March 8, 2001 – Introduced by Representatives Boyle, Reynolds, J. Lehman, Turner, Black, Pocan, Coggs, Ryba, Young, Balow, Miller and Berceau, cosponsored by Senator Risser. Referred to Committee on Tax and Spending Limitations.

AN ACT *to repeal* 120.12 (3) (d), 121.15 (3m) and subchapter VII of chapter 121 [precedes 121.90]; *to renumber and amend* 118.40 (2r) (e) and 119.23 (4) (b) 2.; *to amend* 14.28 (3) (b) 2., 20.255 (2) (ac), 73.0305, 118.51 (12) (b) 1. and 2. and 118.52 (6) (b); and *to create* 118.40 (2r) (e) 1. and 2., 118.40 (2r) (em) and 119.23 (4) (b) 2. a. and b. of the statutes; **relating to:** eliminating school district revenue limits and making an appropriation.

### Analysis by the Legislative Reference Bureau

Current law limits the annual amount of revenue (property taxes and general school aid) that a school district may receive to approximately \$220 per pupil in the 2000–01 school year. This bill eliminates these revenue limits. Current law also requires the department of public instruction, the department of administration, and the legislative fiscal bureau to certify annually to the joint committee on finance an estimate of the amount necessary in the general school aid appropriation, which, in combination with the amounts in the other state aid and the school levy tax credit appropriations, would fund two–thirds of school funding. This bill eliminates the two–thirds funding requirement and increases the amount of general school aid appropriated.

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.** 14.28 (3) (b) 2. of the statutes is amended to read:

14.28 **(3)** (b) 2. The foundation shall give priority to funding applications received from local units of government, educational institutions, and libraries and shall give additional priority to funding applications received from school districts in which the allowable percentage increase in revenue under subch. VII of ch. 121 is less than the statewide average and to school districts in which the allowable revenue per pupil under subch. VII of ch. 121 is less than the statewide average.

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- (2) AIDS FOR LOCAL EDUCATIONAL PROGRAMMING
- 11 (ac) General equalization aids GPR A -0-4,331,871,500
- **SECTION 2.** 20.255 (2) (ac) of the statutes is amended to read:

20.255 **(2)** (ac) *General equalization aids.* A sum sufficient The amounts in the schedule for the payment of educational aids under ss. 121.08, 121.09, and 121.105 and subch. VI of ch. 121 equal to \$3,767,893,500 in the 1999–2000 fiscal year and equal to the amount determined by the joint committee on finance under s. 121.15 (3m) (c) in each fiscal year thereafter, less the amount appropriated under par. (bi).

**Section 3.** 73.0305 of the statutes is amended to read:

**73.0305 Revenue limits and intradistrict transfer aid calculations.** The department of revenue shall annually determine and certify to the state

superintendent of public instruction, no later than the 4th Monday in June, the allowable rate of increase under s. ss. 118.40 (2r) (e), 119.23 (4) (b), and 121.85 (6) (ar) and subch. VII of ch. 121. The allowable rate of increase is the percentage change in the consumer price index for all urban consumers, U.S. city average, between the preceding March 31 and the 2nd preceding March 31, as computed by the federal department of labor.

**SECTION 4.** 118.40 (2r) (e) of the statutes is renumbered 118.40 (2r) (e) (intro.) and amended to read:

118.40 **(2r)** (e) (intro.) From the appropriation under s. 20.255 (2) (fm), the department shall pay to the operator of the charter school an amount equal to the sum of the amount paid per pupil under this paragraph in the previous school year and the amount of revenue increase per pupil allowed under subch. VII of ch. 121 in the current school year, multiplied by the number of pupils attending the charter school. The department shall pay 25% of the total amount in September, 25% in December, 25% in February and 25% in June. The department shall send the check to the operator of the charter school, an amount calculated as follows:

**SECTION 5.** 118.40 (2r) (e) 1. and 2. of the statutes are created to read:

118.40 **(2r)** (e) 1. a. For the 2002–03 school year, multiply \$220.29 by 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal.

- b. Multiply the resulting product under this subdivision by the number of pupils attending the charter school.
- 2. For the 2003–04 school year and for each school year thereafter, multiply the per pupil increase in aid under this paragraph for the preceding school year by 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal, and multiply the resulting product by the number of pupils attending the charter school.

**Section 6.** 118.40 (2r) (em) of the statutes is created to read:

2 118.40 **(2r)** (em) The department shall pay 25% of the total amount under par.

(e) in September, 25% in December, 25% in February, and 25% in June.

**SECTION 7.** 118.51 (12) (b) 1. and 2. of the statutes are amended to read:

118.51 (12) (b) 1. If the costs of the special education or related services required in the individualized education program under s. 115.787 (2) for a child with a disability whose parent has submitted an application under sub. (3) (a), as proposed to be implemented by the nonresident school district, would impose upon the child's resident school district an undue financial burden in light of the resident school district's total economic circumstances, including its revenue limit under subch. VII of ch. 121, its ability to pay tuition costs for the pupil and the per pupil special education or related services costs for children with disabilities continuing to be served by the resident school district, the child's resident school board may notify the child's parent and the nonresident school board by the first Friday following the first Monday in April that the pupil may not attend the nonresident school district to which the child has applied.

2. If the costs of the special education or related services required in an individualized education program for a pupil, developed or revised under s. 115.787 after a child begins attending public school in a nonresident school district under this section, as implemented or proposed to be implemented by the nonresident school district, would impose upon the child's resident school district an undue financial burden in light of the resident school district's total economic circumstances, including its revenue limit under subch. VII of ch. 121, its ability to pay tuition costs for the pupil and the per pupil special education or related services costs for children with disabilities continuing to be served by the resident school district, the child's

resident school board may notify the pupil's parent and the nonresident school board that the costs of the special education or related services impose such an undue financial burden on the resident school district. If such notice is provided, the child shall be transferred to his or her resident school district, which shall provide an educational placement for the child under s. 115.79 (2).

**SECTION 8.** 118.52 (6) (b) of the statutes is amended to read:

118.52 **(6)** (b) *Undue financial burden.* The school board of a pupil's resident school district may reject an application to attend a course in a public school in a nonresident school district if the cost of the course would impose upon the resident school district an undue financial burden in light of the resident school district's total economic circumstances, including its revenue limit under subch. VII of ch. 121, its ability to pay tuition costs for the pupil and the per pupil costs for children continuing to be served by the resident school district.

**SECTION 9.** 119.23 (4) (b) 2. of the statutes is renumbered 119.23 (4) (b) 2. (intro.) and amended to read:

119.23 **(4)** (b) 2. (intro.) The sum of the amount paid per pupil under this subsection in the previous school year and the amount of revenue increase per pupil allowed under subch. VII of ch. 121 in the current school year. an amount calculated as follows:

**SECTION 10.** 119.23 (4) (b) 2. a. and b. of the statutes are created to read:

119.23 **(4)** (b) 2. a. For the 2002–03 school year, multiply \$220.29 by 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal.

b. For the 2003–04 school year and for each school year thereafter, multiply the per pupil increase in aid under this paragraph for the preceding school year by 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal.

1	<b>SECTION 11.</b> 120.12 (3) (d) of the statutes is repealed.
2	<b>SECTION 12.</b> 121.15 (3m) of the statutes is repealed.
3	Section 13. Subchapter VII of chapter 121 [precedes 121.90] of the statutes
4	is repealed.
5	Section 14. Effective date.
6	(1) This act takes effect on July 1, 2002.

7 (END)