AN ACT to create 117.105 (1g), 117.105 (1m) (d) and 121.07 (1) (d) of the statutes;  
relating to: state aid to school districts that are created from the territory of
one or more existing school districts.

Analysis by the Legislative Reference Bureau

Current law provides a method for creating a new school district by detaching
territory from one or more existing school districts. Because state school aid is based
on a school district’s prior year data, however, the new school district receives no
state aid in its first year.

This bill provides that for the new school district’s first year the Department of
Public Instruction must compute state aid for the new school district, and for any
school district from which territory was detached to create the new school district,
as if the new school district had existed in the previous school year.

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:

SECTION 1. 117.105 (1g) of the statutes is created to read:

117.105 (1g) STATE AID ESTIMATE. Based upon the information provided to the
board under sub. (1), the department shall estimate the amount of state aid under
s. 121.08 that each affected school district and the proposed school district would have received in the current school year if the proposed school district had existed in the previous school year, and shall notify the school board of each affected school district.

SECTION 2. 117.105 (1m) (d) of the statutes is created to read:

117.105 (1m) (d) For the purpose of apportioning assets and liabilities under par. (b) or (c), state aid distributed under s. 121.15 in the school year beginning on the effective date of the reorganization under this section is not an asset.

SECTION 3. 121.07 (1) (d) of the statutes is created to read:

121.07 (1) (d) Notwithstanding par. (a), for the school year beginning on the effective date of a reorganization under s. 117.105, the department shall compute state aid for any school district from which territory was detached to create a school district under s. 117.105, and for the school district created under s. 117.105, as if the school district created under s. 117.105 had been in existence on the preceding July 1. For the purpose of computing state aid, the department shall calculate each school district’s shared cost on the basis of the school district’s share of the aggregate membership in all of the school districts.

SECTION 4. Initial applicability.

(1) This act first applies to a school district reorganization initiated by a petition filed under section 117.105 (1) (a) of the statutes, or by the adoption of the first school board resolution under section 117.105 (1) (b) of the statutes, on the effective date of this subsection.

(END)