

1 118.07 (2) (b) In each community having a recognized fire department, the
2 person having direct charge of any public or private school shall annually file a report
3 pertaining to such drills, on a form furnished by the department of ~~commerce~~ safety
4 and professional services, with the chief of the fire department. When no fire drill
5 is held during any month, or when only one or no tornado or other hazard drill is held
6 in a year, the person having direct charge of the school shall state the reasons in the
7 report.

8 **SECTION 2473.** 118.075 (2) (a) 2. of the statutes is amended to read:

9 118.075 (2) (a) 2. The secretary of ~~commerce~~ safety and professional services
10 or his or her designee.

11 **SECTION 2476m.** 118.125 (4) of the statutes is amended to read:

12 118.125 (4) TRANSFER OF RECORDS. Within 5 working days, a school district and
13 a private school participating in the program under s. 118.60 or in the program under
14 s. 119.23 shall transfer to another school, including a private or tribal school, or
15 school district all pupil records relating to a specific pupil if the transferring school
16 district or private school has received written notice from the pupil if he or she is an
17 adult or his or her parent or guardian if the pupil is a minor that the pupil intends
18 to enroll in the other school or school district or written notice from the other school
19 or school district that the pupil has enrolled or from a court that the pupil has been
20 placed in a juvenile correctional facility, as defined in s. 938.02 (10p), or a secured
21 residential care center for children and youth, as defined in s. 938.02 (15g). In this
22 subsection, “school” and “school district” include any juvenile correctional facility,
23 secured residential care center for children and youth, adult correctional institution,
24 mental health institute, or center for the developmentally disabled that provides an

1 educational program for its residents instead of or in addition to that which is
2 provided by public, private, and tribal schools.

3 **SECTION 2476p.** 118.134 (3) (a) of the statutes is amended to read:

4 118.134 (3) (a) The state superintendent shall issue a decision and order within
5 45 days after the hearing. If the state superintendent finds that the use of the
6 race-based nickname, logo, mascot, or team name does not promote discrimination,
7 pupil harassment, or stereotyping, the state superintendent shall dismiss the
8 complaint. Except as provided in ~~par.~~ pars. (b) and (d), if the state superintendent
9 finds that the use of the race-based nickname, logo, mascot, or team name promotes
10 discrimination, pupil harassment, or stereotyping, the state superintendent shall
11 order the school board to terminate its use of the race-based nickname, logo, mascot,
12 or team name within 12 months after issuance of the order.

13 **SECTION 2476r.** 118.134 (3) (d) of the statutes is created to read:

14 118.134 (3) (d) No school district required by a decision and order issued under
15 this subsection on or before the effective date of this paragraph ... [LRB inserts date],
16 to terminate the use of a race-based nickname, logo, mascot, or team name shall be
17 required to comply with the terms of that decision and order until January 15, 2013.

18 **SECTION 2477.** 118.135 (2) of the statutes is amended to read:

19 118.135 (2) A pupil who complies with a request under sub. (1) shall provide
20 evidence of an eye examination or evaluation by December 31 following the pupil's
21 enrollment in kindergarten. The school board or charter school shall provide pupils
22 with the form distributed by the department of ~~regulation and licensing~~ safety and
23 professional services under s. 440.03 (16) for that purpose.

24 **SECTION 2482m.** 118.153 (3) (c) 2. of the statutes is amended to read:

1 118.153 (3) (c) 2. The school board may contract with the agencies identified
2 under subd. 1. for ~~not more than 30%~~ of the children at risk enrolled in the school
3 district if the school board determines that the agencies can adequately serve such
4 children.

5 **SECTION 2488b.** 118.30 (1g) (a) 4. of the statutes is created to read:

6 118.30 (1g) (a) 4. The governing body of each private school participating in the
7 program under s. 118.60 shall adopt pupil academic standards in mathematics,
8 science, reading and writing, geography, and history. The governing body of the
9 private school may adopt the pupil academic standards issued by the governor as
10 executive order no. 326, dated January 13, 1998.

11 **SECTION 2488e.** 118.30 (1t) of the statutes is created to read:

12 118.30 (1t) Annually, the governing body of each private school participating
13 in the program under s. 118.60 shall do all of the following:

14 (a) Administer the 4th grade examination adopted or approved by the state
15 superintendent under sub. (1) to all pupils attending the 4th grade in the private
16 school under s. 118.60.

17 (b) Administer the 8th grade examination adopted or approved by the state
18 superintendent under sub. (1) to all pupils attending the 8th grade in the private
19 school under s. 118.60.

20 (c) Administer the 10th grade examination adopted or approved by the state
21 superintendent under sub. (1) to all pupils attending the 10th grade in the private
22 school under s. 118.60.

23 (d) Administer to pupils attending the private school under s. 118.60 all other
24 examinations in reading, mathematics, and science that are required to be
25 administered to public school pupils under 20 USC 6311 (b) (3).

1 **SECTION 2488h.** 118.30 (2) (b) 1. of the statutes is amended to read:

2 118.30 (2) (b) 1. If a pupil is enrolled in a special education program under
3 subch. V of ch. 115, the school board, operator of the charter school under s. 118.40
4 (2r), governing body of the private school participating in the program under s.
5 118.60, or governing body of the private school participating in the program under
6 s. 119.23 shall comply with s. 115.77 (1m) (bg).

7 **SECTION 2488L.** 118.30 (2) (b) 2. of the statutes is amended to read:

8 118.30 (2) (b) 2. According to criteria established by the state superintendent
9 by rule, the school board, operator of the charter school under s. 118.40 (2r),
10 governing body of the private school participating in the program under s. 118.60, or
11 governing body of the private school participating in the program under s. 119.23
12 may determine not to administer an examination under this section to a
13 limited-English speaking pupil, as defined under s. 115.955 (7), may permit the
14 pupil to be examined in his or her native language, or may modify the format and
15 administration of an examination for such pupils.

16 **SECTION 2488p.** 118.30 (2) (b) 6. of the statutes is created to read:

17 118.30 (2) (b) 6. Upon the request of a pupil's parent or guardian, the governing
18 body of a private school participating in the program under s. 118.60 shall excuse the
19 pupil from taking an examination administered under sub. (1t) (a) to (c).

20 **SECTION 2488pq.** 118.30 (5) of the statutes is created to read:

21 118.30 (5) Beginning in the 2014-15 school year, the department shall ensure
22 that benchmark assessments are administered to pupils annually under this section
23 prior to the administration of summative assessments under this section.

24 **SECTION 2488pt.** 118.30 (5m) of the statutes is created to read:

1 118.30 (5m) When determining the percentage of pupils participating in the
2 program under s. 119.23 who performed at designated proficiency levels on the
3 examinations administered as required under sub. (1s), the department shall
4 consider only the pupils participating in the program under s. 119.23 to whom the
5 examinations were administered at each grade level, and shall exclude from
6 consideration those pupils participating in the program under s. 119.23 who were
7 excused from taking the examinations under sub. (2) (b) 5.

8 **SECTION 2488r.** 118.33 (1) (f) 2r. of the statutes is created to read:

9 118.33 (1) (f) 2r. The governing body of each private school participating in the
10 program under s. 118.60 shall develop a policy specifying criteria for granting a high
11 school diploma to pupils attending the private school under s. 118.60. The criteria
12 shall include the pupil's academic performance and the recommendations of
13 teachers.

14 **SECTION 2488u.** 118.33 (1) (f) 3. of the statutes is amended to read:

15 118.33 (1) (f) 3. Beginning on September 1, 2005, neither a school board nor an
16 operator of a charter school under s. 118.40 (2r) may grant a high school diploma to
17 any pupil unless the pupil has satisfied the criteria specified in the school board's or
18 charter school's policy under subd. 1. or 2. Beginning on September 1, 2010, the
19 governing body of a private school participating in the program under s. 119.23 may
20 not grant a high school diploma to any pupil attending the private school under s.
21 119.23 unless the pupil has satisfied the criteria specified in the governing body's
22 policy under subd. 2m. The governing body of a private school participating in the
23 program under s. 118.60 may not grant a high school diploma to any pupil attending
24 the private school under s. 118.60 unless the pupil has satisfied the criteria specified
25 in the governing body's policy under subd. 2r.

1 **SECTION 2488y.** 118.33 (6) (cr) of the statutes is created to read:

2 118.33 **(6)** (cr) 1. The governing body of each private school participating in the
3 program under s. 118.60 shall adopt a written policy specifying criteria for promoting
4 a pupil who is attending the private school under s. 118.60 from the 4th grade to the
5 5th grade and from the 8th grade to the 9th grade. The criteria shall include the
6 pupil's score on the examination administered under s. 118.30 (1t) (a) or (b), unless
7 the pupil has been excused from taking the examination under s. 118.30 (2) (b); the
8 pupil's academic performance; the recommendations of teachers, which shall be
9 based solely on the pupil's academic performance; and any other academic criteria
10 specified by the governing body of the private school.

11 2. The governing body of a private school participating in the program under
12 s. 118.60 may not promote a 4th grade pupil who is attending the private school
13 under s. 118.60 to the 5th grade, and may not promote an 8th grade pupil who is
14 attending the private school under s. 118.60 to the 9th grade, unless the pupil
15 satisfies the criteria for promotion specified in the governing body's policy under
16 subd. 1.

17 **SECTION 2489.** 118.35 (4) of the statutes is amended to read:

18 118.35 **(4)** From the appropriation under s. 20.255 (2) (fy), the department shall
19 award grants to nonprofit organizations, cooperative educational service agencies,
20 institutions within the University of Wisconsin System, and the school district
21 operating under ch. 119 for the purpose of providing ~~advanced curriculum and~~
22 ~~assessments for~~ to gifted and talented pupils those services and activities not
23 ordinarily provided in a regular school program that allow such pupils to fully
24 develop their capabilities.

1 **SECTION 2499.** 118.40 (2r) (e) 1. a. of the statutes is renumbered 118.40 (2r) (e)
2 1m. and amended to read:

3 118.40 **(2r)** (e) 1m. In the ~~2009-10~~ 2011-12 and ~~2010-11~~ 2012-13 school years,
4 from the appropriation under s. 20.255 (2) (fm), the department shall pay to the
5 operator of the charter school an amount equal to the sum of the amount paid per
6 pupil under this ~~subdivision~~ paragraph in the previous school year and the increase
7 in the per pupil amount paid to private schools under s. 119.23 (4) (b) 2. or (bg) in the
8 current school year as compared to the previous school year, multiplied by the
9 number of pupils attending the charter school.

10 **SECTION 2500.** 118.40 (2r) (e) 1. b. of the statutes is renumbered 118.40 (2r) (e)
11 2m. and amended to read:

12 118.40 **(2r)** (e) 2m. In the ~~2011-12~~ 2013-14 school year and in each school year
13 thereafter, from the appropriation under s. 20.255 (2) (fm), the department shall pay
14 to the operator of the charter school an amount equal to the sum of the amount paid
15 per pupil under this ~~subdivision~~ paragraph in the previous school year and the per
16 pupil revenue limit adjustment under s. 121.91 (2m) in the current school year,
17 multiplied by the number of pupils attending the charter school.

18 **SECTION 2501.** 118.40 (2r) (e) 1. c. of the statutes is renumbered 118.40 (2r) (e)
19 3m. and amended to read:

20 118.40 **(2r)** (e) 3m. The amount paid per pupil under this ~~subdivision~~
21 paragraph may not be less than the amount paid per pupil under this ~~subdivision~~
22 paragraph in the previous school year. The department shall pay 25% of the total
23 amount in September, 25% in December, 25% in February, and 25% in June. The
24 department shall send the check to the operator of the charter school.

1 **SECTION 2502m.** 118.40 (2r) (e) 2. of the statutes is renumbered 118.40 (2r) (e)
2 4. and amended to read:

3 118.40 (2r) (e) 4. If the chancellor of the University of Wisconsin-Parkside
4 establishes or contracts for the establishment of a charter school under this
5 subsection, in March the department shall pay to the unified school district in which
6 the charter school is located, from the appropriation under s. 20.255 (2) (fm), an
7 amount equal to the amount of school aid per pupil to which the unified school district
8 is eligible in the current school year multiplied by the number of pupils attending the
9 charter school who were previously enrolled in the unified school district, except that
10 the payment may not exceed \$1,000,000 in the 2011-12 school year and may not
11 exceed \$750,000 in the 2012-13 school year. No aid may be paid under this
12 subdivision after the 2012-13 school year.

13 **SECTION 2503.** 118.40 (2r) (f) of the statutes is repealed.

14 **SECTION 2507.** 118.40 (8) (h) of the statutes is repealed.

15 **SECTION 2507b.** 118.43 (2) (b) 2. of the statutes is amended to read:

16 118.43 (2) (b) 2. The school board is not receiving a grant under the preschool
17 to grade 5 program on behalf of the school under s. 115.45, 2009 stats.

18 **SECTION 2507e.** 118.43 (2) (bg) 2. of the statutes is amended to read:

19 118.43 (2) (bg) 2. The school board is not receiving a grant under the preschool
20 to grade 5 program on behalf of the school under s. 115.45, 2009 stats.

21 **SECTION 2507h.** 118.43 (2) (br) 2. of the statutes is amended to read:

22 118.43 (2) (br) 2. The school board is not receiving a grant under the preschool
23 to grade 5 program on behalf of any of the schools under s. 115.45, 2009 stats.

24 **SECTION 2507j.** 118.43 (2) (bt) 2. of the statutes is amended to read:

1 118.43 (2) (bt) 2. The school board is not receiving a grant under the preschool
2 to grade 5 program on behalf of any of the schools under s. 115.45, 2009 stats.

3 **SECTION 2507L.** 118.43 (2) (bv) of the statutes is created to read:

4 118.43 (2) (bv) In the 2011-12 school year, the school board of an eligible school
5 district may enter into a 5-year achievement guarantee contract with the
6 department on behalf of one or more schools in the school district if, in the 2010-11
7 school year, the school board received a grant under the preschool to grade 5 program
8 on behalf of the schools under s. 115.45, 2009 stats.

9 **SECTION 2507n.** 118.43 (2) (g) of the statutes is amended to read:

10 118.43 (2) (g) The department may renew an achievement guarantee contract
11 under pars. (b), (bg), (br), ~~and (bt)~~, and (bv) for one or more terms of 5 school years.
12 Except as provided in sub. (3m), as a condition of receiving payments under a
13 renewal of an achievement guarantee contract, a school board shall maintain the
14 reduction of class size achieved during the last school year of the original
15 achievement guarantee contract for the grades specified for the last school year of the
16 contract.

17 **SECTION 2507p.** 118.43 (3) (intro.) of the statutes is amended to read:

18 118.43 (3) CONTRACT REQUIREMENTS. (intro.) Except as provided in pars. (am),
19 (ar), ~~and (at)~~, and (av), an achievement guarantee contract shall require the school
20 board to do all of the following in each participating school:

21 **SECTION 2507r.** 118.43 (3) (av) of the statutes is created to read:

22 118.43 (3) (av) *Class size; additional contracts.* For contracts that begin in the
23 2011-12 school year, reduce each class size to 18 in the following manner:

- 24 1. In the 2011-12 school year, in at least grades kindergarten and one.
- 25 2. In the 2012-13 school year, in at least grades kindergarten to 2.

1 3. In the 2013-14 to 2015-16 school years, in at least grades kindergarten to

2 3.

3 **SECTION 2507u.** 118.43 (3m) (b) of the statutes is amended to read:

4 118.43 **(3m)** (b) A school board operating under an achievement guarantee
5 contract entered into under sub. (3) (at) or (av) may combine 2 classes subject to the
6 class size limitation in any school covered by the contract having at least 2 regular
7 classroom teachers when the classes are combined if the combined class size is not
8 greater than 30.

9 **SECTION 2507y.** 118.43 (6) (b) 10. of the statutes is amended to read:

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

14 **SECTION 2513b.** 118.51 (3) (a) 6. of the statutes is amended to read:

15 118.51 **(3)** (a) 6. If an application is accepted, on or before the first Friday
16 following the first Monday in June following receipt of a notice of acceptance, ~~or~~
17 ~~within 10 days of receiving a notice of acceptance if a pupil is selected from a waiting~~
18 ~~list under s. 118.40 (8) (h) 5.,~~ the pupil's parent shall notify the nonresident school
19 board of the pupil's intent to attend school in that school district in the following
20 school year.

21 **SECTION 2514.** 118.51 (3) (a) 7. of the statutes is repealed.

22 **SECTION 2515.** 118.51 (3) (b) of the statutes is amended to read:

23 118.51 **(3)** (b) *Notice to resident school district.* Annually by June 30, each
24 nonresident school board that has accepted a pupil under this section for attendance
25 in the following school year shall report the name of the pupil to the pupil's resident

1 school board. ~~If a pupil is selected from a waiting list under s. 118.40 (8) (h) 5., the~~
2 ~~nonresident school board shall report the name of the pupil to the pupil's resident~~
3 ~~school board within 10 days of receiving notice of the pupil's selection from the~~
4 ~~department.~~

5 **SECTION 2532m.** 118.60 of the statutes is created to read:

6 **118.60 Parental choice programs for eligible school districts. (1)** In this
7 section:

8 (a) "Administrator" means the superintendent, supervising principal,
9 executive director, or other person who acts as the administrative head of a private
10 school participating in the program under this section.

11 (am) "Eligible school district" means a school district that satisfies all of the
12 following:

13 1. The school district's equalized value per member, as determined in
14 accordance with s. 121.15 (4) on October 15 of the 2nd fiscal year of the current fiscal
15 biennium for the distribution of equalization aid in that year, is no more than 80
16 percent of the statewide average.

17 2. The school district's shared cost per member, as determined in accordance
18 with s. 121.07 on October 15 of the 2nd fiscal year of the current fiscal biennium, for
19 the distribution of aid in that year is no more than 91 percent of the statewide
20 average.

21 3. The school district is eligible, in the 2nd fiscal year of the current fiscal
22 biennium, to receive aid under s. 121.136.

23 4. The school district is located in whole or in part in a city of the 2nd class.

24 (b) "Membership" has the meaning given in s. 121.004 (5).

1 (c) "Preaccreditation" means the review and approval of an educational plan.
2 Review of an education plan includes consideration of whether the school submitting
3 the plan meets the requirements under s. 118.165 (1). The fact that a private school
4 has obtained preaccreditation does not require an accreditation organization to
5 accredit the private school.

6 (d) "Progress records" has the meaning given in s. 118.125 (1) (c).

7 (e) "Summer average daily membership equivalent" has the meaning given in
8 s. 121.004 (8).

9 (f) "Summer choice average daily membership equivalent" means the summer
10 average daily membership equivalent of pupils who were attending a private school
11 under this section on the 2nd Friday of January of the school term immediately
12 preceding that summer or whose applications have been accepted under sub. (3) for
13 attendance at the private school in the school term immediately following that
14 summer.

15 (g) "Teacher" means a person who has primary responsibility for the academic
16 instruction of pupils.

17 **(1m)** By November 15 of the 2nd fiscal year of each fiscal biennium, the
18 department shall prepare a list that identifies eligible school districts. The
19 department shall post the list on the department's Internet site and shall notify in
20 writing the school district clerk of each eligible school district. A school district that
21 qualifies as an eligible school district under this section remains an eligible school
22 district.

23 **(2)** (a) Subject to par. (b), any pupil in grades kindergarten to 12 who resides
24 within an eligible school district may attend any private school if all of the following
25 apply:

1 1. a. The pupil is a member of a family that has a total family income that does
2 not exceed an amount equal to 3.0 times the poverty level determined in accordance
3 with criteria established by the director of the federal office of management and
4 budget. In this subdivision and sub. (3m), family income includes income of the
5 pupil's parents or legal guardians. The family income of the pupil shall be
6 determined as provided in subd. 1. b. A pupil attending a private school under this
7 section whose family income increases may continue to attend a private school under
8 this section.

9 b. The private school submits to the department of revenue the names,
10 addresses, social security numbers, and other state and federal tax identification
11 numbers, if any, of the pupil's parents or legal guardians. The department of revenue
12 shall review the information submitted under this subd. 1. b. and shall determine
13 whether the pupil is eligible to participate in the program under this section on the
14 basis of family income. Family income for a family in which the pupil's parents are
15 married or in which the pupil's legal guardians are married shall be reduced by
16 \$7,000 before the determination is made under this subd. 1. b. The department of
17 revenue may take no other action on the basis of the information submitted under
18 this subd. 1. b. The department of public instruction may not request any additional
19 verification of income from the family of a pupil once the department of revenue has
20 determined whether the pupil is eligible to participate in the program under this
21 section on the basis of family income. The department of public instruction shall
22 establish a procedure for determining family income eligibility for those pupils for
23 whom no social security number or state or federal tax identification number has
24 been provided.

25 2. The pupil satisfies one or more of the following:

1 a. The pupil was enrolled in a public school in an eligible school district in the
2 previous school year.

3 b. The pupil was not enrolled in school in the previous school year.

4 c. The pupil attended a private school under this section in the previous school
5 year.

6 d. The pupil is applying to attend kindergarten, first grade, or 9th grade in a
7 private school participating in the program under this section.

8 3. a. Except as provided in subd. 3. b., the private school notified the state
9 superintendent of its intent to participate in the program under this section, and
10 paid the nonrefundable fee set by the department as required under s. 119.23 (2) (a)
11 3., by February 1 of the previous school year. The notice shall specify the number of
12 pupils participating in the program under this section for which the school has space.

13 b. For a private school that intends to participate in the program under this
14 section in an eligible school district identified under 2011 Wisconsin Act ... (this act),
15 section 9137 (3u), the private school notified the state superintendent of its intent
16 to participate, and paid the nonrefundable fee set by the department under subd. 3.
17 a. by August 1, 2011. The notice shall specify the number of pupils participating in
18 the program under this section for which the school has space.

19 4. The private school complies with 42 USC 2000d.

20 5. The private school meets all health and safety laws or codes that apply to
21 public schools.

22 6. a. Except as provided in subd. 6. c., all of the private school's teachers have
23 a bachelor's degree from an accredited institution of higher education.

24 b. All of the private school's administrators have at least a bachelor's degree
25 from an accredited institution of higher education.

1 c. Any teacher employed by the private school on July 1 of the first school year
2 that begins after a school district is identified as an eligible school district under sub.
3 (1m) or 2011 Wisconsin Act (this act), section 9137 (3u), who has been teaching
4 for at least the 5 consecutive years immediately preceding that July 1, and who does
5 not satisfy the requirements under subd. 6. a. on that July 1, applies to the
6 department on a form prepared by the department for a temporary, nonrenewable
7 waiver from the requirements under subd. 6. a. The department shall promulgate
8 rules to implement this subd. 6. c., including the form of the application and the
9 process by which the waiver application will be reviewed. The application form shall
10 require the applicant to submit a plan for satisfying the requirements under subd.
11 6. a., including the name of the accredited institution of higher education at which
12 the teacher is pursuing or will pursue the bachelor's degree and the anticipated date
13 on which the teacher expects to complete the bachelor's degree. No waiver granted
14 under this subd. 6. c. is valid after July 31 of the 5th school year that begins after a
15 school district is identified as an eligible school district under sub. (1m) or 2011
16 Wisconsin Act (this act), section 9137 (3u).

17 7. For a private school that is a first-time participant in the program under this
18 section, and that is not accredited by the Wisconsin North Central Association, the
19 Wisconsin Religious and Independent School Accreditation, the Independent
20 Schools Association of the Central States, the archdiocese within which the private
21 school is located, or by any other organization recognized by the National Council for
22 Private Schools Accreditation, the private school obtains preaccreditation by the
23 Institute for the Transformation of Learning at Marquette University, the Wisconsin
24 North Central Association, the Wisconsin Religious and Independent Schools
25 Accreditation, the Independent Schools Association of the Central States, the

1 archdiocese within which the private school is located, or any other organization
2 recognized by the National Council for Private School Accreditation by September
3 1 before the first school term of participation in the program under this section that
4 begins after August 31, 2011; by August 1 before the first school term of participation
5 in the program under this section that begins in the first school year that begins after
6 a school district is identified as an eligible school district under sub. (1m) or by May
7 1 if the private school begins participation in the program under this section during
8 summer school. The private school shall achieve accreditation by the Wisconsin
9 North Central Association, the Wisconsin Religious and Independent Schools
10 Accreditation, the Independent Schools Association of the Central States, the
11 archdiocese within which the private school is located, or any other organization
12 recognized by the National Council for Private School Accreditation, by December 31
13 of the 3rd school year following the first school year in which the private school begins
14 participation in the program under this section. If the private school is accredited
15 under this subdivision, the private school is not required to obtain preaccreditation
16 as a prerequisite to providing instruction under this section in additional grades or
17 in an additional or new school.

18 8. Notwithstanding s. 118.165 (1) (c), the private school annually provides at
19 least 1,050 hours of direct pupil instruction in grades 1 to 6 and at least 1,137 hours
20 of direct pupil instruction in grades 7 to 12. Hours provided under this subdivision
21 include recess and time for pupils to transfer between classes but do not include the
22 lunch periods.

23 (b) 1. In the first school year that begins after a school district is identified as
24 an eligible school district under sub. (1m) or 2011 Wisconsin Act (this act), section
25 9137 (3u), no more than 250 pupils, as counted under s. 121.004 (7), may attend

1 private schools under this section. Priority shall be given to pupils who were eligible
2 for a free or reduced-price lunch in the federal school lunch program under 42 USC
3 1758 (b) in the immediately preceding school year.

4 2. In the 2nd school year that begins after a school district is identified as an
5 eligible school district under sub. (1m) or 2011 Wisconsin Act ... (this act), section
6 9137 (3u), no more than 500 pupils, as counted under s. 121.004 (7), may attend
7 private schools under this section. Priority shall be given to pupils who attended a
8 private school under this section in the immediately preceding school year.

9 3. Whenever the state superintendent determines that the limit is reached
10 under subd. 1. or 2., he or she shall issue an order prohibiting the participating
11 private schools from accepting additional pupils until he or she determines that the
12 number of pupils attending private schools under this section has fallen below the
13 limit. If the number of pupils attending private schools under this section falls below
14 the limit under this paragraph, the state superintendent shall issue an order
15 notifying participating private schools that they may begin accepting additional
16 pupils, and, notwithstanding sub. (3) (a), participating private schools that wish to
17 accept additional pupils under this section shall accept pupils as follows:

18 a. The private school shall give first priority to pupils who are attending a
19 private school under this section.

20 b. The private school shall give 2nd priority to the siblings of pupils who are
21 attending a private school under this section.

22 c. The private school shall give 3rd priority to pupils selected at random under
23 a procedure established by the department by rule.

1 (c) 1. Notwithstanding par. (a) 6., a teacher employed by a private school
2 participating in the program under this section who teaches only courses in
3 rabbinical studies is not required to have a bachelor's degree.

4 2. Notwithstanding par. (a) 6., an administrator of a private school
5 participating in the program under this section that prepares and trains pupils
6 attending the school in rabbinical studies is not required to have a bachelor's degree.

7 (3) (a) The pupil or the pupil's parent or guardian shall submit an application,
8 on a form provided by the state superintendent, to the participating private school
9 that the pupil wishes to attend. If more than one pupil from the same family applies
10 to attend the same private school, the pupils may use a single application. Within
11 60 days after receiving the application, the private school shall notify each applicant,
12 in writing, whether his or her application has been accepted. If the private school
13 rejects an application, the notice shall include the reason. A private school may reject
14 an applicant only if it has reached its maximum general capacity or seating capacity.
15 The state superintendent shall ensure that the private school determines which
16 pupils to accept on a random basis, except that the private school may give preference
17 in accepting applications to siblings of pupils accepted on a random basis.

18 (b) If the private school rejects an applicant because it has too few available
19 spaces, the pupil may transfer his or her application to a participating private school
20 that has space available.

21 (3m) (a) A private school participating in the program under this section may
22 not charge or receive any additional payment for a pupil participating in the program
23 under this section other than the payment the school receives under sub. (4) and, if
24 applicable, sub. (4m), if either of the following applies:

25 1. The pupil is enrolled in a grade from kindergarten to 8.

1 2. The pupil is enrolled in a grade from 9 to 12 and the family income of the
2 pupil, as determined under sub. (2) (a) 1., does not exceed an amount equal to 2.2
3 times the poverty level determined in accordance with criteria established by the
4 director of the federal office of management and budget.

5 (b) A private school participating in the program under this section may, in
6 addition to the payment it receives for a pupil under sub. (4) and, if applicable, sub.
7 (4m), charge the pupil tuition and fees in an amount determined by the school if both
8 of the following apply:

9 1. The pupil is enrolled in a grade from 9 to 12.

10 2. The family income of the pupil, as determined under sub. (2) (a) 1., exceeds
11 an amount equal to 2.2 times the poverty level determined in accordance with
12 criteria established by the director of the federal office of management and budget.

13 (c) A private school participating in the program under this section shall
14 determine whether the private school may charge additional tuition and fees to a
15 pupil on the basis of the pupil's family income as permitted under par. (b). The
16 private school shall establish a process for accepting an appeal to the governing body
17 of the private school of the determination made under this paragraph.

18 (4) (a) Annually, on or before October 15, a private school participating in the
19 program under this section shall file with the department a report stating its
20 summer average daily membership equivalent and its summer choice average daily
21 membership equivalent for the purpose of sub. (4m).

22 (b) Except as provided in par. (bg), upon receipt from the pupil's parent or
23 guardian of proof of the pupil's enrollment in the private school during a school term,
24 the state superintendent shall pay to the private school in which the pupil is enrolled

1 on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255
2 (2) (fr), an amount equal to the lesser of the following:

3 1. The amount equal to the private school's operating and debt service cost per
4 pupil that is related to educational programming, as determined by the department.

5 2. The amount paid per pupil under this subsection in the previous school year
6 multiplied by the sum of 1.0 plus the percentage change from the previous school
7 year to the current school year in the total amount appropriated under s. 20.255 (2)
8 (ac) expressed as a decimal, but not less than zero.

9 (bg) In the 2011-12 and 2012-13 school years, upon receipt from the pupil's
10 parent or guardian of proof of the pupil's enrollment in the private school during a
11 school term, the state superintendent shall pay to the private school in which the
12 pupil is enrolled on behalf of the pupil's parent or guardian, from the appropriation
13 under s. 20.255 (2) (fr), an amount equal to the private school's operating and debt
14 service cost per pupil that is related to educational programming, as determined by
15 the department, or \$6,442, whichever is less.

16 (c) The state superintendent shall pay 25 percent of the total amount under this
17 subsection in September, 25 percent in November, 25 percent in February, and 25
18 percent in May. Each installment may consist of a single check for all pupils
19 attending the private school under this section. The state superintendent shall
20 include the entire amount under sub. (4m) in the November installment, but the
21 payment shall be made in a separate check from the payment under this subsection.

22 (d) In determining a private school's operating and debt service cost per pupil
23 under par. (b) 1. and (4m) (a), the department shall do all of the following:

24 1. Subtract only the following, up to the actual cost of the service or material
25 related to each item:

- 1 a. Fees charged pupils for books and supplies used in classes and programs.
- 2 b. Rentals for school buildings.
- 3 c. Food service revenues.
- 4 d. Governmental financial assistance.
- 5 e. Interest and other income resulting from the investment of debt proceeds.

6 2. If legal title to the private school's buildings and premises is held in the name
7 of the private school's parent organization or other related party, there is no other
8 mechanism to include the private school's facilities costs in the calculation of its
9 operating and debt service cost, and the private school requests that the department
10 do so, include an amount equal to 10.5 percent of the fair market value of the school
11 and its premises. A request made by a private school under this subdivision remains
12 effective in subsequent school years and may not be withdrawn by the private school.

13 3. If immediately prior to the effective date of this subdivision [LRB inserts
14 date], a private school's operating and debt service costs, as determined by the
15 department, included the amount described in subd. 2., continue to include the
16 amount described in subd. 2. in subsequent school years.

17 **(4m)** In addition to the payment under sub. (4) the state superintendent shall
18 pay to each private school participating in the program under this section, on behalf
19 of the parent or guardian of each pupil attending the private school under this
20 section, in the manner described in sub. (4) (c), the amount determined as follows:

21 (a) Determine the private school's operating and debt service cost per pupil in
22 summer school that is related to educational programming.

23 (b) Multiply the amount under par. (a) by 0.40.

1 (c) Multiply the product under par. (b) by the quotient determined by dividing
2 the summer choice average daily membership equivalent of the private school by the
3 total number of pupils for whom payments are being made under sub. (4).

4 **(4r)** If, after the 3rd Friday in September in any school year, a private school
5 participating in the program under this section closes, for each installment under
6 sub. (4) (c) that was not paid to the private school in that school year, the state
7 superintendent shall pay to the board, from the appropriation under s. 20.255 (2) (fv),
8 the amount determined, for each pupil who had been attending the private school
9 under this section in that school year and who enrolls in the school district operating
10 under this chapter in that school year, as follows:

11 (a) Multiply the amount determined under sub. (4) (b) or (bg) by 0.616.

12 (b) Multiply the product under par. (a) by 0.25.

13 **(5)** The state superintendent shall ensure that pupils and parents and
14 guardians of pupils who reside in an eligible school district are informed annually
15 of the private schools participating in the program under this section.

16 **(6)** The school board of an eligible school district shall provide transportation
17 to pupils attending a private school under this section if required under s. 121.54 and
18 may claim transportation aid under s. 121.58 for pupils so transported.

19 **(6m)** Each private school participating in the program under this section shall
20 do all of the following:

21 (a) Provide to each pupil, or the parent or guardian of each minor pupil, who
22 applies to attend the private school all of the following:

23 1. The name, address, and telephone number of the private school and the
24 name of one or more contact persons at the school.

1 2. A list of the names of the members of the private school's governing body and
2 of the private school's shareholders, if any.

3 3. A notice stating whether the private school is an organization operated for
4 profit or not for profit. If the private school is a nonprofit organization, the private
5 school shall also provide the applicant with a copy of the certificate issued under
6 section 501 (c) (3) of the Internal Revenue Code verifying that the private school is
7 a nonprofit organization that is exempt from federal income tax.

8 4. A copy of the appeals process used if the private school rejects the applicant.

9 5. A copy of the policy developed by the private school under s. 118.33 (1) (f) 2r.

10 6. A copy of the nonharassment policy used by the private school, together with
11 the procedures for reporting and obtaining relief from harassment.

12 7. A copy of the suspension and expulsion policies and procedures, including
13 procedures for appealing a suspension or expulsion, used by the private school.

14 8. A copy of the policy used by the private school for accepting or denying the
15 transfer of credits earned by a pupil attending the private school under this section
16 for the satisfactory completion of coursework at another school.

17 9. A copy of the policy governing visitors and visits to the private school,
18 developed as required under sub. (7) (b) 2m.

19 (b) Annually, by August 1st, provide to the department the material specified
20 in par. (a) and all of the following information:

21 1. The number of pupils attending the private school under this section in the
22 previous school year.

23 2. The number of pupils attending the private school other than under this
24 section in the previous school year.

1 3. For each of the previous 5 school years in which the private school has
2 participated in the program under this section, all of the following information:

3 a. The number of pupils who attended the private school under this section and
4 other than under this section in the 12th grade and the number of those pupils who
5 graduated from the private school.

6 b. The number of pupils who attended the private school under this section and
7 other than under this section in the 8th grade and the number of those pupils who
8 advanced from grade 8 to grade 9.

9 c. The number of pupils who attended the private school under this section and
10 other than under this section in the 4th grade and the number of those pupils who
11 advanced from grade 4 to grade 5.

12 d. To the extent permitted under 20 USC 1232g and 43 CFR part 99, pupil
13 scores on all standardized tests administered under sub. (7) (e).

14 4. A copy of the academic standards adopted under sub. (7) (b) 2.

15 (c) Provide to the department a signed statement from each individual who is
16 a member of the private school's governing body verifying that the individual is a
17 member of the governing body.

18 (d) Upon request by any pupil, or the parent or guardian of any minor pupil,
19 who is attending or who applies to attend the private school, provide the material
20 specified in pars. (a) and (b).

21 **(7)** (a) Each private school participating in the program under this section shall
22 meet at least one of the following standards:

23 1. At least 70 percent of the pupils in the program advance one grade level each
24 year.

1 2. The private school's average attendance rate for the pupils in the program
2 is at least 90 percent.

3 3. At least 80 percent of the pupils in the program demonstrate significant
4 academic progress.

5 4. At least 70 percent of the families of pupils in the program meet parent
6 involvement criteria established by the private school.

7 (am) Each private school participating in the program under this section is
8 subject to uniform financial accounting standards established by the department.
9 Annually by September 1 following a school year in which a private school
10 participated in the program under this section, the private school shall submit to the
11 department all of the following:

12 1. An independent financial audit of the private school conducted by an
13 independent certified public accountant, accompanied by the auditor's statement
14 that the report is free of material misstatements and fairly presents pupil costs
15 under sub. (4) (b) 1. The audit under this subdivision shall be limited in scope to those
16 records that are necessary for the department to make payments under subs. (4) and
17 (4m). The auditor shall conduct his or her audit, including determining sample sizes
18 and evaluating financial viability, in accordance with the auditing standards
19 established by the American Institute of Certified Public Accountants. The
20 department may not require an auditor to comply with standards that exceed the
21 scope of the standards established by the American Institute of Certified Public
22 Accountants.

23 2. Evidence of sound fiscal and internal control practices, as prescribed by the
24 department by rule. An auditor engaged to evaluate the private school's fiscal and
25 internal control practices shall conduct his or her evaluation, including determining

1 sample sizes, in accordance with attestation standards established by the American
2 Institute of Certified Public Accountants.

3 (b) Each private school participating in the program under this section shall
4 do all of the following:

5 1. Administer to any pupils attending the 3rd grade in the private school under
6 this section a standardized reading test developed by the department.

7 2. Adopt the pupil academic standards required under s. 118.30 (1g) (a) 4.

8 2m. Develop a written policy governing visitors and visits to the private school.

9 3. Ensure that any teacher's aide employed by the private school has graduated
10 from high school, been granted a declaration of equivalency of high school
11 graduation, or been issued a general educational development certificate of high
12 school equivalency.

13 3m. Annually, schedule 2 meetings at which members of the governing body of
14 the private school will be present and at which pupils, and the parents or guardians
15 of pupils, applying to attend the private school or attending the private school may
16 meet and communicate with the members of the governing body. The private school
17 shall, within 30 days after the start of the school term, notify the department in
18 writing of the scheduled meeting dates and shall, at least 30 days before the
19 scheduled meeting date, notify in writing each pupil, or the parent or guardian of
20 each minor pupil, applying to attend the private school or attending the private
21 school of the meeting date, time, and place.

22 4. Maintain progress records for each pupil attending the private school under
23 this section while the pupil attends the school and, except as provided under subd.
24 7., for at least 5 years after the pupil ceases to attend the school.

1 5. Upon request, provide a pupil or the parent or guardian of a minor pupil who
2 is attending the private school under this section with a copy of the pupil's progress
3 records.

4 6. Issue a high school diploma or certificate to each pupil who attends the
5 private school under this section and satisfactorily completes the course of
6 instruction and any other requirements necessary for high school graduation.

7 7. a. Except as provided in subd. 7. b., if the private school ceases operating as
8 a private school, immediately transfer all of the progress records of the pupils who
9 attended the school under this section to the school board of the eligible school
10 district within which the pupils reside. The private school shall send written notice
11 to each pupil, or to the parent or guardian of a minor pupil, of the transfer of progress
12 records under this subd. 7. a.

13 b. If the private school is affiliated with an organization that will maintain the
14 progress records of each pupil who attended the school under this section for at least
15 5 years after the private school ceases operation as a private school, the private
16 school may transfer a pupil's records to the organization if the pupil, or the parent
17 or guardian of a minor pupil, consents in writing to the release of the progress records
18 to the affiliated organization. The private school shall send to the department a copy
19 of the consent form for each pupil who consents to the transfer of progress records
20 under this subd. 7. b. The written notice shall be signed by the pupil, or the parent
21 or guardian of a minor pupil, and shall include the name, phone number, mailing
22 address, and other relevant contact information of the organization that will
23 maintain the progress records, and a declaration by the affiliated organization that
24 the organization agrees to maintain the progress records for at least 5 years after the
25 private school ceases operation as a private school.

1 (c) A private school may not require a pupil attending the private school under
2 this section to participate in any religious activity if the pupil's parent or guardian
3 submits to the pupil's teacher or the private school's principal a written request that
4 the pupil be exempt from such activities.

5 (d) By September 1 before the first school term of participation in the program
6 that begins in the 2011-12 school year, by August 1 before the first school term of
7 participation in the program that begins in the 2012-13 school year or any school
8 year thereafter, or by May 1 if the private school begins participating in the program
9 during summer school, each private school participating in the program under this
10 section shall submit to the department all of the following:

11 1. a. In this subdivision, "municipality" has the meaning given in s. 5.02 (11).

12 b. A copy of the school's current certificate of occupancy issued by the
13 municipality within which the school is located. If the private school moves to a new
14 location, the private school shall submit a copy of the new certificate of occupancy
15 issued by the municipality within which the school is located to the department
16 before the attendance of pupils at the new location and before the next succeeding
17 date specified in s. 121.05 (1) (a). A temporary certificate of occupancy does not meet
18 the requirement of this subdivision.

19 2. Evidence of financial viability, as prescribed by the department by rule.

20 3. Proof that the private school's administrator has participated in a fiscal
21 management training program approved by the department.

22 (e) Each private school participating in the program under this section shall
23 administer the examinations required under s. 118.30 (1t) to pupils attending the
24 school under the program. The private school may administer additional
25 standardized tests to such pupils.

1 (g) 1. By the first day of the 3rd month beginning after the month in which the
2 department establishes the model management plan and practices for maintaining
3 indoor environmental quality in public and private schools under s. 118.075 (3), or
4 by October 1 of a private school's first school year of participation in the program
5 under this section, whichever is later, the private school shall provide for the
6 development of a plan for maintaining indoor environmental quality in the private
7 school.

8 2. By the first day of the 12th month beginning after the month in which the
9 department establishes the model management plan and practices for maintaining
10 indoor environmental quality in public and private schools under s. 118.075 (3), or
11 by the beginning of the 2nd school year of participation in the program under this
12 section, whichever is later, the private school shall implement a plan for maintaining
13 indoor environmental quality in the private school.

14 3. Each private school participating in the program under this section shall
15 provide a copy of the plan implemented under subd. 2. to any person upon request.

16 **(8)** There is created a pupil assignment council composed of one representative
17 from each private school participating in the program under this section. Annually
18 by June 30, the council shall make recommendations to the participating private
19 schools to achieve, to the extent possible, a balanced representation of pupils
20 participating in the program under this section.

21 **(9)** If any accrediting agency specified under sub. (2) (a) 7. determines during
22 the accrediting or preaccrediting process that a private school does not meet all of the
23 requirements under s. 118.165 (1), it shall report that failure to the department.

24 **(10)** (a) The state superintendent may issue an order barring a private school
25 from participating in the program under this section in the current school year if the

1 state superintendent determines that the private school has done any of the
2 following:

3 1. Misrepresented information required under sub. (7) (d).

4 2. Failed to provide the notice or pay the fee required under sub. (2) (a) 3., or
5 provide the information required under sub. (7) (am) or (d), by the date or within the
6 period specified.

7 3. Failed to refund to the state any overpayment made under sub. (4) (b) or (bg)
8 or (4m) by the date specified by department rule.

9 4. Failed to meet at least one of the standards under sub. (7) (a) by the date
10 specified by department rule.

11 5. Failed to provide the information required under sub. (6m).

12 6. Failed to comply with the requirements under sub. (7) (b) or (c).

13 7. Violated sub. (7) (b) 4., 5., or 6.

14 (am) If the state superintendent determines that any of the following have
15 occurred, he or she may issue an order barring the private school from participating
16 in the program under this section in the following school year:

17 2. The private school's application for accreditation has been denied by the
18 accrediting organization.

19 3. The private school has not achieved accreditation within the period allowed
20 under sub. (2) (a) 7.

21 (b) The state superintendent may issue an order immediately terminating a
22 private school's participation in the program under this section if he or she
23 determines that conditions at the private school present an imminent threat to the
24 health or safety of pupils.

1 (c) Whenever the state superintendent issues an order under par. (a), (am), or
2 (b), he or she shall immediately notify the parent or guardian of each pupil attending
3 the private school under this section.

4 (d) The state superintendent may withhold payment from a private school
5 under subs. (4) and (4m) if the private school violates this section.

6 **(11)** The department shall do all of the following:

7 (a) Promulgate rules to implement and administer this section. The
8 department may not by rule establish standards under sub. (7) (am) that exceed the
9 standards established by the American Institute of Certified Public Accountants.

10 (b) Notify each private school participating in the program under this section
11 of any proposed changes to the program or to administrative rules governing the
12 program, including changes to application or filing deadlines but not including
13 changes to provisions governing health or safety, prior to the beginning of the school
14 year in which the change takes effect.

15 **SECTION 2533.** 119.04 (1) of the statutes is amended to read:

16 119.04 (1) Subchapters IV, V and VII of ch. 115, ch. 121 and ss. 66.0235 (3) (c),
17 66.0603 (1m) to (3), 115.01 (1) and (2), 115.28, 115.31, 115.33, 115.34, 115.343,
18 115.345, ~~115.361~~, 115.365 (3), 115.38 (2), 115.445, ~~115.45~~, 118.001 to 118.04, 118.045,
19 118.06, 118.07, 118.075, 118.076, 118.10, 118.12, 118.125 to 118.14, 118.145 (4),
20 118.15, 118.153, 118.16, 118.162, 118.163, 118.164, 118.18, 118.19, 118.20, 118.225,
21 118.24 (1), (2) (c) to (f), (6), (8), and (10), 118.255, 118.258, 118.291, 118.30 to 118.43,
22 118.46, 118.51, 118.52, 118.55, 120.12 (5) and (15) to (27), 120.125, 120.13 (1), (2) (b)
23 to (g), (3), (14), (17) to (19), (26), (34), (35), (37), (37m), and (38), 120.14, 120.21 (3),
24 and 120.25 are applicable to a 1st class city school district and board.

25 **SECTION 2536.** 119.23 (2) (a) (intro.) of the statutes is amended to read:

1 119.23 (2) (a) (intro.) ~~Subject to par. (b), any~~ Any pupil in grades kindergarten
2 to 12 who resides within the city may attend, ~~at no charge,~~ any private school located
3 ~~in the city~~ if all of the following apply:

4 **SECTION 2536c.** 119.23 (2) (a) 1. of the statutes is renumbered 119.23 (2) (a) 1.
5 a. and amended to read:

6 119.23 (2) (a) 1. a. The pupil is a member of a family that has a total family
7 income that does not exceed an amount equal to ~~1.75~~ 3.0 times the poverty level
8 determined in accordance with criteria established by the director of the federal
9 office of management and budget. In this subdivision and sub. (3m), family income
10 includes income of the pupil's parents or legal guardians. The family income of the
11 pupil shall be determined as provided in subd. 1. b. A pupil attending a private school
12 under this section whose family income increases may continue to attend a private
13 school under this section ~~if the pupil is a member of a family that has a total family~~
14 ~~income that does not exceed an amount equal to 2.2 times the poverty level~~
15 ~~determined in accordance with criteria established by the director of the federal~~
16 ~~office of management and budget. For purposes of admission to a private school~~
17 ~~under this section, siblings of pupils attending a private school under this section are~~
18 ~~subject to the higher income limit. If a pupil attending a private school under this~~
19 ~~section ceases to attend a private school under this section, the lower income limit~~
20 ~~applies unless the pupil is a sibling of a pupil attending a private school under this~~
21 ~~section.~~

22 **SECTION 2536g.** 119.23 (2) (a) 1. b. of the statutes is created to read:

23 119.23 (2) (a) 1. b. The private school submits to the department of revenue the
24 names, addresses, social security numbers, and other state and federal tax
25 identification numbers, if any, of the pupil's parents or legal guardians. The

1 department of revenue shall review the information submitted under this subd. 1.
2 b. and shall determine whether the pupil is eligible to participate in the program
3 under this section on the basis of family income. Family income for a family in which
4 the pupil's parents are married or in which the pupil's legal guardians are married
5 shall be reduced by \$7,000 before the determination is made under this subd. 1. b.
6 The department of revenue may take no other action on the basis of the information
7 submitted under this subd. 1. b. The department of public instruction may not
8 request any additional verification of income from the family of a pupil once the
9 department of revenue has determined whether the pupil is eligible to participate
10 in the program under this section on the basis of family income. The department of
11 public instruction shall establish a procedure for determining family income
12 eligibility for those pupils for whom no social security number or state or federal tax
13 identification number has been provided.

14 **SECTION 2536h.** 119.23 (2) (a) 3. of the statutes is amended to read:

15 119.23 (2) (a) 3. The Except as provided in subd. 3m. b., the private school
16 notified the state superintendent of its intent to participate in the program under
17 this section, and paid a nonrefundable fee set by the department, by February 1 of
18 the previous school year. The notice shall specify the number of pupils participating
19 in the program under this section for which the school has space. The department
20 shall by rule set the fee charged under this subdivision at an amount such that the
21 total fee revenue covers the costs of employing one full-time auditor to evaluate the
22 financial information submitted by the private schools under sub. (7) (am) and (d) 2.
23 and 3. and under s. 118.60 (7) (am) and (d) 2. and 3.

24 **SECTION 2536p.** 119.23 (2) (a) 3m. of the statutes is created to read:

1 119.23 (2) (a) 3m. a. In this subdivision, “municipality” has the meaning given
2 in s. 5.02 (11).

3 b. For a private school located in a municipality other than the city that intends
4 to participate in the program under this section in the 2011-12 school year, the
5 private school notified the state superintendent of its intent to participate, and paid
6 the nonrefundable fee set by the department under subd. 3. by August 1, 2011. The
7 notice shall specify the number of pupils participating in the program under this
8 section for which the school has space.

9 **SECTION 2536t.** 119.23 (2) (a) 7. a. of the statutes is amended to read:

10 119.23 (2) (a) 7. a. Subject to subd. 7. c., for a private school participating in the
11 program under this section on July 1, 2009, the private school achieves accreditation
12 by the Wisconsin North Central Association, the Wisconsin Religious and
13 Independent Schools Accreditation, the Independent Schools Association of the
14 Central States, the Archdiocese of Milwaukee, or any other organization recognized
15 by the National Council for Private School Accreditation, by December 31 of the 3rd
16 school year following the first school year that begins after June 30, 2006, in which
17 it participates in the program under this section, or the private school was approved
18 for scholarship funding for the 2005-06 school year by Partners Advancing Values
19 in Education. If the private school is accredited as provided under this subd. 7. a.,
20 the private school is not required to obtain preaccreditation from the Institute for the
21 ~~Transformation of Learning at Marquette University~~ under subd. 7. b. as a
22 prerequisite to providing instruction under this section in additional grades or in an
23 additional or new school.

24 **SECTION 2536x.** 119.23 (2) (a) 7. b. of the statutes is amended to read:

1 119.23 (2) (a) 7. b. Subject to subd. 7. c., for a private school that is a first-time
2 participant in the program under this section on or after July 1, 2009, and that is not
3 accredited as provided under subd. 7. a., the private school obtains preaccreditation
4 ~~from~~ by the Institute for the Transformation of Learning at Marquette University,
5 the Wisconsin North Central Association, the Wisconsin Religious and Independent
6 Schools Accreditation, the Independent Schools Association of the Central States,
7 the Archdiocese of Milwaukee, or any other organization recognized by the National
8 Council for Private School Accreditation by August 1 before the first school term of
9 participation in the program under this section that begins after July 1, 2009, or by
10 May 1 if the private school begins participating in the program during summer
11 school, and achieves accreditation 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, by December 31 of the 3rd school year following the first school year
16 that begins after July 1, 2009, in which it participates in the program under this
17 section. If the private school is accredited under this subd. 7. b., the private school
18 is not required to obtain preaccreditation ~~from the Institute for the Transformation~~
19 ~~of Learning at Marquette University~~ as a prerequisite to providing instruction under
20 this section in additional grades or in an additional or new school.

21 **SECTION 2539.** 119.23 (2) (b) of the statutes is repealed.

22 **SECTION 2540b.** 119.23 (3) (a) of the statutes is amended to read:

23 119.23 (3) (a) The pupil or the pupil's parent or guardian shall submit an
24 application, on a form provided by the state superintendent, to the participating
25 private school that the pupil wishes to attend. If more than one pupil from the same

1 family applies to attend the same private school, the pupils may use a single
2 application. Within 60 days after receiving the application, the private school shall
3 notify the each applicant, in writing, whether the his or her application has been
4 accepted. If the private school rejects an application, the notice shall include the
5 reason. A private school may reject an applicant only if it has reached its maximum
6 general capacity or seating capacity. The state superintendent shall ensure that the
7 private school determines which pupils to accept on a random basis, except that the
8 private school may give preference in accepting applications to siblings of pupils
9 accepted on a random basis.

10 **SECTION 2540m.** 119.23 (3m) of the statutes is created to read:

11 119.23 **(3m)** (a) A private school participating in the program under this section
12 may not charge or receive any additional payment for a pupil participating in the
13 program under this section other than the payment the school receives under sub.
14 (4) and, if applicable, sub. (4m), if either of the following applies:

15 1. The pupil is enrolled in a grade from kindergarten to 8.

16 2. The pupil is enrolled in a grade from 9 to 12 and the family income of the
17 pupil, as determined under sub. (2) (a) 1., does not exceed an amount equal to 2.2
18 times the poverty level determined in accordance with criteria established by the
19 director of the federal office of management and budget.

20 (b) A private school participating in the program under this section may, in
21 addition to the payment it receives for a pupil under sub. (4) and, if applicable, sub.
22 (4m), charge the pupil tuition and fees in an amount determined by the school if both
23 of the following apply:

24 1. The pupil is enrolled in a grade from 9 to 12.

1 2. The family income of the pupil, as determined under sub. (2) (a) 1., exceeds
2 an amount equal to 2.2 times the poverty level determined in accordance with
3 criteria established by the director of the federal office of management and budget.

4 (c) A private school participating in the program under this section shall
5 determine whether the private school may charge additional tuition and fees to a
6 pupil on the basis of the pupil's family income as permitted under par. (b). The
7 private school shall establish a process for accepting an appeal to the governing body
8 of the private school of the determination made under this paragraph.

9 **SECTION 2541m.** 119.23 (4) (b) (intro.) of the statutes is amended to read:

10 119.23 (4) (b) (intro.) Except as provided in par. (bg), upon receipt from the
11 pupil's parent or guardian of proof of the pupil's enrollment in the private school
12 during a school term, the state superintendent shall pay to the ~~parent or guardian~~
13 private school in which the pupil is enrolled on behalf of the pupil's parent or
14 guardian, from the appropriation under s. 20.255 (2) (fu), an amount equal to the
15 lesser of the following:

16 **SECTION 2542.** 119.23 (4) (bg) of the statutes is amended to read:

17 119.23 (4) (bg) In the ~~2009-10~~ 2011-12 and ~~2010-11~~ 2012-13 school years,
18 upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in
19 the private school during a school term, the state superintendent shall pay to the
20 private school in which the pupil is enrolled on behalf of the pupil's parent or
21 guardian, from the appropriation under s. 20.255 (2) (fu), an amount equal to the
22 private school's operating and debt service cost per pupil that is related to
23 educational programming, as determined by the department, or \$6,442, whichever
24 is less.

25 **SECTION 2542c.** 119.23 (4) (c) of the statutes is amended to read:

1 119.23 (4) (c) The state superintendent shall pay 25% of the total amount under
2 this subsection in September, 25% in November, 25% in February, and 25% in May.
3 Each installment may consist of a single check for all pupils attending the private
4 school under this section. The state superintendent ~~may~~ shall include the entire
5 amount under sub. (4m) in ~~one of those installments or apportion the entire amount~~
6 ~~among one or more of those installments.~~ ~~Except as provided in sub. (4r), the~~
7 ~~department shall send the check to the private school.~~ ~~Except as provided in sub.~~
8 ~~(4r), the parent or guardian shall restrictively endorse the check for the use of the~~
9 ~~private school~~ the November installment, but the payment shall be made in a
10 separate check from the payment under this subsection.

11 **SECTION 2542g.** 119.23 (4) (d) of the statutes is created to read:

12 119.23 (4) (d) In determining a private school's operating and debt service cost
13 per pupil under par. (b) 1. and (4m) (a), the department shall do all of the following:

14 1. Subtract only the following, up to the actual cost of the service or material
15 related to each item:

- 16 a. Fees charged pupils for books and supplies used in classes and programs.
- 17 b. Rentals for school buildings.
- 18 c. Food service revenues.
- 19 d. Governmental financial assistance.
- 20 e. Interest and other income resulting from the investment of debt proceeds.

21 2. If legal title to the private school's buildings and premises is held in the name
22 of the private school's parent organization or other related party, there is no other
23 mechanism to include the private school's facilities costs in the calculation of its
24 operating and debt service cost, and the private school requests that the department
25 do so, include an amount equal to 10.5 percent of the fair market value of the school

1 and its premises. A request made by a private school under this subdivision remains
2 effective in subsequent school years and may not be withdrawn by the private school.

3 3. If immediately prior to the effective date of this subdivision [LRB inserts
4 date], a private school's operating and debt service costs, as determined by the
5 department, included the amount described in subd. 2., continue to include the
6 amount described in subd. 2. in subsequent school years.

7 **SECTION 2542n.** 119.23 (4m) of the statutes is renumbered 119.23 (4m) (intro.)
8 and amended to read:

9 119.23 (4m) (intro.) In addition to the payment under sub. (4) the state
10 superintendent shall pay to ~~the parent or guardian of each pupil enrolled in a private~~
11 school participating in the program under this section, on behalf of the parent or
12 guardian of each pupil attending the private school under this section, in the manner
13 described in sub. (4) (c), ~~an~~ the amount determined by ~~multiplying 40% of the~~
14 ~~payment under sub. (4) as follows:~~

15 (c) Multiply the product under par. (b) by the quotient determined by dividing
16 the summer choice average daily membership equivalent of the private school by the
17 total number of pupils for whom payments are being made under sub. (4).

18 **SECTION 2542r.** 119.23 (4m) (a) and (b) of the statutes are created to read:

19 119.23 (4m) (a) Determine the private school's operating and debt service cost
20 per pupil in summer school that is related to educational programming.

21 (b) Multiply the amount under par. (a) by 0.40.

22 **SECTION 2544w.** 119.23 (7) (am) 1. and 2. of the statutes are amended to read:

23 119.23 (7) (am) 1. An independent financial audit of the private school
24 conducted by an independent certified public accountant, accompanied by the
25 auditor's statement that the report is free of material misstatements and fairly

1 presents pupil costs under sub. (4) (b) 1. The audit under this subdivision shall be
2 limited in scope to those records that are necessary for the department to make
3 payments under subs. (4) and (4m). The auditor shall conduct his or her audit,
4 including determining sample sizes and evaluating financial viability, in accordance
5 with the auditing standards established by the American Institute of Certified
6 Public Accountants. The department may not require an auditor to comply with
7 standards that exceed the scope of the standards established by the American
8 Institute of Certified Public Accountants.

9 2. Evidence of sound fiscal and internal control practices, as prescribed by the
10 department by rule. An auditor engaged to evaluate the private school's fiscal and
11 internal control practices shall conduct his or her evaluation, including determining
12 sample sizes, in accordance with attestation standards established by the American
13 Institute of Certified Public Accountants.

14 **SECTION 2544x.** 119.23 (7) (b) 8. of the statutes is repealed.

15 **SECTION 2545.** 119.23 (7) (d) 1. of the statutes is renumbered 119.23 (7) (d) 1.

16 b. and amended to read:

17 119.23 (7) (d) 1. b. A copy of the school's current certificate of occupancy issued
18 by the city municipality within which the school is located. If the private school
19 moves to a new location, the private school shall submit a copy of the new certificate
20 of occupancy issued by the city municipality within which the school is located to the
21 department before the attendance of pupils at the new location and before the next
22 succeeding date specified in s. 121.05 (1) (a). A temporary certificate of occupancy
23 does not meet the requirement of this subdivision.

24 **SECTION 2546.** 119.23 (7) (d) 1. a. of the statutes is created to read:

1 119.23 (7) (d) 1. a. In this subdivision, “municipality” has the meaning given
2 in s. 5.02 (11).

3 **SECTION 2549e.** 119.23 (9) (a) of the statutes is renumbered 119.23 (9) and
4 amended to read:

5 119.23 (9) If any accrediting agency specified under sub. (2) (a) 7. a. or b.
6 determines during the accrediting or preaccrediting process that a private school
7 does not meet all of the requirements under s. 118.165 (1), ~~or if the Institute for the~~
8 ~~Transformation of Learning at Marquette University determines during the~~
9 ~~preaccreditation process that a private school does not meet all of the requirements~~
10 ~~under s. 118.165 (1), it shall report that failure to the department.~~

11 **SECTION 2549m.** 119.23 (9) (b) of the statutes is repealed.

12 **SECTION 2549s.** 119.23 (10) (a) 2. of the statutes is amended to read:

13 119.23 (10) (a) 2. Failed to provide the notice or pay the fee required under sub.
14 (2) (a) 3. or 3m. b., or provide the information required under sub. (7) (am) or (d), by
15 the date or within the period specified.

16 **SECTION 2549u.** 119.23 (10) (d) of the statutes is amended to read:

17 119.23 (10) (d) The state superintendent may withhold payment from a ~~parent~~
18 ~~or guardian~~ private school under subs. (4) and (4m) if the private school attended by
19 the child of the parent ~~or guardian~~ violates this section.

20 **SECTION 2550.** 119.23 (11) of the statutes is renumbered 119.23 (11) (intro.) and
21 amended to read:

22 119.23 (11) The department shall ~~promulgate~~ do all of the following:

23 (a) Promulgate rules to implement and administer this section. The
24 department may not by rule establish standards under sub. (7) (am) that exceed the
25 standards established by the American Institute of Certified Public Accountants.

1 **SECTION 2551.** 119.23 (11) (b) of the statutes is created to read:

2 119.23 (11) (b) Notify each private school participating in the program under
3 this section of any proposed changes to the program or to administrative rules
4 governing the program, including changes to application or filing deadlines but not
5 including changes to provisions governing health or safety, prior to the beginning of
6 the school year in which the change takes effect.

7 **SECTION 2552.** 119.245 of the statutes is repealed.

8 **SECTION 2553.** 119.495 (2) of the statutes is amended to read:

9 119.495 (2) The board shall include in its budget transmitted to the common
10 council under s. 119.16 (8) (b) a written notice specifying the amount of borrowing
11 to be authorized in the budget for the ensuing year. The common council shall issue
12 the notes and levy a direct annual irrevocable tax sufficient to pay the principal and
13 interest on the notes as they become due. The common council may issue the notes
14 by private sale. The common council shall make every effort to involve a minority
15 investment firm certified under s. ~~560.036~~ 16.287 as managing underwriter of the
16 notes or to engage a minority financial adviser certified under s. ~~560.036~~ 16.287 to
17 advise the city regarding any public sale of the notes.

18 **SECTION 2554.** 119.496 (2) of the statutes is amended to read:

19 119.496 (2) The board shall include in its budget transmitted to the common
20 council under s. 119.16 (8) (b) a written notice specifying the amount of borrowing
21 to be authorized in the budget for the ensuing year. The common council shall issue
22 the notes and levy a direct annual irrevocable tax sufficient to pay the principal and
23 interest on the notes as they become due. The common council may issue the notes
24 by private sale. The common council shall establish goals of involving minority
25 investment firms certified under s. ~~560.036~~ 16.287 as managing underwriters for at

1 least 50% of the total amount financed by the notes and of engaging a minority
2 financial adviser certified under s. ~~560.036~~ 16.287 to advise the city regarding any
3 public sale of the notes.

4 **SECTION 2571.** 121.08 (4) (a) 1. of the statutes is amended to read:

5 121.08 (4) (a) 1. ~~In the 2009-10 and 2010-11 school year, add~~ Add the amounts
6 paid under s. 118.40 (2r) in the current school year, ~~and in the 2011-12 school year~~
7 ~~and each school year thereafter, add the amounts paid under s. 118.40 (2r) in the~~
8 ~~2010-11 school year.~~

9 **SECTION 2571d.** 121.08 (4) (a) 2. of the statutes is amended to read:

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

13 **SECTION 2571h.** 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 under s. 20.255 (2) (ac), calculated as if the
16 reduction under par. (b) or (br) had not occurred, by the quotient under subd. 2.

17 **SECTION 2571q.** 121.08 (4) (br) of the statutes is created to read:

18 121.08 (4) (br) The amount of state aid that an eligible school district is eligible
19 to be paid from the appropriation under s. 20.255 (2) (ac) shall also be reduced by the
20 amount calculated by multiplying the amounts paid under s. 118.60 (4) and (4m) in
21 the first school year that begins after a school district is identified as an eligible
22 school district under s. 118.60 (1m) or 2011 Wisconsin Act (this act), section 9137
23 (3u), and in each school year thereafter by 38.4 percent.

24 **SECTION 2571t.** 121.08 (4) (d) of the statutes is amended to read:

1 121.08 (4) (d) The state superintendent shall ensure that the total amount of
2 aid reduction under pars. (a) ~~and~~, (b), and (br) lapses to the general fund.

3 **SECTION 2573g.** 121.90 (2) (am) 5. of the statutes is created to read:

4 121.90 (2) (am) 5. Amounts received in the 2011-12 school year under 2011
5 Wisconsin Act (this act), section 9137 (3q).

6 **SECTION 2574a.** 121.905 (1) of the statutes is amended to read:

7 121.905 (1) In this section, "revenue ceiling" means \$9,000 in the ~~2009-10~~
8 2011-12 school year and in the ~~2010-11~~ 2012-13 school year and ~~\$9,800~~ \$9,100 in
9 the 2013-14 school year and in any subsequent school year.

10 **SECTION 2575b.** 121.905 (3) (c) 3r. of the statutes is amended to read:

11 121.905 (3) (c) 3r. For the limit for the 2011-12 school year, ~~add \$275 to~~ multiply
12 the result under par. (b) by 0.945.

13 **SECTION 2576b.** 121.905 (3) (c) 4. of the statutes is amended to read:

14 121.905 (3) (c) 4. For the limit for the 2012-13 school year ~~or for any school year~~
15 ~~thereafter~~, ~~add the result under s. 121.91 (2m) (h) 2. \$50~~ to the result under par. (b).

16 **SECTION 2576c.** 121.905 (3) (c) 5. of the statutes is created to read:

17 121.905 (3) (c) 5. For the limit for the 2013-14 school year and any school year
18 thereafter, make no adjustment to the result under par. (b).

19 **SECTION 2580.** 121.91 (2m) (g) 2. of the statutes is repealed.

20 **SECTION 2581.** 121.91 (2m) (g) 3. of the statutes is amended to read:

21 121.91 (2m) (g) 3. Multiply the result under subd. 2. 1. by the average of the
22 number of pupils enrolled in the current and the 2 preceding school years.

23 **SECTION 2582.** 121.91 (2m) (g) 4. of the statutes is created to read:

24 121.91 (2m) (g) 4. Multiply the result under subd. 3. by 0.055.

25 **SECTION 2583.** 121.91 (2m) (g) 5. of the statutes is created to read:

1 121.91 (2m) (g) 5. Subtract the product under subd. 4. from the result under
2 subd. 3.

3 **SECTION 2584.** 121.91 (2m) (h) (intro.) of the statutes is amended to read:

4 121.91 (2m) (h) (intro.) Except as provided in subs. (3), (4), and (8), no school
5 district may increase its revenues for the 2012-13 school year ~~or for any school year~~
6 ~~thereafter~~ to an amount that exceeds the amount calculated as follows:

7 **SECTION 2585.** 121.91 (2m) (h) 2. of the statutes is repealed.

8 **SECTION 2586g.** 121.91 (2m) (h) 3. of the statutes is amended to read:

9 121.91 (2m) (h) 3. Add \$50 to the result under subd. 1. ~~to the result under subd.~~
10 ~~2.~~

11 **SECTION 2586r.** 121.91 (2m) (i) of the statutes is created to read:

12 121.91 (2m) (i) Except as provided in subs. (3), (4), and (8), no school district
13 may increase its revenues for the 2013-14 school year or for any school year
14 thereafter to an amount that exceeds the amount calculated as follows:

15 1. Divide the sum of the amount of state aid received in the previous school year
16 and property taxes levied for the previous school year, excluding property taxes
17 levied for the purpose of s. 120.13 (19) and excluding funds described under sub. (4)
18 (c), by the average of the number of pupils enrolled in the 3 previous school years.

19 2. Multiply the result under subd. 1. by the average of the number of pupils
20 enrolled in the current and the 2 preceding school years.

21 **SECTION 2587g.** 121.91 (2m) (r) 1. b. of the statutes is amended to read:

22 121.91 (2m) (r) 1. b. Add an amount equal to the amount of revenue increase
23 per pupil allowed under this subsection for the previous school year multiplied by the
24 sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal
25 to the result under subd. 1. a., except that in calculating the limit for the 2009-10

1 ~~or 2010-11 school year, add \$200 to the result under subd. 1. a., and in calculating~~
2 ~~the limit for the 2011-12 school year, add \$275 to multiply the result under subd. 1.~~
3 ~~a. by 0.945, in calculating the limit for the 2012-13 school year, add \$50 to the result~~
4 ~~under subd. 1. a., and in calculating the limit for the 2013-14 school year and any~~
5 ~~school year thereafter, make no adjustment to the result under subd. 1. a.~~

6 **SECTION 2587r.** 121.91 (2m) (s) 1. b. of the statutes is amended to read:

7 121.91 **(2m)** (s) 1. b. Add an amount equal to the amount of revenue increase
8 per pupil allowed under this subsection for the previous school year multiplied by the
9 sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal
10 to the result under subd. 1. a., except that in calculating the limit for the 2009-10
11 ~~or 2010-11 school year, add \$200 to the result under subd. 1. a., and in calculating~~
12 ~~the limit for the 2011-12 school year, add \$275 to multiply the result under subd. 1.~~
13 ~~a. by 0.945, in calculating the limit for the 2012-13 school year, add \$50 to the result~~
14 ~~under subd. 1. a., and in calculating the limit for the 2013-14 school year and any~~
15 ~~school year thereafter, make no adjustment to the result under subd. 1. a.~~

16 **SECTION 2596.** 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

17 121.91 **(2m)** (t) 1. (intro.) If 2 or more school districts are consolidated under
18 s. 117.08 or 117.09, except as follows, in the 2011-12 school year, the consolidated
19 school district's revenue limit shall be determined as provided under par. (e) except
20 as follows (g), in the 2012-13 school year, the consolidated school district's revenue
21 limit shall be determined as provided under par. (h), and in the 2013-14 school year
22 and in each school year thereafter, the consolidated school district's revenue limit
23 shall be determined as provided under par. (i):

24 **SECTION 2598.** 121.91 (4) (L) of the statutes is repealed.

25 **SECTION 2599.** 121.91 (4) (m) of the statutes is repealed.

1 **SECTION 2600.** 121.91 (4) (n) of the statutes is repealed.

2 **SECTION 2600m.** 121.91 (4) (o) 1. of the statutes is amended to read:

3 121.91 (4) (o) 1. If a school board adopts a resolution to do so, the limit otherwise
4 applicable to a school district under sub. (2m) in any school year is increased by the
5 amount spent by the school district in that school year on a project to implement
6 energy efficiency measures, and renewable or to purchase energy efficiency products,
7 that result including the payment of debt service on bonds or notes issued to finance
8 the project, if the project results in the avoidance of, or reduction in, energy costs.
9 ~~The department shall promulgate rules to implement this subdivision, including~~
10 ~~eligibility standards for school districts or operational costs, the project is governed~~
11 ~~by a performance contract entered into under s. 66.0133, and the bonds or notes~~
12 ~~issued to finance the project, if any, are issued for periods not exceeding 20 years.~~
13 If a school board issues bonds or notes to finance a project described in this
14 subdivision, a resolution adopted by a school board under this subdivision is valid for
15 each school year in which the school board pays debt service on the bonds or notes.

16 **SECTION 2601m.** 121.91 (4) (q) of the statutes is created to read:

17 121.91 (4) (q) 1. The limit otherwise applicable to a school district under sub.
18 (2m) is increased by an amount equal to the amount of any refunded or rescinded
19 property taxes paid by the school board in the year of the levy if the valuation
20 represented by the refunded or rescinded property taxes result in a redetermination
21 of the school district's equalized valuation by the department of revenue under s.
22 74.41.

23 2. Any additional revenue received by a school district under this paragraph
24 shall not be included in the base for determining the school district's limit under sub.
25 (2m) for the following school year.

1 **SECTION 2602.** 121.91 (7) of the statutes is amended to read:

2 121.91 (7) Except as provided in sub. (4) (f) 2. ~~and (L) to, (o), and (q) and~~ (8),
3 if an excess revenue is approved under sub. (3) for a recurring purpose or allowed
4 under sub. (4), the excess revenue shall be included in the base for determining the
5 limit for the next school year for purposes of this section. If an excess revenue is
6 approved under sub. (3) for a nonrecurring purpose, the excess revenue shall not be
7 included in the base for determining the limit for the next school year for purposes
8 of this section.

9 **SECTION 2603g.** 121.91 (8) of the statutes is amended to read:

10 121.91 (8) If a school district's initial revenue limit for the current school year,
11 as calculated under s. 121.905 or sub. (2m), whichever is appropriate, before making
12 any adjustments under sub. (3) or (4), is less than the amount determined by
13 multiplying the amount under sub. (2m) ~~(g) 1. or (h) 1.~~ (i) 1. by the average of the
14 number of pupils enrolled in the 3 preceding school years, the school district's initial
15 revenue limit for the current school year, before making any adjustments under sub.
16 (3) or (4), is the amount determined by multiplying the amount under sub. (2m) ~~(g)~~
17 ~~1. or (h) 1.~~ (i) 1. by the average of the number of pupils enrolled in the 3 preceding
18 school years. Any additional revenue received by a school district as a result of this
19 subsection shall not be included in the base for determining the school district's limit
20 under sub. (2m) for the following school year. This subsection does not apply to a
21 school district's revenue limit calculated for the 2011-12 and 2012-13 school years.

22 **SECTION 2603m.** 125.01 of the statutes is amended to read:

23 **125.01 Legislative intent.** This chapter shall be construed as an enactment
24 of the legislature's support for the 3-tier system for alcohol beverages production,
25 distribution, and sale that, through uniform statewide regulation, provides this

1 state regulatory authority over the production, storage, distribution, transportation,
2 sale, and consumption of alcohol beverages by and to its citizens, for the benefit of
3 the public health and welfare and this state's economic stability. Without the 3-tier
4 system, the effective statewide regulation and collection of state taxes on alcohol
5 beverages sales would be seriously jeopardized. It is further the intent of the
6 legislature that without a specific statutory exception, all sales of alcohol beverages
7 shall occur through the 3-tier system, from manufacturers to ~~licensed~~ wholesalers
8 holding a permit to retailers to consumers. Face-to-face retail sales at licensed
9 premises directly advance the state's interest in preventing alcohol sales to underage
10 or intoxicated persons and the state's interest in efficient and effective collection of
11 tax.

12 **SECTION 2604bc.** 125.02 (15) of the statutes is renumbered 125.02 (15) (intro.)
13 and amended to read:

14 125.02 (15) (intro.) "Primary source of supply" means any of the following:

15 (b) With respect to intoxicating liquor, the manufacturer, the rectifier, or the
16 exclusive agent designated by the manufacturer or rectifier.

17 **SECTION 2604be.** 125.02 (15) (a) of the statutes is created to read:

18 125.02 (15) (a) With respect to fermented malt beverages, the brewer or
19 brewpub that manufactured the fermented malt beverages or the exclusive agent
20 designated by this brewer or brewpub.

21 **SECTION 2604bg.** 125.02 (21) of the statutes is amended to read:

22 125.02 (21) "Wholesaler" means a person, other than a brewer, brewpub,
23 manufacturer, or rectifier, who sells alcohol beverages to a licensed retailer or to
24 another person who holds a permit ~~or license~~ to sell alcohol beverages at wholesale.

25 **SECTION 2604bi.** 125.04 (12) (a) of the statutes is amended to read:

1 125.04 (12) (a) *From place to place.* Every alcohol beverage license or permit
2 may be transferred to another place or premises within the same municipality. An
3 alcohol beverage warehouse permit under s. 125.19, a winery permit under s. 125.53
4 or an intoxicating liquor wholesaler's permit under s. 125.54 may be transferred to
5 another premises within this state. ~~A Class "A" license and a wholesaler's license~~
6 ~~identified in s. 125.25 (2) (b) 2. may be transferred together as provided in s. 125.25~~
7 ~~(2) (b) 4. if the receiving municipality approves the transfer.~~ Transfers shall be made
8 by the issuing authority upon payment of a fee of \$10 to the issuing authority ~~and,~~
9 ~~for transfers as provided in s. 125.25 (2) (b) 4., transfers shall be received and the~~
10 ~~validity of the transferred licenses recognized by the receiving municipality upon~~
11 ~~approval of the transfer by the receiving municipality and payment to the receiving~~
12 ~~municipality of an additional fee of \$10 for each transferred license.~~ No retail
13 licensee, retail permittee, intoxicating liquor wholesaler or holder of a warehouse or
14 winery permit is entitled to more than one transfer during the license or permit year.
15 This paragraph does not apply to a license issued under s. 125.51 (4) (v) or to a reserve
16 "Class B" license, as defined in s. 125.51 (4) (a).

17 **SECTION 2604bk.** 125.05 (1) (d) of the statutes is amended to read:

18 125.05 (1) (d) *Wholesalers' licenses permits.* If the election results prohibit the
19 retail sale of fermented malt beverages, the ~~municipality may nevertheless issue~~
20 ~~wholesalers' licenses to qualified persons on the~~ department shall include as a
21 condition of any wholesaler's permit issued under s. 125.28 for a premises within the
22 municipality that the wholesaler may not sell or deliver fermented malt beverages
23 within the municipality to any person residing therein.

24 **SECTION 2604bL.** 125.07 (3) (a) 3. of the statutes is amended to read: