~a school board descri under subd. 1. shall~~ enroll the pupil in the program ~~for~~  
15 ~~children at risk.~~ If the school board makes available more than one program for  
16 children at risk, the school board shall enroll the pupil in the program selected by the  
17 pupil's parent or guardian if the pupil meets the prerequisites for that program. If  
18 there is no space in that program for the pupil, the school board of the school district  
19 operating under ch. 119 shall place the pupil's name on a waiting list for that program  
20 and offer the pupil an alternative program for children at risk until space in the  
21 requested program becomes available.

22 **SECTION 16.** 118.153 (4) and (5) of the statutes are repealed.

23 **SECTION 17.** 118.153 (6) of the statutes is amended to read:

24 118.153 (6) Biennially, the legislative audit bureau shall audit school district  
25 eligibility, performance ~~criteria and state aid payments~~ under this section.

**BILL**

1           **SECTION 18.** 118.153 (7) of the statutes is amended to read:

2           118.153 (7) The state superintendent shall promulgate rules to implement and  
3 administer this section. ~~The rules shall be overly restrictive in defining approved~~  
4 ~~programs and shall not serve to exclude programs that have demonstrated success~~  
5 ~~in meeting the needs of children at risk.~~

6           **SECTION 19.** 121.004 (7) (a) of the statutes is amended to read:

7           121.004 (7) (a) "Pupils enrolled" is the total number of pupils, as expressed by  
8 official enrollments, in all schools of the school district, except as provided in pars.  
9 (b) to ~~(e)~~ **(g)**. If such total contains a fraction, it shall be expressed as the nearest  
10 whole number. The same method shall be used in computing the number of pupils  
11 enrolled for resident pupils, nonresident pupils or both.

12           **SECTION 20.** 121.004 (7) **(f)** and **(g)** of the statutes are created to read:

13           121.004 (7) **(f)** A pupil who is eligible for a free or reduced-price lunch under  
14 42 USC 1758 (b) shall be counted as 1.2 pupils, except that a pupil who is also enrolled  
15 in a kindergarten program or a preschool program under ~~subch.~~ **subch.** V of ch. 115 shall be  
16 multiplied under this paragraph by a number equal to the result obtained by  
17 multiplying 1.2 by the appropriate fraction under par. (c), (cm) or (d).

18           **(g)** A pupil who is a child at risk, as defined under s. 118.153 (1) (a), shall be  
19 counted as 1.2 pupils.

20           **SECTION 21.** 121.007 of the statutes is amended to read:

21           **121.007 Use of state aid, exemption from execution.** All moneys paid to  
22 a school district under s. 20.255 (2) **(ac)**, ~~(bc)~~, **(cg)**, **(cr)** and **(q)** shall be used by the  
23 school district solely for the purposes for which paid. Such moneys are exempt from  
24 execution, attachment, garnishment or other process in favor of creditors, except as

## BILL

1 to claims for salaries or wages of teachers and other school employes and as to claims  
2 for school materials, supplies, fuel and current repairs.

3 **SECTION 22.** 121.05 (1) (e) of the statutes is created to read:

4 121.05 **(1) (e)** The use to which additional aid for pupils counted as 1.2 pupils  
5 under s. 121.004 (7) (f) and (g) was put in the previous school year.

6 **SECTION 23.** 121.15 (3m) (b) of the statutes is amended to read:

7 121.15 **(3m)** (b) By May 15, 1999, and annually by May 15 thereafter, the  
8 department, the department of administration and the legislative fiscal bureau shall  
9 jointly certify to the joint committee on finance an estimate of the amount necessary  
10 to appropriate under s. 20.255 (2) (ac) in the following school year to ensure that the  
11 sum of state school aids ~~and the school levy tax credit under s. 79.10 (4)~~ equals  
12 two-thirds of partial school revenues.

13 **SECTION 24.** 121.15 (4) of the statutes is amended to read:

14 121.15 (4) On July 1 and October 15, using the most accurate data available,  
15 the state superintendent shall provide the department of revenue and each school  
16 district with an estimate of the total amount of state aid, as defined in s. 121.90 (2),  
17 the school district will receive in the current school year, including a separate  
18 estimate of the additional aid that each school district will receive for pupils counted  
19 under s. 121.004 (7) (f) and (g). On October 15, using the most accurate data  
20 available, the state superintendent shall calculate the total amount of state aid, as  
21 defined in s. 121.90 (2), that each school district will receive in the current school  
22 year. Any adjustments to that calculation shall be made by increasing or decreasing  
23 the payment made in September of the following school year.

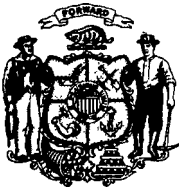
24 **SECTION 25. Initial applicability.**

**BILL**

1 (1) This act first applies to the distribution of school aid in the school year  
2 beginning after the effective date of this subsection.

3 (END)





## 1999 BILL

1     **AN ACT to repeal 20.255 (2)(bc), 20.835 (3) (b), 79.10(4), 79.10 (7m) (a) 1., 79.14,**  
2           118.153 (2) (b), 118.153 (3) (a) (intro.) and 1. and 118.153 (4) and (5); **to**  
3     **renumber** 79.10 (7m) (a) 2. and 118.153 **(2)** (a); **to renumber and amend**  
4     118.153 (3) (a) 2.; **to amend** 13.101 (6) (a), 41.41 (10) (b), 41.41 (10) (c) 1., 74.09  
5     (3) (b) 3., 79.10 (6m), 118.153 (6), 118.153 (7), 121.004 (7) (a), 121.007, 121.15  
6     (3m) (b) and 121.15 (4); and **to create** 121.004 (7) (f) and (g) and 121.05 (1) (e)  
7     of the statutes; **relating to:** eliminating the school levy tax credit, and  
8     guaranteed aid for primary costs and weighting children at risk for  
9     equalization aid purposes.

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

The state school aid formula is designed to equalize school district tax bases and thus minimize the differences among the abilities of school districts to raise revenue for educational programs. The formula establishes three guaranteed tax bases, known as guaranteed valuations, that apply to three different levels of expenditure. The primary guaranteed valuation applies to those costs that do not exceed the primary ceiling cost per pupil of \$1,000. The secondary guaranteed valuation applies to per pupil costs that exceed the primary ceiling. The tertiary guaranteed valuation

## BILL

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This bill eliminates the guarantee of aid for primary costs for a school district whose secondary or tertiary equalized valuation exceeds its secondary or tertiary guaranteed valuation. The bill also counts children at risk (pupils in grades five to twelve who are academically lagging and are also dropouts, habitual truants, parents or adjudicated delinquents) as 1.2 members.

Under current law, the school levy tax credit is distributed to municipalities based on each municipality's share of statewide levies for school purposes during the three preceding school years. Each individual taxpayer in a municipality's shares in the school levy tax credit paid to the municipality based on the taxpayers share of the municipality's total assessed value. This bill eliminates the school levy tax credit.

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.** 13.101 (6) (a) of the statutes is amended to read:

2           13.101 (6) (a) As an emergency measure necessitated by decreased state  
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4 committee may reduce any appropriation made to any board, commission,  
5 department, the university of Wisconsin system or to any other state agency or  
6 activity by such amount as it deems feasible, not exceeding 25% of the  
7 appropriations, except appropriations made by ss. 20.255 (2) (ac), ~~(be)~~, (bh), (cg), (cr)  
8 and (q), 20.395 (1), (2) (cq), (eq) to (ex) and (gq) to (gx), (3), (4) (aq) to (ax) and (6) (aq)

**BILL**

1 and (ar), 20.435 (6) (a) and (7) (da) and 20.445 (3) (a) and (dz) or for forestry purposes  
2 under s. 20.370 (1), or any other moneys distributed to any county, city, village, town  
3 or school district. Appropriations of receipts and of a sum sufficient shall for the  
4 purposes of this section be regarded as equivalent to the amounts expended under  
5 such appropriations in the prior fiscal year which ended June 30. All functions of  
6 said state agencies shall be continued in an efficient manner, but because of the  
7 uncertainties of the existing situation no public funds should be expended or  
8 obligations incurred unless there shall be adequate revenues to meet the  
9 expenditures therefor. For such reason the committee may make reductions of such  
10 appropriations as in its judgment will secure sound financial operations of the  
11 administration for said state agencies and at the same time interfere least with their  
12 services and activities.

13 **SECTION 2.** 20.255 (2) (bc) of the statutes is repealed.

14 **SECTION 3.** 20.835 (3) (b) of the statutes is repealed.

15 **SECTION 4.** 41.41 (10) (b) of the statutes is amended to read:

16 41.41 (10) (b) Each year, the department shall ascertain from the clerk of each  
17 taxation district in which the reserve or any land acquired by the board is located the  
18 aggregate gross general property tax rate for the taxation district, exclusive of the  
19 rate that applies under s. 70.58 ~~and without respect to the school levy tax credit~~  
20 ~~under s. 79.10.~~

21 **SECTION 5.** 41.41 (10) (c) 1. of the statutes is amended to read:

22 41.41 (10) (c) 1. Except as provided in par. (d), on or before each January 31,  
23 the department shall pay to the treasurer of each taxation district specified in par.  
24 (b), with respect to all land in the Kickapoo valley reserve and all land acquired by  
25 the board on or before January 1 of the preceding year, an amount determined by

## BILL

1 multiplying the estimated value of the land equated to the average level of  
2 assessment in the taxation district by the aggregate gross general property tax rate,  
3 exclusive of the rate that applies under s. 70.58 ~~and without respect to the school levy~~  
4 ~~tax credit under s. 70.1-0~~, that would apply to the land in that taxation district for that  
5 year if it were taxable.

6 **SECTION 6.** 74.09 (3) (b) 3. of the statutes is amended to read:

7 74.09 (3) (b) 3. The tax levied on the property by the school district where the  
8 property is located ~~minus the credit under s. 70.10 (4) allocable to the property~~, for  
9 the previous year and the current year, and the percentage change in that ~~net~~ tax  
10 between those years.

11 **SECTION 7.** 79.10 (4) of the statutes is repealed.

12 **SECTION 8.** 79.10 (6m) of the statutes is amended to read:

13 79.10 (6m) CORRECTIONS OF STATE PROPERTY TAX CREDIT PAYMENTS. If the  
14 department of administration or the department of revenue determines by October  
15 1 of the year of any distribution under ~~subs. (4) and sub. (5)~~ that there was an  
16 overpayment or underpayment made in that year's distribution by the department  
17 of administration to municipalities, as determined under ~~subs. (4) and sub. (5)~~,  
18 because of an error by the department of administration, the department of revenue  
19 or any municipality, the overpayment or underpayment shall be corrected as  
20 provided in this subsection. Any overpayment shall be corrected by reducing the  
21 subsequent year's distribution, as determined under ~~subs. (4) and sub. (5)~~, by an  
22 amount equal to the amount of the overpayment. Any underpayment shall be  
23 corrected by increasing the subsequent year's distribution, as determined under  
24 ~~subs. (4) and sub. (5)~~, by an amount equal to the amount of the underpayment.

**BILL**

1 Corrections shall be made in the distributions to all municipalities affected by the  
2 error. Corrections shall be without interest.

3 **SECTION 9.** 79.10 (7m) (a) 1. of the statutes is repealed.

4 **SECTION 10.** 79.10 (7m) (a) 2. of the statutes is renumbered 79.10 (7m) (a).

5 **SECTION 11.** 79.14 of the statutes is repealed.

6 **SECTION 12.** 118.153 (2) (a) of the statutes is renumbered 118.153 (2).

7 **SECTION 13.** 118.153 (2) (b) of the statutes is repealed.

8 **SECTION 14.** 118.153 (3) (a) (intro.) and 1. of the statutes are repealed.

9 **SECTION 15.** 118.153 (3) (a) 2. of the statutes is renumbered 118.153 (3) (a) and  
10 amended to read:

11 118.153 (3) (a) ~~Upon~~ Every school board that has identified children at risk  
12 under sub. (2) shall make available for these children a program for children at risk  
13 and, at the request of a pupil who is a child at risk or the pupil's parent or guardian,  
14 ~~a school board described under sub. 1. shall~~ enroll the pupil in the program ~~for~~  
15 ~~children at risk.~~ If the school board makes available more than one program for  
16 children at risk, the school board shall enroll the pupil in the program selected by the  
17 pupil's parent or guardian if the pupil meets the prerequisites for that program. If  
18 there is no space in that program for the pupil, the school board of the school district  
19 operating under ch. 119 shall place the pupil's name on a waiting list for that program  
20 and offer the pupil an alternative program for children at risk until space in the  
21 requested program becomes available.

22 **SECTION 16.** 118.153 (4) and (5) of the statutes are repealed.

23 **SECTION 17.** 118.153 (6) of the statutes is amended to read:

24 118.153 (6) Biennially, the legislative audit bureau shall audit school district  
25 ~~eligibility, performance criteria and state aid payments~~ under this section.

**BILL**

1           **SECTION 18.** 118.153 (7) of the statutes is amended to read:

2           118.153 (7) The state superintendent shall promulgate rules to implement and  
3 administer this section. ~~The rules shall not be overly restrictive in defining approved~~  
4 ~~programs and shall not serve to exclude programs that have demonstrated success~~  
5 ~~in meeting the needs of children at risk.~~

6           **SECTION 19.** 121.004 (7) (a) of the statutes is amended to read:

7           121.004 (7) (a) "Pupils enrolled" is the total number of pupils, as expressed by  
8 official enrollments, in all schools of the school district, except as provided in pars.  
9 (b) to ~~(e)~~ (g). If such total contains a fraction, it shall be expressed as the nearest  
10 whole number. The same method shall be used in computing the number of pupils  
11 enrolled for resident pupils, nonresident pupils or both.

12           **SECTION 20.** 121.004 (7) (f) and (g) of the statutes are created to read:

13           121.004 (7) (f) A pupil who is eligible for a free or reduced-price lunch under  
14 42 USC 1758 (b) shall be counted as 1.2 pupils, except that a pupil who is also enrolled  
15 in a kindergarten program or a preschool program under subch. V of ch. 115 shall be  
16 multiplied under this paragraph by a number equal to the result obtained by  
17 multiplying 1.2 by the appropriate fraction under par. (c), (cm) or (d).

18           (g) A pupil who is a child at risk, as defined under s. 118.153 (1) (a), shall be  
19 counted as 1.2 pupils.

20           **SECTION 21.** 121.007 of the statutes is amended to read:

21           **121.007 Use of state aid; exemption from execution.** All moneys paid to  
22 a school district under s. 20.255 (2) (ac), ~~(be)~~, (cg), (cr) and (q) shall be used by the  
23 school district solely for the purposes for which paid. Such moneys are exempt from  
24 execution, attachment, garnishment or other process in favor of creditors, except as

**BILL**

1 to claims for salaries or wages of teachers and other school employes and as to claims  
2 for school materials, supplies, fuel and current repairs.

3 **SECTION 22.** 121.05 (1) (e) of the statutes is created to read:

4 121.05 (1) (e) The use to which additional aid for pupils counted as 1.2 pupils  
5 under s. 121.004 (7) (f) and (g) was put in the previous school year.

6 **SECTION 23.** 121.15 (3m) (b) of the statutes is amended to read:

7 121.15 (3m) (b) By May 15, 1999, and annually by May 15 thereafter, the  
8 department, the department of administration and the legislative fiscal bureau shall  
9 jointly certify to the joint committee on finance an estimate of the amount necessary  
10 to appropriate under s. 20.255 (2) (ac) in the following school year to ensure that the  
11 sum of state school aids ~~and the school levy tax credit under s. 79.10 (4)~~ equals  
12 two-thirds of partial school revenues.

13 **SECTION 24.** 121.15 (4) of the statutes is amended to read:

14 121.15 (4) On July 1 and October 15, using the most accurate data available,  
15 the state superintendent shall provide the department of revenue and each school  
16 district with an estimate of the total amount of state aid, as defined in s. 121.90 (2),  
17 the school district will receive in the current school year, including a separate  
18 estimate of the additional aid that each school district will receive for pupils counted  
19 under s. 121.004 (7) (f) and (g). On October 15, using the most accurate data  
20 available, the state superintendent shall calculate the total amount of state aid, as  
21 defined in s. 121.90 (2), that each school district will receive in the current school  
22 year. Any adjustments to that calculation shall be made by increasing or decreasing  
23 the payment made in September of the following school year.

24 **SECTION 25. Initial applicability.**







State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-2186/2  
MJL:jlg:km

TODAY A.M.

**1999 BILL**

AN *Regen*

1 **ACT to repeal 20.255 (2) (bc), 20.835 (3) (b), 79.10 (4), 79.10 (7m) (a) 1., 79.14,**  
2 **118.153 (2) (b), 118.153 (3) (a) (intro.) and 1. and 118.153 (4) and (5); to**  
3 **renumber 79.10 (7m) (a) 2. and 118.153 (2) (a); to renumber and amend**  
3 4 **118.153 (3) (a) 2.; to amend 13.101 (6) (a), 41.41 (10) (b), 41.41 (10) (c) l., 74.09**  
5 **(3)(b) 3., 79.10 (6m), 118.153 (6), 118.153 (7), 121.004 (7) (a), 121.007, 121.15**  
6 **(3m) (b) and 121.15 (4); and to create 121.004 (7) (f) and (g) and 121.05 (1) (e)**  
7 **of the statutes; relating to:** eliminating the school levy tax credit, and  
8 guaranteed aid for primary costs and weighting children at risk for  
9 equalization aid purposes.

---

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

The state school aid formula is designed to equalize school district tax bases and thus minimize the differences among the abilities of school districts to raise revenue for educational programs. The formula establishes three guaranteed tax bases, known as guaranteed valuations, that apply to three different levels of expenditure. The primary guaranteed valuation applies to those costs that do not exceed the primary ceiling cost per pupil of \$1,000. The secondary guaranteed valuation applies to per pupil costs that exceed the primary ceiling. The tertiary guaranteed valuation

**BILL**

applies to per pupil' costs that exceed the secondary ceiling, which, in the 1998-99 school year, is \$6,285 per pupil. The percentage of a school district's state-aided costs at each level of expenditure is equal to the net guaranteed valuation (the difference between the applicable guaranteed valuation and the equalized value of taxable property in the school district) divided by the applicable guaranteed valuation. Under the school aid formula, the aid generated at the primary level is reduced by aid generated at the secondary and tertiary levels but each school district is guaranteed aid for its primary costs.

School aid is computed using school district membership, which is the sum of the average of pupils enrolled in the third Friday in September and the second Friday in January of the previous school year and the number of full-time equivalent pupils enrolled in summer school in the previous summer. With some exceptions, each pupil is counted as 1.0 member.

This bill eliminates the guarantee of aid for primary costs for a school district whose secondary or tertiary equalized valuation exceeds its secondary or tertiary guaranteed valuation. The bill also counts children at risk (pupils in grades five to twelve who are academically lagging and are also dropouts, habitual truants, parents or adjudicated delinquents) as 1.2 members.

Under current law, the school levy tax credit is distributed to municipalities based on each municipality's share of statewide levies for school purposes during the three preceding school years. Each individual taxpayer in a municipality shares in the school levy tax credit paid to the municipality based on the taxpayer's share of the municipality's total assessed value. This bill eliminates the school levy tax credit.

For further information see the state and *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.** 13.101 (6) (a) of the statutes is amended to read:
- 2           13.101 (6) (a) As an emergency measure necessitated by decreased state
- 3 revenues and to prevent the necessity for a state tax on general property, the
- 4 committee may reduce any appropriation made to any board, commission,
- 5 department, the university of Wisconsin system or to any other state agency or
- 6 activity by such amount as it deems feasible, not exceeding 25% of the
- 7 appropriations, except appropriations made by ss. 20.255 (2) (ac), ~~(be)~~, (bh), (cg), (cr)
- 8 and (q), 20.395 (l), (2) (cq), (eq) to (ex) and (gq) to (gx), (3), (4) (aq) to (ax) and (6) (aq)

## BILL

1 and (ar), 20.435 (6) (a) and (7) (da) and 20.445 (3) (a) and (dz) or for forestry purposes  
2 under s. 20.370 (l), or any other moneys distributed to any county, city, village, town  
3 or school district. Appropriations of receipts and of a sum sufficient shall for the  
4 purposes of this section be regarded as equivalent to the amounts expended under  
5 such appropriations in the prior fiscal year which ended June 30. All functions of  
6 said state agencies shall be continued in an efficient manner, but because of the  
7 uncertainties of the existing situation no public funds should be expended or  
8 obligations incurred unless there shall be adequate revenues to meet the  
9 expenditures therefor. For such reason the committee may make reductions of such  
10 appropriations as in its judgment will secure sound financial operations of the  
11 administration for said state agencies and at the same time interfere least with their  
12 services and activities.

13 **SECTION 2.** 20.255 (2) (bc) of the statutes is repealed.

14 **SECTION 3.** 20.835 (3) (b) of the statutes is repealed.

15 **SECTION 4.** 41.41 (10) (b) of the statutes is amended to read:

16 **41.41 (10)** (b) Each year, the department shall ascertain from the clerk of each  
17 taxation district in which the reserve or any land acquired by the board is located the  
18 aggregate gross general property tax rate for the taxation district, exclusive of the  
19 rate that applies under s. 70.58 ~~and with respect to the school levy tax credit~~  
20 ~~under s. 79.10.~~

21 **SECTION 5.** 41.41 (10) (c) 1. of the statutes is amended to read:

22 41.41 (10) (c) 1. Except as provided in par. (d), on or before each January 31,  
23 the department shall pay to the treasurer of each taxation district specified in par.  
24 (b), with respect to all land in the Kickapoo valley reserve and all land acquired by  
25 the board on or before January 1 of the preceding year, an amount determined by

**BILL**

1 multiplying the estimated value of the land equated to the average level of  
2 assessment in the taxation district by the aggregate gross general property tax rate,  
3 exclusive of the rate that applies under s. 70.58 ~~and with respect to the school levy~~  
4 ~~tax credit under s. 79.10~~, that would apply to the land in that taxation district for that  
5 year if it were taxable.

6 **SECTION 6.** 74.09 (3) (b) 3. of the statutes is amended to read:

7 74.09 (3) (b) 3. The tax levied on the property by the school district where the  
8 property is located ~~minus the credit under s. 79.10 (4) allocable to the property~~, for  
9 the previous year and the current year, and the percentage change in that ~~net~~ tax  
10 between those years.

11 **SECTION 7.** **79.10 (4)** of the statutes is repealed.

12 **SECTION 8.** 79.10 (6m) of the statutes is amended to read:

13 79.10 (6m) **CORRECTIONS OF STATE PROPERTY TAX CREDIT' PAYMENTS.** If the  
14 department of administration or the department of revenue determines by October  
15 1 of the year of any distribution under ~~subs. (4) and sub.~~ (5) that there was an  
16 overpayment or underpayment made in that year's distribution by the department  
17 of administration to municipalities, as determined under ~~subs. (4) and sub.~~ (5),  
18 because of an error by the department of administration, the department of revenue  
19 or any municipality, the overpayment or underpayment shall be corrected as  
20 provided in this subsection. Any overpayment shall be corrected by reducing the  
21 subsequent year's distribution, as determined under ~~subs. (4) and sub.~~ (5), by an  
22 amount equal to the amount of the overpayment. Any underpayment shall be  
23 corrected by increasing the subsequent year's distribution, as determined under  
24 ~~subs. (4) and sub.~~ (5), by an amount equal to the amount of the underpayment.

**BILL**

1 Corrections **shall** be made in the distributions to all municipalities affected by the  
2 error. Corrections shall be without interest.

3 **SECTION 9.** 79.10 (7m) (a) 1. of the statutes is repealed.

4 **SECTION 10.** 79.10 (7m) (a) 2. of the statutes is renumbered 79.10 (7m) (a).

5 **SECTION 11.** 79.14 of the statutes is repealed.

6 **SECTION 12.** 118.153 (2) (a) of the statutes is renumbered 118.153 (2).

7 **SECTION 13.** 118.153 (2) (b) of the statutes is repealed.

8 **SECTION 14.** 118.153 (3) (a) (intro.) and 1. of the statutes are repealed.

9 **SECTION 15.** 118.153 (3) (a) 2, of the statutes is renumbered 118.153 (3) (a) and  
10 amended to read:

11 118.153 (3) (a) ~~Upon Every school board that has identified children at risk~~  
12 ~~under sub. (2) shall make available for these children a program for children at risk~~  
13 ~~and, at the request of a pupil who is a child at risk or the pupil's parent or guardian,~~  
14 ~~a school board described under subd. 1. shall~~ enroll the pupil in the program ~~for~~  
15 ~~children at risk.~~ If the school board makes available more than one program for  
16 children at risk, the school board shall enroll the pupil in the program selected by the  
17 pupil's parent or guardian if the pupil meets the prerequisites for that program. If  
18 there is no space in that program for the pupil, the school board of the school district  
19 operating under ch. 119 shall place the pupil's name on a waiting list for that program  
20 and offer the pupil an alternative program for children at risk until space in the  
21 requested program becomes available.

22 **SECTION 16.** 118.153 (4) and (5) of the statutes are repealed.

23 **SECTION 17.** 118.153 (6) of the statutes is amended to read:

24 118.153 (6) Biennially, the legislative audit bureau shall audit school district  
25 ~~eligibility, performance criteria and state aid payments~~ under this section.

**BILL**

1           **SECTION 18.** 118.153 (7) of the statutes is amended to read:

2           **118.153** (7) The state superintendent shall promulgate rules to implement and  
3 administer this section. ~~The rules shall not be overly restrictive in defining approved~~  
4 ~~programs and shall not serve to exclude programs that have demonstrated success~~  
5 ~~in meeting the needs of children at risk.~~

6           **SECTION 19.** 121.004 (7) (a) of the statutes is amended to read:

7           121.004 (7) (a) "Pupils enrolled" is the total number of pupils, as expressed by  
8 official enrollments, in all schools of the school district, except as provided in pars.  
9 (b) to ~~(e)~~ (g). If such total contains a fraction, it shall be expressed as the nearest  
10 whole number. The same method shall be used in computing the number of pupils  
11 enrolled for resident pupils, nonresident pupils or both.

12           **SECTION 20.** 121.004 (7) (f) and (g) of the statutes are created to read:

13           121.004 (7) (f) A pupil who is eligible for a free or reduced-price lunch under  
14 42 USC 1758 (b) shall be counted as 1.2 pupils, except that a pupil who is also enrolled  
15 in a kindergarten program or a preschool program under **subch. V** of ch. 115 shall be  
16 multiplied under this paragraph by a number equal to the result obtained by  
17 multiplying 1.2 by the appropriate fraction under par. (c), (cm) or (d).

18           (g) A pupil who is a child at risk, as defined under **s. 118.153 (1) (a)**, shall be  
19 counted as 1.2 pupils.

20           **SECTION 21.** 121.007 of the statutes is amended to read:

21           **121.007 Use of state aid; exemption from execution.** All moneys paid to  
22 a school district under s. 20.255 (2) (ac), ~~(be)~~, (cg), (cr) and (q) shall be used by the  
23 school district solely for the purposes for which paid. Such moneys are exempt from  
24 execution, attachment, garnishment or other process in favor of creditors, except as

**BILL**

1 to claims for salaries or wages of teachers and other school employes and as to claims  
2 for school materials, supplies, fuel and current repairs.

3 **SECTION 22.** 121.05 (1) (e) of the statutes is created to read:

4 121.05 (1) (e) The use to which additional aid for pupils counted as 1.2 pupils  
5 under s. 121.004 (7) (f) and (g) was put in the previous school year.

6 **SECTION 23.** 121.15 (3m) (b) of the statutes is amended to read:

7 **121.15 (3m)** (b) By May 15, 1999, and annually by May 15 thereafter, the  
8 department, the department of administration and the legislative fiscal bureau shall  
9 jointly certify to the joint committee on finance an estimate of the amount necessary  
10 to appropriate under s. 20.255 (2) (ac) in the following school year to ensure that the  
11 sum of state school aids ~~and the school levy tax credit under s. 79.10 (4)~~ equals  
12 two-thirds of partial school revenues.

13 **SECTION 24.** 121.15 (4) of the statutes is amended to read:

14 **121.15 (4)** On July 1 and October 15, using the most accurate data available,  
15 the state superintendent shall provide the department of revenue and each school  
16 district with an estimate of the total amount of state aid, as defined in s. 121.90 (2),  
17 the school district will receive in the current school year, including a separate  
18 estimate of the additional aid that each school district will receive for pupils counted  
19 under s. 121.004 (7) (f) and (g). On October 15, using the most accurate data  
20 available, the state superintendent shall calculate the total amount of state aid, as  
21 defined in s. 121.90 (2), that each school district will receive in the current school  
22 year. Any adjustments to that calculation shall be made by increasing or decreasing  
23 the payment made in September of the following school year.

24 **SECTION 25. Initial applicability.**







## 1999 BILL

*R-m r m*

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1 **AN ACT to repeal** ~~20.255~~ (2) (bc), 20.835 (3) (b), 79.10 (4), 79.10 (7m) (a) l., 79.14,  
2 118.153 (2) (b), 118.153 (3) (a) (intro.) and 1. and 118.153 (4) and (5); **to**  
3 **renumber** 79.10 (7m) (a) 2. and 118.153 (2) (a); **to renumber and amend**  
4 118.153 (3) (a) **2.**; **to amend** 13.101 (6) (a), 41.41 (10) (b), 41.41 (10) (c) l., 74.09  
5 (3) (b) 3., 79.10 (6m), 118.153 (6), 118.153 (7), 121.004 (7) (a), 121.007, 121.15  
6 (3m) (b) and 121.15 (4); and **to create** 121.004 (7) (f) and (g) and 121.05 (1) (e)  
7 of the statutes; **relating to:** eliminating the school levy tax credit, and  
8 guaranteed aid for primary costs and weighting children at risk for  
9 equalization aid purposes.

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

The state school aid formula is designed to equalize school district tax bases and thus minimize the differences among the abilities of school districts to raise revenue for educational programs. The formula establishes three guaranteed tax bases, known as guaranteed valuations, that apply to three different levels of expenditure. The primary guaranteed valuation applies to those costs that do not exceed the primary ceiling cost per pupil of \$1,000. The secondary guaranteed valuation applies to per pupil costs that exceed the primary ceiling. The tertiary guaranteed valuation

*bill directs the state to make an additional delayed school aid payment of \$469,305,000 for the current school year on the fourth Monday of July of the following school year.*

**BILL** of July of the following school year. This applies to per pupil costs that exceed the secondary ceiling, which, in the 1998-99 school year, is \$6,285 per pupil. The percentage of a school district's state-aided costs at each level of expenditure is equal to the net guaranteed valuation (the difference between the applicable guaranteed valuation and the equalized value of taxable property in the school district) divided by the applicable guaranteed valuation. Under the school aid formula, the aid generated at the primary level is reduced by aid generated at the secondary and tertiary levels but each school district is guaranteed aid for its primary costs.

School aid is computed using school district membership, which is the sum of the average of pupils enrolled in the third Friday in September and the second Friday in January of the previous school year and the number of full-time equivalent pupils enrolled in summer school in the previous summer. With some exceptions, each pupil is counted as 1.0 member.

This bill eliminates the guarantee of aid for primary costs for a school district whose secondary or tertiary equalized valuation exceeds its secondary or tertiary guaranteed valuation. The bill also counts children at risk (pupils in grades five to twelve who are academically lagging and are also dropouts, habitual truants, parents or adjudicated delinquents) as 1.2 members.

Under current law, the school levy tax credit is distributed to municipalities based on each municipality's share of statewide levies for school purposes during the three preceding school years. Each individual taxpayer in a municipality shares in the school levy tax credit paid to the municipality based on the taxpayer's share of the municipality's total assessed value. This bill eliminates the school levy tax credit.

For further information see the **state** and **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:**

*NOTE*

1           **SECTION 1.** 13.101 (6) (a) of the statutes is amended to read:

2           13.101 (6) (a) As an emergency measure necessitated by decreased state  
3 revenues and to prevent the necessity for a state tax on general property, the  
4 committee may reduce any appropriation made to any board, commission,  
5 department, the university of Wisconsin system or to any other state agency or  
6 activity by such amount as it deems feasible, not exceeding 25% of the  
7 appropriations, except appropriations made by ss. 20.255 (2) (ac), ~~(be)~~, (bh), (cg), (cr)  
8 and (q), 20.395 (1), (2) (cq), (eq) to (ex) and (gq) to (gx), (3), (4) (aq) to (ax) and (6) (aq)

*4 School districts, with some exceptions, receive 15% of the total school aid entitlement in September, 25% in December, 25% in March and 35% in June. One exception to this distribution schedule directs the state to distribute \$75,000,000 of aid for the current school year on the fourth Monday*

**BILL**

1 and (ar), 20.435 (6) (a) and (7) (da) and 20.445 (3) (a) and (dz) or for forestry purposes  
2 under s. 20.370 (1), or any other moneys distributed to any county, city, village, town  
3 or school district. Appropriations of receipts and of a sum sufficient shall for the  
4 purposes of this section be regarded as equivalent to the amounts expended under  
5 such appropriations in the prior fiscal year which ended June 30. All functions of  
6 said state agencies shall be continued in an efficient manner, but because of the  
7 uncertainties of the existing situation no public funds should be expended or  
8 obligations incurred unless there shall be adequate revenues to meet the  
9 expenditures therefor. For such reason the committee may make reductions of such  
10 appropriations as in its judgment will secure sound financial operations of the  
11 administration for said state agencies and at the same time interfere least with their  
12 services and activities.

13 **SECTION 2.** 20.255 (2) (bc) of the statutes is repealed.

14 **SECTION 3.** 20.835 (3) (b) of the statutes is repealed.

15 **SECTION 4.** 41.41 (10) (b) of the statutes is amended to read:

16 **41.41 (10) (b)** Each year, the department shall ascertain from the clerk of each  
17 taxation district in which the reserve or any land acquired by the board is located the  
18 aggregate gross general property tax rate for the taxation district, exclusive of the  
19 rate that applies under s. 70.58 ~~and without respect to the school levy tax credit~~  
20 ~~under s. 79.10.~~

21 **SECTION 5.** 41.41 (10) (c) 1. of the statutes is amended to read:

22 **41.41 (10) (c) 1.** Except as provided in par. (d), on or before each January 31,  
23 the department shall pay to the treasurer of each taxation district specified in par.  
24 (b), with respect to all land in the Kickapoo valley reserve and all land acquired by  
25 the board on or before January 1 of the preceding year, an amount determined by

**BILL**

1 multiplying the estimated value of the land equated to the average level of  
 2 assessment in the taxation district by the aggregate gross general property tax rate,  
 3 exclusive of the rate that applies under s. 70.58 and ~~with respect to the school levy~~  
 4 ~~tax credit under s. 79.10~~, that would apply to the land in that taxation district for that  
 5 year if it were taxable.

6 **SECTION 6.** 74.09 (3) (b) 3. of the statutes is amended to read:

7 74.09 (3) (b) 3. The tax levied on the property by the school district where the  
 8 property is located ~~minus the credit under s 79 10 (A \ , for~~  
 9 the previous year and the current year, and the percentage change in that ~~net~~ tax  
 10 between those years.

11 **SECTION 7.** 79.10 (4) of the statutes is repealed.

12 **SECTION 8.** 79.10 (6m) of the statutes is amended to read:

13 79.10 (6m) CORRECTIONS OF STATE PROPERTY TAX CREDIT PAYMENTS. If the  
 14 department of administration **or** the department of revenue determines by October  
 15 1 of the year of any distribution under ~~subs. (4) and sub. (5)~~ that there was an  
 16 overpayment or underpayment made in that year's distribution by the department  
 17 of administration to municipalities, as determined under ~~subs. (4) and sub. (5)~~,  
 18 because of an error by the department of administration, the department of revenue  
 19 or any municipality, the overpayment or underpayment shall be corrected as  
 20 provided in this subsection. Any overpayment shall be corrected by reducing the  
 21 subsequent year's distribution, as determined under ~~subs. (4) and sub. (5)~~, by an  
 22 amount equal to the amount of the overpayment. Any underpayment 'shall be  
 23 corrected by increasing the subsequent year's distribution, as determined under  
 24 ~~subs. (4) and sub. (5)~~, by an amount equal to the amount of the underpayment.

**BILL**

1 Corrections shall be made in the distributions to all municipalities affected by the  
2 error. Corrections shall be without interest.

3 **SECTION 9.** 79.10 (7m) (a) 1. of the statutes is repealed.

4 **SECTION 10.** 79.10 (7m) (a) 2. of the statutes is renumbered 79.10 (7m) (a).

5 **SECTION 11.** 79.14 of the statutes is repealed.

6 **SECTION 12.** 118.153 (2) (a) of the statutes is renumbered 118.153 (2).

7 **SECTION 13.** 118.153 (2) (b) of the statutes is repealed.

8 **SECTION 14.** 118.153 (3) (a) (intro.) and 1. of the statutes are repealed.

9 **SECTION 15.** 118.153 (3) (a) 2. of the statutes is renumbered 118.153 (3) (a) and  
10 amended to read:

11 118.153 (3) (a) ~~Upon Every school board that has identified children at risk~~  
12 ~~under sub. (2) shall make available for these children a program for children at risk~~  
13 ~~and, at the request of a pupil who is a child at risk or the pupil's parent or guardian,~~  
14 ~~a school board described under subd. 1. shall~~ enroll the pupil in the program ~~for~~  
15 ~~children at risk.~~ If the school board makes available more than one program for  
16 children at risk, the school board shall enroll the pupil in the program selected by the  
17 pupil's parent or guardian if the pupil meets the prerequisites for that program. If  
18 there is no space in that program for the pupil, the school board of the school district  
19 operating under ch. 119 shall place the pupil's name on a waiting list for that program  
20 and offer the pupil an alternative program for children at risk until space in the  
21 requested program becomes available.

22 **SECTION 16.** 118.153 (4) and (5) of the statutes are repealed.

23 **SECTION 17.** 118.153 (6) of the statutes is amended to read:

24 118.153 (6) Biennially, the legislative audit bureau shall audit school district  
25 eligibility, performance criteria ~~and state aid payments~~ under this section.

**BILL**

1           **SECTION 18.** 118.153 (7) of the statutes is amended to read:

2           118.153 (7) The state superintendent shall promulgate rules to implement and  
3 administer this section. ~~The rules shall be overly restrictive in defining approved~~  
4 ~~programs and shall not serve to exclude programs that have demonstrated success~~  
5 ~~in meeting the needs of children at risk.~~

6           **SECTION 19.** 121.004 (7) (a) of the statutes is amended to read:

7           121.004 (7) (a) "Pupils enrolled" is the total number of pupils, as expressed by  
8 official enrollments, in all schools of the school district, except as provided in pars.  
9 (b) to ~~(e)~~ (g). If such total contains a fraction, it shall be expressed as the nearest  
10 whole number. The same method shall be used in computing the number of pupils  
11 enrolled for resident pupils, nonresident pupils or both.

12           **SECTION 20.** 121.004 (7) (f) and (g) of the statutes are created to read:

13           121.004 (7) (f) A pupil who is eligible for a free or reduced-price lunch under  
14 42 USC 1758 (b) shall be counted as 1.2 pupils, except that a pupil who is also enrolled  
15 in a kindergarten program or a preschool program under subch. V of ch. 115 shall be  
16 multiplied under this paragraph by a number equal to the result obtained by  
17 multiplying 1.2 by the appropriate fraction under par. (c), (cm) or (d).

18           (g) A pupil who is a child at risk, as defined under s. 118.153 (1) (a), shall be  
19 counted as 1.2 pupils.

20           **SECTION 21.** 121.007 of the statutes is amended to read:

21           **121.007 Use of state aid; exemption from execution.** All moneys paid to  
22 a school district under s. 20.255 (2) (ac), ~~(be)~~, (cg), (cr) and (q) shall be used by the  
23 school district solely for the purposes for which paid. Such moneys are exempt from  
24 execution, attachment, garnishment or other process in favor of creditors, except as

**BILL**

1 to claims for salaries or wages of teachers and other school employes and as to claims  
2 for school materials, supplies, fuel and current repairs.

3 **SECTION 22.** 121.05 (1) (e) of the statutes is created to read:

4 121.05 (1) (e) The use to which additional aid for pupils counted as 1.2 pupils  
5 under s. 121.004 (7) (f) and (g) was put in the previous school year.

6 **SECTION 23.** 121.15 (3m) (b) of the statutes is amended to read:

7 121.15 (3m) (b) By May 15, 1999, and annually by May 15 thereafter, the  
8 department, the department of administration and the legislative fiscal bureau shall  
9 jointly certify to the joint committee on finance an estimate of the amount necessary  
10 to appropriate under s. 20.255 (2) (ac) in the following school year to ensure that the  
11 sum of state school aids ~~and the school levy tax credit under s. 79.10 (4)~~ equals  
12 two-thirds of partial school revenues.

13 **SECTION 24.** 121.15 (4) of the statutes is amended to read:

14 **121.15 (4)** On July 1 and October 15, using the most accurate data available,  
15 the state superintendent shall provide the department of revenue and each school  
16 district with an estimate of the total amount of state aid, as defined in s. 121.90 (2),  
17 the school district will receive in the current school year, including a separate  
18 estimate of the additional aid that each school district will receive for pupils counted  
19 under s. 121.004 (7) (f) and (g). On October 15, using the most accurate data  
20 available, the state superintendent shall calculate the total amount of state aid, as  
21 defined in s. 121.90 (2), that each school district will receive in the current school  
22 year. Any adjustments to that calculation shall be made by increasing or decreasing  
23 the payment made in September of the following school year.

24 **SECTION 25. Initial applicability.**

Insert 7-6 ✓  
Insert 7-7 ✓  
6  
7  
8





**BILL**

For further information see the ~~state and 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:*

SECTION ~~1.~~<sup>X</sup> 121.08 (2) of the statutes is amended to read:

121.08 (2) The aid computed under sub. (1) shall be reduced by the sum of the amount by which the school district equalized valuation exceeds the secondary guaranteed valuation, multiplied by the secondary required levy rate, and the amount by which the school district equalized valuation exceeds the tertiary guaranteed valuation, multiplied by the tertiary required levy rate. In no case may the aid under this section be less than ~~the amount under sub. (1) (a)~~ <sup>✓</sup> zero.

**SECTION 2. Initial applicability.**

(1) This act first applies to the distribution of state aid in the school year beginning after the effective date of this subsection.

(END)

INSERT  
7-6

- 2186/4 ins

⑥ INSERT ~~§~~ 7-7

SEC. # CR: 121.15 (<sup>1M</sup>~~3~~) (a) 4.

⑥ 121.15 (1M) (a)

4. Beginning in the first school year beginning after the effective date of this subdivision . . . [reviser inserts

date], annually, the state shall pay to school districts, from the appropriation under s. 20.255(2)(ac),

\$469,305,000 on the 4<sup>th</sup> Monday in July of the following school year.



## Barman, Mike

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**From:** Lief, Madelon  
**Sent:** Monday, November 01, 1999 2:06 PM  
**To:** Barman, Mike  
**Subject:** Jacket LRB-2186/4

Mike--

Rep. Plouff's office would like LRB-2186/4 jacketed.

Thanks.

---

Madelon J. Lief  
Legislative Attorney  
State of Wisconsin  
Legislative Reference Bureau

madelon.lief@legis.state.wi.us  
608-267-7380



**1999 BILL**

R-M run  
D-N  
Due 11/15  
by NOAN

Regen

1 **AN ACT to repeal 20.255 (2) (bc), 20.835 (3) (b), 79.10 (4), 79.10 (7m) (a) 1., 79.14,**  
2 **118.153 (2) (b), 118.153 (3) (a) (intro.) and 1. and 118.153 (4) and (5); to**  
3 **renumber 79.10 (7m) (a) 2. and 118.153 (2) (a); to renumber and amend**  
4 **118.153 (3) (a) 2.; to amend 13.101 (6) (a), 41.41 (10) (b), 41.41 (10) (c) 1., 74.09**  
5 **(3) (b) 3., 79.10 (6m), 118.153 (6), 118.153 (7), 121.004 (7) (a), 121.007, 121.08**  
6 **(2), 121.15 (3m) (b) and 121.15 (4); and to create 121.004 (7) (f) and (g), 121.05**  
7 **(1) (e) and 121.15 (lm) (a) 4. of the statutes; relating to: eliminating the school**  
8 **levy tax credit, and guaranteed aid for primary costs and weighting children at**  
9 **risk for equalization aid purposes.**

**Analysis by the Legislative Reference Bureau**

The state school aid formula is designed to equalize school district tax bases and thus minimize the differences among the abilities of school districts to raise revenue for educational programs. The formula establishes three guaranteed tax bases, known as guaranteed valuations, that apply to three different levels of expenditure. The primary guaranteed valuation applies to those costs that do not exceed the primary ceiling cost per pupil of \$1,000. The secondary guaranteed valuation applies to per pupil costs that exceed the primary ceiling. The tertiary guaranteed valuation

**BILL**

applies to per pupil costs that exceed the secondary ceiling, which, in the 1998-99 school year, is \$6,285 per pupil. The percentage of a school district's state-aided costs at each level of expenditure is equal to the net guaranteed valuation (the difference between the applicable guaranteed valuation and the equalized value of taxable property in the school district) divided by the applicable guaranteed valuation. Under the school aid formula, the aid generated at the primary level is reduced by aid generated at the secondary and tertiary levels but each school district is guaranteed aid for its primary costs.

School aid is computed using school district membership, which is the sum of the average of pupils enrolled in the third Friday in September and the second Friday in January of the previous school year and the number of full-time equivalent pupils enrolled in summer school in the previous summer. With some exceptions, each pupil is counted as 1.0 member.

This bill eliminates the guarantee of aid for primary costs for a school district whose secondary or tertiary equalized valuation exceeds its secondary or tertiary guaranteed valuation. The bill also counts children at risk (pupils in grades five to twelve who are academically lagging and are also dropouts, habitual truants, parents or adjudicated delinquents) as 1.2 members.

School districts, with some exceptions, receive 15% of the total school aid entitlement in September, 25% in December, 25% in March and 35% in June. One exception to this distribution schedule directs the state to distribute \$75,000,000 of aid for the current school year on the fourth Monday of July of the following school year. This bill directs the state to make an additional delayed school aid payment of \$469,305,000 for the current school year on the fourth Monday of July of the following school year.

Under current law, the school levy tax credit is distributed to municipalities based on each municipality's share of statewide levies for school purposes during the three preceding school years. Each individual taxpayer in a municipality shares in the school levy tax credit paid to the municipality based on the taxpayer's share of the municipality's total assessed value. This bill eliminates the school levy tax credit.

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.** 13.101 (6) (a) of the statutes is amended to read:

2           13.101 (6) (a) As an emergency measure necessitated by decreased state  
3 revenues and to prevent the necessity for a state tax on general property, the  
4 committee may reduce any appropriation made to any board, commission,  
5 department, the university of Wisconsin system or to any other state agency or

## BILL

1 activity by such amount as it deems feasible, not exceeding 25% of the  
 2 appropriations, except appropriations made by ss. 20.255 (2) (ac), ~~(be)~~, (bh), (cg), (cr)  
 3 and (q), 20.395 (1), (2) (cq), (eq) to (ex) and (gq) to ~~(gx)~~, (3), (4) (aq) to (ax) and (6) (aq)  
 4 and (ar), 20.435 (6) (a) and (7) (da) and 20.445 (3) (a) and (dz) or for forestry purposes  
 5 under s. 20.370 (1), or any other moneys distributed to any county, city, village, town  
 6 or school district. Appropriations of receipts and of a sum sufficient shall for the  
 7 purposes of this section be regarded as equivalent to the amounts expended under  
 8 such appropriations in the prior fiscal year which ended June 30. All functions of  
 9 said state agencies shall be continued in an efficient manner, but because of the  
 10 uncertainties of the existing situation no public funds should be expended or  
 11 obligations incurred unless there shall be adequate revenues to meet the  
 12 expenditures therefor. For such reason the committee may make reductions of such  
 13 appropriations as in its judgment will secure sound financial operations of the  
 14 administration for said state agencies and at the same time interfere least with their  
 15 services and activities.

16

SECTION 2. 20.255 (2) (bc) of the statutes <sup>is</sup> repealed. *, as affected by 1999 Wisconsin Act 9,*

17

SECTION 3. 20.835 (3) (b) of the statutes is repealed.

18

SECTION 4. 41.41 (10) (b) of the statutes is amended to read:

19

**41.41 (10) (b)** Each year, the department shall ascertain from the clerk of each

20

taxation district in which the reserve or any land acquired by the board is located the

21

aggregate gross general property tax rate for the taxation district, exclusive of the

22

rate that applies under s. 70.58 ~~and without respect to the school levy tax credit~~

23

~~under s. 79.10.~~

24

SECTION 5. 41.41 (10) (c) 1. of the statutes is amended to read:

## BILL

1           41.41 (10) (c) 1. Except as provided in par. (d), on or before each January 31,  
2 the department shall pay to the treasurer of each taxation district specified in par.  
3 (b), with respect to all land in the Kickapoo valley reserve and all land acquired by  
4 the board on or before January 1 of the preceding year, an amount determined by  
5 multiplying the estimated value of the land equated to the average level of  
6 assessment in the taxation district by the aggregate gross general property tax rate,  
7 exclusive of the rate that applies under s. 70.58 ~~and without respect to the school levy~~  
8 ~~tax credit under s. 79.10~~, that would apply to the land in that taxation district for that  
9 year if it were taxable.

10           **SECTION 6.** 74.09 (3) (b) 3. of the statutes is amended to read:

11           74.09 (3) (b) 3. The tax levied on the property by the school district where the  
12 property is located ~~minus the credit under s. 79.10 (4) allocable to the property~~, for  
13 the previous year and the current year, and the percentage change in that net tax  
14 between those years.

15           **SECTION 7.** 79.10 (4) of the statutes is repealed.

16           **SECTION 8.** 79.10 (6m) of the statutes is amended to read:

17           79.10 (6m) **CORRECTTIONS OF STATE PROPERTY TAX CREDIT PAYMENTS.** If the  
18 department of administration or the department of revenue determines by October  
19 1 of the year of any distribution under ~~subs. (4) and sub. (5)~~ that there was an  
20 overpayment or underpayment made in that year's distribution by the department  
21 of administration to municipalities, as determined under ~~subs. (4) and sub. (5)~~,  
22 because of an error by the department of administration, the department of revenue  
23 or any municipality, the overpayment or underpayment shall be corrected as  
24 provided in this subsection. Any overpayment shall be corrected by reducing the  
25 subsequent year's distribution, as determined under ~~subs. (4) and sub. (5)~~, by an



## BILL

1 amount equal to the amount of the overpayment. Any underpayment shall be  
2 corrected by increasing the subsequent year's distribution, as determined under  
3 ~~subs. (4) and sub. (5)~~, by an amount equal to the amount of the underpayment.  
4 Corrections shall be made in the distributions to all municipalities affected by the  
5 error. Corrections shall be without interest.

6 SECTION 9. 79.10 (7m) (a) 1. of the statutes is repealed.

7 SECTION 10. 79.10 (7m) (a) 2. of the statutes is renumbered 79.10 (7m) (a).

8 SECTION 11. 79.14 of the statutes is repealed.

9 SECTION 12. 118.153 (2) (a) of the statutes is renumbered 118.153 (2).

10 SECTION 13. 118.153 (2) (b) of the statutes is repealed.

11 SECTION 14. 118.153 (3) (a) (intro.) and 1. of the statutes are repealed.

12 SECTION 15. 118.153 (3) (a) 2. of the statutes is renumbered 118.153 (3) (a) and  
13 amended to read:

14 118.153 (3) (a) ~~Upon Every school board that has identified children at risk~~  
15 ~~under sub. (2) shall make available for these children a program for children at risk~~  
16 ~~and. at the request of a pupil who is a child at risk or the pupil's parent or guardian,~~  
17 ~~a school board described under sub. 1. shall enroll the pupil in the program for~~  
18 ~~children at risk.~~ If the school board makes available more than one program for  
19 children at risk, the school board shall enroll the pupil in the program selected by the  
20 pupil's parent or guardian if the pupil meets the prerequisites for that program. If  
21 there is no space in that program for the pupil, the school board of the school district  
22 operating under ch. 119 shall place the pupil's name on a waiting list for that program  
23 and offer the pupil an alternative program for children at risk until space in the  
24 requested program becomes available.

25 SECTION 16. 118.153 (4) and (5) of the statutes are repealed.

**BILL**

1           **SECTION 17.** 118.153 (6) of the statutes is amended to read:

2           118.153 (6) Biennially, the legislative audit bureau shall audit school district  
3 ~~eligibility, performance criteria and state aid payments~~ under this section.

4           **SECTION 18.** 118.153 (7) of the statutes is amended to read:

5           118.153 (7) The state superintendent shall promulgate rules to implement and  
6 administer this section. ~~The rules shall not be overly restrictive in defining approved~~  
7 ~~programs and shall not serve to exclude programs that have demonstrated success~~  
8 ~~in meeting the needs of children at risk.~~

9           **SECTION 19.** 121.004 (7) (a) of the statutes is amended to read:

10           121.004 (7) (a) "Pupils enrolled" is the total number of pupils, as expressed by  
11 official enrollments, in all schools of the school district, except as provided in pars.  
12 (b) to ~~(e)~~ (g). If such total contains a fraction, it shall be expressed as the nearest  
13 whole number. The same method shall be used in computing the number of pupils  
14 enrolled for resident pupils, nonresident pupils or both.

15           **SECTION 20.** 121.004 (7) (f) and (g) of the statutes are created to read:

16           121.004 (7) (f) A pupil who is eligible for a free or reduced-price lunch under  
17 42 USC 1758 (b) shall be counted as 1.2 pupils, except that a pupil who is also enrolled  
18 in a kindergarten program or a preschool program under subch. V of ch. 115 shall be  
19 multiplied under this paragraph by a number equal to the result obtained by  
20 multiplying 1.2 by the appropriate fraction under par. (c), (cm) or (d).

21           (g) A pupil who is a child at risk, as defined under s. 118.153 (1) (a), shall be  
22 counted as 1.2 pupils.

23           **SECTION 21.** 121.007 of the statutes is amended to read:

24           **121.007 Use of state aid; exemption from execution.** All moneys paid to  
25 a school district under s. 20.255 (2) (ac), ~~(bc)~~, (cg), (cr) and (q) shall be used by the

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1 school district solely for the purposes for which paid. Such moneys are exempt from  
2 execution, attachment, garnishment or other process in favor of creditors, except as  
3 to claims for salaries or wages of teachers and other school employes and as to claims  
4 for school materials, supplies, fuel and current repairs.

5 SECTION 22. 121.05 (1) (e) of the statutes is created to read:

6 121.05 (1) (e) The use to which additional aid for pupils counted as 1.2 pupils  
under s. 121.004 (7) (f) and (g) was put in the previous school year.

8 SECTION 23. 121.08 (2) of the statutes is amended to read:

9 121.08 (2) The aid computed under sub. (1) shall be reduced by the sum of the  
10 amount by which the school district equalized valuation exceeds the secondary  
11 guaranteed valuation, multiplied by the secondary required levy rate, and the  
12 amount by which the school district equalized valuation exceeds the tertiary  
13 guaranteed valuation, multiplied by the tertiary required levy rate, In no case may  
14 the aid under this section be less than ~~the amount under sub. (1)(a)~~ zero.

15 SECTION 24. 121.15 (lm) (a) 4. of the statutes is created to read:

16 121.15 (lm) (a) 4. Beginning in the <sup>2000-01</sup> ~~first~~ school year ~~beginning after the~~  
17 ~~effective date of this subdivision .... [reviser inserts date],~~ annually the state shall  
18 pay to school districts, from the appropriation under s. 20.255 (2) (ac), \$469,305,000  
19 on the 4th Monday in July of the following school year.

20 SECTION 25. 121.15 (3m) (b) of the statutes is amended to read:

21 121.15 (3m) (b) By May 15, 1999, and annually by May 15 thereafter, the  
22 department, the department of administration and the legislative fiscal bureau shall  
23 jointly certify to the joint committee on finance an estimate of the amount necessary  
24 to appropriate under s. 20.255 (2) (ac) in the following school year to ensure that the

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1 sum of state school aids and ~~the school levy tax credit under E. 79.10 (4)~~ equals  
2 two-thirds of partial school revenues.

3 SECTION 26. 121.15 (4) of the statutes is amended to read:

4 121.15 (4) On July 1 and October 15, using the most accurate data available,  
5 the state superintendent shall provide the department of revenue and each school  
6 district with an estimate of the total amount of state aid, as defined in s. 121.90 (2),  
7 the school district will receive in the current school year, including a separate  
8 estimate of the additional aid that each school district will receive for pupils counted  
9 under s. 121.004 (7) (f) and (g). On October 15, using the most accurate data  
10 available, the state superintendent shall calculate the total amount of state aid, as  
11 defined in s. 121.90 (2), that each school district will receive in the current school  
12 year. Any adjustments to that calculation shall be made by increasing or decreasing  
13 the payment made in September of the following school year.

14 SECTION 27. Initial applicability.

15 (1) This act first applies to the distribution of school aid in the school year  
16 ~~beginning after the effective date of this subsection.~~

✓ 2000-01

1999-2000 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-2185/  
..... Sins

INS 77

X

SECTION 1. 121.07 (7) (b) of the statutes, as affected by 1999 Wisconsin Act 9,  
is amended to read:

121.07 (7) (b) The "secondary guaranteed valuation per member" is an amount,  
rounded to the next lower dollar, that, after subtraction of payments under ss. 121.09  
and 121.85 (6) (b) 2. and 3. and (c), fully distributes an amount equal to the amount  
remaining in the appropriation under s. 20.255 (2) (ac) plus \$75,000,000 in the  
1997-98 school year ~~and~~, \$100,000,000 in the 1998-99 school year ~~and~~, <sup>\$</sup>469,305,000  
in the 2000-01 school year for payments under ss. 121.08, 121.105, 121.85 (6) (a) and  
(g) and 121.86.

History: 1999 a. 9.

( P - 4

This redraft makes a technical change by amending the definition of "secondary guaranteed valuation" under S. 121.07 (7)(b) to include the delayed school aid payment in S. 121.15(1m)(a)4, created by the bill. It also changes the initial applicability provision ~~to~~ so that the bill first applies to the distribution of school aid in the 2000-01 school year.

MJL

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRE2 186/5dn  
MJL:jlg:km

November 15, 1999

This redraft makes a technical change by amending the definition of "secondary guaranteed valuation" under s. 121.07 (7) (b) to include the delayed school aid payment in s. 121.15 (lm) (a) 4., created by the bill. It also changes the initial applicability provision so that the bill first applies to the distribution of school aid in the 2000-01 school year.

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Phone: (608) 267-7380