

1999 DRAFTING REQUEST

Assembly Amendment (AA-AB133)

Received: **05/11/99**

Received By: **kunkemd**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau**

By/Representing: **Collins**

This file may be shown to any legislator: **NO**

Drafter: **grantpr**

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Subject: **Education - miscellaneous**

Extra Copies: **MJL**

Pre Topic:

LFB:.....Collins -

Topic:

TEACH technology block grants

Instructions:

Paper #904: approved alternative 2

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kunkemd 05/18/99 grantpr 05/18/99	gilfokm 05/18/99		_____			
/1			kfollet 05/19/99	_____	lrb_docadmin 05/19/99		

FE Sent For:

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1?	kunkemd 05/18/99 grantpr	1-5-18-99	5/19/99 <i>KJP</i>	Kff/f 5/19			

FE Sent For:

<END>



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

April 27, 1999

Joint Committee on Finance

Paper #904

Technology Block Grants (TEACH Board)

CURRENT LAW

The TEACH Board provides funding to public school districts for any purpose related to educational technology. Educational technology is defined statutorily as technology used in the education or training of any person or in the administration of an elementary or secondary school and related telecommunications services. Grants under the program may not be used to fund salaries or benefits of any school district employee or replace funding available from other sources.

Funding for the program was \$10 million GPR and \$5 million SEG in 1997-98 and \$30 million GPR and \$5 million SEG in 1998-99. General purpose revenue funding for this program is distributed based on a formula that uses equalized value per member. The segregated funding is provided from income of the common school fund and is distributed in proportion to the number of persons between the ages of four and 20 who reside in each district, with a proportional adjustment for K-8 and union high school districts. The TEACH Board can distribute the SEG funding only after \$14.3 million of annual income from the common school fund is apportioned by DPI to school districts for school libraries. If there is insufficient funding available in the common school fund to fund the TEACH appropriation, the Board will distribute the remaining income of the fund, rather than the amount appropriated.

GOVERNOR

No provision.

DISCUSSION POINTS

1. As part of the 1997-99 budget bill, the Governor recommended that \$10 million GPR in 1997-98 and \$35,000,000 GPR in 1998-99 be provided for technology block grants. The

Joint Committee on Finance, and subsequently the Legislature, in 1997 Act 27, reduced 1998-99 funding for the program by \$5 million in order to provide \$5 million GPR in 1997-98 for transition funding for the pioneering partners competitive grant program. Act 27 provided that the base level of funding for the general fund block grant would be considered to be \$35 million GPR in 1998-99 for purpose of the 1999-01 budget process.

2. The Governor also recommended as part of the 1997-99 budget bill, that \$15 million SEG in 1997-98 and \$5 million SEG in 1998-99 be provided from the income of the common school fund for technology block grants to school districts. The bill provided that the TEACH Board could distribute these funds only after \$14.3 million of annual income from the common school fund is apportioned by DPI to school districts for school libraries, and to extent the additional \$5 million SEG is available. As passed by the Legislature, the 1997-99 budget bill modified the Governor's recommendation by specifying that technology block grants funded through the common school fund would sunset on June 30, 1999. Therefore, the full amount of income from the common school fund would have been appropriated to school library aids through a continuing appropriation, starting July 1, 1999. However, the Governor vetoed the June 30, 1999, sunset date for the use of the common school fund income for educational technology block grants.

3. Based on the actions taken during deliberations on the 1997-99 biennial budget, one could argue that the intent of the Legislature was to provide a total of \$35 million annually for educational technology block grants. Under the Governor's 1999-01 budget recommendations, a total of \$40 million annually (\$35 million GPR and \$5 million SEG) would be provided for these block grants. Consideration could be given to maintaining the Legislature's recommended base level funding of \$35 million annually for the program.

4. If the Committee decided to reduce GPR funding for the program by \$5 million, the amount of equalization aid would have to be increased by \$1,666,700 GPR to meet the state commitment to fund two-thirds of K-12 partial school revenues. As a result, the net cost savings that would be realized by reducing funding for the program by \$5 million GPR annually would be \$3,333,300 GPR annually. When both the TEACH block grants and DPI school library aids are considered, this alternative would reduce overall funding by \$5 million compared to base level funding under the 1997-99 budget bill as passed by the Legislature.

5. Alternatively, the Committee could decide to specify that the SEG funding for the TEACH block grant program be transferred back to the appropriation that funds school library aids. Under this alternative, the full amount of income from the common school fund would be appropriated to school library aids through a continuing appropriation. Such action would be consistent with the Legislature's action during the 1997-99 budget process that was later vetoed by the Governor.

6. Conversely, the Committee could decide that the additional \$5 million of funding should be provided to school districts under the TEACH block grant program. The funding provided under the program provides school districts with flexibility in meeting their educational technology needs and does not count against their revenue limits.

7. As a result of the veto to 1997 Act 27, beginning in 1999-00 the SEG appropriations of common school fund income under DPI for school library aid and under TEACH for SEG block grants are inconsistent. Current law does not clearly allocate the first \$14.3 million for school library aid and the next \$5 million for TEACH block grants in 1999-00 and thereafter. If the Committee wishes to maintain this current law allocation of funding, the appropriation governing school library aids under DPI should be modified.

ALTERNATIVES TO BASE

1. Delete \$5,000,000 GPR annually from the appropriation that funds educational technology block grants. Increase equalization funding by \$1,666,700 GPR annually to maintain two-thirds funding of partial school revenues.

Alternative 1	GPR
1999-01 FUNDING (Change to Base)	- \$6,666,600
[Change to Bill]	- \$6,666,600]

2. Delete \$5,000,000 SEG annually from the appropriation that funds educational technology block grants. In addition, provide that the full amount of income from the common school fund would be appropriated to school library aids through a continuing appropriation and increase that DPI appropriation by \$5,000,000 SEG annually. Under this alternative, the \$5 million SEG deleted from TEACH would be fully expended under the school library aids appropriation.

3. Maintain current law, but modify the DPI appropriation for school library aids to be an annual sum certain appropriation with \$14.3 million SEG annually.

Prepared by: Tricia Collins

w. 215 (2)(5) ?

① ~~RP~~ RP w. 215 (1) (4) ?
 (P. 137 Act 27)

② RP 44.72 (2) (4) ?

1999

Date (time) needed SOON

LRB b 0330 / 1

**LFB BUDGET AMENDMENT
[ONLY FOR LFB]**

PG MDK:KMG

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**LFB AMENDMENT
TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45**

>>FOR JT. FIN. SUB. — NOT FOR INTRODUCTION<<

At the locations indicated, amend the bill as follows:

✓ #. Page 397⁷, line 15: after that line insert:
283m.
"SECTION 283m RP, w. 275 (1) (u) "

✓ #. Page 495, line 15: after that line insert:

#. Page, line:

#. Page, line:

#. Page, line:

#. Page, line:

694m
" Section #. 24.78 of the statutes is amended to read:

24.78 Distribution of the common school fund income. Under article X, section 5, of the constitution the common school fund income shall be distributed to the school districts among the several towns, villages and cities of the state for the support of common schools therein, as provided in ~~ss-~~
44.72 (2) (a) and ^{5.} 43.70. "

History: 1971 c. 152 s. 38; 1981 c. 169; Stats. 1981 s. 24.78; 1983 a. 192; 1997 a. 27.

✓ #. Page 563, line 19: after that line insert:
" SECTION 955m. RP, 44.72 (2) (a) " .

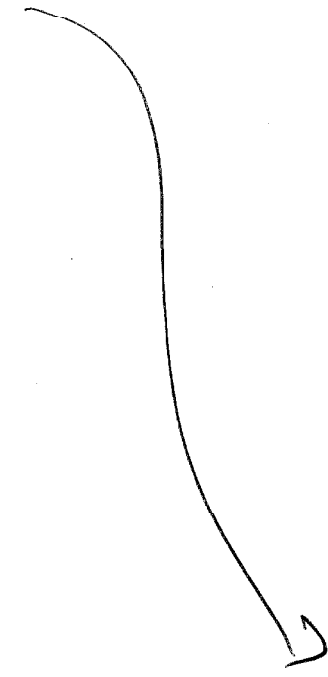
✓ #. Page 563, line 20: after that line insert:



956g
Section #. 44.72 (2) (c) of the statutes is amended to read:

44.72 (2) (c) A school district is eligible for a grant under par. ~~(a)~~ or (b) 2. only if the annual meeting in a common school district, or the school board in a unified school district or in a school district operating under ch. 119, adopts a resolution requesting the grant. A grant under this subsection may not be used to replace funding available from other sources.

History: 1997 a. 27, 41.



956r
Section #. 44.72 (2) (d) of the statutes is amended to read:

44.72 (2) (d) A school district receiving a grant under par. [✓](a) or (b) shall deposit the moneys in a separate fund. The moneys may be used for any purpose related to educational technology, except that a school district may not use the moneys to pay the salary or benefits of any school district employe. ^{dangerous}) .

History: 1997 a. 27. 41.

~~44.72 (2) (d)~~ ✓ #. Page 1013, line 16: delete "^f, (f), ^{fs}~~(fs)~~ and (u)" and substitute "[✓], [✓] and (f), ^{fs}~~(fs)~~ and ^d(u)".

(End)



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0330/1
PG&MDK:kmg:kjf

LFB:.....Collins - TEACH technology block grants

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 397, line 15: after that line insert:

3 “SECTION 283m. 20.275 (1) (u) of the statutes is repealed.”

4 **2.** Page 495, line 15: after that line insert:

5 “SECTION 694m. 24.78 of the statutes is amended to read:

6 **24.78 Distribution of the common school fund income.** Under article X,
7 section 5, of the constitution the common school fund income shall be distributed to
8 the school districts among the several towns, villages and cities of the state for the
9 support of common schools therein, as provided in ~~ss. 44.72 (2) (a) and s. 43.70.~~”

10 **3.** Page 563, line 19: after that line insert:

11 “SECTION 955m. 44.72 (2) (a) of the statutes is repealed.”

