

## 2011 DRAFTING REQUEST

### Bill

Received: 04/13/2011

Received By: pgrant

Wanted: As time permits

Companion to LRB:

For: Leah Vukmir (608) 266-2512

By/Representing: Jason Rostan

May Contact:

Drafter: pgrant

Subject: Education - handicapped ed.  
Education - school boards  
Education - state superintendent

Addl. Drafters:

Extra Copies: TKK

Submit via email: YES

Requester's email: Sen.Vukmir@legis.wisconsin.gov

Carbon copy (CC:) to:

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#### Pre Topic:

No specific pre topic given

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#### Topic:

Special Needs Scholarship Program

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#### Instructions:

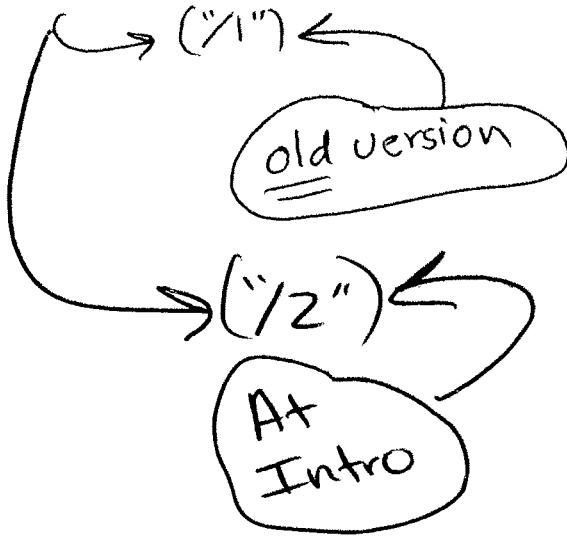
same as AB

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#### 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>
/?	pgrant 04/15/2011	csicilia 04/15/2011		_____			S&L
/1	pgrant 02/09/2012	csicilia 02/13/2012	phenry 04/15/2011	_____	ggodwin 04/15/2011	ggodwin 04/20/2011	S&L
/2			jfrantze 02/13/2012	_____	ggodwin 02/13/2012	mbarman 02/13/2012	

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<END>

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/?	pgrant 04/15/2011	csicilia 04/15/2011		_____			S&L
/1		1/2 jgs 2/13	phenry 04/15/2011	_____	ggodwin 04/15/2011	ggodwin 04/20/2011	

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12 Jo Km 2/13  
2/13 Jo  
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/1			phenry 04/15/2011	_____	ggodwin 04/15/2011		

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("1") ← Requested by Jason Rostan

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/?	pgrant	1 cjs 4/15 11	4/15 ph	<del>X</del>			

FE Sent For:

<END>

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

JASON  
 6-25/12

Vukmir  
 SB

- 1907

same as -1567/2





State of Wisconsin  
2011 - 2012 LEGISLATURE

500M



LRB-156712

PC:cjs:md

LRB-1907/1

PG: 93

2011 BILL

SA ✓

Gen Cat

1 AN ACT *to amend* 20.255 (2) (cy), 115.77 (1), 115.791 (4), 121.08 (4) (c), 121.08 (4)  
2 (d) and 121.54 (3); and *to create* 20.255 (2) (az), 115.7915, 121.05 (1) (a) 4. and  
3 121.08 (4) (am) of the statutes; **relating to:** creating the Special Needs  
4 Scholarship Program for disabled pupils, granting rule-making authority, and  
5 making an appropriation.

***Analysis by the Legislative Reference Bureau***

This bill establishes a Special Needs Scholarship Program. Under the program, a child with a disability may receive a scholarship to attend a public school located outside the pupil's school district of residence, or a private school, if all of the following conditions are met:

1. The school has notified the Department of Public Instruction (DPI) of its intent to participate in the program and the child has been accepted by the school.
2. If the school is a private school, it is approved as a private school by DPI or is accredited.
3. An individualized education program (IEP) has been completed for the child.
4. The child attended a public school, or did not attend school in this state, in the previous school year.

Upon receipt of an application for a scholarship, DPI must review the child's IEP and determine the amount of the child's scholarship. The amount is the lesser of the cost to the child's school district of residence, or the cost to the school district or private school that the child wishes to attend, of providing regular instruction,

**BILL**

instructional and pupil support services, special education and related services, and supplementary aids and services to the child. If the child is attending for less than a full school term, DPI must prorate the amount of the scholarship.

DPI pays the scholarship directly to the school or school district that the child will attend. The scholarship continues while the child attends a school eligible to participate in the program until he or she graduates from high school or until the end of the school term in which he or she turns 21, whichever comes first.

Under the bill, a pupil attending a private school, or a public school outside the pupil's school district of residence, under the program is counted for state aid purposes by the pupil's school district of residence. However, the state aid paid to that school district is reduced by the total amount of scholarships paid by DPI for pupils who reside in that school district.

Each private school participating in the program must comply with applicable health and safety laws; hold a valid occupancy permit, if required by the municipality; comply with federal law that prohibits discrimination against any person on the basis of race, color, or national origin; and conduct criminal background investigations of its employees and exclude from employment any person not permitted to hold a teaching license as the result of an offense any any person who might reasonably be believed to pose a threat to the safety of others.

The private school must also annually submit to DPI a school financial report prepared by a certified public accountant. If the private school expects to receive at least \$50,000 in scholarships during a school year, it must either file a surety bond with DPI or provide DPI with information demonstrating that it has the ability to pay an amount equal to the total amount of scholarships that it expects to receive.

The bill provides that if a child attends a private school under the program, his or her school district of residence must provide transportation to and from the school if the school is located at least two miles from the child's residence, the child resides in the private school's attendance area, and the private school is situated within the school district of residence or not more than five miles beyond the boundaries of the school district.

If the child attends a public school under the program, the child's parent is responsible for transporting the child to and from school unless transportation is required in the child's IEP. If the latter applies, the school district that the child attends is responsible for transporting the child. The bill allows a low-income pupil to apply to DPI for reimbursement of transportation costs.

The bill authorizes DPI to bar a school from participating in the program if the school intentionally and substantially misrepresents information required under the bill, routinely fails to comply with financial standards, uses a pupil's scholarship for any purpose other than educational purposes, or fails to refund any scholarship overpayments to the state.

Finally, the bill directs the Legislative Audit Bureau to contract for a study of the program. The results of the study must be reported to the legislature by January 9, 2015.

**BILL**

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

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

1           **SECTION 1.** 20.255 (2) (az) of the statutes is created to read:

2           20.255 (2) (az) *Special Needs Scholarship Program*. A sum sufficient to pay the  
3 special needs scholarships under s. 115.7915.

4           **SECTION 2.** 20.255 (2) (cy) of the statutes is amended to read:

5           20.255 (2) (cy) *Aid for transportation; open enrollment and special needs*  
6 *scholarships*. The amounts in the schedule to reimburse parents for the costs of  
7 transportation of ~~open enrollment~~ pupils under ss. 115.7915, 118.51 (14) (b), and  
8 118.52 (11) (b).

9           **SECTION 3.** 115.77 (1) of the statutes is amended to read:

10           115.77 (1) In sub. (1m) (a) to (d), except as provided in s. 118.51 (12) (a) and (b)  
11 2., if a child with a disability is attending a public school in a nonresident school  
12 district under s. 115.7915, 118.51, or 121.84 (1) (a) or (4), "local educational agency"  
13 means the school district that the child is attending.

14           **SECTION 4.** 115.791 (4) of the statutes is amended to read:

15           115.791 (4) Subject to s. 115.77 (1m) (d) and (e), this section does not require  
16 a local educational agency to pay the cost of education, including special education  
17 and related services, of a child with a disability at a private school or facility,  
18 including a child with a disability attending a private school under s. 115.7915, if the  
19 local educational agency made a free appropriate public education available to the  
20 child and the child's parents elected to place the child in a private school or facility.

21           **SECTION 5.** 115.7915 of the statutes is created to read:

**BILL**

1           **115.7915 Special Needs Scholarship Program. (1) DEFINITION.** In this  
2 section, “eligible school” means a public school located outside the pupil’s school  
3 district of residence or a private school.

4           **(1m) SCHOLARSHIP REQUIREMENTS.** Beginning in the 2011–12 school year, a child  
5 with a disability shall receive a scholarship under this section to attend an eligible  
6 school if all of the following apply:

7           (a) The school district in which the eligible public school is located or the eligible  
8 private school notified the state superintendent of its intent to participate in the  
9 program under this section.

10          (b) The school, if a private school, is approved by the state superintendent  
11 under s. 118.165 (2) is accredited by the Wisconsin North Central Association, the  
12 Wisconsin Religious and Independent Schools Accreditation, the Independent  
13 Schools Association of the Central States, the Archdiocese of Milwaukee, or any  
14 other organization recognized by the National Council for Private School  
15 Accreditation as of the August 1 preceding the school term for which the scholarship  
16 is awarded.

17          (c) An individualized education program has been completed for the child.

18          (d) The child attended a public school, or did not attend school in this state, in  
19 the school year immediately preceding the school year for which the child first  
20 receives a scholarship under this section.

21          (e) The child, or the child’s parent on behalf of the child, has submitted an  
22 application to the department, on a form prepared by the department, for a  
23 scholarship under this section to attend the eligible school. An application may be  
24 made, and a child may begin attending an eligible school under this section, at any  
25 time during the school year.

**BILL**

1 (f) The child has been accepted by the school district in which the eligible public  
2 school is located or the eligible private school.

3 (2) DEPARTMENT DUTIES. Upon receipt of an application under sub. (1m) (e), the  
4 department shall do all of the following:

5 (a) Notify the school board of the pupil's school district of residence that the  
6 pupil has requested a scholarship under this section. The school board shall, within  
7 3 days of receiving the notice, provide the department with a copy of the pupil's  
8 individualized education program.

9 (b) Review the pupil's individualized education program provided under par.  
10 (a) and determine the amount of the pupil's scholarship. The amount shall be the  
11 lesser of the following:

12 1. The cost to the pupil's school district of residence of providing to the pupil  
13 regular instruction, instructional and pupil support services, special education and  
14 related services, and supplementary aids and services.

15 2. The cost to the school district in which the eligible public school is located  
16 or the eligible private school of providing the instruction and services specified in  
17 subd. 1.

18 (bm) Prorate the amount determined under par. (b) for a pupil attending an  
19 eligible school for less than a full school term.

20 (c) Notify the parent of the scholarship amount, as determined under par. (b)  
21 or (bm), accompanied by an explanation of how the amount was determined.

22 (d) On behalf of the pupil's parent, pay the scholarship to the school district or  
23 private school that the pupil attends from the appropriation under s. 20.255 (2) (az).  
24 The scholarship shall continue while the pupil attends an eligible school until the

**BILL**

1 pupil graduates from high school or until the end of the school term in which the pupil  
2 attains the age of 21, whichever comes first.

3 **(3) SCHOOL BOARD DUTIES.** (a) Annually, each school board shall notify the  
4 parents of each child with a disability enrolled in the school district of the program  
5 under this section.

6 (b) Upon the request of a parent of a pupil receiving a scholarship, the pupil's  
7 resident school district shall administer the appropriate examinations under s.  
8 118.30 to the pupil at no cost if the school attended by the pupil does not administer  
9 them.

10 **(4) PRIVATE SCHOOL DUTIES.** Each private school participating in the program  
11 under this section shall do all of the following:

12 (a) Comply with all health and safety laws or codes that apply to private  
13 schools.

14 (b) Hold a valid occupancy permit, if required by the municipality in which the  
15 school is located.

16 (c) Annually certify to the department that it complies with 42 USC 2000d.

17 (d) Conduct criminal background investigations of its employees and exclude  
18 from employment any person not permitted to hold a teaching license as the result  
19 of an offense and any person who might reasonably be believed to pose a threat to the  
20 safety of others.

21 (e) Annually submit to the department a school financial information report,  
22 prepared by a certified public accountant, that complies with uniform financial  
23 accounting standards established by the department by rule. The report shall be  
24 accompanied by an auditor's statement that the report is free of material  
25 misstatements and fairly represents pupil costs. The report shall be limited in scope

**BILL**

1 to those records that are necessary for the department to make payments to  
2 participating schools.

3 (f) If the participating school expects to receive at least \$50,000 in scholarships  
4 under this section during a school year, do one of the following before the beginning  
5 of the school year:

6 1. File with the department a surety bond payable to the state in an amount  
7 equal to the total amount of scholarships expected to be received by the school during  
8 the school year under this section.

9 2. File with the department financial information demonstrating that the  
10 school has the ability to pay an amount equal to the total amount of scholarships  
11 expected to be received by the school during the school year under this section.

12 (g) Regularly report to the parent of a pupil attending the school and receiving  
13 a scholarship under this section on the pupil's progress.

14 (5) TRANSPORTATION. (a) *Private school.* Section 121.54 applies to the  
15 transportation of a pupil to and from the private school he or she is attending under  
16 this section.

17 (b) *Public school.* Section 118.51 (14) applies to the transportation of a pupil  
18 to and from the public school he or she is attending under this section.

19 (6) PENALTIES. (a) The department may bar a school district or private school  
20 from participating in the program under this section if the department determines  
21 that the school district or private school has done any of the following:

22 1. Intentionally and substantially misrepresented information required under  
23 sub. (4).

24 2. Routinely failed to comply with the standards under sub. (4) (e) or (f).

**BILL**

1           3. Used a pupil's scholarship for any purpose other than educational purposes  
2 or rebated, refunded, or shared a pupil's scholarship with a parent or pupil.

3           4. Failed to refund to the state, in a timely manner, any scholarship  
4 overpayments.

5           (b) If the department bars a school district or private school from participating  
6 in the program under this section, it shall notify all pupils eligible to participate in  
7 the program and their parents as quickly as possible. A pupil who is receiving a  
8 scholarship and attending a school district or private school barred from the program  
9 may attend another participating school district or private school under the  
10 scholarship.

11           **(7) STUDY.** (a) The legislative audit bureau shall contract for a study of the  
12 program under this section with one or more researchers who have experience  
13 evaluating school choice programs. The study shall evaluate all of the following:

14           1. The level of satisfaction with the program expressed by participating pupils  
15 and their parents.

16           2. The percentage of participating pupils who were victimized because of their  
17 special needs at their resident school district and the percentage of such pupils at  
18 their participating school.

19           3. The percentage of participating pupils who exhibited behavioral problems  
20 at their resident school district and the percentage of such pupils at their  
21 participating school.

22           4. The average class size at participating pupils' resident school districts and  
23 at their participating schools.

24           5. The fiscal impact of the program on the state and on resident school districts.



**BILL**

1 (b) The contract under par. (a) shall require the researchers who conduct the  
2 study to do all of the following:

3 1. Apply appropriate analytical and behavioral science methodologies to  
4 ensure public confidence in the study.

5 2. Protect the identity of participating schools and pupils.

6 (c) The contract under par. (a) shall require that the results of the study be  
7 reported to the appropriate standing committees of the legislature under s. 13.172  
8 (3) by January 9, 2015.

9 **(8) RULES.** The department shall promulgate rules to implement and  
10 administer this section, including rules relating to all of the following:

11 (a) The eligibility and participation of eligible schools, including timelines that  
12 maximize pupil and school participation.

13 (b) The calculation and distribution of scholarships.

14 (c) The application and approval procedures for pupils and eligible schools.

15 **SECTION 6.** 121.05 (1) (a) 4. of the statutes is created to read:

16 121.05 **(1)** (a) 4. Pupils residing in the school district but attending a public  
17 school in another school district, or a private school, under s. 115.7915.

18 **SECTION 7.** 121.08 (4) (am) of the statutes is created to read:

19 121.08 **(4)** (am) The amount of state aid that a school district is eligible to be  
20 paid from the appropriation under s. 20.255 (2) (ac) in any school year shall be  
21 reduced by the total amount of scholarships paid by the department under s.  
22 115.7915 in that school year for pupils who reside in the school district.

23 **SECTION 8.** 121.08 (4) (c) of the statutes is amended to read:

24 121.08 **(4)** (c) The amount of state aid that a school district is eligible to be paid  
25 from the appropriation under s. 20.255 (2) (ac) shall also be reduced by an amount

**BILL****SECTION 8**

1 equal to the amount paid to the Second Chance Partnership under s. 115.28 (54) for  
2 pupils enrolled in the school district. The department shall ensure that the amount  
3 of the aid reduction ~~lapses to the general fund and that it~~ does not affect the amount  
4 determined to be received by a school district as state aid under this section for any  
5 other purpose.

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

7 121.08 (4) (d) The state superintendent shall ensure that the total amount of  
8 aid reduction under ~~pars. (a) and (b)~~ this subsection lapses to the general fund.

9 **SECTION 10.** 121.54 (3) of the statutes is amended to read:

10 121.54 (3) TRANSPORTATION FOR CHILDREN WITH DISABILITIES. ~~Every~~ Except as  
11 provided in s. 115.7915 (5), every school board shall provide transportation for  
12 children with disabilities, as defined in s. 115.76 (5), to any public or private  
13 elementary or high school, to the school operated by the Wisconsin Center for the  
14 Blind and Visually Impaired or the school operated by the Wisconsin Educational  
15 Services Program for the Deaf and Hard of Hearing or to any special education  
16 program for children with disabilities sponsored by a state tax-supported institution  
17 of higher education, including a technical college, regardless of distance, if the  
18 request for such transportation is approved by the state superintendent. Approval  
19 shall be based on whether or not the child can walk to school with safety and comfort.  
20 Section 121.53 shall apply to transportation provided under this subsection.

21 (END)

**Barman, Mike**

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**From:** Rostan, Jason  
**Sent:** Tuesday, April 19, 2011 10:55 AM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB 11-1907/1 Topic: Special Needs Scholarship Program

Please Jacket LRB 11-1907/1 for the SENATE.

## Grant, Peter

---

**From:** Rostan, Jason  
**Sent:** Wednesday, February 08, 2012 4:06 PM  
**To:** Grant, Peter  
**Subject:** Special Needs Scholarship

**Attachments:** 11s02822.pdf

Hi Peter,

Sen. Vukmir would like the sub amendment for AB 110 drafted as the Senate Companion for the bill. I never introduced the original companion, so I'll just send it back over to LRB.

The only change we would like to make is the removal of the cap language on page 4, lines 3-6.

Let me know if you have any questions. I've attached the sub (LRB 0282/2) to the email.

Thanks.

Jason Rostan  
Sen. Vukmir's Office



11s02822.pdf (48  
KB)



# 2011 BILL

1 AN ACT *to amend* 20.255 (2) (cy), 115.77 (1), 115.791 (4), 121.08 (4) (c), 121.08 (4)  
 2 (d) and 121.54 (3); and *to create* 20.255 (2) (az), 115.7915, 121.05 (1) (a) 4. and  
 3 121.08 (4) (am) of the statutes; **relating to:** creating the Special Needs  
 4 Scholarship Program for disabled pupils, granting rule-making authority, and  
 5 making an appropriation.

anal:  
line

### *Analysis by the Legislative Reference Bureau*

This bill establishes a Special Needs Scholarship Program. Under the program, a child with a disability may receive a scholarship to attend a public school located outside the pupil's school district of residence, or a private school, if all of the following conditions are met:

1. The school has notified the Department of Public Instruction (DPI) of its intent to participate in the program and the child has been accepted by the school.
2. If the school is a private school, it is approved as a private school by DPI or is accredited.
3. An individualized education program (IEP) has been completed for the child.
4. The child attended a public school, or did not attend school in this state, in the previous school year.

In the previous school year

A

~~Upon receipt of an application for a scholarship, DPI must review the child's IEP and determine the amount of the child's scholarship. The amount is the lesser of the cost to the child's school district of residence, or the cost to the school district or private school that the child wishes to attend,~~

attended a private school under a parental choice program (PCP),

scholarship

**BILL**

instructional and pupil support services, special education and related services, and supplementary aids and services to the child. If the child is attending for less than a full school term, DPI must prorate the amount of the scholarship.

DPI pays the scholarship directly to the school or school district that the child will attend. The scholarship continues while the child attends a school eligible to participate in the program until he or she graduates from high school or until the end of the school term in which he or she turns 21, whichever comes first.

Under the bill, a pupil attending a private school, or a public school outside the pupil's school district of residence, under the program is counted for state aid purposes by the pupil's school district of residence. However, the state aid paid to that school district is reduced by the total amount of scholarships paid by DPI for pupils who reside in that school district.

Each private school participating in the program must comply with applicable health and safety laws; hold a valid <sup>certificate of</sup> occupancy ~~permit, if required by the municipality~~; comply with federal law that prohibits discrimination against any person on the basis of race, color, or national origin; ~~will~~ <sup>and</sup> conduct criminal background investigations of its employees and exclude from employment <sup>c</sup> any person not permitted to hold a teaching license as the result of an offense <sup>and</sup> any person who might reasonably be believed to pose a threat to the safety of others.

The private school must also annually submit to DPI a school financial report prepared by a certified public accountant. If the private school expects to receive at least \$50,000 in scholarships during a school year, it must either file a surety bond with DPI or provide DPI with information demonstrating that it has the ability to pay an amount equal to the total amount of scholarships that it expects to receive.

The bill provides that if a child attends a private school under the program, his or her school district of residence must provide transportation to and from the school if the school is located at least two miles from the child's residence, the child resides in the private school's attendance area, and the private school is situated within the school district of residence or not more than five miles beyond the boundaries of the school district.

If the child attends a public school under the program, the child's parent is responsible for transporting the child to and from school unless transportation is required in the child's IEP. If the latter applies, the school district that the child attends is responsible for transporting the child. The bill allows a low-income pupil to apply to DPI for reimbursement of transportation costs.

The bill authorizes DPI to bar a school from participating in the program if the school intentionally and substantially misrepresents information required under the bill, routinely fails to comply with financial standards, uses a pupil's scholarship for any purpose other than educational purposes, or fails to refund any scholarship overpayments to the state.

Finally, the bill directs the Legislative Audit Bureau to contract for a study of the program. The results of the study must be reported to the legislature by January 9, 2015.

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end INS ANALYSIS



State of Wisconsin  
2011 - 2012 LEGISLATURE



LRBs0282/2

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~~ASSEMBLY SUBSTITUTE AMENDMENT,  
TO 2011 ASSEMBLY BILL 110~~

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1 AN ACT *to amend* 20.255 (2) (cy), 115.77 (1), 115.791 (4), 121.08 (4) (c), 121.08 (4)  
2 (d) and 121.54 (3); and *to create* 20.255 (2) (az), 115.7915, 118.60 (4s), 119.23  
3 (4s), 121.05 (1) (a) 4. and 121.08 (4) (am) of the statutes; **relating to:** creating  
4 the Special Needs Scholarship Program for disabled pupils, granting  
5 rule-making authority, and making an appropriation.

INS. ANALYSIS

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

6 SECTION 1. 20.255 (2) (az) of the statutes is created to read:  
7 20.255 (2) (az) *Special Needs Scholarship Program.* A sum sufficient to pay the  
8 special needs scholarships under s. 115.7915.

9 SECTION 2. 20.255 (2) (cy) of the statutes is amended to read:  
10 20.255 (2) (cy) *Aid for transportation; open enrollment and special needs*  
11 *scholarships.* The amounts in the schedule to reimburse parents for the costs of

1 transportation of ~~open enrollment~~ pupils under ss. 115.7915, 118.51 (14) (b), and  
2 118.52 (11) (b).

3 **SECTION 3.** 115.77 (1) of the statutes is amended to read:

4 115.77 (1) In sub. (1m) (a) to (d), except as provided in s. 118.51 (12) (a) and (b)  
5 2., if a child with a disability is attending a public school in a nonresident school  
6 district under s. 115.7915, 118.51, or 121.84 (1) (a) or (4), “local educational agency”  
7 means the school district that the child is attending.

8 **SECTION 4.** 115.791 (4) of the statutes is amended to read:

9 115.791 (4) Subject to s. 115.77 (1m) (d) and (e), this section does not require  
10 a local educational agency to pay the cost of education, including special education  
11 and related services, of a child with a disability at a private school or facility,  
12 including a child with a disability attending a private school under s. 115.7915, if the  
13 local educational agency made a free appropriate public education available to the  
14 child and the child’s parents elected to place the child in a private school or facility.

15 **SECTION 5.** 115.7915 of the statutes is created to read:

16 **115.7915 Special Needs Scholarship Program. (1) DEFINITION.** In this  
17 section:

18 (a) “Eligible school” means a public school located in this state but outside the  
19 pupil’s school district of residence, including a charter school, or a private school  
20 located in this state.

21 (b) “Services plan” has the meaning given in 34 CFR 300.37.

22 **(1m) SCHOLARSHIP REQUIREMENTS.** (Subject to sub. (1r), <sup>B</sup>beginning in the  
23 2012–13 school year, a child with a disability shall receive a scholarship under this  
24 section to attend an eligible school if all of the following apply:



1           (a) The school district in which the eligible public school is located, the eligible  
2 charter school, or the eligible private school notified the department of its intent to  
3 participate in the program under this section. The notice shall specify the number  
4 of pupils who may participate in the program under this section for whom the school  
5 has space.

6           (b) The school, if a private school, is approved by the state superintendent  
7 under s. 118.165 (2) or is accredited by the Wisconsin North Central Association,  
8 Wisconsin Religious and Independent Schools Accreditation, the Independent  
9 Schools Association of the Central States, Wisconsin Evangelical Lutheran Synod  
10 School Accreditation, National Lutheran School Accreditation, the diocese or  
11 archdiocese within which the private school is located, or any other organization  
12 recognized by the National Council for Private School Accreditation as of the August  
13 1 preceding the school term for which the scholarship is awarded.

14           (c) An individualized education program or services plan has been completed  
15 for the child.

16           (d) The child attended a public school, attended a private school under s. 118.60  
17 or 119.23, or did not attend school in this state, for the entire school year immediately  
18 preceding the school year for which the child first receives a scholarship under this  
19 section.

20           (e) The child, or the child's parent on behalf of the child, has submitted an  
21 application to the eligible school, on a form prepared by the department, for a  
22 scholarship under this section to attend the eligible school. The application shall  
23 include the document developed by the department under sub. (2) (a). An application  
24 may be made, and a child may begin attending an eligible school under this section,  
25 at any time during the school year.

1 (f) The child has been accepted by the school district in which the eligible public  
2 school is located, the eligible charter school, or the eligible private school.

3 ~~(1r) LIMIT ON NUMBER OF SCHOLARSHIPS. The number of scholarships awarded  
4 under this section in any school year may not exceed 5 percent of the total number  
5 of children with disabilities residing in this state in the previous school year, as  
6 determined by the department.~~ X

7 (1s) ACCEPTANCE OF PUPILS. If an eligible school receives more applications  
8 under sub. (1m) (e) than the number of pupils specified in the notice under sub. (1m)  
9 (a), it shall select pupils on a random basis except that it may give preference to  
10 siblings of pupils who are already attending the eligible school.

11 (2) DEPARTMENT DUTIES. (a) 1. The department shall develop <sup>a document</sup> for inclusion with  
12 an application under sub. (1m) (e), a document, and revise it as necessary, comparing  
13 the rights of a child with a disability and of his or her parent under this subchapter,  
14 other than this section, and 20 USC 1400 to 1482, with the rights of a child with a  
15 disability and of his or her parent under this section and 20 USC 1400 to 1482.

16 2. Receipt by an applicant of the document developed under subd. 1.,  
17 acknowledged in a format prescribed by the department, constitutes notice that the  
18 applicant has been informed of his or her rights under this section and 20 USC 1400  
19 to 1482. Subsequent acceptance of a scholarship under this section constitutes the  
20 applicant's informed consent to the rights specified in the document.

21 (b) The governing body of an eligible school that accepts a child under sub. (1m)  
22 (f) shall notify the department. Upon being notified, the department shall do all of  
23 the following:

24 1. Notify the school board of the pupil's school district of residence that the pupil  
25 has been awarded a scholarship under this section. The school board shall, within

1 3 days of receiving the notice, provide the department and the governing body of the  
2 eligible school that accepted the pupil with a copy of the pupil's individualized  
3 education program.

4 2. Determine the amount of the pupil's scholarship. The amount shall be the  
5 lesser of the following:

6 a. Divide the sum of the statewide gross property tax levy for schools in the  
7 previous year and the total amount of general school aid appropriated under s.  
8 20.255 (2) (ae), (ar), and (bb) in the previous fiscal year by the total statewide  
9 membership, as defined in s. 121.004 (5), in the previous school year, and add to the  
10 quotient the result obtained by dividing the amount appropriated under s. 20.255 (2)  
11 (b) in the previous fiscal year by the total full-time equivalent number of children  
12 with disabilities enrolled in public schools in the previous school year.

13 b. The cost to the school district in which the eligible public school is located,  
14 the eligible charter school, or the eligible private school of providing to the pupil  
15 regular instruction, instructional and pupil support services, special education and  
16 related services, and supplementary aids and services, other than costs under s.  
17 115.88 (3) and (4).

18 3. Prorate the amount determined under subd. 2. for a pupil attending an  
19 eligible school for less than a full school term.

20 4. Notify the parent of the scholarship amount, as determined under subd. 2.  
21 or 3., accompanied by an explanation of how the amount was determined.

22 5. On behalf of the pupil's parent, pay the scholarship to the school district,  
23 charter school, or private school that the pupil attends from the appropriation under  
24 s. 20.255 (2) (az), except that the department may not pay a scholarship to a private  
25 school unless the pupil's parent has acknowledged receiving the private school's

1 profile under sub. (4) (g) in the manner provided by the department. The scholarship  
2 continues while the pupil attends an eligible school until the pupil graduates from  
3 high school or until the end of the school term in which the pupil attains the age of  
4 21, whichever comes first.

5 **(3) SCHOOL BOARD DUTIES.** (a) Annually, each school board shall notify the  
6 parents of each child with a disability enrolled in the school district of the program  
7 under this section.

8 (b) Upon the request of a parent of a pupil receiving a scholarship, the pupil's  
9 resident school district shall administer the appropriate examinations under s.  
10 118.30 to the pupil at no cost if the school attended by the pupil does not administer  
11 them.

12 **(4) PRIVATE SCHOOL DUTIES.** Each private school participating in the program  
13 under this section shall do all of the following:

14 (a) Comply with all health and safety laws or codes that apply to private  
15 schools.

16 (b) Hold a valid certificate of occupancy, if required by the municipality in which  
17 the school is located or, if the municipality in which the school is located does not  
18 issue certificates of occupancy, obtain a certificate of occupancy issued by the local  
19 or regional governmental unit with authority to issue certificates of occupancy.

20 (c) Comply with 42 USC 2000d.

21 (d) Conduct criminal background investigations of its employees and exclude  
22 from employment any person not permitted to hold a teaching license as the result  
23 of an offense and any person who might reasonably be believed to pose a threat to the  
24 safety of others.

1           (e) Annually submit to the department a school financial information report,  
2 prepared by a certified public accountant, that complies with uniform financial  
3 accounting standards established by the department by rule. The report shall be  
4 accompanied by an auditor's statement that the report is free of material  
5 misstatements and fairly represents pupil costs. The report shall be limited in scope  
6 to those records that are necessary for the department to make payments to the  
7 private school.

8           (f) If the private school expects to receive at least \$50,000 in scholarships under  
9 this section during a school year, do one of the following before the beginning of the  
10 school year:

11           1. File with the department a surety bond payable to the state in an amount  
12 equal to the total amount of scholarships expected to be received by the private school  
13 during the school year under this section.

14           2. File with the department financial information demonstrating that the  
15 private school has the ability to pay an amount equal to the total amount of  
16 scholarships expected to be received by the private school during the school year  
17 under this section.

18           (g) Provide to each applicant under sub. (1m) (e) a profile of the private school's  
19 special education program, in a form prescribed by the department, that includes the  
20 methods of instruction that will be used by the school to provide special education  
21 and related services to the child and the qualifications of the teachers and other  
22 persons who will be providing special education and related services to the child.

23           (h) 1. Implement the child's most recent individualized education program or  
24 services plan, as modified by agreement between the private school and the child's  
25 parent, and related services agreed to by the private school and the child's parent

1 that are not included in the child's individualized education program or services  
2 plan.

3 2. Provide a record of the implementation of the child's individualized  
4 education program or services plan under subd. 1., including an evaluation of the  
5 child's progress, to the school board of the school district in which the child resides  
6 in the form and manner prescribed by the department.

7 (i) Regularly report to the parent of a pupil attending the private school and  
8 receiving a scholarship under this section on the pupil's progress.

9 (5) TRANSPORTATION. (a) *Private school.* Section 121.54 applies to the  
10 transportation of a pupil to and from the private school he or she is attending under  
11 this section.

12 (b) *Public school.* Section 118.51 (14) applies to the transportation of a pupil  
13 to and from the public school he or she is attending under this section.

14 (6) PENALTIES. (a) The department may bar a school district, charter school,  
15 or private school from participating in the program under this section if the  
16 department determines that the school district, charter school, or private school has  
17 done any of the following:

18 1. Intentionally and substantially misrepresented information required under  
19 sub. (4).

20 2. Routinely failed to comply with the standards under sub. (4) (e) or (f).

21 3. Used a pupil's scholarship for any purpose other than educational purposes  
22 or rebated, refunded, or shared a pupil's scholarship with a parent or pupil.

23 4. Failed to refund to the state, in a timely manner, any scholarship  
24 overpayments.

1 (b) If the department bars a school district, charter school, or private school  
2 from participating in the program under this section, it shall notify all pupils eligible  
3 to participate in the program and their parents as quickly as possible. A pupil who  
4 is receiving a scholarship and attending a school district, charter school, or private  
5 school barred from the program may attend another participating school district,  
6 charter school, or private school under the scholarship.

7 **(7) STUDY.** (a) The legislative audit bureau shall contract for a study of the  
8 program under this section with one or more researchers who have experience  
9 evaluating school choice programs. The study shall evaluate all of the following:

10 1. The level of satisfaction with the program expressed by participating pupils  
11 and their parents.

12 2. The percentage of participating pupils who were victimized because of their  
13 special needs at their resident school district and the percentage of such pupils at  
14 their participating school.

15 3. The percentage of participating pupils who exhibited behavioral problems  
16 at their resident school district and the percentage of such pupils at their  
17 participating school.

18 4. The average class size at participating pupils' resident school districts and  
19 at their participating schools.

20 5. The fiscal impact of the program on the state and on resident school districts.

21 (b) The contract under par. (a) shall require the researchers who conduct the  
22 study to do all of the following:

23 1. Apply appropriate analytical and behavioral science methodologies to  
24 ensure public confidence in the study.

25 2. Protect the identity of participating schools and pupils.

1 (c) The contract under par. (a) shall require that the results of the study be  
2 reported to the appropriate standing committees of the legislature under s. 13.172  
3 (3) by January 9, 2015.

4 **(8) RULES.** The department shall promulgate rules to implement and  
5 administer this section, including rules relating to all of the following:

6 (a) The eligibility and participation of eligible schools, including timelines that  
7 maximize pupil and school participation.

8 (b) The calculation and distribution of scholarships.

9 (c) The application and approval procedures for pupils and eligible schools.

10 **SECTION 6.** 118.60 (4s) of the statutes is created to read:

11 118.60 **(4s)** Notwithstanding subs. (4), (4m), and (4r), a pupil attending a  
12 private school participating in the program under this section who is receiving a  
13 scholarship under s. 115.7915 shall not be counted as a pupil attending the private  
14 school under this section under sub. (4), (4m), or (4r).

15 **SECTION 7.** 119.23 (4s) of the statutes is created to read:

16 119.23 **(4s)** Notwithstanding subs. (4), (4m), and (4r), a pupil attending a  
17 private school participating in the program under this section who is receiving a  
18 scholarship under s. 115.7915 shall not be counted as a pupil attending the private  
19 school under this section under sub. (4), (4m), or (4r).

20 **SECTION 8.** 121.05 (1) (a) 4. of the statutes is created to read:

21 121.05 **(1)** (a) 4. Pupils residing in the school district but attending a public  
22 school in another school district, or a private school, under s. 115.7915.

23 **SECTION 9.** 121.08 (4) (am) of the statutes is created to read:

24 121.08 **(4)** (am) The amount of state aid that a school district is eligible to be  
25 paid from the appropriation under s. 20.255 (2) (ac) in any school year shall be



1 reduced by the total amount of scholarships paid by the department under s.  
2 115.7915 in that school year for pupils who reside in the school district.

3 **SECTION 10.** 121.08 (4) (c) of the statutes is amended to read:

4 121.08 (4) (c) The amount of state aid that a school district is eligible to be paid  
5 from the appropriation under s. 20.255 (2) (ac) shall also be reduced by an amount  
6 equal to the amount paid to the Second Chance Partnership under s. 115.28 (54) for  
7 pupils enrolled in the school district. The department shall ensure that the amount  
8 of the aid reduction lapses to the general fund and that it does not affect the amount  
9 determined to be received by a school district as state aid under this section for any  
10 other purpose.

11 **SECTION 11.** 121.08 (4) (d) of the statutes, as affected by 2011 Wisconsin Act 32,  
12 is amended to read: ✓

13 121.08 (4) (d) The state superintendent shall ensure that the total amount of  
14 aid reduction under pars. (a), (b), and (c) this subsection lapses to the general fund.

15 **SECTION 12.** 121.54 (3) of the statutes is amended to read:

16 121.54 (3) TRANSPORTATION FOR CHILDREN WITH DISABILITIES. Every Except as  
17 provided in s. 115.7915 (5), every school board shall provide transportation for  
18 children with disabilities, as defined in s. 115.76 (5), to any public or private  
19 elementary or high school, to the school operated by the Wisconsin Center for the  
20 Blind and Visually Impaired or the school operated by the Wisconsin Educational  
21 Services Program for the Deaf and Hard of Hearing or to any special education  
22 program for children with disabilities sponsored by a state tax-supported institution  
23 of higher education, including a technical college, regardless of distance, if the  
24 request for such transportation is approved by the state superintendent. Approval

1 shall be based on whether or not the child can walk to school with safety and comfort.

2 Section 121.53 shall apply to transportation provided under this subsection.

3 (END)

(A)

(A) The bill directs DPI to develop a document, for inclusion with an application, comparing the rights of a child with a disability and his or her parent under state and federal handicapped education law with the rights of a child with a disability under the program created by this bill and federal handicapped education law.

(A) A school that accepts a child under the program must notify DPI. Upon receipt of the notice, DPI must notify the school board of the pupil's school district of residence.

(B)

(no ff) ↑ or an amount equal to the statewide  
 cost per pupil plus the statewide  
 cost per pupil plus the state aid  
 per child with a disability.

(C)

(no ff) ↑ provide a profile of the school's special  
 education program; and implement  
 child's most recent IEP and implement the  
 IEP