

## 2001 ASSEMBLY BILL 325

April 18, 2001 – Introduced by Representatives WALKER, STARZYK, BERCEAU, BLACK, GUNDERSON, HOVEN, HUBLER, JESKEWITZ, LOEFFELHOLZ, MILLER, MUSSER, POCAN, RHOADES, SERATTI, STASKUNAS, STONE, TOWNSEND, VRAKAS and WADE, cosponsored by Senators ROSENZWEIG, RISSER, DARLING and M. MEYER. Referred to Committee on Education.

1     **AN ACT** *to amend* 121.07 (6) (a) (intro.); and *to repeal and recreate* 121.07 (6)  
 2           (am) of the statutes; **relating to:** excluding certain debt service costs from the  
 3           computation of state school aid.

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### *Analysis by the Legislative Reference Bureau*

Under current law, a school district's debt service costs are included in its shared cost for the purpose of determining the amount of state aid that the school district receives. Under this bill, debt service on debt authorized by a referendum on or after the bill's effective date is excluded if the exclusion results in an increase in state aid to the school district.

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:***

4           **SECTION 1.** 121.07 (6) (a) (intro.) of the statutes is amended to read:  
 5           121.07 (6) (a) (intro.) “Shared Subject to par. (am), “shared cost” is the sum of  
 6           the net cost of the general fund and the net cost of the debt service fund, except that  
 7           “shared cost” excludes any costs, including attorney fees, incurred by a school district

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1 as a result of its participation in a lawsuit commenced against the state, beginning  
2 with such costs incurred in the fiscal year in which the lawsuit is commenced,  
3 excludes any expenditures from a capital improvement fund created under s.  
4 120.135, and excludes the costs of transporting those transfer pupils for whom the  
5 school district operating under ch. 119 does not receive intradistrict transfer aid  
6 under s. 121.85 (6) as a result of s. 121.85 (6) (am). In this paragraph, “net cost of  
7 the debt service fund” includes all of the following amounts:

8 **SECTION 2.** 121.07 (6) (am) of the statutes is repealed and recreated to read:

9 121.07 **(6)** (am) In par. (a), “debt service” excludes debt service on debt  
10 authorized by a referendum on or after the effective date of this subsection .... [revisor  
11 inserts date], if the result of excluding such debt service is an increase in state aid  
12 to the school district under s. 121.08.

13 **SECTION 3. Initial applicability.**

14 (1) This act first applies to state aid paid to school districts in the 2002–03  
15 school year.

16 (END)