

2001 DRAFTING REQUEST

Bill

Received: 01/17/2001

Received By: mlief

Wanted: As time permits

Identical to LRB:

For: Frank Boyle (608) 266-0640

By/Representing:

This file may be shown to any legislator: NO

Drafter: mlief

May Contact:

Add. Drafters:

Subject: Education - school finance

Extra Copies: PG

Pre Topic:

No specific pre topic given

Topic:

Repeal revenue limits

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>
/1	mlief 01/25/2001	hhagen 01/26/2001	haugca 01/28/2001	_____	lrb_docadmin 01/29/2001	lrb_docadminS&L 03/05/2001	

FE Sent For:

<END>

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Dave Lopnow (LFB)
Russ Kava (LFB)

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1?	mlief	<i>1, hmk 1/26/01</i>	<i>CH 1-26</i>	<i>CH 1-28 KM</i>			

FE Sent For:

<END>

221 W - Conf w/ Rep Boyle, ^{Mary Lou} ~~Mary Lou~~, Dave C + Russk

~~Keep extra funding~~

- get rid of revenue limit

- " " " 2/3 funding

- set (c)(ac) appropriation

Sub VII of 121

121.90

121.905

121.91

121.92

14.28(3)(b)2.

73.0305.

118.40(2r)(c)

118.51(12)(b)1., 2.

118.52(6)(b)

119.23(4)(b)2.

120.12(3)(d)



mjl/kmb

2001 BILL

SOON

D-N

Generate

1 AN ACT ...; relating to: eliminating school district revenue limits and making an
2 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:

3 SECTION 1. 14.28 (3) (b) 2. of the statutes is amended to read:

4 14.28 (3) (b) 2. The foundation shall give priority to funding applications
5 received from local units of government, educational institutions, and libraries and

BILL

SECTION 1

1 ~~shall give additional priority to funding applications received from school districts~~
 2 ~~in which the allowable percentage increase in revenue under subch. VII of ch. 121~~
 3 ~~is less than the statewide average and to school districts in which the allowable~~
 4 ~~revenue per pupil under subch. VII of ch. 121 is less than the statewide average.~~

History: 1993 a. 496; 1995 a. 225, 351; 1999 a. 29.

2001-02 2002-03

20.255

(2) AIDS FOR LOCAL EDUCATIONAL PROGRAMMING

(ac) General equalization aids GPR A -0- 4,331,871,500

4,331,871,500
 LPS - please fix

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).~~

History: 1971 c. 42, 56, 125; 1971 c. 152 s. 38; 1971 c. 154 s. 80; 1971 c. 211 ss. 24, 126; 1971 c. 215; 1973 c. 89 s. 20 (2); 1973 c. 90, 190, 243, 300, 307, 333, 336; 1975 c. 39 ss. 97 to 109, 732 (1); 1975 c. 105, 220, 224, 395; 1977 c. 26 s. 75; 1977 c. 29; 1977 c. 83 s. 26; 1977 c. 418 ss. 88m to 90, 929 (55); 1979 c. 34 ss. 164 to 191, 2102 (43) (a); 1979 c. 221 ss. 96e to 97w, 2200 (43); 1979 c. 351; 1979 c. 346 ss. 9, 13; 1981 c. 20, 86, 169; 1981 c. 314 s. 146; 1983 a. 22 s. 6; 1983 a. 27 ss. 158 to 212, 2200 (42), 2202 (42); 1983 a. 192; 1983 a. 333 s. 6; 1983 a. 370; 1985 a. 29, 56, 75, 120; 1987 a. 27, 339, 399; 1989 a. 31, 56, 114, 122, 269, 299, 309, 336, 359; 1991 a. 32, 39, 196, 269; 1993 a. 16, 168, 367, 377, 437, 454, 458, 490, 491; 1995 a. 27, 563, 567 to 599, 622, 623, 9145 (1); 1995 a. 49, 227; 1997 a. 27, 113, 164, 237, 252; 1999 a. 9, 185.

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

BILL

1 preceding March 31 and the 2nd preceding March 31, as computed by the federal
2 department of labor.

History: 1993 a. 16; 1995 a. 27; 1997 a. 27; 1999 a. 9.

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

5 118.40 (2r) (e) (intro.) From the appropriation under s. 20.255 (2) (fm), the department
6 shall pay to the operator of the charter school an amount equal to the sum of the
7 amount paid per pupil under this paragraph in the previous school year and the
8 ~~amount of revenue increase per pupil allowed under subch. VII of ch. 121 in the~~
9 ~~current school year, multiplied by the number of pupils attending the charter school.~~
10 ~~The department shall pay 25% of the total amount in September, 25% in December,~~
11 ~~25% in February and 25% in June. The department shall send the check to the~~
12 ~~operator of the charter school.~~ an amount calculated as follows:

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

14 118.40 (2r) (e) 1. a. For the 2002-03 school year, multiply \$220.29 by 1.0 plus
15 the allowable rate of increase under s. 73.0305 expressed as a decimal.

16 b. Multiply the resulting product under this subdivision by the number of pupils
17 attending the charter school.

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

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

BILL

SECTION 6

1 118.40 (2r) (em) The department shall pay 25% of the total amount under par.
2 (e) in September, 25% in December, 25% in February, and 25% in June.

3 History: 1993 a. 16, 490; 1995 a. 27 ss. 3983m to 3992m, 9145 (1); 1997 a. 27, 238, 252; 1999 a. 9; 1999 a. 150 s. 672.

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

4 118.51 (12) (b) 1. If the costs of the special education or related services
5 required in the individualized education program under s. 115.787 (2) for a child with
6 a disability whose parent has submitted an application under sub. (3) (a), as proposed
7 to be implemented by the nonresident school district, would impose upon the child's
8 resident school district an undue financial burden in light of the resident school
9 district's total economic circumstances, including ~~its revenue limit under subch. VII~~
10 ~~of ch. 121~~, its ability to pay tuition costs for the pupil and the per pupil special
11 education or related services costs for children with disabilities continuing to be
12 served by the resident school district, the child's resident school board may notify the
13 child's parent and the nonresident school board by the first Friday following the first
14 Monday in April that the pupil may not attend the nonresident school district to
15 which the child has applied.

16 History: 1997 a. 27, 41, 164; 1999 a. 117, 118; s. 13.93 (2) (c).

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

BILL**SECTION 7**

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

History: 1997 a. 27, 41, 164; 1999 a. 117, 118; s. ~~118.52~~^{118.52} (2) (c).

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

7 118.52 (6) (b) *Undue financial burden.* The school board of a pupil's resident
 8 school district may reject an application to attend a course in a public school in a
 9 nonresident school district if the cost of the course would impose upon the resident
 10 school district an undue financial burden in light of the resident school district's total
 11 economic circumstances, including ~~its revenue limit under subch. VII of ch. 121,~~ its
 12 ability to pay tuition costs for the pupil and the per pupil costs for children continuing
 13 to be served by the resident school district.

History: 1997 a. 27, 41, 164.

14 **SECTION 9.** 119.23 (4) (b) 2. of the statutes is renumbered 119.23 (4) (b) 2. (intro.)

15 and amended to read:

16 119.23 (4) (b) 2. (intro.) The sum of the amount paid per pupil under this
 17 subsection in the previous school year and ~~the amount of revenue increase per pupil~~
 18 ~~allowed under subch. VII of ch. 121 in the current school year. ~~and~~ an amount~~
 19 calculated as follows:

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

21 119.23 (4) (b) 2. a. ~~For~~ For the 2002-03 school year, multiply \$220.29 by 1.0 plus
 22 the allowable rate of increase under s. 73.0305 expressed as a decimal.

23 a. 1. Multiply the resulting product under this subdivision by the number of
 24 pupils attending the private school.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2116/1dn

.....

Under s. 16.47 (2), neither house may pass any bill containing an appropriation that increases the cost of state government by \$10,000 annually until the budget bill is passed by both houses. Also, the budget bill repeals and recreates the appropriation schedule, so this bill may need to be redrafted.

Note that under current law, the Milwaukee charter schools under s. 118.40 (2r) and the private schools in the Milwaukee parental choice program are paid state aid that is based in part upon increases under the revenue limits. Because this draft eliminates the revenue limits, I amended the aid provisions of the charter and choice programs ~~so that the aid levels of both programs remain essentially the same.~~ If you have any questions about this point, please let me know.

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

to create comparable increases. However, because the per pupil revenue increase for the 2001-02 school year is unavailable, I had to use the increase for the current fiscal year. As a result the aid level for these programs under the bill is lower than what they would otherwise be. When the per pupil increase for 2001-02 becomes available, I can redraft the bill, if you wish.

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2116/1dn
MJL:hmh:ch

January 28, 2001

Under s. 16.47 (2), neither house may pass any bill containing an appropriation that increases the cost of state government by \$10,000 annually until the budget bill is passed by both houses. Also, the budget bill repeals and recreates the appropriation schedule, so this bill may need to be redrafted.

Note that under current law, the Milwaukee charter schools under s. 118.40 (2r) and the private schools in the Milwaukee parental choice program are paid state aid that is based in part upon increases under the revenue limits. Because this draft eliminates the revenue limits, I amended the aid provisions of the charter and choice programs to create comparable increases. However, because the per pupil revenue increase for the 2001-02 school year is unavailable, I had to use the increase for the current fiscal year. As a result the aid level for these programs under the bill is lower than what they would otherwise be. When the per pupil increase for 2001-02 becomes available, I can redraft the bill, if you wish. If you have any questions about this point, please let me know.

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STEPHEN R. MILLER
CHIEF

State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET
5TH FLOOR
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561
LEGAL FAX: (608) 264-6948

January 29, 2001

MEMORANDUM

To: Representative Boyle

From: Madelon J. Lief, Legislative Attorney

Re: LRB-2116 Repeal revenue limits

The attached draft was prepared at your request. Please review it carefully to ensure that it is accurate and satisfies your intent. If it does and you would like it jacketed for introduction, please indicate below for which house you would like the draft jacketed and return this memorandum to our office. If you have any questions about jacketing, please call our program assistants at 266-3561. Please allow one day for jacketing.

JACKET FOR ASSEMBLY JACKET FOR SENATE

If you have any questions concerning the attached draft, or would like to have it redrafted, please contact me at (608) 267-7380 or at the address indicated at the top of this memorandum.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will request that it be prepared after the draft is introduced. You may obtain a fiscal estimate on the attached draft before it is introduced by calling our program assistants at 266-3561. Please note that if you have previously requested that a fiscal estimate be prepared on an earlier version of this draft, you will need to call our program assistants in order to obtain a fiscal estimate on this version before it is introduced.

Please call our program assistants at 266-3561 if you have any questions regarding this memorandum.