

**1999 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-AB133)**

Received: 06/23/99

Received By: mlief

Wanted: As time permits

Identical to LRB:

For: Assembly Republican Caucus

By/Representing: Dake

This file may be shown to any legislator: NO

Drafter: mlief

May Contact:

Alt. Drafters: shoveme

Subject: Education - MPS

Extra Copies: PG

**Pre Topic:**

ARC:.....Dake -

**Topic:**

Intradistrict transfer aid and bonding for MPS

**Instructions:**

See Attached

**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>
/?	mlief 06/23/99	gilfokm 06/23/99		_____			
/1			martykr 06/23/99	_____	lrb_docadmin 06/24/99		

FE Sent For:

<END>

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1?	mlief	1-6-23 kmj	kmj/23	kmj/23			

FE Sent For:

<END>

K-12 EDUCATION PACKAGE

PASSES

Provide the following:

- (1) Delay the onset of the increasing enrollment revenue limit adjustment to start for revenue limits calculated for the 2000-01 school year. Provide \$7,800,000 GPR in 1999-00 in order to maintain two-thirds funding of partial school revenues.
- (2) Specify that a pupil who transfers to another school district under the interdistrict transfer program would be counted as 0.75 pupil for school aids and revenue limits beginning in 2000-01. Specify that these pupils would be counted as 0.50 pupil in 2001-02, 0.25 pupil in 2002-03 and 0.0 pupil in 2003-04. Provide \$2,400,000 GPR in 2000-01 in order to maintain two-thirds funding of partial school revenues.
- (3) Modify the JFC provision relating to the general school aid reduction and lapse which funds the Milwaukee Parental Choice program to specify that beginning in 1999-00, one-half of the estimated school aid lapse required to fund the program (\$20.4 million in 1999-00 and \$24.5 million in 2000-01) would be required to be lapsed from the general school aids paid to the Milwaukee Public Schools and one-half would be lapsed from the general school aids paid to the other 425 school districts.
- (4) Modify the JFC provision relating the intradistrict transfer and neighborhood schools programs for MPS. Delete the MPS intradistrict transfer aid hold-harmless provision and instead, provide that the intradistrict transfer aid for MPS would be limited to the lesser of the amount generated by the district under the program, or \$30 million annually. In 1998-99, MPS received approximately \$33 million under this program. Provide that the Milwaukee Redevelopment Authority could issue up to \$170 million, rather than \$200 million, in bonds to finance capital improvements for MPS. Provide that MPS school board would be required to adopt a resolution requesting the Authority to issue the bonds for MPS. Provide that a referendum would have to be held if, within 30 days of the adoption of the resolution, there would be filed with the City Clerk, a petition signed by electors numbering at least 10% of the votes cast in the City for governor at the last general election.

MBS (Rate?)

MJC

The fiscal effect is \$10,200,000 GPR over the

Post-It* Fax Note	7671	Date	# of pages
To	Peter Grant	From	Ruth Hardy
Co./Dept.		Co.	
Phone #		Phone #	
Fax #		Fax #	

1999

Date (time) needed SOON

LRB b 1109 / 1

CAUCUS BUDGET AMENDMENT  
[ONLY FOR CAUCUS]

MJL & mes: King :

See form AMENDMENTS — COMPONENTS & ITEMS.

CAUCUS AMENDMENT  
TO ASSEMBLY SUBSTITUTE AMENDMENT 1  
TO 1999 ASSEMBLY BILL 133

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

At the locations indicated, amend the substitute amendment as follows:

✓ #. Page 788, line 16: delete lines 16 to 24 and substitute:  
[INS.A] including INS MES-1

✓ #. Page 793, line 22: after that line insert:  
[INS.MES-2]

✓ #. Page 1129, line 19: delete the material beginning ~~with~~ that line and ending ~~at~~ page 1130, line 14, and substitute:  
[INS.B] with

#. Page     , line     :

#. Page     , line     :

#. Page     , line     :

1 sold or exchanged at public sale or by private negotiation with bond underwriters as  
 2 the authority may provide. The bonds may be sold or exchanged at such price or  
 3 prices as the authority shall determine. If sold or exchanged at public sale, the sale  
 4 shall be held after a class 2 notice, under ch. 985, published prior to such sale in a  
 5 newspaper having general circulation in the city and in such other medium of  
 6 publication as the authority determines. Such bonds may be sold to the federal  
 7 government at private sale, without publication of any notice, at not less than par,  
 8 and, if less than all of the authorized principal amount of such bonds is sold to the  
 9 federal government, the balance may be sold at private sale at not less than par at  
 10 an interest cost to the authority of not to exceed the interest cost to the authority of  
 11 the portion of the bonds sold to the federal government. Any provision of any law to  
 12 the contrary notwithstanding, any bonds issued pursuant to this section shall be  
 13 fully negotiable. In any suit, action or proceeding involving the validity or  
 14 enforceability of any bond issued under this section or the security therefor, any such  
 15 bond reciting in substance that it has been issued by the authority in connection with  
 16 a project or activity under this section shall be conclusively deemed to have been  
 17 issued for such purpose and such project or activity shall be conclusively deemed to  
 18 have been planned, located and carried out in accordance with this section.

19 ~~SECTION 1628h.~~ 66.431 (5) (a) 4. d. of the statutes is created to read:

20 (66.431 (5) (a) 4. d. Subject to sub. (5m), the authority of a 1st class city may  
 21 issue up to \$<sup>170</sup>~~200~~/000,000 in bonds to finance capital improvements ~~and the proceeds of~~

22 ~~if~~ the board of school directors of the school district operating under ch. 119, ~~if~~  
 23 ~~to~~ <sup>adopts a resolution requesting the authority to do so.</sup> implement the report approved under 1999 Wisconsin Act .... (this act), section 9139

24 (7tw) (b) Bonds issued under this subd. 4. d. may not have a maturity in excess of  
 25 20 years, and may not be issued later than the first day of the 60th month beginning

INS  
A

*Adopted Resolution*

4

Ins A  
(cont'd)

Insert MES-1

1 after the effective date of this subd. 4. d. .... [revisor inserts date]. Principal and  
2 interest payments on bonds issued under this subd. 4. d. may be paid by the board  
3 of school directors of the school district operating under ch. 119.

~~SECTION 1628i. 66.431 (5m) of the statutes is created to read:~~

~~66.431 (5m) SPECIAL DEBT SERVICE RESERVE FUNDS. (a) Designation of special  
debt service reserve funds. The authority may designate one or more accounts in  
funds created under s. 66.066 (2) (e) as special debt service reserve funds if, prior to  
each issuance of bonds to be secured by the special debt service reserve fund, the  
secretary of administration determines that all of the following conditions are met  
with respect to the bonds described under sub. (5) (a) 4. d.:~~

~~1. 'Purpose.' The proceeds of the bonds, other than refunding bonds, will be  
used for public school facilities in the school district operating under ch. 119.~~

~~2. 'Feasibility.' There is a reasonable likelihood that the bonds will be repaid  
without the necessity of drawing on funds in the special debt service reserve fund  
that secures the bonds. The secretary of administration may make this  
determination of reasonable likelihood only after considering all of the following:~~

~~a. Whether a pledge of the revenues of the school district operating under ch.  
119 is made under the bond resolution.~~

~~b. How the revenues of the school district operating under ch. 119 are pledged  
to the payment of the bonds.~~

~~c. The proposed interest rates of the bonds and the resulting cash-flow  
requirements.~~

~~d. The projected ratio of annual revenues from the school district operating  
under ch.119 to annual debt service of the authority, taking into account capitalized  
interest.~~

1999-2000 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRBb0607/3MESins  
MJL/MES/RAC/PG:kmg:mrc

Insert  
MES-1

subd. 4. d.

IF

INS  
AS  
CONF

end  
JASCA

1 ~~Page 793, line 24. after "ch. 199." insert "Notwithstanding sub. (14), if~~  
2 within 30 days after the adoption of a resolution under this subdivision paragraph  
3 a petition conforming to the requirements of s. 8.40, that is signed by a number of  
4 electors of the city equal to at least 10% of the votes cast in the city for governor at  
5 the last general election, is filed in the office of the city clerk demanding that the  
6 resolution be submitted to a vote of the electors the resolution may not take effect  
7 until it is submitted to a referendum and approved by a majority of the electors. The  
8 referendum shall be held at the next regular spring or general election."

INS.  
MES-2 ✓

2. ~~Page 793, line 22. after that line insert:~~

"SECTION 1630dg. 66.431 (14) of the statutes is amended to read:

11 66.431 (14) OBLIGATIONS. For the purpose of financially aiding an authority to  
12 carry out blight elimination, slum clearance and urban renewal programs and  
13 projects, the city in which the authority functions is authorized, without limiting its  
14 authority under any other law, to issue and sell general obligation bonds in the  
15 manner and in accordance with the provisions of ch. 67, except that, subject to sub.  
16 (5)(a) 4. d., no referendum shall be required, and to levy taxes without limitation for  
17 the payment thereof, as provided in s. 67.035. The bonds authorized under this  
18 subsection shall be fully negotiable and except as provided in this subsection shall  
19 not be subject to any other law or charter pertaining to the issuance or sale of bonds."

History: 1973 c. 172; 1975 c. 4, 94, 350; 1979 c. 89, 110, 221; 1981 c. 20, 112, 232; 1983 a. 24, 189; 1985 a. 219; 1987 a. 27, 403; 1989 a. 31, 89; 1991 a. 316; 1993 a. 16, 112, 172, 184, 268, 301; 1995 a. 27, 225.

(end MES-2)

*JNS.B*

1 b. Multiply the result under subd. 4. a. by the total number of transfer pupils  
2 under par. (a) in the current school year.

3 5. In the 2004-05 school year and each school year thereafter, the number of  
4 pupils whose parents or guardians have not provided the board of school directors  
5 with written consent to a pupil transfer to another attendance area.

6 ~~SECTION 2143p. 121.85 (6) (ar) of the statutes is created to read.~~

7 "121.85 (6) (ar) *Hold harmless.* ~~From the 1999-2000 school year~~ the department

8 shall pay to the school district operating under ch. 119 the ~~greater of the following:~~

9 ~~The amount of aid received in the 1998-99 school year under par. (a)~~  
10 multiplied by the sum of 1.0 plus the allowable rate of increase under s. 73.0305  
11 expressed as a decimal.

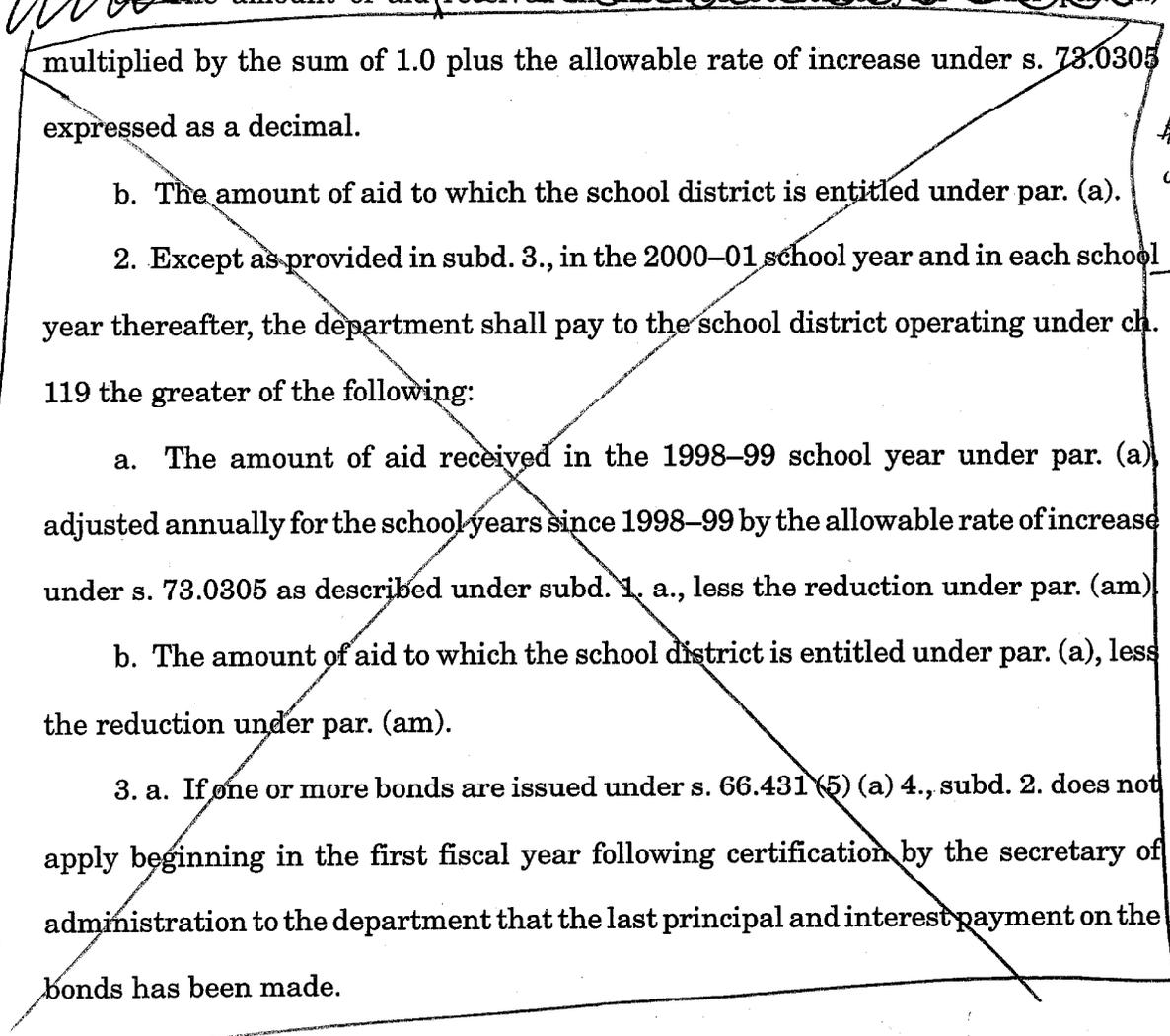
12 b. The amount of aid to which the school district is entitled under par. (a).

13 2. Except as provided in subd. 3., in the 2000-01 school year and in each school  
14 year thereafter, the department shall pay to the school district operating under ch.  
15 119 the greater of the following:

16 a. The amount of aid received in the 1998-99 school year under par. (a),  
17 adjusted annually for the school years since 1998-99 by the allowable rate of increase  
18 under s. 73.0305 as described under subd. 1. a., less the reduction under par. (am).

19 b. The amount of aid to which the school district is entitled under par. (a), less  
20 the reduction under par. (am).

21 3. a. If one or more bonds are issued under s. 66.431 (5) (a) 4., subd. 2. does not  
22 apply beginning in the first fiscal year following certification by the secretary of  
23 administration to the department that the last principal and interest payment on the  
24 bonds has been made.



*to which the school district is entitled under par. (a),  
as reduced by am, par. (am), or \$30,000,000, whichever is less.*

*END  
JNS.B*



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRBb1109/1  
MJL&MES:kmg:km

ARC:.....Dake - Intradistrict transfer aid and bonding for MPS

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 1999 ASSEMBLY BILL 133

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 788, line 16: delete lines 16 to 24 and substitute:

3 “66.431 (5) (a) 4. d. Subject to sub. (5m), the authority of a 1st class city may  
4 issue up to \$170,000,000 in bonds to finance capital improvements to implement the  
5 report approved under 1999 Wisconsin Act .... (this act), section 9139 (7tw) (b) if the  
6 board of school directors of the school district operating under ch. 119 adopts a  
7 resolution requesting the authority to do so. Bonds issued under this subd. 4. d. may  
8 not have a maturity in excess of 20 years, and may not be issued later than the first  
9 day of the 60th month beginning after the effective date of this subd. 4. d. .... [revisor  
10 inserts date]. Principal and interest payments on bonds issued under this subd. 4.

1 d. may be paid by the board of school directors of the school district operating under  
2 ch. 119. If within 30 days after the adoption of a resolution under this subd. 4. d. a  
3 petition conforming to the requirements of s. 8.40, that is signed by a number of  
4 electors of the city equal to at least 10% of the votes cast in the city for governor at  
5 the last general election, is filed in the office of the city clerk demanding that the  
6 resolution be submitted to a vote of the electors the resolution may not take effect  
7 until it is submitted to a referendum and approved by a majority of the electors. The  
8 referendum shall be held at the next regular spring or general election.”.

9 **2.** Page 793, line 22: after that line insert:

10 “SECTION 1630dg. 66.431 (14) of the statutes is amended to read:

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19 not be subject to any other law or charter pertaining to the issuance or sale of bonds.”.

20 **3.** Page 1129, line 19: delete the material beginning with that line and ending  
21 with page 1130, line 14, and substitute:

