## DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-2763/P1dn MJL:hmh:kjf

April 17, 2001

## Larry:

I have prepared a preliminary draft for your review. Please note the following:

- 1. The draft does not explicitly call for recalibration of revenue limits, although the draft's effect would be to permit those low–spending school districts who meet the criteria under s. 121.93 (2), as created by the draft, to request review of a failed referendum to increase their revenue limits.
- 2. During our last telephone call you stated that you wanted all issues reviewed by the review board to be put to a referendum vote first. It wasn't clear, to me, however, how that would be feasible if a school board wished to increase its revenue limit for unanticipated costs. The school board would have to hold a special referendum each time it wished to increase its limit for unanticipated costs. Therefore, this draft provides that a school board may bypass the referendum for these costs and go directly to the review board. If this is not acceptable, please let me know, and I will redraft accordingly.
- 3. I understand from a telephone message that you left for me that Joyce Kiel had recommended including language that allowed the review board to approve a revenue limit increase if it was for an educational purpose. I do not think that including this language would decrease the likelihood of a successful constitutional challenge on delegation grounds. All revenue limit increases are for educational purposes. My concern is that the draft does not inherently set any ceilings for how much a revenue limit can be increased. In effect, the review board could simply approve any increase requested by a school district that meets the criteria under s. 121.93 (2). I think the review board needs additional guidance as to how much the increase can be and what methodology the review board may use to determine that amount. Also, it is not clear whether the review board must approve a revenue limit increase of a school board that meets the criteria contained in the bill or whether an increase is discretionary.

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