

**SENATE BILL 20 (LRB -0903)**

An Act to amend 119.46 (1), 119.60 (1) and 119.60 (2); and to create 119.60 (2m) of the statutes; relating to: authorizing the City of Milwaukee to sell city-owned property used for school purposes. (FE)

**2011**

02-22.	S.	Introduced by Senators <b>Darling, Lazich, Carpenter and Grothman</b> ; cosponsored by Representatives <b>Honadel, Fields, Pridemore, Berceau, Thiesfeldt, Strachota, Bies, Rivard and Marklein.</b>	
02-22.	S.	Read first time and referred to committee on Education .....	129
03-07.	S.	Fiscal estimate received.	
03-23.	S.	Public hearing held.	
04-11.	S.	Fiscal estimate received.	
05-09.	S.	Executive action taken.	
05-09.	S.	Report introduction of Senate Substitute Amendment 1 recommended by committee on Education, Ayes 7, Noes 0 ( <b>LRB s0090</b> ) .....	253
05-09.	S.	Report introduction of Senate Amendment 1 to Senate Substitute Amendment 1 recommended by committee on Education, Ayes 7, Noes 0 ( <b>LRB a0844</b> ) .....	253
05-09.	S.	Report adoption of Senate Amendment 1 to Senate Substitute Amendment 1 recommended by committee on Education, Ayes 7, Noes 0 .....	253
05-09.	S.	Report introduction of Senate Amendment 2 to Senate Substitute Amendment 1 recommended by committee on Education, Ayes 7, Noes 0 ( <b>LRB a0841</b> ) .....	253
05-09.	S.	Report adoption of Senate Substitute Amendment 1 recommended by committee on Education, Ayes 6, Noes 1 .....	253
05-09.	S.	Report passage as amended recommended by committee on Education, Ayes 5, Noes 2 .....	253
05-09.	S.	Available for scheduling.	
05-09.	S.	Placed on calendar 5-10-2011 pursuant to Senate Rule 18(1) .....	253
05-10.	S.	Read a second time.	
05-10.	S.	<b>Senate amendment 1 to Senate substitute amendment 1 adopted, Ayes 33, Noes 0.</b>	
05-10.	S.	Senate amendment 3 to Senate substitute amendment 1 offered by Senator Darling ( <b>LRB a0861</b> ).	
05-10.	S.	<b>Senate amendment 3 to Senate substitute amendment 1 adopted, Ayes 19, Noes 14.</b>	
05-10.	S.	Senate amendment 4 to Senate substitute amendment 1 offered by Senators C. Larson, T. Cullen, S. Coggs, Miller, Taylor and Vinehout ( <b>LRB a0840</b> ).	
05-10.	S.	Senate amendment 4 to Senate substitute amendment 1 rejected, Ayes 19, Noes 14.	
05-10.	S.	<b>Senate substitute amendment 1 adopted, Ayes 19, Noes 14.</b>	
05-10.	S.	Ordered to a third reading.	
05-10.	S.	Rules suspended.	
05-10.	S.	Read a third time and <b>passed, Ayes 19, Noes 14.</b>	
05-10.	S.	Ordered immediately messaged.	
05-10.	A.	Received from Senate .....	281
05-10.	A.	Read .....	281
05-10.	A.	Rules suspended and taken up .....	281
05-10.	A.	Ordered to a third reading .....	282
05-10.	A.	Refused to suspend rules to read a third time, Ayes 58, Noes 35 .....	282
05-10.	A.	Representative Berceau withdrawn as a cosponsor .....	281
05-10.	A.	Made a special order of business at 10:07 A.M. on 5-11-2011 pursuant to Assembly Resolution 9 .....	287
05-11.	A.	Read a third time and <b>concurred in.</b>	
05-11.	A.	Ordered immediately messaged.	
05-12.	S.	Received from Assembly concurred in.	

SB

**2011**  
**ENROLLED BILL**

11en S B-20

**ADOPTED DOCUMENTS:**

Orig     Engr

S SubAmdt 1 ✓

11 S00901 1 ✓

Amendments to above (if none, write "NONE"):

SA1 - a 0844/1 ✓

SA3 - a 0861/1 ✓

Corrections - show date (if none, write "NONE"):

None ✓

Topic

Rel

5-12-11

Date

[Signature]

Enrolling Drafter



**SENATE SUBSTITUTE AMENDMENT 1,  
TO 2011 SENATE BILL 20**

May 9, 2011 – Offered by COMMITTEE ON EDUCATION.

1 AN ACT *to amend* 119.46 (1), 119.46 (2), 119.60 (1) and 119.60 (2); and *to create*  
2 119.60 (2m) and 119.60 (5) of the statutes; **relating to:** authorizing the City of  
3 Milwaukee to sell city-owned property used for school purposes.

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

Currently, the board of school directors of Milwaukee Public Schools (MPS) is vested with authority to purchase, lease, control, and manage the schools and property of the school district. School buildings located in the City of Milwaukee (city), and the sites on which the school buildings sit, however, are the property of the city, and deeds and conveyances of property are made to the city. MPS must adopt a resolution prior to purchasing or leasing a building site or constructing a school house. The city must sell city-owned property used for school purposes if MPS submits a written request to the city and the common council adopts a resolution approving the sale. The board determines whether proceeds of the sale of city-owned property used for school purposes are deposited into the school operations fund or the school construction fund. In general, if the proceeds are deposited into the school operations fund, the moneys must be used to pay the principal and other fees and premiums due on bonds issued for school facilities.

Under this substitute amendment, if the common council finds that city-owned property used for school purposes has been unused or underutilized for at least 12 consecutive months, or if MPS has determined by resolution prior to January 1, 2011,

that any city-owned property used for school purposes is surplus to the needs of MPS, the common council may sell or lease the property. The substitute amendment requires the board to provide the common council and city employees and agents copies of all documents related to the property and access to the property for purposes related to the sale or leasing of the property. Net proceeds from the sale or lease of property, when authorized by the common council as provided in the substitute amendment, are deposited in the school operations fund and are to be applied to pay the principal and other fees and premiums due on bonds. The terms of any lease entered into between the common council and the lessee may provide for the care, operation, and maintenance of the real property that is the subject of the lease. The substitute amendment also permits the common council to adopt a resolution to become party to any lease of city-owned property used for school purposes entered into between MPS and certain charter schools and in effect on January 1, 2011, at the time that lease is modified, extended, or renewed.

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

1           **SECTION 1.** 119.46 (1) of the statutes is amended to read:

2           119.46 (1) As part of the budget transmitted annually to the common council  
3           under s. 119.16 (8) (b), the board shall report the amount of money required for the  
4           ensuing school year to operate all public schools in the city under this chapter, to  
5           repair and keep in order school buildings and equipment, to make material  
6           improvements to school property, and to purchase necessary additions to school sites.  
7           The report shall specify the amount of net proceeds from the sale or lease of  
8           city-owned property used for school purposes deposited in the immediately  
9           preceding school year into the school operations fund as specified under s. 119.60  
10          (2m) (c) or (5). The amount included in the report for the purpose of supporting the  
11          Milwaukee Parental Choice Program under s. 119.23 shall be reduced by the amount  
12          of aid received by the board under s. 121.136 and by the amount specified in the  
13          notice received by the board under s. 121.137 (2). The common council shall levy and  
14          collect a tax upon all the property subject to taxation in the city, which shall be equal

1 to the amount of money required by the board for the purposes set forth in this  
2 subsection, at the same time and in the same manner as other taxes are levied and  
3 collected. Such taxes shall be in addition to all other taxes which the city is  
4 authorized to levy. The taxes so levied and collected, any other funds provided by law  
5 and placed at the disposal of the city for the same purposes, and the moneys deposited  
6 in the school operations fund under s. 119.60 (1), (2m) (c), and (5), shall constitute  
7 the school operations fund.

8 **SECTION 2.** 119.46 (2) of the statutes is amended to read:

9 119.46 (2) If moneys specified in s. 119.60 (1), (2m) (c), or (5) are deposited in  
10 the school operations fund, the moneys shall be used to pay the principal due on any  
11 bonds issued under s. 66.1333 (5r) (b), to make sinking fund payments with respect  
12 to such bonds, to purchase or redeem such bonds, to pay any redemption premium  
13 required to be paid when such bonds are redeemed prior to maturity, or to establish  
14 a defeasance escrow account for such bonds in an amount sufficient to provide for the  
15 payment of principal, any redemption premium and interest on such bonds when  
16 due, whether at maturity or upon prior redemption, and to pay any fees or expenses  
17 associated with the establishment of the defeasance escrow account.

18 **SECTION 3.** 119.60 (1) of the statutes is amended to read:

19 119.60 (1) ~~If~~ Except as provided in sub. (2m) (c), if any real property within the  
20 city which is used for school purposes is sold, the board shall determine whether the  
21 proceeds of the sale are deposited in the school operations fund under s. 119.46 or are  
22 deposited in the school construction fund under s. 119.48.

23 **SECTION 4.** 119.60 (2) of the statutes is amended to read:

24 119.60 (2) ~~City-owned~~ Except as provided in sub. (2m), city-owned property  
25 used for school purposes shall be sold by the city upon written request of the board

1 if the common council adopts a resolution approving the sale. If, within 12 months  
2 after a written request by the board, the city has not disposed of the property, has  
3 failed to obtain a written agreement to dispose of the property or has not provided  
4 the board with a written report giving specific reasons, which are not identified by  
5 the city attorney as constituting a conflict of interest, for its failure to dispose of the  
6 property or to obtain an agreement to dispose of the property, the board may retain  
7 a real estate agent to represent the board in its real estate transactions. ✓✓

8 SECTION 5. 119.60 (2m) of the statutes is created to read:

INS. SA 3-1

9 119.60 (2m) (a) ~~If~~ the common council finds that city-owned property used for  
10 school purposes has been unused or underutilized for at least 12 consecutive months,  
11 including the 12 months preceding the effective date of this ~~paragraph~~.... [LRB  
12 inserts date], or if the board has determined by resolution prior to January 1, 2011,  
13 that any city-owned property used for school purposes is surplus to the needs of the  
14 school district, the common council may sell or lease that property if it adopts a  
15 resolution approving the sale or lease. ✓✓

INS. SA 3-2

INS. SA 3-3

16 (b) If a resolution is adopted by the common council as provided under par. (a),  
17 the board shall provide the common council and city employees and agents copies of  
18 all documents related to the property and access to and entry upon and into the  
19 property for purposes related to the sale or leasing of the property.

20 (c) If any real property within the city which is used for school purposes is sold  
21 or leased as provided in this subsection, the net proceeds of the sale or lease shall be  
22 deposited in the school operations fund under s. 119.46.

23 (d) Notwithstanding s. 119.16 (1m), if any real property within the city which  
24 is used for school purposes is leased as provided in this subsection, the ~~common~~

SA 1-1 ✓

INS.  
SAI-1 ✓✓

1

~~council and the lessee may provide in the lease~~ for the care, operation, and

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maintenance of the real property and its facilities

INS. SAI-2 ✓✓

3

**SECTION 6.** 119.60 (5) of the statutes is created to read:

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119.60 (5) For any lease of city-owned property used for school purposes in

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effect on January 1, 2011, between the board and a charter school that is not an

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instrumentality of the school district under s. 118.40 (7), the common council shall

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be made party to the lease and may negotiate with the charter school to modify the

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terms of the lease when the lease is modified, extended, or renewed if the common

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council adopts a resolution to do so. If a lease is modified, extended, or renewed as

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provided in this subsection, the net proceeds of that lease shall be deposited in the

11

school operations fund under s. 119.46.

12

(END)



**SENATE AMENDMENT 1,  
TO SENATE SUBSTITUTE AMENDMENT 1,  
TO 2011 SENATE BILL 20**

May 9, 2011 – Offered by COMMITTEE ON EDUCATION.

1 At the locations indicated, amend the substitute amendment as follows:

2 ✓ 1. Page 4, line 24: delete the material beginning with “common” and ending  
3 with “in the lease” on page 5, line 1, and substitute “lease shall require the lessee to  
4 assume responsibility”.

5 ✓ 2. Page 5, line 2: after “facilities” insert “for the duration of the lease”.

6 (END)

SAI-1

SAI-2





State of Wisconsin  
2011 - 2012 LEGISLATURE



LRBa0861/1  
TKK:jld:jf

SENATE AMENDMENT 3,  
TO SENATE SUBSTITUTE AMENDMENT 1,  
TO 2011 SENATE BILL 20

May 10, 2011 – Offered by Senator DARLING.

1 At the locations indicated, amend the substitute amendment as follows:

2 ✓✓ 1. Page 4, line 9: delete "If" and substitute "1. Subject to subd. 2., if".

3 ✓✓ 2. Page 4, line 11: delete "paragraph" and substitute "subdivision".

4 ✓✓ 3. Page 4, line 15: after that line insert:

5 "2. Before the common council may adopt a resolution approving the sale or  
6 lease of underutilized city-owned property used for school purposes, the common  
7 council shall adopt by resolution a set of criteria under which the common council  
8 may or may not find that the city-owned property used for school purposes is  
9 underutilized. In order to determine whether city-owned property used for school  
10 purposes satisfies the criteria adopted under this subdivision, the common council  
11 shall request from the board, and the board shall provide to the common council  
12 within 15 days of the request, all relevant information regarding the current and

✓✓  
SA 3-1

✓✓  
SA 3-2

✓✓  
SA 3-3

SA3-3

1 planned utilization of the city-owned property used for school purposes that is  
2 proposed for sale or lease under this paragraph.

3 (END)