



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-1137/P5
FFK:cjs/jld/wlj:rs

In 1-29

TODAY

P6
RMR

DOA:.....Stritchko, BB0406 – School choice funding from equalization aids and elimination of statewide program caps

FOR 2015-2017 BUDGET – NOT READY FOR INTRODUCTION

don't gen

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

EDUCATION

PRIMARY AND SECONDARY EDUCATION

This bill makes various changes to the Racine Parental Choice Program (RPCP) and the statewide parental choice program (statewide choice program).

Caps in the statewide choice program

Current law limits the number of pupils who may participate in the statewide choice program to 1,000 pupils. Additionally, no more than one percent of any school district's total enrollment may attend private schools under the statewide choice program. Current law also limits the number of private schools that may participate in the statewide choice program. This bill eliminates the limitations on the number of pupils and private schools that may participate in the statewide choice program.

Payments to participating private schools.

Under current law, for each pupil attending a private school under the RPCP or the statewide choice program, DPI pays the private school an amount equal to the lesser of (a) the participating private school's operating and debt service cost per pupil and (b) a maximum amount provided by law. For the 2014-15 school year, the maximum per pupil amount provided by law is \$7,210 or \$7,856, depending on the pupil's grade. For each school year after the 2014-15 school year, the maximum per

pupil payment is the maximum amount in the previous year plus any increase in the per pupil revenue limit and any increase in the total categorical aid funding per pupil. Under current law, for certain pupils attending summer or interim classes at a private school under the RPCP or the statewide choice program, DPI must also pay the participating private school an additional amount equal to equal to five percent of the maximum per pupil choice payment that could have been paid for the pupil in the preceding school term. Currently, payments DPI makes to private schools participating in the RPCP or the statewide choice program are paid from a sum sufficient appropriation.

This bill changes the payments DPI makes to participating private schools for pupils who begin attending a private school under the RPCP or the statewide choice program in the 2015–16 school year or in any school year thereafter (new choice pupil). Under the bill, for a new choice pupil, DPI pays a participating private school an amount equal to the average per pupil amount of equalization aid for school districts in which new choice pupils reside (average equalization aid per pupil) in that school year. The bill also requires DPI to make an additional payment for certain new choice pupils attending summer or interim classes at a participating private school in an amount equal to five percent of the average equalization aid per pupil in the immediately preceding school term. Payments DPI makes to private schools participating in the RPCP or the statewide choice program for new choice pupils are paid from the sum certain appropriation for general equalization aids.

This bill does not change payments made to a private schools participating in the RPCP or the statewide choice program for pupils who began attending a participating private school before the 2015–16 school year.

Equalization aid formula

Under current law, pupils attending a private school under the RPCP or the statewide choice program are not included in a school district's membership for the purpose of calculating the equalization aid that the school district is eligible to receive. Under the bill, beginning with the aid calculation for the 2016–17 school year, for the purpose of calculating the amount of equalization aid that a school district is eligible to receive, a school district's membership includes new choice pupils residing in the school district that are reported as attending a private school under the RPCP or the statewide choice program. The bill also requires that the amount of each school district's equalization aid be reduced by an amount determined by multiplying the school district's per pupil equalization aid amount by the number of new choice pupils who reside in that school district. A reduction for payments made for new choice pupils is not considered for purposes of calculating a school district's revenue limit.

Requirements for new choice pupils in the statewide program.

Under current law, a pupil who resides in the Racine Unified School District must satisfy one of the following to attend a private school under the RPCP:

1. He or she was enrolled in a public school in the school district in the previous school year.
2. He or she was not enrolled in school in the previous school year.

3. He or she attended a private school under the RPCP in the previous school year.

4. He or she is applying to kindergarten, 1st grade, or 9th grade.

This bill creates the same requirement for new choice pupils in the statewide choice program.

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

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

1 **SECTION 1.** 20.255 (2) (ac) of the statutes is amended to read:

2 20.255 (2) (ac) *General equalization aids and eligible and other school district*
3 *parental choice program payments.* The amounts in the schedule for the payment of
4 educational aids under ss. 121.08, 121.09, 121.095, 121.105, 121.137 and subch. VI
5 of ch. 121 and to make payments to private schools under s. 118.60 (4) (bk), (4m) (am),
6 and (4r) (bm).

 ****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

7 **SECTION 2.** 20.255 (2) (fr) of the statutes is amended to read:

8 20.255 (2) (fr) *Parental choice program for eligible school districts and other*
9 *school districts; pupils participating before the 2015–16 school year.* A sum sufficient
10 to make the payments to private schools under s. 118.60 (4) (bg) and (4m) (a).

 ****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

11 **SECTION 3.** 20.255 (2) (fv) of the statutes is amended to read:

12 20.255 (2) (fv) *Milwaukee Parental Choice Program and the parental choice*
13 *program for eligible school districts and other school districts; transfer pupils.* A sum
14 sufficient to make the payments under ss. 118.60 (4r) (am) and 119.23 (4r).

15 **SECTION 4.** 118.60 (1) (b) of the statutes is repealed.

 ****NOTE: This is reconciled s. 118.60 (1) (b). This SECTION has been affected by drafts with the following LRB numbers: LRB-1137/P4 and LRB-0633/P3.

1 **SECTION 5.** 118.60 (2) (a) (intro.) of the statutes is amended to read:

2 118.60 (2) (a) (intro.) Subject to pars. (ag) and (ar), any pupil in grades
3 kindergarten to 12 who resides within an eligible school district may attend any
4 private school under this section and, subject to pars. (ag), (ar), ~~(be)~~, (bm), and (bs),
5 any pupil in grades kindergarten to 12 who resides in a school district, other than
6 an eligible school district or a 1st class city school district, may attend any private
7 school under this section if all of the following apply:

8 **SECTION 6.** 118.60 (2) (a) 2m. of the statutes is created to read:

9 118.60 (2) (a) 2m. For a pupil who resides in a school district, other than an
10 eligible school district or a 1st class city school district, that begins participating in
11 the program under this section in the 2015–16 school year or any school year
12 thereafter, the pupil satisfies one or more of the following:

13 a. The pupil was enrolled in a public school in the school district in which the
14 pupil resides during the previous school year.

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

16 c. The pupil attended a private school under this section in the previous school
17 year.

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

20 **SECTION 7.** 118.60 (2) (be) of the statutes is repealed.

21 **SECTION 8.** 118.60 (3) (a) (intro.) and 1. (intro.) of the statutes are consolidated,
22 renumbered 118.60 (3) (a) (intro.) and amended to read:

23 118.60 (3) (a) (intro.) The pupil or the pupil's parent or guardian shall submit
24 an 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 each applicant, in writing, whether his or her application has been accepted.
4 If the private school rejects an application, the notice shall include the reason.
5 ~~Subject to pars. (ag) and (ar), a~~ A private school may reject an applicant only if it has
6 reached its maximum general capacity or seating capacity. ~~Except as provided in~~
7 ~~pars. (ag) and (ar), the~~ The state superintendent shall ensure that the private school
8 determines which pupils to accept on a random basis, except that: ~~1. The~~ the private
9 school may give preference to the following in accepting applications ~~to any of the~~
10 following, in the order of preference listed:

****NOTE: This is reconciled s.118.60 (3) (a) (intro.). This SECTION has been affected
by drafts with the following LRB numbers: -1137 and -0633

11 **SECTION 9.** 118.60 (3) (a) 1. a. to c. and 2. of the statutes are repealed.

****NOTE: This is reconciled s.118.60 (3) (a) 1. a. to c. This SECTION has been affected
by drafts with the following LRB numbers: -1137 and -0633.

12 **SECTION 10.** 118.60 (3) (a) 1m., 2m., 3., 4. and 5. of the statutes are created to
13 read:

14 118.60 (3) (a) 1m. Pupils who attended the private school under this section
15 during the previous school year.

16 2m. Siblings of pupils described in subd. 1m.

17 3. Pupils who attended a different private school under this section or s. 119.23
18 during the previous school year.

19 4. Siblings of pupils described under subd. 3.

20 5. Siblings of those pupils who have been randomly accepted to attend the
21 private school under this section and who did not attend a private school under this
22 section or s. 119.23 during the previous school year.

****NOTE: This is reconciled s.118.60 (3) (a) 1m. to 5. This SECTION has been affected by drafts with the following LRB numbers: -1137 and -0633.

1 **SECTION 11.** 118.60 (3) (ag) of the statutes is repealed.

2 **SECTION 12.** 118.60 (3) (ar) of the statutes is repealed.

3 **SECTION 13.** 118.60 (3) (c) of the statutes is amended to read:

4 118.60 (3) (c) If a participating private school rejects an applicant who resides
5 in a school district, other than an eligible school district or a 1st class city school
6 district, because the private school has too few available spaces, the applicant may
7 transfer his or her application to a participating private school that has space
8 available. An applicant rejected under this paragraph may, subject to sub. (2) ~~(be)~~
9 ~~and~~ (bm), be admitted to a private school participating in the program under this
10 section for the following school year.

11 **SECTION 14.** 118.60 (3) (d) of the statutes is created to read:

12 118.60 (3) (d) By the 3rd Friday in September, a pupil or a pupil's parent or
13 guardian shall notify, using a form provided by the department, the department that
14 the pupil is currently participating in the program under this section. The form
15 provided by the department under this paragraph shall require a pupil or a pupil's
16 parent or guardian to indicate the school year during which the pupil first began
17 participating in the program under this section.

18 **SECTION 15.** 118.60 (4) (bg) 6. of the statutes is created to read:

19 118.60 (4) (bg) 6. This paragraph applies only to pupils who participated in the
20 program under this section before the 2015-16 school year.

21 **SECTION 16.** 118.60 (4) (bk) of the statutes is created to read:

22 118.60 (4) (bk) 1. In this paragraph, "incoming choice pupil" means a pupil who
23 begins participating in the program under this section in the 2015-16 school year or

1 any school year thereafter who is enrolled in a private school under this section
2 during the school term.

3 2. For an incoming choice pupil, upon receipt from the pupil's parent or
4 guardian of proof of the pupil's enrollment in the private school during a school term,
5 the state superintendent shall pay to the private school in which the pupil is enrolled
6 on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255
7 (2) (ac), the amount determined by the state superintendent as follows:

8 a. Identify each school district in which an incoming choice pupil resides.

9 b. For each school district identified under subd. 2. a., calculate that school
10 district's per pupil equalization aid by dividing the total amount of state aid that the
11 school district is eligible to receive under s. 121.08 after making the reduction under
12 s. 121.08 (4) (a) but before making the reduction under s. 121.08 (4) (c) by the school
13 district's membership that was used to calculate the state aid under s. 121.08.

14 c. For each school district identified under subd. 2. a., multiply the school
15 district's per pupil equalization aid calculated under subd. 2. b. by the number of
16 incoming choice pupils residing in the school district.

17 d. Add together all of the amounts determined under subd. 2. c. for school
18 districts identified under subd. 2. a.

19 e. Divide the amount determined under subd. 2. d. by the total number of
20 incoming choice pupils.

21 3. By October 15, using the most accurate data available, the state
22 superintendent shall calculate the per pupil amount under subd. 2. for the current
23 school year. Any adjustments to that calculation shall be made by increasing or
24 decreasing the payment to a participating private school made in September of the
25 following school year. If the private school is not participating in the program under

1 this section in September of the following school year, the department shall make any
2 adjustments to the calculation by making a separate payment to the private school
3 or if the adjustment is a decrease, the private school shall refund the department for
4 any overpayment it received under this subsection or sub. (4m).

****NOTE: The language is based on PI 35.045(1)(g)3. Please let me know if you
want to be more specific and include timing or notice requirements.

5 SECTION 17. 118.60 (4) (c) of the statutes is renumbered 118.60 (4) (c) 1. and
6 amended to read:

7 118.60 (4) (c) 1. The Subject to subd. 2., the state superintendent shall pay 25
8 percent of the total amount under this subsection in September, 25 percent in
9 November, 25 percent in February, and 25 percent in May. Each installment may
10 consist of a single check for all pupils attending the private school under this section.
11 The state superintendent shall include the entire amount under sub. (4m) in the
12 November installment, but the payment shall be made in a separate check from the
13 payment under this subsection.

14 SECTION 18. 118.60 (4) (c) 2. of the statutes is created to read:

15 118.60 (4) (c) 2. Beginning with payments for the ~~2015-16~~²⁰¹⁶⁻¹⁷ school year, the
16 portion of the September payment that is for a pupil under par. (bk) shall be based
17 on the per pupil payment under par. (bk) in the previous school year. Any adjustment
18 to ensure that a participating private school receives the total amount due under this
19 section for pupil payments under par. (bk) shall be made by increasing or decreasing
20 the amount paid in May of the current school year.

****NOTE: Should this actually start in the 2016-17 school year since payments will
not be made under par. (bk) until the 2015-16 school year? If not, on what should the
September 2015 payment be based?

21 SECTION 19. 118.60 (4m) (a) (intro.) of the statutes is renumbered 118.60 (4m)
22 (a) 1m. (intro.) and amended to read:

1 118.60 (4m) (a) 1m. (intro.) In addition to the payment under sub. (4), the state
2 superintendent shall, subject to par. (b), pay to each private school participating in
3 the program under this section, on behalf of the parent or guardian of each pupil
4 attending summer school in the private school under this section during a summer
5 and in the manner described in sub. (4) (c), from the appropriation under s. 20.255
6 (2) (fr), an amount determined as follows:

7 **SECTION 20.** 118.60 (4m) (a) 1. of the statutes is renumbered 118.60 (4m) (a) 1m.

8 a.

9 **SECTION 21.** 118.60 (4m) (a) 2. of the statutes is renumbered 118.60 (4m) (a) 1m.

10 b. and amended to read:

11 118.60 (4m) (a) 1m. b. Multiply the amount under subd. ~~1. 1m. a.~~ by 0.05.

12 **SECTION 22.** 118.60 (4m) (a) 2m. of the statutes is created to read:

13 118.60 (4m) (a) 2m. This paragraph applies only to pupils who participated in
14 the program under this section before the 2015–16 school year.

15 **SECTION 23.** 118.60 (4m) (am) of the statutes is created to read:

16 118.60 (4m) (am) For a pupil who begins participating in the program under
17 this section in the 2015–16 school year or any school year thereafter, in addition to
18 the payment under sub. (4) and subject to par. (b), the state superintendent shall pay
19 to the private school participating in the program under this section that the pupil
20 attends during a summer in the manner described in sub. (4) (c), on behalf of the
21 pupil's parent or guardian, from the appropriation under s. 20.255 (2) (ac), an amount
22 determined as follows:

23 1. Determine the amount that would have been paid under sub. (4) (bk) in the
24 immediately preceding school term.

25 2. Multiply the amount under subd. 1. by 0.05.

1 **SECTION 24.** 118.60 (4m) (b) (intro.) of the statutes is amended to read:

2 118.60 (4m) (b) (intro.) A participating private school may receive a per pupil
3 payment under par. (a) or (am) if all of the following are satisfied:

4 **SECTION 25.** 118.60 (4m) (b) 3. of the statutes is amended to read:

5 118.60 (4m) (b) 3. Each pupil for whom the private school seeks a payment
6 under par. (a) or (am) attends no fewer than 15 days of summer instruction at the
7 private school during that summer.

8 **SECTION 26.** 118.60 (4r) (intro.) of the statutes is renumbered 118.60 (4r) (am)
9 (intro.) and amended to read:

10 118.60 (4r) (am) (intro.) If, after the 3rd Friday in September in any school year,
11 a private school participating in the program under this section closes, for each
12 installment under sub. (4) (c) that was not paid to the private school in that school
13 year, the state superintendent shall pay to the board of the school district within
14 which the pupil resides, from the appropriation under s. 20.255 (2) (fv), the amount
15 determined, for each pupil who participated in the program under this section before
16 the 2015-16 school year who had been attending the private school under this section
17 in that school year and who enrolls in the school district within which the pupil
18 resides in that school year, as follows:

19 **SECTION 27.** 118.60 (4r) (a) of the statutes is renumbered 118.60 (4r) (am) 1.

20 **SECTION 28.** 118.60 (4r) (b) of the statutes is renumbered 118.60 (4r) (am) 2. and
21 amended to read:

22 118.60 (4r) (am) 2. Multiply the product under ~~par. (a)~~ subd. 1. by 0.25.

23 **SECTION 29.** 118.60 (4r) (bm) of the statutes is created to read:

24 118.60 (4r) (bm) If, after the 3rd Friday in September in any school year, a
25 private school participating in the program under this section closes, for each

1 installment under sub. (4) (c) that was not paid to the private school in that school
 2 year, the state superintendent shall pay to the board of the school district within
 3 which the pupil resides, from the appropriation under s. 20.255 (2) (ac), the amount
 4 determined, for each pupil who participated in the program under this section
 5 beginning in the 2015–16 school year or any school year thereafter who had been
 6 attending the private school under this section in that school year and who enrolls
 7 in the school district within which the pupil resides in that school year, by
 8 multiplying the amount determined under sub. (4) (bk) by 0.25.

****NOTE: Please confirm this is accurate in light of the changes made to par. (bk).

9 **SECTION 30.** 118.60 (6m) (b) 1. of the statutes is amended to read:

10 118.60 (6m) (b) 1. The number of pupils attending the private school under this
 11 section in the previous school year who began participating in the program under
 12 this section in the 2015–16 school year or any school year thereafter and the number
 13 of pupils attending the private school under this section in the previous school year
 14 who began participating in the program under this section before the 2015–16 school
 15 year.

16 **SECTION 31.** 118.60 (10) (a) 3. of the statutes is amended to read:

17 118.60 (10) (a) 3. Failed to refund to the state any overpayment made under
 18 s. 118.60 (4) (b), 2011 stats., or s. 118.60 (4) (bg), 2011 stats., or under sub. (4) (bg) or
 19 (4m) by the date specified by department rule.

20 **SECTION 32.** 121.004 (5) of the statutes is amended to read:

21 121.004 (5) MEMBERSHIP. “Membership” Except as provided in s. 121.07 (2),
 22 “membership” for any school district is the sum of pupils enrolled as reported under
 23 s. 121.05 (1) or (2), as appropriate, and the summer average daily membership
 24 equivalent for those academic summer classes, interim session classes, and

1 laboratory periods approved for necessary academic purposes under s. 121.14 (1) (a)
2 1. and 2. and those online classes described in s. 121.14 (1) (a) 3.

3 **SECTION 33.** 121.07 (2) of the statutes is created to read:

4 121.07 (2) MEMBERSHIP. For purposes of computing the amount of state aid paid
5 under s. 121.08, beginning with state aid paid for the 2016–17 school year,
6 “membership” means the membership, as defined in s. 121.004 (5), of the school
7 district in the previous school year plus the number of pupils residing in the school
8 district who are attending a private school under s. 118.60 in the current school year
9 and did not participate in the program under s. 118.60 before the 2015–16 school
10 year, as reported under s. 118.60 (3) (d).

11 **SECTION 34.** 121.08 (4) (c) of the statutes is created to read:

12 121.08 (4) (c) The amount of state aid that a school district is eligible to be paid
13 from the appropriation under s. 20.255 (2) (ac) shall be reduced by an amount
14 determined as follows:

15 1. Divide the amount of state aid that the school district is eligible to be paid
16 from the appropriation under s. 20.255 (2) (ac), calculated after the reduction under
17 par. (a) is made, by the school district’s membership.

18 2. Multiply the quotient under subd. 1. by the number of pupils residing in the
19 school district for whom the department is required to make a payment under s.
20 118.60 (4) (bk).

INS
12-20 ✓ → ******NOTE:** This reduction does not take into account any payments made under s.
118.60 (4m) (am). ✓ Okay?

21 **SECTION 35.** 121.90 (2) (am) 1. of the statutes is amended to read:

22 121.90 (2) (am) 1. Aid under ss. s. 121.08, as if any reduction under s. 121.08
23 (4) (c) had not occurred, and ss. 121.09, 121.105, and 121.136 and subch. VI, as

1 calculated for the current school year on October 15 under s. 121.15 (4) and including
2 adjustments made under s. 121.15 (4).

***NOTE: Please confirm that this achieves your intent.

3 **SECTION 9134. Nonstatutory provisions; Public Instruction.**

4 (1) ENROLLMENT IN THE STATEWIDE PARENTAL CHOICE PROGRAM IN THE 2015-16
5 SCHOOL YEAR. ^{Neither} The department of public instruction ^{for a participating private school} may not require a pupil who was
6 awarded a slot in a participating private school under section 118.60 (3) (ar) of the
7 statutes for the 2015-16 school year or was placed on a waiting list for a slot at a
8 participating private school under section 118.60 (3) (ar) of the statutes for the
9 2015-16 school year to reapply to attend the private school in the 2015-16 school
10 year under the parental choice program under section 118.60 of the statutes, as
11 affected by this act.

***NOTE: This prohibits DPI from requiring a pupil to reapply. Does it also need to prohibit a private school from requiring a pupil to reapply? Please let me know if this is not consistent with your intent.

12

(END)

Ins 13-11 ✓

2015-2016 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1137/P6ins
FFK:.....

INS 11-7

1 ²⁶ as follows:

2 1. Multiply the amount determined under [✓] sub. (4) (bk) by 0.5. [✓]

3 2. Multiply the product under subd. 1. [✓] by 0.25.

END INS 11-7

INS 12-20

4 3. Add to the product under [✓] subd. 2. the total amount paid in the previous school
5 year under ^{S. 118.60} ~~sub.~~ (4m) (am) for pupils who resided in the school district while
6 attending a private school during the summer of the previous year.

END INS 12-20

INS 13-11

nonstat:
7 sub

(2) SEPTEMBER 2015 PAYMENT FOR INCOMING CHOICE PUPILS IN THE RACINE AND

8 STATEWIDE PARENTAL CHOICE PROGRAMS. [✓] The department of public instruction shall
9 base the portion of the September payment under section [✓] 118.60 (4) (c) 1. of the
10 statutes made for the 2015-16 school year that is for an incoming choice pupil under
11 section 118.60 (4) (bk) [✓] of the statutes, as created by this act, on the ~~estimated~~ amount
12 ^{the department estimates} ~~that~~ will be paid under section 118.60 (4) (bk) 2. [✓] of the statutes, as created by this act,
13 in the 2015-16 school year using the most accurate data available. [✓]

END INS 13-11

14



State of Wisconsin
2015 - 2016 LEGISLATURE

In 1-30

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P. 11

Don't Gen

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Under current law, for each pupil attending a private school under the RPCP or the statewide choice program, DPI pays the private school an amount equal to the lesser of (a) the participating private school's operating and debt service cost per pupil and (b) a maximum amount provided by law. For the 2014-15 school year, the maximum per pupil amount provided by law is \$7,210 or \$7,856, depending on the pupil's grade. For each school year after the 2014-15 school year, the maximum per

pupil payment is the maximum amount in the previous year plus any increase in the per pupil revenue limit and any increase in the total categorical aid funding per pupil. Under current law, for certain pupils attending summer or interim classes at a private school under the RPCP or the statewide choice program, DPI must also pay the participating private school an additional amount equal to equal to five percent of the maximum per pupil choice payment that could have been paid for the pupil in the preceding school term. Currently, payments DPI makes to private schools participating in the RPCP or the statewide choice program are paid from a sum sufficient appropriation.

This bill changes the payments DPI makes to participating private schools for pupils who begin attending a private school under the RPCP or the statewide choice program in the 2015–16 school year or in any school year thereafter (new choice pupil). Under the bill, for a new choice pupil, DPI pays a participating private school an amount equal to the average per pupil amount of equalization aid for school districts in which new choice pupils reside (average equalization aid per pupil) in that school year. The bill also requires DPI to make an additional payment for certain new choice pupils attending summer or interim classes at a participating private school in an amount equal to five percent of the average equalization aid per pupil in the immediately preceding school term. Payments DPI makes to private schools participating in the RPCP or the statewide choice program for new choice pupils are paid from the sum certain appropriation for general equalization aids.

This bill does not change payments made to a private schools participating in the RPCP or the statewide choice program for pupils who began attending a participating private school before the 2015–16 school year.

Equalization aid formula

Under current law, pupils attending a private school under the RPCP or the statewide choice program are not included in a school district's membership for the purpose of calculating the equalization aid that the school district is eligible to receive. Under the bill, beginning with the aid calculation for the 2016–17 school year, for the purpose of calculating the amount of equalization aid that a school district is eligible to receive, a school district's membership includes new choice pupils residing in the school district that are reported as attending a private school under the RPCP or the statewide choice program. The bill also requires that the amount of each school district's equalization aid be reduced by an amount determined by multiplying the school district's per pupil equalization aid amount by the number of new choice pupils who reside in that school district. A reduction for payments made for new choice pupils is not considered for purposes of calculating a school district's revenue limit.

Requirements for new choice pupils in the statewide program.

Under current law, a pupil who resides in the Racine Unified School District must satisfy one of the following to attend a private school under the RPCP:

1. He or she was enrolled in a public school in the school district in the previous school year.
2. He or she was not enrolled in school in the previous school year.

3. He or she attended a private school under the RPCP in the previous school year.

4. He or she is applying to kindergarten, 1st grade, or 9th grade.

This bill creates the same requirement for new choice pupils in the statewide choice program.

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

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

1 **SECTION 1.** 20.255 (2) (ac) of the statutes is amended to read:

2 20.255 (2) (ac) *General equalization aids and eligible and other school district*
3 *parental choice program payments.* The amounts in the schedule for the payment of
4 educational aids under ss. 121.08, 121.09, 121.095, 121.105, 121.137 and subch. VI
5 of ch. 121 and to make payments to private schools under s. 118.60 (4) (bk), (4m) (am),
6 and (4r) (bm).

 ****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

7 **SECTION 2.** 20.255 (2) (fr) of the statutes is amended to read:

8 20.255 (2) (fr) *Parental choice program for eligible school districts and other*
9 *school districts; pupils participating before the 2015–16 school year.* A sum sufficient
10 to make the payments to private schools under s. 118.60 (4) (bg) and (4m) (a).

 ****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

11 **SECTION 3.** 20.255 (2) (fv) of the statutes is amended to read:

12 20.255 (2) (fv) *Milwaukee Parental Choice Program and the parental choice*
13 *program for eligible school districts and other school districts; transfer pupils.* A sum
14 sufficient to make the payments under ss. 118.60 (4r) (am) and 119.23 (4r).

15 **SECTION 4.** 118.60 (1) (b) of the statutes is repealed.

 ****NOTE: This is reconciled s. 118.60 (1) (b). This SECTION has been affected by drafts with the following LRB numbers: LRB-1137/P4 and LRB-0633/P3.

1 **SECTION 5.** 118.60 (2) (a) (intro.) of the statutes is amended to read:

2 118.60 (2) (a) (intro.) Subject to pars. (ag) and (ar), any pupil in grades
3 kindergarten to 12 who resides within an eligible school district may attend any
4 private school under this section and, subject to pars. (ag), (ar), ~~(be)~~, (bm), and (bs),
5 any pupil in grades kindergarten to 12 who resides in a school district, other than
6 an eligible school district or a 1st class city school district, may attend any private
7 school under this section if all of the following apply:

8 **SECTION 6.** 118.60 (2) (a) 2m. of the statutes is created to read:

9 118.60 (2) (a) 2m. For a pupil who resides in a school district, other than an
10 eligible school district or a 1st class city school district, that begins participating in
11 the program under this section in the 2015–16 school year or any school year
12 thereafter, the pupil satisfies one or more of the following:

13 a. The pupil was enrolled in a public school in the school district in which the
14 pupil resides during the previous school year.

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

16 c. The pupil attended a private school under this section in the previous school
17 year.

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

20 **SECTION 7.** 118.60 (2) (be) of the statutes is repealed.

21 **SECTION 8.** 118.60 (3) (a) (intro.) and 1. (intro.) of the statutes are consolidated,
22 renumbered 118.60 (3) (a) (intro.) and amended to read:

23 118.60 (3) (a) (intro.) The pupil or the pupil's parent or guardian shall submit
24 an 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 each applicant, in writing, whether his or her application has been accepted.
4 If the private school rejects an application, the notice shall include the reason.
5 ~~Subject to pars. (ag) and (ar), a~~ A private school may reject an applicant only if it has
6 reached its maximum general capacity or seating capacity. ~~Except as provided in~~
7 ~~pars. (ag) and (ar), the~~ The state superintendent shall ensure that the private school
8 determines which pupils to accept on a random basis, except that: ~~1. The~~ the private
9 school may give preference to the following in accepting applications ~~to any of the~~
10 following, in the order of preference listed:

****NOTE: This is reconciled s.118.60 (3) (a) (intro.). This SECTION has been affected
by drafts with the following LRB numbers: -1137 and -0633

11 **SECTION 9.** 118.60 (3) (a) 1. a. to c. and 2. of the statutes are repealed.

****NOTE: This is reconciled s.118.60 (3) (a) 1. a. to c. This SECTION has been affected
by drafts with the following LRB numbers: -1137 and -0633.

12 **SECTION 10.** 118.60 (3) (a) 1m., 2m., 3., 4. and 5. of the statutes are created to
13 read:

14 118.60 (3) (a) 1m. Pupils who attended the private school under this section
15 during the previous school year.

16 2m. Siblings of pupils described in subd. 1m.

17 3. Pupils who attended a different private school under this section or s. 119.23
18 during the previous school year.

19 4. Siblings of pupils described under subd. 3.

20 5. Siblings of those pupils who have been randomly accepted to attend the
21 private school under this section and who did not attend a private school under this
22 section or s. 119.23 during the previous school year.

****NOTE: This is reconciled s.118.60 (3) (a) 1m. to 5. This SECTION has been affected by drafts with the following LRB numbers: -1137 and -0633.

1 **SECTION 11.** 118.60 (3) (ag) of the statutes is repealed.

2 **SECTION 12.** 118.60 (3) (ar) of the statutes is repealed.

3 **SECTION 13.** 118.60 (3) (c) of the statutes is amended to read:

4 118.60 (3) (c) If a participating private school rejects an applicant who resides
5 in a school district, other than an eligible school district or a 1st class city school
6 district, because the private school has too few available spaces, the applicant may
7 transfer his or her application to a participating private school that has space
8 available. An applicant rejected under this paragraph may, subject to sub. (2) ~~(be)~~
9 ~~and~~ (bm), be admitted to a private school participating in the program under this
10 section for the following school year.

11 **SECTION 14.** 118.60 (3) (d) of the statutes is created to read:

12 118.60 (3) (d) By the 3rd Friday in September, a pupil or a pupil's parent or
13 guardian shall notify, using a form provided by the department, the department that
14 the pupil is currently participating in the program under this section. The form
15 provided by the department under this paragraph shall require a pupil or a pupil's
16 parent or guardian to indicate the school year during which the pupil first began
17 participating in the program under this section.

18 **SECTION 15.** 118.60 (4) (bg) 6. of the statutes is created to read:

19 118.60 (4) (bg) 6. This paragraph applies only to pupils who participated in the
20 program under this section before the 2015–16 school year.

21 **SECTION 16.** 118.60 (4) (bk) of the statutes is created to read:

22 118.60 (4) (bk) 1. In this paragraph, “incoming choice pupil” means a pupil who
23 begins participating in the program under this section in the 2015–16 school year or

1 any school year thereafter who is enrolled in a private school under this section
2 during the school term.

3 2. For an incoming choice pupil, upon receipt from the pupil's parent or
4 guardian of proof of the pupil's enrollment in the private school during a school term,
5 the state superintendent shall pay to the private school in which the pupil is enrolled
6 on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255
7 (2) (ac), the amount determined by the state superintendent as follows:

8 a. Identify each school district in which an incoming choice pupil resides.

9 b. For each school district identified under subd. 2. a., calculate that school
10 district's per pupil equalization aid by dividing the total amount of state aid that the
11 school district is eligible to receive under s. 121.08 after making the reduction under
12 s. 121.08 (4) (a) but before making the reduction under s. 121.08 (4) (c) by the school
13 district's membership that was used to calculate the state aid under s. 121.08.

14 c. For each school district identified under subd. 2. a., multiply the school
15 district's per pupil equalization aid calculated under subd. 2. b. by the number of
16 incoming choice pupils residing in the school district.

17 d. Add together all of the amounts determined under subd. 2. c. for school
18 districts identified under subd. 2. a.

19 e. Divide the amount determined under subd. 2. d. by the total number of
20 incoming choice pupils.

21 3. By October 15, using the most accurate data available, the state
22 superintendent shall calculate the per pupil amount under subd. 2. for the current
23 school year. Any adjustments to that calculation shall be made by increasing or
24 decreasing the payment to a participating private school made in September of the
25 following school year. If the private school is not participating in the program under

1 this section in September of the following school year, the department shall make any
2 adjustments to the calculation by making a separate payment to the private school
3 or if the adjustment is a decrease, the private school shall refund the department for
4 any overpayment it received under this subsection or sub. (4m).

5 **SECTION 17.** 118.60 (4) (c) of the statutes is renumbered 118.60 (4) (c) 1. and
6 amended to read:

7 118.60 (4) (c) 1. The Subject to subd. 2., the state superintendent shall pay 25
8 percent of the total amount under this subsection in September, 25 percent in
9 November, 25 percent in February, and 25 percent in May. Each installment may
10 consist of a single check for all pupils attending the private school under this section.
11 The state superintendent shall include the entire amount under sub. (4m) in the
12 November installment, but the payment shall be made in a separate check from the
13 payment under this subsection.

14 **SECTION 18.** 118.60 (4) (c) 2. of the statutes is created to read:

15 118.60 (4) (c) 2. Beginning with payments for the 2016–17 school year, the
16 portion of the September payment that is for a pupil under par. (bk) shall be based
17 on the per pupil payment under par. (bk) in the previous school year. Any adjustment
18 to ensure that a participating private school receives the total amount due under this
19 section for pupil payments under par. (bk) shall be made by increasing or decreasing
20 the amount paid in May of the current school year.

21 **SECTION 19.** 118.60 (4m) (a) (intro.) of the statutes is renumbered 118.60 (4m)
22 (a) 1m. (intro.) and amended to read:

23 118.60 (4m) (a) 1m. (intro.) In addition to the payment under sub. (4), the state
24 superintendent shall, subject to par. (b), pay to each private school participating in
25 the program under this section, on behalf of the parent or guardian of each pupil

1 attending summer school in the private school under this section during a summer
2 and in the manner described in sub. (4) (c), from the appropriation under s. 20.255
3 (2) (fr), an amount determined as follows:

4 **SECTION 20.** 118.60 (4m) (a) 1. of the statutes is renumbered 118.60 (4m) (a) 1m.

5 a.

6 **SECTION 21.** 118.60 (4m) (a) 2. of the statutes is renumbered 118.60 (4m) (a) 1m.

7 b. and amended to read:

8 118.60 (4m) (a) 1m. b. Multiply the amount under subd. ~~1.~~ 1m. a. by 0.05.

9 **SECTION 22.** 118.60 (4m) (a) 2m. of the statutes is created to read:

10 118.60 (4m) (a) 2m. This paragraph applies only to pupils who participated in
11 the program under this section before the 2015–16 school year.

12 **SECTION 23.** 118.60 (4m) (am) of the statutes is created to read:

13 118.60 (4m) (am) For a pupil who begins participating in the program under
14 this section in the 2015–16 school year or any school year thereafter, in addition to
15 the payment under sub. (4) and subject to par. (b), the state superintendent shall pay
16 to the private school participating in the program under this section that the pupil
17 attends during a summer in the manner described in sub. (4) (c), on behalf of the
18 pupil's parent or guardian, from the appropriation under s. 20.255 (2) (ac), an amount
19 determined as follows:

20 1. Determine the amount that would have been paid under sub. (4) (bk) in the
21 immediately preceding school term.

22 2. Multiply the amount under subd. 1. by 0.05.

23 **SECTION 24.** 118.60 (4m) (b) (intro.) of the statutes is amended to read:

24 118.60 (4m) (b) (intro.) A participating private school may receive a per pupil
25 payment under par. (a) or (am) if all of the following are satisfied:

1 **SECTION 25.** 118.60 (4m) (b) 3. of the statutes is amended to read:

2 118.60 (4m) (b) 3. Each pupil for whom the private school seeks a payment
3 under par. (a) or (am) attends no fewer than 15 days of summer instruction at the
4 private school during that summer.

5 **SECTION 26.** 118.60 (4r) (intro.) of the statutes is renumbered 118.60 (4r) (am)
6 (intro.) and amended to read:

7 118.60 (4r) (am) (intro.) If, after the 3rd Friday in September in any school year,
8 a private school participating in the program under this section closes, for each
9 installment under sub. (4) (c) that was not paid to the private school in that school
10 year, the state superintendent shall pay to the board of the school district within
11 which the pupil resides, from the appropriation under s. 20.255 (2) (fv), the amount
12 determined, for each pupil who participated in the program under this section before
13 the 2015–16 school year who had been attending the private school under this section
14 in that school year and who enrolls in the school district within which the pupil
15 resides in that school year, as follows:

16 **SECTION 27.** 118.60 (4r) (a) of the statutes is renumbered 118.60 (4r) (am) 1.

17 **SECTION 28.** 118.60 (4r) (b) of the statutes is renumbered 118.60 (4r) (am) 2. and
18 amended to read:

19 118.60 (4r) (am) 2. Multiply the product under ~~par. (a)~~ subd. 1. by 0.25.

20 **SECTION 29.** 118.60 (4r) (bm) of the statutes is created to read:

21 118.60 (4r) (bm) If, after the 3rd Friday in September in any school year, a
22 private school participating in the program under this section closes, for each
23 installment under sub. (4) (c) that was not paid to the private school in that school
24 year, the state superintendent shall pay to the board of the school district within
25 which the pupil resides, from the appropriation under s. 20.255 (2) (ac), the amount

1 determined, for each pupil who participated in the program under this section
2 beginning in the 2015-16 school year or any school year thereafter who had been
3 attending the private school under this section in that school year and who enrolls
4 in the school district within which the pupil resides in that school year, as follows:

- 5 1. Multiply the amount determined under sub. (4) (bk) by 0.5×0.667
- 6 2. Multiply the product under subd. 1. by 0.25.

7 **SECTION 30.** 118.60 (6m) (b) 1. of the statutes is amended to read:

8 118.60 (6m) (b) 1. The number of pupils attending the private school under this
9 section in the previous school year who began participating in the program under
10 this section in the 2015-16 school year or any school year thereafter and the number
11 of pupils attending the private school under this section in the previous school year
12 who began participating in the program under this section before the 2015-16 school
13 year.

14 **SECTION 31.** 118.60 (10) (a) 3. of the statutes is amended to read:

15 118.60 (10) (a) 3. Failed to refund to the state any overpayment made under
16 s. 118.60 (4) (b), 2011 stats., or s. 118.60 (4) (bg), 2011 stats., or under sub. (4) (bg) or
17 (4m) by the date specified by department rule.

18 **SECTION 32.** 121.004 (5) of the statutes is amended to read:

19 121.004 (5) MEMBERSHIP. "Membership" Except as provided in s. 121.07 (2),
20 "membership" for any school district is the sum of pupils enrolled as reported under
21 s. 121.05 (1) or (2), as appropriate, and the summer average daily membership
22 equivalent for those academic summer classes, interim session classes, and
23 laboratory periods approved for necessary academic purposes under s. 121.14 (1) (a)
24 1. and 2. and those online classes described in s. 121.14 (1) (a) 3.

25 **SECTION 33.** 121.07 (2) of the statutes is created to read:

1 121.07 (2) MEMBERSHIP. For purposes of computing the amount of state aid paid
2 under s. 121.08, beginning with state aid paid for the 2016–17 school year,
3 “membership” means the membership, as defined in s. 121.004 (5), of the school
4 district in the previous school year plus the number of pupils residing in the school
5 district who are attending a private school under s. 118.60 in the current school year
6 and did not participate in the program under s. 118.60 before the 2015–16 school
7 year, as reported under s. 118.60 (3) (d).

8 **SECTION 34.** 121.08 (4) (c) of the statutes is created to read:

9 121.08 (4) (c) The amount of state aid that a school district is eligible to be paid
10 from the appropriation under s. 20.255 (2) (ac) shall be reduced by an amount
11 determined as follows:

12 1. Divide the amount of state aid that the school district is eligible to be paid
13 from the appropriation under s. 20.255 (2) (ac), calculated after the reduction under
14 par. (a) is made, by the school district’s membership.

15 2. Multiply the quotient under subd. 1. by the number of pupils residing in the
16 school district for whom the department is required to make a payment under s.
17 118.60 (4) (bk).

18 3. Add to the product under subd. 2. the total amount paid in the previous school
19 year under s. 118.60 (4m) (am) for pupils who resided in the school district while
20 attending a private school during the summer of the previous year.

21 **SECTION 35.** 121.90 (2) (am) 1. of the statutes is amended to read:

22 121.90 (2) (am) 1. Aid under ~~ss. s.~~ s. 121.08, as if any reduction under s. 121.08
23 (4) (c) had not occurred, and ss. 121.09, 121.105, and 121.136 and subch. VI, as
24 calculated for the current school year on October 15 under s. 121.15 (4) and including
25 adjustments made under s. 121.15 (4).

1 **SECTION 9134. Nonstatutory provisions; Public Instruction.**

2 (1) ENROLLMENT IN THE STATEWIDE PARENTAL CHOICE PROGRAM IN THE 2015-16
3 SCHOOL YEAR. Neither the department of public instruction nor a participating
4 private school may require a pupil who was awarded a slot in a participating private
5 school under section 118.60 (3) (ar) of the statutes for the 2015-16 school year or was
6 placed on a waiting list for a slot at a participating private school under section
7 118.60 (3) (ar) of the statutes for the 2015-16 school year to reapply to attend the
8 private school in the 2015-16 school year under the parental choice program under
9 section 118.60 of the statutes, as affected by this act.

10 (2) SEPTEMBER 2015 PAYMENT FOR INCOMING CHOICE PUPILS IN THE RACINE AND
11 STATEWIDE PARENTAL CHOICE PROGRAMS. The department of public instruction shall
12 base the portion of the September payment under section 118.60 (4) (c) 1. of the
13 statutes made for the 2015-16 school year that is for an incoming choice pupil under
14 section 118.60 (4) (bk) of the statutes, as created by this act, on the amount the
15 department estimates will be paid under section 118.60 (4) (bk) 2. of the statutes, as
16 created by this act, in the 2015-16 school year using the most accurate data
17 available.

18 **(END)**



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-1137/P7
FFK:cjs/jld/wlj:jf

DOA:.....Stritchko, BB0406 – School choice funding from equalization aids
and elimination of statewide program caps

FOR 2015-2017 BUDGET -- NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** the budget.

Analysis by the Legislative Reference Bureau

EDUCATION

PRIMARY AND SECONDARY EDUCATION

This bill makes various changes to the Racine Parental Choice Program (RPCP) and the statewide parental choice program (statewide choice program).

Caps in the statewide choice program

Current law limits the number of pupils who may participate in the statewide choice program to 1,000 pupils. Additionally, no more than one percent of any school district's total enrollment may attend private schools under the statewide choice program. Current law also limits the number of private schools that may participate in the statewide choice program. This bill eliminates the limitations on the number of pupils and private schools that may participate in the statewide choice program.

Payments to participating private schools.

Under current law, for each pupil attending a private school under the RPCP or the statewide choice program, DPI pays the private school an amount equal to the lesser of (a) the participating private school's operating and debt service cost per pupil and (b) a maximum amount provided by law. For the 2014-15 school year, the maximum per pupil amount provided by law is \$7,210 or \$7,856, depending on the pupil's grade. For each school year after the 2014-15 school year, the maximum per

pupil payment is the maximum amount in the previous year plus any increase in the per pupil revenue limit and any increase in the total categorical aid funding per pupil. Under current law, for certain pupils attending summer or interim classes at a private school under the RPCP or the statewide choice program, DPI must also pay the participating private school an additional amount equal to equal to five percent of the maximum per pupil choice payment that could have been paid for the pupil in the preceding school term. Currently, payments DPI makes to private schools participating in the RPCP or the statewide choice program are paid from a sum sufficient appropriation.

This bill changes the payments DPI makes to participating private schools for pupils who begin attending a private school under the RPCP or the statewide choice program in the 2015–16 school year or in any school year thereafter (new choice pupil). Under the bill, for a new choice pupil, DPI pays a participating private school an amount equal to the average per pupil amount of equalization aid for school districts in which new choice pupils reside (average equalization aid per pupil) in that school year. The bill also requires DPI to make an additional payment for certain new choice pupils attending summer or interim classes at a participating private school in an amount equal to five percent of the average equalization aid per pupil in the immediately preceding school term. Payments DPI makes to private schools participating in the RPCP or the statewide choice program for new choice pupils are paid from the sum certain appropriation for general equalization aids.

This bill does not change payments made to a private schools participating in the RPCP or the statewide choice program for pupils who began attending a participating private school before the 2015–16 school year.

Equalization aid formula

Under current law, pupils attending a private school under the RPCP or the statewide choice program are not included in a school district's membership for the purpose of calculating the equalization aid that the school district is eligible to receive. Under the bill, beginning with the aid calculation for the 2016–17 school year, for the purpose of calculating the amount of equalization aid that a school district is eligible to receive, a school district's membership includes new choice pupils residing in the school district that are reported as attending a private school under the RPCP or the statewide choice program. The bill also requires that the amount of each school district's equalization aid be reduced by an amount determined by multiplying the school district's per pupil equalization aid amount by the number of new choice pupils who reside in that school district. A reduction for payments made for new choice pupils is not considered for purposes of calculating a school district's revenue limit.

Requirements for new choice pupils in the statewide program.

Under current law, a pupil who resides in the Racine Unified School District must satisfy one of the following to attend a private school under the RPCP:

1. He or she was enrolled in a public school in the school district in the previous school year.
2. He or she was not enrolled in school in the previous school year.

3. He or she attended a private school under the RPCP in the previous school year.

4. He or she is applying to kindergarten, 1st grade, or 9th grade.

This bill creates the same requirement for new choice pupils in the statewide choice program.

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

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

1 **SECTION 1.** 20.255 (2) (ac) of the statutes is amended to read:

2 20.255 (2) (ac) *General equalization aids and eligible and other school district*
3 *parental choice program payments.* The amounts in the schedule for the payment of
4 educational aids under ss. 121.08, 121.09, 121.095, 121.105, 121.137 and subch. VI
5 of ch. 121 and to make payments to private schools under s. 118.60 (4) (bk), (4m) (am),
6 and (4r) (bm).

 ****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

7 **SECTION 2.** 20.255 (2) (fr) of the statutes is amended to read:

8 20.255 (2) (fr) *Parental choice program for eligible school districts and other*
9 *school districts; pupils participating before the 2015–16 school year.* A sum sufficient
10 to make the payments to private schools under s. 118.60 (4) (bg) and (4m) (a).

 ****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

11 **SECTION 3.** 20.255 (2) (fv) of the statutes is amended to read:

12 20.255 (2) (fv) *Milwaukee Parental Choice Program and the parental choice*
13 *program for eligible school districts and other school districts; transfer pupils.* A sum
14 sufficient to make the payments under ss. 118.60 (4r) (am) and 119.23 (4r).

15 **SECTION 4.** 118.60 (1) (b) of the statutes is repealed.

 ****NOTE: This is reconciled s. 118.60 (1) (b). This SECTION has been affected by drafts with the following LRB numbers: LRB-1137/P4 and LRB-0633/P3.

1 **SECTION 5.** 118.60 (2) (a) (intro.) of the statutes is amended to read:

2 118.60 (2) (a) (intro.) Subject to pars. (ag) and (ar), any pupil in grades
3 kindergarten to 12 who resides within an eligible school district may attend any
4 private school under this section and, subject to pars. (ag), (ar), ~~(be)~~, (bm), and (bs),
5 any pupil in grades kindergarten to 12 who resides in a school district, other than
6 an eligible school district or a 1st class city school district, may attend any private
7 school under this section if all of the following apply:

8 **SECTION 6.** 118.60 (2) (a) 2m. of the statutes is created to read:

9 118.60 (2) (a) 2m. For a pupil who resides in a school district, other than an
10 eligible school district or a 1st class city school district, that begins participating in
11 the program under this section in the 2015–16 school year or any school year
12 thereafter, the pupil satisfies one or more of the following:

13 a. The pupil was enrolled in a public school in the school district in which the
14 pupil resides during the previous school year.

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

16 c. The pupil attended a private school under this section in the previous school
17 year.

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

20 **SECTION 7.** 118.60 (2) (be) of the statutes is repealed.

21 **SECTION 8.** 118.60 (3) (a) (intro.) and 1. (intro.) of the statutes are consolidated,
22 renumbered 118.60 (3) (a) (intro.) and amended to read:

23 118.60 (3) (a) (intro.) The pupil or the pupil's parent or guardian shall submit
24 an 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 each applicant, in writing, whether his or her application has been accepted.
4 If the private school rejects an application, the notice shall include the reason.
5 ~~Subject to pars. (ag) and (ar), a~~ A private school may reject an applicant only if it has
6 reached its maximum general capacity or seating capacity. ~~Except as provided in~~
7 ~~pars. (ag) and (ar), the~~ The state superintendent shall ensure that the private school
8 determines which pupils to accept on a random basis, except that: ~~1. The~~ the private
9 school may give preference to the following in accepting applications ~~to any of the~~
10 following, in the order of preference listed:

****NOTE: This is reconciled s.118.60 (3) (a) (intro.). This SECTION has been affected
by drafts with the following LRB numbers: -1137 and -0633

11 **SECTION 9.** 118.60 (3) (a) 1. a. to c. and 2. of the statutes are repealed.

****NOTE: This is reconciled s.118.60 (3) (a) 1. a. to c. This SECTION has been affected
by drafts with the following LRB numbers: -1137 and -0633.

12 **SECTION 10.** 118.60 (3) (a) 1m., 2m., 3., 4. and 5. of the statutes are created to
13 read:

14 118.60 (3) (a) 1m. Pupils who attended the private school under this section
15 during the previous school year.

16 2m. Siblings of pupils described in subd. 1m.

17 3. Pupils who attended a different private school under this section or s. 119.23
18 during the previous school year.

19 4. Siblings of pupils described under subd. 3.

20 5. Siblings of those pupils who have been randomly accepted to attend the
21 private school under this section and who did not attend a private school under this
22 section or s. 119.23 during the previous school year.

****NOTE: This is reconciled s.118.60 (3) (a) 1m. to 5. This SECTION has been affected by drafts with the following LRB numbers: -1137 and -0633.

1 **SECTION 11.** 118.60 (3) (ag) of the statutes is repealed.

2 **SECTION 12.** 118.60 (3) (ar) of the statutes is repealed.

3 **SECTION 13.** 118.60 (3) (c) of the statutes is amended to read:

4 118.60 (3) (c) If a participating private school rejects an applicant who resides
5 in a school district, other than an eligible school district or a 1st class city school
6 district, because the private school has too few available spaces, the applicant may
7 transfer his or her application to a participating private school that has space
8 available. An applicant rejected under this paragraph may, subject to sub. (2) (~~be~~)
9 and (bm), be admitted to a private school participating in the program under this
10 section for the following school year.

11 **SECTION 14.** 118.60 (3) (d) of the statutes is created to read:

12 118.60 (3) (d) By the 3rd Friday in September, a pupil or a pupil's parent or
13 guardian shall notify, using a form provided by the department, the department that
14 the pupil is currently participating in the program under this section. The form
15 provided by the department under this paragraph shall require a pupil or a pupil's
16 parent or guardian to indicate the school year during which the pupil first began
17 participating in the program under this section.

18 **SECTION 15.** 118.60 (4) (bg) 6. of the statutes is created to read:

19 118.60 (4) (bg) 6. This paragraph applies only to pupils who participated in the
20 program under this section before the 2015-16 school year.

21 **SECTION 16.** 118.60 (4) (bk) of the statutes is created to read:

22 118.60 (4) (bk) 1. In this paragraph, "incoming choice pupil" means a pupil who
23 begins participating in the program under this section in the 2015-16 school year or

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1 any school year thereafter who is enrolled in a private school under this section
2 during the school term.

3 2. For an incoming choice pupil, upon receipt from the pupil's parent or
4 guardian of proof of the pupil's enrollment in the private school during a school term,
5 the state superintendent shall pay to the private school in which the pupil is enrolled
6 on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255
7 (2) (ac), the amount determined by the state superintendent as follows:

8 a. Identify each school district in which an incoming choice pupil resides.

9 b. For each school district identified under subd. 2. a., calculate that school
10 district's per pupil equalization aid by dividing the total amount of state aid that the
11 school district is eligible to receive under s. 121.08 after making the reduction under
12 s. 121.08 (4) (a) but before making the reduction under s. 121.08 (4) (c) by the school
13 district's membership that was used to calculate the state aid under s. 121.08.

14 c. For each school district identified under subd. 2. a., multiply the school
15 district's per pupil equalization aid calculated under subd. 2. b. by the number of
16 incoming choice pupils residing in the school district.

17 d. Add together all of the amounts determined under subd. 2. c. for school
18 districts identified under subd. 2. a.

19 e. Divide the amount determined under subd. 2. d. by the total number of
20 incoming choice pupils.

21 3. By October 15, using the most accurate data available, the state
22 superintendent shall calculate the per pupil amount under subd. 2. for the current
23 school year. Any adjustments to that calculation shall be made by increasing or
24 decreasing the payment to a participating private school made in September of the
25 following school year. If the private school is not participating in the program under

1 this section in September of the following school year, the department shall make any
2 adjustments to the calculation by making a separate payment to the private school
3 or if the adjustment is a decrease, the private school shall refund the department for
4 any overpayment it received under this subsection or sub. (4m).

5 **SECTION 17.** 118.60 (4) (c) of the statutes is renumbered 118.60 (4) (c) 1. and
6 amended to read:

7 118.60 (4) (c) 1. The Subject to subd. 2., the state superintendent shall pay 25
8 percent of the total amount under this subsection in September, 25 percent in
9 November, 25 percent in February, and 25 percent in May. Each installment may
10 consist of a single check for all pupils attending the private school under this section.
11 The state superintendent shall include the entire amount under sub. (4m) in the
12 November installment, but the payment shall be made in a separate check from the
13 payment under this subsection.

14 **SECTION 18.** 118.60 (4) (c) 2. of the statutes is created to read:

15 118.60 (4) (c) 2. Beginning with payments for the 2016–17 school year, the
16 portion of the September payment that is for a pupil under par. (bk) shall be based
17 on the per pupil payment under par. (bk) in the previous school year. Any adjustment
18 to ensure that a participating private school receives the total amount due under this
19 section for pupil payments under par. (bk) shall be made by increasing or decreasing
20 the amount paid in May of the current school year.

21 **SECTION 19.** 118.60 (4m) (a) (intro.) of the statutes is renumbered 118.60 (4m)
22 (a) 1m. (intro.) and amended to read:

23 118.60 (4m) (a) 1m. (intro.) In addition to the payment under sub. (4), the state
24 superintendent shall, subject to par. (b), pay to each private school participating in
25 the program under this section, on behalf of the parent or guardian of each pupil

1 attending summer school in the private school under this section during a summer
2 and in the manner described in sub. (4) (c), from the appropriation under s. 20.255
3 (2) (fr), an amount determined as follows:

4 **SECTION 20.** 118.60 (4m) (a) 1. of the statutes is renumbered 118.60 (4m) (a) 1m.

5 a.

6 **SECTION 21.** 118.60 (4m) (a) 2. of the statutes is renumbered 118.60 (4m) (a) 1m.

7 b. and amended to read:

8 118.60 (4m) (a) 1m. b. Multiply the amount under subd. ~~1.~~ 1m. a. by 0.05.

9 **SECTION 22.** 118.60 (4m) (a) 2m. of the statutes is created to read:

10 118.60 (4m) (a) 2m. This paragraph applies only to pupils who participated in
11 the program under this section before the 2015–16 school year.

12 **SECTION 23.** 118.60 (4m) (am) of the statutes is created to read:

13 118.60 (4m) (am) For a pupil who begins participating in the program under
14 this section in the 2015–16 school year or any school year thereafter, in addition to
15 the payment under sub. (4) and subject to par. (b), the state superintendent shall pay
16 to the private school participating in the program under this section that the pupil
17 attends during a summer in the manner described in sub. (4) (c), on behalf of the
18 pupil's parent or guardian, from the appropriation under s. 20.255 (2) (ac), an amount
19 determined as follows:

20 1. Determine the amount that would have been paid under sub. (4) (bk) in the
21 immediately preceding school term.

22 2. Multiply the amount under subd. 1. by 0.05.

23 **SECTION 24.** 118.60 (4m) (b) (intro.) of the statutes is amended to read:

24 118.60 (4m) (b) (intro.) A participating private school may receive a per pupil
25 payment under par. (a) or (am) if all of the following are satisfied:

1 **SECTION 25.** 118.60 (4m) (b) 3. of the statutes is amended to read:

2 118.60 (4m) (b) 3. Each pupil for whom the private school seeks a payment
3 under par. (a) or (am) attends no fewer than 15 days of summer instruction at the
4 private school during that summer.

5 **SECTION 26.** 118.60 (4r) (intro.) of the statutes is renumbered 118.60 (4r) (am)
6 (intro.) and amended to read:

7 118.60 (4r) (am) (intro.) If, after the 3rd Friday in September in any school year,
8 a private school participating in the program under this section closes, for each
9 installment under sub. (4) (c) that was not paid to the private school in that school
10 year, the state superintendent shall pay to the board of the school district within
11 which the pupil resides, from the appropriation under s. 20.255 (2) (fv), the amount
12 determined, for each pupil who participated in the program under this section before
13 the 2015–16 school year who had been attending the private school under this section
14 in that school year and who enrolls in the school district within which the pupil
15 resides in that school year, as follows:

16 **SECTION 27.** 118.60 (4r) (a) of the statutes is renumbered 118.60 (4r) (am) 1.

17 **SECTION 28.** 118.60 (4r) (b) of the statutes is renumbered 118.60 (4r) (am) 2. and
18 amended to read:

19 118.60 (4r) (am) 2. Multiply the product under ~~par. (a)~~ subd. 1. by 0.25.

20 **SECTION 29.** 118.60 (4r) (bm) of the statutes is created to read:

21 118.60 (4r) (bm) If, after the 3rd Friday in September in any school year, a
22 private school participating in the program under this section closes, for each
23 installment under sub. (4) (c) that was not paid to the private school in that school
24 year, the state superintendent shall pay to the board of the school district within
25 which the pupil resides, from the appropriation under s. 20.255 (2) (ac), the amount

1 determined, for each pupil who participated in the program under this section
2 beginning in the 2015–16 school year or any school year thereafter who had been
3 attending the private school under this section in that school year and who enrolls
4 in the school district within which the pupil resides in that school year, as follows:

5 1. Multiply the amount determined under sub. (4) (bk) by 0.667.

6 2. Multiply the product under subd. 1. by 0.25.

7 **SECTION 30.** 118.60 (6m) (b) 1. of the statutes is amended to read:

8 118.60 **(6m)** (b) 1. The number of pupils attending the private school under this
9 section in the previous school year who began participating in the program under
10 this section in the 2015–16 school year or any school year thereafter and the number
11 of pupils attending the private school under this section in the previous school year
12 who began participating in the program under this section before the 2015–16 school
13 year.

14 **SECTION 31.** 118.60 (10) (a) 3. of the statutes is amended to read:

15 118.60 **(10)** (a) 3. Failed to refund to the state any overpayment made under
16 s. 118.60 (4) (b), ~~2011 stats., or s. 118.60 (4) (bg), 2011 stats., or under sub. (4) (bg) or~~
17 ~~(4m)~~ by the date specified by department rule.

18 **SECTION 32.** 121.004 (5) of the statutes is amended to read:

19 121.004 **(5)** MEMBERSHIP. “Membership” Except as provided in s. 121.07 (2),
20 “membership” for any school district is the sum of pupils enrolled as reported under
21 s. 121.05 (1) or (2), as appropriate, and the summer average daily membership
22 equivalent for those academic summer classes, interim session classes, and
23 laboratory periods approved for necessary academic purposes under s. 121.14 (1) (a)
24 1. and 2. and those online classes described in s. 121.14 (1) (a) 3.

25 **SECTION 33.** 121.07 (2) of the statutes is created to read:

1 121.07 (2) MEMBERSHIP. For purposes of computing the amount of state aid paid
2 under s. 121.08, beginning with state aid paid for the 2016–17 school year,
3 “membership” means the membership, as defined in s. 121.004 (5), of the school
4 district in the previous school year plus the number of pupils residing in the school
5 district who are attending a private school under s. 118.60 in the current school year
6 and did not participate in the program under s. 118.60 before the 2015–16 school
7 year, as reported under s. 118.60 (3) (d).

8 **SECTION 34.** 121.08 (4) (c) of the statutes is created to read:

9 121.08 (4) (c) The amount of state aid that a school district is eligible to be paid
10 from the appropriation under s. 20.255 (2) (ac) shall be reduced by an amount
11 determined as follows:

12 1. Divide the amount of state aid that the school district is eligible to be paid
13 from the appropriation under s. 20.255 (2) (ac), calculated after the reduction under
14 par. (a) is made, by the school district’s membership.

15 2. Multiply the quotient under subd. 1. by the number of pupils residing in the
16 school district for whom the department is required to make a payment under s.
17 118.60 (4) (bk).

18 3. Add to the product under subd. 2. the total amount paid in the previous school
19 year under s. 118.60 (4m) (am) for pupils who resided in the school district while
20 attending a private school during the summer of the previous year.

21 **SECTION 35.** 121.90 (2) (am) 1. of the statutes is amended to read:

22 121.90 (2) (am) 1. Aid under ~~ss. s.~~ s. 121.08, as if any reduction under s. 121.08
23 (4) (c) had not occurred, and ss. 121.09, 121.105, and 121.136 and subch. VI, as
24 calculated for the current school year on October 15 under s. 121.15 (4) and including
25 adjustments made under s. 121.15 (4).

SECTION 9134. Nonstatutory provisions; Public Instruction.

(1) ENROLLMENT IN THE STATEWIDE PARENTAL CHOICE PROGRAM IN THE 2015–16 SCHOOL YEAR. Neither the department of public instruction nor a participating private school may require a pupil who was awarded a slot in a participating private school under section 118.60 (3) (ar) of the statutes for the 2015–16 school year or was placed on a waiting list for a slot at a participating private school under section 118.60 (3) (ar) of the statutes for the 2015–16 school year to reapply to attend the private school in the 2015–16 school year under the parental choice program under section 118.60 of the statutes, as affected by this act.

(2) SEPTEMBER 2015 PAYMENT FOR INCOMING CHOICE PUPILS IN THE RACINE AND STATEWIDE PARENTAL CHOICE PROGRAMS. The department of public instruction shall base the portion of the September payment under section 118.60 (4) (c) 1. of the statutes made for the 2015–16 school year that is for an incoming choice pupil under section 118.60 (4) (bk) of the statutes, as created by this act, on the amount the department estimates will be paid under section 118.60 (4) (bk) 2. of the statutes, as created by this act, in the 2015–16 school year using the most accurate data available.

(END)