

2003 DRAFTING REQUEST

Bill

Received: **01/17/2003**

Received By: **mlief**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Ziegler**

This file may be shown to any legislator: **NO**

Drafter: **mlief**

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Addl. Drafters:

Subject: **Education - school finance**

Extra Copies: **PG**
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Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

DOA:.....Ziegler -BB0378

Topic:

Creating a school aid appropriation funded from the transportation fund

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>
/?							S&L
/1	mlief 01/20/2003	kfollett 01/21/2003	rschluet 01/21/2003		amentkow 01/21/2003		

FE Sent For:

<END>

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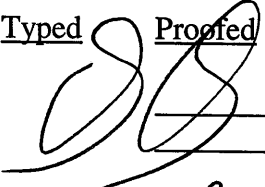
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/?	mlief	11 kjf 1/21					S&L

FE Sent For:

1-20-03
<END>



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

JAMES E. DOYLE
GOVERNOR

MARC J. MAROTTA
SECRETARY

Division of Executive Budget and Finance
Post Office Box 7864
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Date: January 17, 2003

To: Steve Miller, Chief
Legislative Reference Bureau

From: Paul Ziegler, Policy and Budget Analyst
State Budget Office, DOA

Subject: Drafting request for 2003-05 Biennial Budget Bill

Please have the following item drafted for possible inclusion in the 2003-05 biennial budget bill:

Transportation fund school aids appropriation. Beginning in FY04, shift \$160 million of general school aid payments from the general fund to the transportation fund. Details are as follows:

- Create an annual appropriation from the transportation fund set at \$160 million in both FY04 and FY05 (and intended to continue into the future). The appropriation may be entitled "general school aids - transportation fund" or something similar.
- Pay a proportionate share of every school district's general school aids payments from this new SEG appropriation. Direct the Department of Public Instruction to determine the percentage of each school district's payment to expend from the SEG appropriation to expend the \$160 million. To determine the total amount to distribute as general school aids, DPI must consider the total of this new appropriation and the current appropriation under s.20.255(2)(ac).
- The payments from the SEG appropriation shall be made on the same payment schedule as general school aids. The SEG payments will decrease the amount that would otherwise be paid from GPR on each of the September, December, March and June payment dates. (This new SEG school aid appropriation should not impact the \$75 million of delayed school aids paid from GPR.)
- The total amount received by each school district on each of the payment dates is unchanged by this draft. It has no cashflow impacts on school districts.

Please contact me at 266-5468 or at paul.ziegler@doa.state.wi.us with any questions.

Thank you.

TRACKING INFORMATION

SBO Analyst: Paul Ziegler
Department: DPI - K12 finance
Title of Request: Transportation fund school aids



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-1599/1

MJL:KJF

D-Note

DOA:.....Ziegler – Creating a school aid appropriation funded from the transportation fund

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

Do Not Gen

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

This bill creates a supplemental appropriation from which to pay general school aid that is funded from the transportation fund.

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:

2 SECTION 1. 13.101 (6) (a) of the statutes is amended to read:

3 13.101 (6) (a) As an emergency measure necessitated by decreased state
4 revenues and to prevent the necessity for a state tax on general property, the
5 committee may reduce any appropriation made to any board, commission,
6 department, or the University of Wisconsin System, or to any other state agency or
7 activity, by such amount as it deems feasible, not exceeding 25% of the

1 appropriations, except appropriations made by ss. 20.255 (2) (ac), (bc), (bh), (cg), and
 2 (cr), and (r), 20.395 (1), (2) (cq), (eq) to (ex) and (gq) to (gx), (3), (4) (aq) to (ax), and
 3 (6) (aq), (ar), and (at), 20.435 (6) (a) and (7) (da), and 20.445 (3) (a) and (dz) or for
 4 forestry purposes under s. 20.370 (1), or any other moneys distributed to any county,
 5 city, village, town, or school district. Appropriations of receipts and of a sum
 6 sufficient shall for the purposes of this section be regarded as equivalent to the
 7 amounts expended under such appropriations in the prior fiscal year which ended
 8 June 30. All functions of said state agencies shall be continued in an efficient
 9 manner, but because of the uncertainties of the existing situation no public funds
 10 should be expended or obligations incurred unless there shall be adequate revenues
 11 to meet the expenditures therefor. For such reason the committee may make
 12 reductions of such appropriations as in its judgment will secure sound financial
 13 operations of the administration for said state agencies and at the same time
 14 interfere least with their services and activities.

History: 1975 c. 39, 199, 224; 1977 c. 29 ss. 1649, 1656 (15); 1979 c. 1; 1979 c. 34 ss. 1b to 1g, 631j to 631s, 2102 (43) (a), (52) (a); 1979 c. 221; 1981 c. 20 ss. 3d to 3v; 1983 a. 27 ss. 5p to 7, 2202 (20) and (42); 1983 a. 538; 1985 a. 29 ss. 22, 3202 (51); 1987 a. 4; 1989 a. 31, 336, 366; 1991 a. 39, 309; 1993 a. 16, 184, 414; 1995 a. 27, 132, 225, 227, 445; 1997 a. 27, 35, 113, 252; 1999 a. 9, 29; 2001 a. 1p, 38, 109.

15 **SECTION 2.** 16.50 (1) (b) of the statutes is amended to read:

16 16.50 (1) (b) This subsection does not apply to appropriations under ss. 20.255
 17 (2) (ac) and (r), 20.835, and 20.865 (4).

History: 1971 c. 270; 1973 c. 333; 1975 c. 39; 1977 c. 29, 196, 418; 1979 c. 32, 34; 1981 c. 20, 27, 30, 314; 1983 a. 27 ss. 70, 71a, 2202 (42); 1985 a. 332 s. 251 (6); 1987 a. 4, 27; 1989 a. 31, 336; 1991 a. 316; 1993 a. 16; 1995 a. 27; 1997 a. 27; 1999 a. 9; 2001 a. 16.

18 **SECTION 3.** 16.52 (10) of the statutes is amended to read:

19 16.52 (10) DEPARTMENT OF PUBLIC INSTRUCTION. The provisions of sub. (2) with
 20 respect to refunds and sub. (5) (a) with respect to reimbursements for the prior fiscal
 21 year shall not apply to the ~~appropriation~~ appropriations under s. 20.255 (2) (ac) and
 22 (r).

History: 1971 c. 125, 261; 1973 c. 243; 1975 c. 41 s. 52; 1977 c. 29; 1977 c. 196 s. 130 (3), (4); 1977 c. 272, 273, 418; 1979 c. 34 ss. 65 to 67, 2102 (43) (a); 1981 c. 14; 1983 a. 27 ss. 73, 74, 2202 (42); 1983 a. 368; 1985 a. 29; 1987 a. 399; 1989 a. 31, 336, 359; 1991 a. 39, 316; 1995 a. 27 ss. 296, 297, 9145 (1); 1997 a. 27; 2001 a. 16.

23 **SECTION 4.** 20.255 (2) (r) of the statutes is created to read:

①
Transportation fund

① 20.255 (2) (r) ~~General equalization aids; ~~transportation~~~~. From the transportation
2 fund, the amounts in the schedule for the payment of aid under s. 121.08.

***NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

3 SECTION 5. 25.40 (2) (b) 19r. of the statutes is created to read:

4 25.40 (2) (b) 19r. Section 20.255 (2) (r).

5 SECTION 6. 118.153 (4) (b) of the statutes is amended to read:

6 118.153 (4) (b) Upon receipt of a school board's annual report under par. (a) the
7 state superintendent shall pay to the school district from the appropriation under s.
8 20.255 (2) (bc), for each pupil enrolled in a program for children at risk who achieved
9 at least 3 of the objectives under par. (c) in the previous school year, additional state
10 aid in an amount equal to 10% of the school district's average per pupil aids provided
11 under s. 20.835 (7) (a), 1991 stats., and s. 20.255 (2) (ac) and (r) in the previous school
12 year.

13 History: 1985 a. 29, 332; 1987 a. 27; 1989 a. 31, 386; 1991 a. 39, 196; 1993 a. 16, 341, 399, 491; 1995 a. 27 s. 9145 (1); 1997 a. 27, 113; 1999 a. 9, 123.

14 SECTION 7. 121.007 of the statutes is amended to read:

15 121.007 Use of state aid; exemption from execution. All moneys paid to
16 a school district under s. 20.255 (2) (ac), (bc), (cg), and (cr), and (r) shall be used by
17 the school district solely for the purposes for which paid. Such moneys are exempt
18 from execution, attachment, garnishment, or other process in favor of creditors,
19 except as to claims for salaries or wages of teachers and other school employees and
as to claims for school materials, supplies, fuel, and current repairs.

History: 1971 c. 125 s. 522 (1); 1973 c. 90; 1975 c. 39, 220; 1977 c. 29 s. 1099; Stats. 1977 s. 121.007; 1979 c. 34 s. 2102 (43) (a); 1979 c. 221; 1981 c. 20; 1983 a. 27 s. 2202 (42); 1983 a. 538; 1989 a. 31, 336; 1993 a. 16; 1997 a. 27, 113; 2001 a. 16.

20 SECTION 8. 121.07 (7) (b) of the statutes is amended to read:

21 121.07 (7) (b) The "secondary guaranteed valuation per member" is an amount,
22 rounded to the next lower dollar, that, after subtraction of payments under ss. 121.09
23 and 121.85 (6) (b) 2. and 3. and (c), fully distributes an amount equal to the amount

1 remaining in the ~~appropriation~~ appropriations under s. 20.255 (2) (ac) and (r) plus
 2 \$75,000,000 in the ~~1997-98 school year~~ and \$100,000,000 in the ~~1998-99 school year~~
 3 for payments under ss. ~~121.08, 121.105, 121.85 (6) (a) and (g) and 121.86.~~

History: 1971 c. 125; 1973 c. 61, 90, 190, 333; 1975 c. 39; 1977 c. 29, 178, 418; 1979 c. 34, 221; 1981 c. 20, 317, 385; 1983 a. 27, 212; 1985 a. 29; 1987 a. 27; 1989 a. 31, 114, 309, 336, 359; 1991 a. 39, 269, 315; 1993 a. 16, 437; 1995 a. 27 ss. 4046m to 4064, 9145 (1); 1997 a. 27, 113, 286; 1999 a. 9, 17; 2001 a. 16, 109.

4 **SECTION 9.** 121.08 (4) (a) (intro.) of the statutes is amended to read:

5 121.08 (4) (a) (intro.) The amount of state aid that a school district is eligible
 6 to be paid from the ~~appropriation~~ appropriations under s. 20.255 (2) (ac) and (r) shall
 7 be reduced by the amount determined as follows:

History: 1973 c. 90; 1977 c. 29; 1983 a. 509; 1985 a. 29; 1987 a. 27, 399; 1995 a. 27; 1999 a. 9, 185; 2001 a. 16.

8 **SECTION 10.** 121.08 (4) (a) 2. of the statutes is amended to read:

9 121.08 (4) (a) 2. Divide the sum under subd. 1. by the total amount of state aid
 10 that all school districts are eligible to be paid from the ~~appropriation~~ appropriations
 11 under s. 20.255 (2) (ac) and (r), calculated as if the reduction under par. (b) had not
 12 occurred.

History: 1973 c. 90; 1977 c. 29; 1983 a. 509; 1985 a. 29; 1987 a. 27, 399; 1995 a. 27; 1999 a. 9, 185; 2001 a. 16.

13 **SECTION 11.** 121.08 (4) (a) 3. of the statutes is amended to read:

14 121.08 (4) (a) 3. Multiply the amount of state aid that the school district is
 15 eligible to be paid from the ~~appropriation~~ appropriations under s. 20.255 (2) (ac) and
 16 (r), calculated as if the reduction under par. (b) had not occurred, by the quotient
 17 under subd. 2.

History: 1973 c. 90; 1977 c. 29; 1983 a. 509; 1985 a. 29; 1987 a. 27, 399; 1995 a. 27; 1999 a. 9, 185; 2001 a. 16.

18 **SECTION 12.** 121.08 (4) (b) of the statutes is amended to read:

19 121.08 (4) (b) The amount of state aid that the school district operating under
 20 ch. 119 is eligible to be paid from the ~~appropriation~~ appropriations under s. 20.255
 21 (2) (ac) and (r) shall also be reduced by 45% of the amounts paid under s. 119.23 (4)
 22 and (4m) in the current school year.

History: 1973 c. 90; 1977 c. 29; 1983 a. 509; 1985 a. 29; 1987 a. 27, 399; 1995 a. 27; 1999 a. 9, 185; 2001 a. 16.

23

(END)

D-Note

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

LRB-1599/1dn
MJL:K...f

Date

Paul Ziegler:

Please note the following:

1. The bill creates a new SEG appropriation that pays only aid under s. 121.08, not the other aids cross-referenced under s. 20.255[✓](2) (ac), OK?
2. My interpretation of your drafting instructions was that you did not want the SEG appropriation to pay for the delayed school aids.
3. I assumed that you wanted me to create an exception to the requirement under s. 25.40[✓](2) (a), so I did so in this draft.
4. Please check the amendments to s. 13.101 (6) (a), 16.50 (1) (b), 16.52 (10), 118.153 (4) (b), 121.007, and 121.07 (7) (b). (I assumed that you wanted the new appropriation cross-referenced in these sections.)

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

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

LRB-1599/1dn
MJL:kjf:rs

January 21, 2003

Paul Ziegler:

Please note the following:

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



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-1599/1

MJL:kjf:rs

DOA:.....Ziegler -BB0378 Creating a school aid appropriation funded from
the transportation fund

FOR 2003-05 BUDGET — NOT READY FOR INTRODUCTION

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This bill creates a supplemental appropriation from which to pay ~~general school~~ ^{equalization} aid that is funded from the transportation fund.

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6 department, or the University of Wisconsin System, or to any other state agency or
7 activity, by such amount as it deems feasible, not exceeding 25% of the

1 appropriations, except appropriations made by ss. 20.255 (2) (ac), (bc), (bh), (cg), ~~and~~
2 (cr), and (r), 20.395 (1), (2) (cq), (eq) to (ex) and (gq) to (gx), (3), (4) (aq) to (ax), and
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6 sufficient shall for the purposes of this section be regarded as equivalent to the
7 amounts expended under such appropriations in the prior fiscal year which ended
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11 to meet the expenditures therefor. For such reason the committee may make
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22 (2) (ac) and (r) shall also be reduced by 45% of the amounts paid under s. 119.23 (4)
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24 (END)