

2001 DRAFTING REQUEST

Bill

Received: 03/07/2001

Received By: mlief

Wanted: As time permits

Identical to LRB:

For: DuWayne Johnsrud (608) 266-3534

By/Representing: larry

This file may be shown to any legislator: NO

Drafter: mlief

May Contact:

Addl. Drafters:

Subject: Education - school finance

Extra Copies: PG

Submit via email: NO

Requester's email:

Pre Topic:

No specific pre topic given

Topic:

Creation of a revenue limit review board

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>
/P1	mlief 04/16/2001	hhagen 04/17/2001	kfollet 04/17/2001 haugeca 05/08/2001	_____	lrb_docadmin 04/17/2001		
/P2		hhagen 05/21/2001	pgreensl 05/08/2001	_____	lrb_docadmin 05/08/2001		

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/1			pgreensl 05/22/2001	_____	lrb_docadmin 05/23/2001		S&L
/2	mlief 06/01/2001	hhagen 06/04/2001	pgreensl 06/05/2001	_____	lrb_docadmin 06/06/2001	lrb_docadmin	S&L 06/07/2001

FE Sent For:

→ AT
Intro.

<END>

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			haugca 05/08/2001	<i>h/s</i>			
/P2		hhagen 05/21/2001 <i>12 hnh 6/4/01</i>	pgreensl 05/08/2001	<i>PS/anh</i>	lrb_docadmin 05/08/2001		
			<i>h/s</i>				

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FE Sent For:			<i>FS</i>	<i>PS KJF</i>			
			<i>PS</i>	<END>			

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1?	mlief	1P1 kmh 4/17/01	kj 4/17	kj/Pg 4/17			

FE Sent For:

<END>



DuWayne Johnsrud

State Representative

March 6, 2001

Bill drafting request for Rep. Johnsrud

The Problem: Beginning in the 1993-94 school year, a limit was placed on the amount of revenue each school district could receive through property tax and state general aid. The limit is based on enrollment changes, the Consumer Price Index, and each district's prior year controlled revenue. For a school district to levy property taxes at a rate higher than allowed by the cap, it must pass a local referendum. This system is too inflexible.

The Solution: Creation of a Revenue Cap Review Commission to offer relief to a specific school district facing unexpected expenses. For a school district's case to be heard by this commission, they must first take the proposed spending request to their district's taxpayers in the form of a referendum. If this referendum fails, then the district would have the option of asking for review of the proposed spending increase by the Commission. Approved spending allotments may serve to offset unforeseen costs stemming from things like building maintenance and rising prices of necessities such as the cost of heating. The Commission may find that the Revenue cap equation in a district was calibrated at an unrealistic low beginning point in 1993, and allow the cap formula to be re-calibrated.

This commission should be comprised of the State School Superintendent, the Secretaries of the Departments of Administration and Revenue, and the co-chairs of the Legislature's Joint Committee on Finance.

Spending authority approved by the commission would be funded by local property taxes.

3/13 TC/w Larry

Wants to help s.d that was punished for being low spenders → But also wanted to know what other situations should be covered. I told him that that was policy det. He said he didn't have enough info; I suggested he talk to LFB + that I would be happy to work w/ them after he had a clearer sense of how he wanted to proceed. He said 'Ok' (would also call DPI) + would get back to me.

Tc w / Lamy 4/4/01

~~Attn: [unclear] to [unclear]~~
~~[unclear]~~

fund paid CSO
all eq. acct

- Resolution must be adopted for issue to be brought before rev. limit bd.
- Changing amount ↓

- ^{statute} below average per pupil when caps in place
- currently spending below statewide average per pupil.
- " taxing at a mill rate below state average

Can [unclear] in [unclear]

Must go to a referendum



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-2763/P1
mjrkmh

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

D-N

1 AN ACT ^{Generate} ...; relating to: ^{pd} creating a revenue limit review board and granting
2 rule-making authority.

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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

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

8 SECTION 2. 121.91 (2m) (e) ^x (intro.) of the statutes is amended to read:

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

SECTION 3

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

121.93 Revenue limit review board. (1) In this ~~subchapter~~^{section}, "review board" means the revenue limit review board.

(2) A school board may adopt a resolution to apply to the review board for a revenue limit increase under this section ~~to cover~~^{for} unanticipated costs related to building maintenance or utilities, as determined by the review board by rule, or, if all of the following are true, ~~to cover the surplus~~^{for} excess revenue that was not approved by the electors at a referendum under s. 121.91 (3):

(a) During the 1992-93 school year, the ~~amount the school district spent~~^{cost} per pupil was below the statewide average ~~spent~~^{cost} per pupil, as determined by the department by rule.

(b) During the current school year, the school district ~~will spend~~^{estimated cost per pupil} below the estimated statewide average ^{cost} per pupil.

(c) During the current school year, the school district's mill rate is below the statewide average mill rate, as determined by the department by rule.

(3) A school board that seeks a revenue limit increase under sub. (2) shall submit to the review board a statement of why the proposed increase for building maintenance or utilities is needed or, if appropriate, a copy of the resolution adopted under s. 121.91 (3) (a) that was not approved by the electors. The school board may submit additional, material information, as determined by the review board by rule. The board shall render its decision within 30 days of receiving the information submitted under this subsection.

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

(END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2763/P1dn
M.L. ... hmb

Dade

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, by their very nature, for educational purposes. ^{My} The concern ~~that I have~~ is that the draft does not 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. ^{inherently inherent}

Also, it is not clear whether the review board must approve a revenue limit increase of a school board that meets the

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

criteria contained in the bill or whether an increase is discretionary.

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

4/19 - Call Larry - ~~Call re new limit re bd.~~
Returned call.

→ Wants them to hold ref for unanticipated costs
→ Have discretion to approve ~~equal~~ an amt
equal to or less than amt requested, ~~but~~ but
not more than amt requested.

→ Will get back to me w/ information in these pts.

5/7 - ~~study~~ add pupil safety

- examples

- In sub (3), add lg that says must
- be necessary to meet goals & expe
under 5.118.01.

SOON
TO...
517

LRB Number: 2763 / P2

Nonsubmittal Form

**WPOs: DO NOT FORWARD THIS DRAFT FOR SUBMITTAL,
UNLESS INSTRUCTED TO DO SO BY THE DRAFTING
ATTORNEY.**

Return everything to the primary drafting attorney.

After you have completed typing this draft, return the camera-ready copy to the primary drafting attorney, along with the drafting file. Also, forward the electronic file to the primary drafting attorney for the task of drafting.

Return only the camera-ready copy to the primary drafting attorney.

After you have completed typing this draft, clip this form to the camera-ready copy and return these materials to the primary drafting attorney. Place the drafting file in the HOLD basket in the WPO room. Forward the electronic file to Typing -- lrb_wpo, so that the electronic file can be viewed by all WPOs.

When the attorney finishes reviewing the draft, the attorney will bring the camera-ready copy back to the WPO room. If the attorney has found any typos or minor corrections, correct the draft as indicated and print out a new camera-ready copy. Take the final camera-ready copy, retrieve the drafting file from the HOLD basket in the WPO room, discard this form, place the camera-ready copy and the drafting file in the PA submit basket and forward the electronic file to the PAs for submitting. (If, after reviewing the draft, the attorney decides to redraft it, give the attorney the drafting file and forward the electronic file to the attorney for drafting.)



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-2763/PX
MJL:hmh:kjf
stays

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

R-M not run
soon
to ed. 5/7
Regenerate

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 revenue limit review board and granting
3 rule-making authority.

Analysis by the Legislative Reference Bureau

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The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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7 consists of the state superintendent of public instruction, the secretaries of
8 administration and revenue, and the co-chairs of the joint committee on finance.
9 SECTION 2. 121.91 (2m) (e) (intro.) of the statutes is amended to read:

1 121.91 (2m) (e) (intro.) Except as provided in subs. (3) and (4) and s. 121.93,
2 no school district may increase its revenues for the 1999-2000 school year or for any
3 school year thereafter to an amount that exceeds the amount calculated as follows:

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

5 121.93 Revenue limit review board. (1) In this section, "review board"
6 means the revenue limit review board.

*Ins
2-7* (7)

(2) A school board may adopt a resolution to apply to the review board for a
7 revenue limit increase under this section for unanticipated costs, ^{such as costs for} ~~related to~~ building
8 maintenance ^(or pupil safety) or utilities, as determined by the review board by rule, or, if all of the
9 following are true, ~~to the~~ ^{If} excess revenue ~~that~~ was not approved by the electors at
10 a referendum under s. 121.91 (3);

(12) 1. ~~(a)~~ During the 1992-93 school year, the school district's cost per pupil was below
13 the statewide average cost per pupil, as determined by the department by rule.

(14) 2. ~~(b)~~ During the current school year, the school district's estimated cost per pupil
15 will be below the estimated statewide average cost per pupil.

(16) 3. ~~(c)~~ During the current school year, the school district's mill rate is below the
17 statewide average mill rate, as determined by the department by rule.

18 (3) A school board that seeks a revenue limit increase under sub. (2) shall
19 submit to the review board a statement of why the proposed increase ~~for building~~
20 maintenance or utilities is needed ^{and} ~~or if appropriate~~, a copy of the resolution adopted
21 under s. 121.91 (3) (a) that was not approved by the electors. The school board may
22 submit additional, material information, as determined by the review board by rule.
23 The ^{review} board shall render its decision within 30 days of receiving the information
24 submitted under this subsection.

*may approve a request in whole or in part if the ^{review} board
determines that the proposed revenue limit increase is
necessary for the school board to meet the educational ^{review}
goals and expectations under s. 118.01. The board*

(2) A school board may adopt a resolution to apply to the ^{revenue} ~~board~~ ^{board} for a ^{revenue} limit increase under ^{this} section if either of the following are true:

(a) The school board submitted a resolution ^{to the} ~~to~~ electors of the school district under s. 121.91(3)

for excess ^{revenue} to cover unanticipated costs ^{including} ~~as~~ ^{costs for} building maintenance, utilities, and pupil safety, determined by the ^{review} board by ^{resolution} ~~rule~~

and the ~~request~~ ^{revenue} for excess ^{was not} revenue was not approved by the electors ^{at a referendum} ~~at a referendum~~

~~under s. 121.91(3)~~

(b) The school board submitted a ^{resolution} ~~request~~ to the electors of the school district ^{under} ~~under~~ s. 121.91(3)

for excess ^{revenue} that was not ^{approved} ~~approved~~ by the electors ~~at a referendum~~ ~~under s. 121.91(3)~~

and all of the following are true:

Date

2/16/03/P2

(D-N)

MSL:kmb

Larry:

At ^{your} request, I have included language regarding the educational goals and expectations under S-118.01. As we discussed, however, I still think this standard is problematic. You may wish to discuss this ~~matter~~ issue with someone at the LFB.

(MSL)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2763/P2dn
MJL:hmh:pg

May 8, 2001

Larry:

At your request, I have included language regarding the educational goals and expectations under s. 118.01. As we discussed, however, I still think this standard is problematic. You may wish to discuss this issue with someone at the LFB.

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

Lief, Madelon

From: Konopacki, Larry
Sent: Monday, May 14, 2001 10:15 AM
To: Kiel, Joyce
Cc: Lief, Madelon
Subject: RE: LRB-2763/P2

Lonnie and Joyce, Thanks for both of your efforts on this draft. I've added a few reactions below that we can talk about. When can you two do a conference call? I'm very flexible today and tomorrow.....

Larry Konopacki

Yes 1. Page 2, line 7: should refer to "review board", rather than "revenue board".

Not sure???, Yes 2. Page 2, line 12: Do you want the review board to promulgate rules defining "unanticipated costs" or give more direction in the statutes and just let the review board decide on a case-by-case basis if the costs at issue were unanticipated? Also, do you want to refer to costs that could not reasonably have been anticipated, rather than unanticipated costs?

Yes 3. Page 2, line 17 and line 19: I think DPI just collects information on average pupil costs and mill rate, rather than promulgating rules about that, so I think the phrase "by rule" could be deleted on each line.

Yes. Lonnie, you may want to refer to something like "the most recent complete school year data"; whatever you think is best..... 4. Page 2, line 18 and line 20: Rather than referring to the "current school year", you may want to consider referring to the "school year preceding the school year in which the resolution was not approved by the electors", so that the information will be more readily available. (If this is done, "estimated" should be deleted on lines 18 and 19.)

not necessary **Yes** 5. Page 2, line 23: You also may want to specify that one of the items the school board must submit is "information establishing that the qualifications in sub. (2) (a) or (b) were met", so that there is no question that it is the school board that has to establish that it is appropriately before the review board.

6. Page 3, lines 3 and 4: Regarding what a determination should be based on, I thought about having the review board determine that the increase was necessary to ensure that pupils attending that school had a sound basic education (using language from the Vincent school funding case), but I don't think that is any better than what the draft provides. I understand Madelon Lief's concern about having some standard that the review board applies. The language in the draft is pretty open-ended as you could fit lots of things under "necessary for the school board to meet education goals and expectations under s. 118.01," but it may be sufficient to withstand a constitutional challenge about inappropriate delegation of legislative authority. This provision is really at the heart of the bill. On what basis does Representative Johnsrud think the review board should approve an increase?

Lonnie, suggestions? 7. Page 3, lines 6 and 7: Did you want to specify a date by which the review board must send its rules to the Rules Clearinghouse to give them at least some time frame to get the ball rolling? *a month - delivered eff date*

I hadn't thought of this. Lonnie, what is the typical approach for things like this? 8. Did you intend that the board's decision would be final, or did you intend that there be a right to appeal it to a court? *Final*

Larry, since some of these comments involve decisions your office should answer about the draft, I haven't talked to Madelon Lief but am sending her a copy of this email. She likely has thoughts about my comments. After you have had a chance to review this, why don't the three of us have a conference call--call and let me know when you are ready.

Joyce L. Kiel, Senior Staff Attorney
Wisconsin Legislative Council Staff
Suite 401, One East Main Street
Madison, WI 53703
608-266-3137
608-266-3830 (fax)

*tc w/ Joyce -
a mos after eff date to get rules in.*

*Initial app -
Sch dist
must hold
referendum
on eff date*



~~PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION~~

RM - not run

JWS Analysis

Regenerate

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7 (2) A school board may adopt a resolution to apply to the ^{review} ~~revenue~~ board for a
 8 revenue limit increase under this section if either of the following are true:

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

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

16 1. During the 1992-93 school year, the school district's cost per pupil was below
 17 the statewide average cost per pupil, ~~as determined by the department by rule.~~ ^{use it}

18 2. ~~During the current school year,~~ ^{Using the most current data available, the board determines that}
 19 ~~is~~ ^{is} below the ~~estimated~~ statewide average cost per pupil.

20 3. ~~During the current school year,~~
 21 the school district's mill rate is below the
 statewide average mill rate, ~~as determined by the department by rule.~~

22 (3) A school board that seeks a revenue limit increase under sub. (2) shall
 23 submit to the review board a statement of why the proposed increase is needed and
 24 a copy of the resolution adopted under s. 121.91 (3) (a) that was not approved by the
 25 electors. The school board may submit additional, material information, as

1 determined by the review board by rule. The review board may approve a request
2 in whole or in part if the review board determines that the proposed revenue limit
3 increase is necessary for the school board to meet the education goals and
4 expectations under s. 118.01. The review board shall render its decision within 30
5 days of receiving the information submitted under this subsection.

6 (4) The review board shall promulgate rules to implement and administer this
7 section.

(END)

8

JVS
A, B, C

2001

Ins A
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LRB _____/____

Nonstat File Sequence:

NONSTAT SESSLAW

1. In the component bar:

For the action phrase, execute: create → action: → *NS: → nonstat

For the budget action phrase, execute: create → action: → *NS: → 91XX

For a subsection, execute: create → text: → *NS: → sub

For a paragraph, execute: create → text: → *NS: → par

For a subdivision, execute: create → text: → *NS: → subd

For a subdivision paragraph, execute: create → text: → *NS: → subpar

2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed. Below, for the budget, fill in the 9100 department code.

SECTION # [91] Nonstatutory provisions; ...

(#1) *(✓)* The revenue limit review board shall

submit proposed rules ^{required} required under
Section 121.93(4) of the statutes, as
created by this act, to the ^{legislative} legislative
^{council} council ^{staff} staff under section 227.15(i)
of the statutes no later than the first
day of the 7th month beginning
after the effective date of this
subsection.

2001

LWS (B)

FFF

LRB _____/_____/_____

Nonstat File Sequence:

EFFECTIVE DATE

1. In the component bar: For the action phrase, execute: ... **create** → **action:** → *NS: → **effdate**
For the text, execute: **create** → **text:** → *NS: → **effdateA**
2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed.

SECTION # ____ . **Effective date.**

(#1) () This act takes effect on

1. In the component bar: For the action phrase, execute: .. **create** → **action:** → *NS: → **effdateE**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed.

SECTION # m . **Effective dates;** ⁰.....

..... This act takes effect on the day after publication, except as follows:

(#1) (v) The treatment of sections 121.9(2m)(e)(intro.) and 121.93 of the statutes takes effect on the 1st day of the 13th month beginning after publication.

1. In the component bar: For the budget action phrase, execute:..**create** → **action:** → *NS: → **94XX**
For the text, execute: **create** → **text:** → *NS: → **effdate**
2. Nonstatutory subunits are numbered automatically. Fill in the SECTION # or subsection # only if a "frozen" number is needed. Below, for the budget, fill in the 9400 department code.

SECTION 94 ____ . **Effective dates;**

(#1) () The treatment of sections of the statutes takes effect on

2001

INS/C

EEE

LRB _____/_____
_____ : _____ : _____

Nonstat File Sequence:

INITIAL APPLICABILITY

- In the component bar:
For the action phrase, execute: create → action: → *NS: → inappl
For the budget action phrase, execute: create → action: → *NS: → 93XX
For the text, execute: create → text: → *NS: → inappl
- Nonstatutory subunits are numbered automatically. Fill in the Section # or subsection # only if a "frozen" number is needed. Below, for the budget, fill in the 9300 department code.

SECTION # 9300. Initial applicability: This

(#1) W This act first applies to school districts
that held a referendum for The treatment of sections
excess revenue on the effective date of
this subsection.

..... of the statutes
first applies to

- In the component bar:
For the action phrase, execute: create → action: → *NS: → inappl
For the text, execute: create → text: → *NS: → inapplA
- Nonstatutory subunits are numbered automatically. Fill in the Section # or subsection # only if a "frozen" number is needed.

~~SECTION # _____ . Initial applicability;~~

~~(#1) () This act first
applies to~~

is designed ^{designed}

increase if the proposed increase ~~for~~ ~~is~~

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~~ 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 review board determines that the proposed revenue limit increase is necessary for the school board ^{educational} to meet ~~statutory~~ goals and expectations →

required by statute.

~~STIPUL~~ FE - State + Local



2001 BILL

D-N

R.M. van

board to review requests to exceed revenue limits

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 revenue ~~limit~~ review board and granting
3 rule-making authority.

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 if it submits a resolution to do so to the electors at a referendum and the electors approve the resolution.

"cap" as it is popularly known

X This bill creates a revenue ^{cap} ~~limit~~ 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.

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

BILL

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:

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

2 15.375 (3) REVENUE ~~LIMIT~~^{CAP} REVIEW BOARD. There is created a revenue ~~limit~~^{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 ~~limit~~^{cap} review board.** (1) In this section, “review board”
12 means the revenue ~~limit~~^{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:

BILL

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 **(19)** The revenue ^{cap}~~limit~~ 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.
22

23 **SECTION 5. Effective dates.** This act takes effect on the day after publication,
24 except as follows:

INS
K-1
or next page

Date

2763/2

MJL:hmk

Larry:

At your request, I redrafted the bill to ^{call} call
the revenue limit review board the revenue ^{cap} cap
review board. Please note, however, that the term
"revenue cap" ~~is~~ does not appear in the statutes.

~~I encourage you to reconsider that change.~~

~~I would recommend that you~~

MJL

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-2763/2dn
MJL:hmh:pg

June 5, 2001

Larry:

At your request, I redrafted the bill to call the revenue limit review board the revenue cap review board. Please note, however, that the term "revenue cap" does not appear in the statutes.

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



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

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

STEPHEN R. MILLER
CHIEF

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

June 6, 2001

MEMORANDUM

To: Representative Johnsrud

From: Madelon J. Lief, Legislative Attorney

Re: LRB-2763/2 Creation of a revenue limit review board

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.