AN ACT to renumber and amend 118.43 (4) (d); to amend 118.43 (2) (g), 118.43 (3) (intro.) and 118.43 (6) (b) 9.; and to create 118.38 (1) (a) 9., 118.43 (2) (bt), 118.43 (3) (at), 118.43 (3m), 118.43 (4) (d) 2. and 118.43 (6) (b) 10. of the statutes; relating to: student achievement guarantee in education program contracts.

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

SECTION 1. 118.38 (1) (a) 9. of the statutes is created to read:
118.38 (1) (a) 9. The requirements established for achievement guarantee contracts under s. 118.43.

SECTION 2. 118.43 (2) (bt) of the statutes is created to read:
118.43 (2) (bt) In the 2010−11 school year, the school board of an eligible school district may enter into a 5−year achievement guarantee contract with the department on behalf of one or more schools in the school district if all of the following apply:
1. In the previous school year, each school had an enrollment that was at least 30 percent low income.
2. The school board is not receiving a grant under the preschool to grade 5 program on behalf of any of the schools under s. 115.45.
3. None of the schools is a beneficiary of a contract under this section.

SECTION 3. 118.43 (2) (g) of the statutes is amended to read:
118.43 (2) (g) The department may renew an achievement guarantee contract under pars. (b), (bg), and (br), and (bt) for one or more terms of 5 school years. As Except as provided in sub. (3m), as a condition of receiving payments under a renewal of an achievement guarantee contract, a school board shall maintain the reduction of class size achieved during the last school year of the original achievement guarantee contract for the grades specified for the last school year of the contract.

SECTION 4. 118.43 (3) (intro.) of the statutes is amended to read:
118.43 (3) CONTRACT REQUIREMENTS. (intro.) Except as provided in pars. (am) and (ar), an achievement guarantee contract shall require the school board to do all of the following in each participating school:

SECTION 5. 118.43 (3) (at) of the statutes is created to read:
118.43 (3) (at) Class size; additional contracts. For contracts that begin in the 2010−11 school year, reduce each class size to 18 in the following manner:
1. In the 2010−11 school year, in at least grades kindergarten and one.
2. In the 2011−12 school year, in at least grades kindergarten to 2.
3. In the 2012−13 to 2014−15 school years, in at least grades kindergarten to 3.

SECTION 6. 118.43 (3m) of the statutes is created to read:
118.43 (3m) ADJUSTMENT TO CLASS SIZE. (a) Beginning in the 2010−11 school year, notwithstanding sub. (3) (a), (am), and (ar), a school board operating under an
achievement guarantee contract on the effective date of this subsection .... [LRB inserts date], may do any of the following:

1. Satisfy the class size limitation by reducing each class size in each school covered by the contract to no more than 18.

2. Combine 2 classes subject to the class size limitation in any school covered by the contract having at least 2 regular classroom teachers when the classes are combined if the combined class size is not greater than 30.

(b) A school board operating under an achievement guarantee contract entered into under sub. (3) (at) may combine 2 classes subject to the class size limitation in any school covered by the contract having at least 2 regular classroom teachers when the classes are combined if the combined class size is not greater than 30.

**SECTION 7.** 118.43 (4) (d) of the statutes is renumbered 118.43 (4) (d) 1. and amended to read:

118.43 (4) (d) 1. Except as provided in subd. 2., a description of any statute or rule that is waived under s. 118.38 if the waiver is related to the contract.

**SECTION 8.** 118.43 (4) (d) 2. of the statutes is created to read:

118.43 (4) (d) 2. No achievement guarantee contract entered into or renewed under sub. (2) may include a waiver of any requirement of or rule promulgated under the authority of this section.

**SECTION 8g.** 118.43 (6) (b) 9. of the statutes is amended to read:

118.43 (6) (b) 9. In the 2005–06 and 2006–07 school years, $2,000 multiplied by the number of low-income pupils enrolled in grades eligible for funding in each school in the school district covered by renewals of contracts under sub. (2) (g); and in the 2007–08, 2008–09, and 2009–10 school year and any subsequent school year years, $2.250 multiplied by the number of low-income pupils enrolled in grades eligible for funding in each school in the school district covered by renewals of contracts under sub. (2) (g).

**SECTION 8r.** 118.43 (6) (b) 10. of the statutes is created to read:

118.43 (6) (b) 10. In the 2010–11 school year and any subsequent school year, $2,250 multiplied by the number of low-income pupils enrolled in grades eligible for funding in each school in the school district covered by contracts under sub. (3) (at) and by renewals of contracts under sub. (2) (g).

**SECTION 9. Initial applicability.**

1. The treatment of section 118.43 (4) (d) 2. of the statutes first applies to an achievement guarantee contract entered into or renewed on the effective date of this subsection.

2. This act first applies to state aid distributed under section 118.43 (6) (b) of the statutes, as affected by this act, in the 2010–11 school year.