

## 2001 ASSEMBLY BILL 535

October 8, 2001 – Introduced by Representatives JOHNSRUD, JESKEWITZ, MUSSER, TURNER, MILLER, OTT, HAHN, PLOUFF, J. LEHMAN and SYKORA, cosponsored by Senators SCHULTZ and DARLING. Referred to Committee on Tax and Spending Limitations.

1     **AN ACT** *to amend* 121.91 (2m) (e) (intro.); and *to create* 15.375 (3) and 121.93  
2           of the statutes; **relating to:** creating a board to review requests to exceed  
3           revenue limits and granting rule-making authority.

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### *Analysis by the Legislative Reference Bureau*

Current law generally limits the annual amount of revenue (property taxes and general school aid) that a school district may receive in the 2000–01 school year to approximately \$220 per pupil. A school district may exceed this revenue limit or “cap,” as it popularly known, if it submits a resolution to do so to the electors at a referendum and the electors approve the resolution.

This bill creates a revenue cap review board (board), consisting of the state superintendent of public instruction, the secretaries of administration and revenue, and the co-chairs of the joint committee on finance. A school board whose resolution to exceed the revenue limit was defeated at a referendum may ask the board to review its proposed revenue limit increase if the proposed increase is designed to cover unanticipated costs or if: (a) during the 1992–93 school year, the school district’s cost per pupil was below the statewide average cost per pupil; (b) using the most current data available, the board determines that the school district’s cost per pupil is below the statewide average cost per pupil; and (c) using the most recent data available, the board determines that the school district’s mill rate is below the statewide average mill rate.

The board may approve a proposed increase in whole or in part if the board determines that the proposed revenue limit increase is necessary for the school board to meet educational goals and expectations required by statute.

**ASSEMBLY BILL 535**

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:***

1           **SECTION 1.** 15.375 (3) of the statutes is created to read:

2           15.375 (3) REVENUE CAP REVIEW BOARD. There is created a revenue cap review  
3 board that is attached to the department of public instruction under s. 15.03 and that  
4 consists of the state superintendent of public instruction, the secretaries of  
5 administration and revenue, and the co-chairs of the joint committee on finance.

6           **SECTION 2.** 121.91 (2m) (e) (intro.) of the statutes is amended to read:

7           121.91 (2m) (e) (intro.) Except as provided in subs. (3) and (4) and s. 121.93,  
8 no school district may increase its revenues for the 1999–2000 school year or for any  
9 school year thereafter to an amount that exceeds the amount calculated as follows:

10           **SECTION 3.** 121.93 of the statutes is created to read:

11           **121.93 Revenue cap review board. (1)** In this section, “review board”  
12 means the revenue cap review board.

13           **(2)** A school board may adopt a resolution to apply to the review board for a  
14 revenue limit increase under this section if either of the following are true:

15           (a) The school board submitted a resolution to the electors of the school district  
16 under s. 121.91 (3) for excess revenue to cover unanticipated costs, including costs  
17 for building maintenance, utilities, and pupil safety, as determined by the review  
18 board by rule, and the resolution for excess revenue was not approved by the electors.

19           (b) The school board submitted a resolution to the electors of the school district  
20 under s. 121.91 (3) for excess revenue that was not approved by the electors and all  
21 of the following are true:

**ASSEMBLY BILL 535**

1           1. During the 1992–93 school year, the school district’s cost per pupil was below  
2 the statewide average cost per pupil.

3           2. Using the most current data available, the board determines that the school  
4 district’s cost per pupil is below the statewide average cost per pupil.

5           3. Using the most current data available, the board determines that the school  
6 district’s mill rate is below the statewide average mill rate.

7           **(3)** A school board that seeks a revenue limit increase under sub. (2) shall  
8 submit to the review board a statement of why the proposed increase is needed and  
9 a copy of the resolution adopted under s. 121.91 (3) (a) that was not approved by the  
10 electors. The school board may submit additional, material information, as  
11 determined by the review board by rule. The review board may approve a request  
12 in whole or in part if the review board determines that the proposed revenue limit  
13 increase is necessary for the school board to meet the education goals and  
14 expectations under s. 118.01. The review board shall render its decision within 30  
15 days of receiving the information submitted under this subsection.

16           **(4)** The review board shall promulgate rules to implement and administer this  
17 section.

**SECTION 4. Nonstatutory provisions.**

18           (1) The revenue cap review board shall submit proposed rules required under  
19 section 121.93 (4) of the statutes, as created by this act, to the legislative council staff  
20 under section 227.15 (1) of the statutes no later than the first day of the 7th month  
21 beginning after the effective date of this subsection.  
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**SECTION 5. Initial applicability.**

23           (1) This act first applies to school districts that held a referendum for excess  
24 revenue on the effective date of this subsection.  
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