



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRB-0522/P1/PZ  
FFK&JK:kjf  
RMK

In 1-29

DOA:.....Kretschmann, BB0003 - DPI Fair Funding for Our Future Proposal

**FOR 2019-2021 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 a number of changes in the laws relating to public school financing, including the following:

1. Currently, the amount appropriated each fiscal year for general school aid is a sum set by law. Beginning in the 2020-21 school year, this bill directs DPI, DOA, and the Legislative Fiscal Bureau annually to jointly certify to JCF an estimate of the amount necessary to appropriate in the following school year to ensure that state school aids equal two-thirds of partial school revenues (in general, the sum of state school aids and school property taxes). Under the bill, JCF determines the amount appropriated as general school aids in each odd-numbered fiscal year and the amount is set by law in each even-numbered fiscal year.

2. For purposes of determining a school district's general school aid amount, this bill requires that each pupil who is eligible for a free or reduced-price lunch under the federal school lunch program be counted as an additional 0.2 pupil. This bill also changes how a pupil enrolled in a four-year-old full-day kindergarten program is counted for purposes of general school aid from 0.5 pupil to one pupil.

3. Currently, if a school district would receive less in general state aid in any school year than 85 percent of the amount it received in the previous school year, its state aid for the current school year is increased to 85 percent of the aid received in the previous school year. This bill increases the percentage to 90 percent.

Additionalis for purposes of the general school aid formula, the bill requires each pupil who is eligible for a free and reduced-price lunch to be counted as an additional 0.2 pupil solely for the purpose of determining a school district's property tax base per member.

5. This bill provides that a school district's state aid in any school year may not be less than an amount equal to the school district's membership multiplied by \$3,000.

6. Under current law, there is no per pupil adjustment for purposes of calculating a school district's revenue limit. This bill provides a per pupil adjustment of \$200 per pupil for the 2019-20 school year and \$204 for the 2020-21 school year. Under the bill, in the 2021-22 school year and thereafter, the per pupil adjustment is the per pupil adjustment for the previous school year as adjusted for any increase in the consumer price index.

7. Current law provides a minimum per pupil revenue limit for school districts, known as the revenue limit ceiling. Under the bill, the revenue limit ceiling for school districts is \$9,700 in the 2019-20 school year and \$10,000 in the 2020-21 school year and each school year thereafter. Under current law, the revenue limit ceiling is \$9,500 in the 2019-20 school year, and increases by \$100 each school year until the ceiling reaches \$9,800 in the 2022-23 school year. Current law also provides that during the three school years following a school year in which an operating referendum fails in a school district, the school district's revenue limit ceiling is the revenue limit ceiling that applied in the school year during which the referendum was held. This bill eliminates this consequence for a failed operating referendum.

8. This bill creates a revenue limit adjustment for a school district that incurs costs to remediate lead contamination in drinking water in the school district, including costs to test for the presence of lead in drinking water, to provide safe drinking water, and to replace lead pipe water service lines to school buildings in the school district.

9. Currently, if at least 50 percent of a school district's enrollment is eligible for a free or reduced-price lunch under the federal school lunch program, the school district is eligible for a prorated share of the amount appropriated as high-poverty aid. This bill eliminates this aid beginning in the 2020-21 school year. The bill provides additional state aid for the 2020-21 school year to hold school districts harmless from the loss of high-poverty aid.

10. Currently, \$75,000,000 in general school aid payments is delayed until the following school year. Beginning in the 2020-21 school year, this bill delays \$1,090,000,000 in general school aid payments until the following school year.

11. In the school district equalization aid formula, the guaranteed evaluations represent the amount of property tax base support that the state guarantees behind each pupil. There are three guaranteed valuations used; each applies to a different level of expenditures. The first level is for expenditures up to the primary cost ceiling of \$1,000 per pupil. The second level is for costs per pupil that exceed \$1,000 but are less than the secondary cost ceiling, which is set at 90 percent of the prior school year statewide shared cost per pupil. This bill changes the secondary cost ceiling to 100 percent of the prior school year statewide shared cost per pupil.

12. The bill eliminates the school levy property tax credit and the first dollar property tax credit in 2021.

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

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

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

2           20.255 (2) (ac) *General equalization aids.* ~~The amounts in the schedule A sum~~  
3 sufficient for the payment of educational aids under ss. 121.08, 121.09, 121.095,  
4 121.105, ~~121.137~~ and subch. VI of ch. 121 equal to the amount determined by the joint  
5 committee on finance under s. 121.15 (3m) (c) in the 2020-21 fiscal year and  
6 biennially thereafter, and equal to the amount determined by law in the 2021-22  
7 fiscal year and biennially thereafter.

8           **SECTION 2.** 20.255 (2) (ag) of the statutes is created to read:

9           20.255 (2) (ag) *Hold harmless aid.* A sum sufficient for hold harmless aid to  
10 school districts under s. 121.10.

11           **SECTION 3.** 79.10 (4) of the statutes is amended to read:

12           79.10 (4) SCHOOL LEVY TAX CREDIT. Except as provided in sub. (5m), the amount  
13 appropriated under s. 20.835 (3) (b) shall be distributed to municipalities in  
14 proportion to their share of the sum of average school tax levies for all municipalities.  
15 No municipality shall receive a payment under this subsection after 2020.

16           **SECTION 4.** 79.10 (5m) of the statutes is amended to read:

17           79.10 (5m) FIRST DOLLAR CREDIT. Each municipality shall receive, from the  
18 appropriation under s. 20.835 (3) (b), an amount determined by multiplying the  
19 school tax rate by the estimated fair market value, not exceeding the value  
20 determined under sub. (11) (d), of every parcel of real property with improvements

1 that is located in the municipality. No municipality shall receive a payment under  
2 this subsection after 2020.

3 **SECTION 5.** 79.14 of the statutes is amended to read:

4 **79.14 School levy tax credit.** The appropriation under s. 20.835 (3) (b), for  
5 the payments under s. 79.10 (4), is \$319,305,000 in 1994, 1995, and 1996;  
6 \$469,305,000 beginning in 1997 and ending in 2006; \$593,050,000 in 2007;  
7 \$672,400,000 in 2008; \$747,400,000 in 2009; \$732,550,000 in 2010, 2011, and 2012;  
8 \$747,400,000 in 2013, 2014, and 2015; \$853,000,000 in 2016 and 2017; and  
9 \$940,000,000 in 2018, 2019, and ~~in each year thereafter~~ 2020.

10 **SECTION 6.** 79.15 of the statutes is amended to read:

11 **79.15 Improvements credit.** The total amount paid each year to  
12 municipalities from the appropriation account under s. 20.835 (3) (b) for the  
13 payments under s. 79.10 (5m) is \$75,000,000 in 2009, \$145,000,000 in 2010, and  
14 \$150,000,000 in each year beginning in 2011 and in each year thereafter ending in  
15 2020.

16 **SECTION 7.** 121.004 (7) (a) of the statutes is amended to read:

17 121.004 (7) (a) "Pupils enrolled" is the total number of pupils, as expressed by  
18 official enrollments, in all schools of the school district, except as provided in pars.  
19 (b) to ~~(f)~~ (g). If such total contains a fraction, it shall be expressed as the nearest whole  
20 number. The same method shall be used in computing the number of pupils enrolled  
21 for resident pupils, nonresident pupils or both.

\*\*\*\*NOTE: Please note the changes related to counting 4-year-old kindergarteners  
and economically disadvantaged pupils are changes to the definition of "pupils enrolled"  
that applies to ch. 121. Please let me know if this is not consistent with your intent.

22 **SECTION 8.** 121.004 (7) (c) 1. a. of the statutes is amended to read:

1           21.004 (7) (c) 1. a. A pupil enrolled in a ~~5-year-old~~ kindergarten program that  
2 requires full-day attendance by the pupil for 5 days a week, but not on any day of  
3 the week that pupils enrolled in other grades in the school do not attend school, for  
4 an entire school term shall be counted as one pupil.

5           **SECTION 9.** 21.004 (7) (c) 2. of the statutes is amended to read:

6           21.004 (7) (c) 2. In subd. 1. a. and b., “full-day” means the length of the school  
7 day for pupils in the first grade of the school district operating the 4-year-old or  
8 5-year-old kindergarten program.

9           **SECTION 10.** 21.004 (7) (g) of the statutes is created to read:

10           21.004 (7) (g) A pupil who satisfies the income eligibility criteria for a free or  
11 reduced-price lunch under 42 USC 1758 (b) (1) shall be counted as the number  
12 specified in this subsection for the pupil plus an additional 20 percent of that number.

13           **SECTION 11.** 21.07 (6) (d) of the statutes is amended to read:

14           21.07 (6) (d) The “secondary ceiling cost per member” ~~in the 2001-02 school~~  
15 ~~year and in each school year thereafter~~ is an amount determined by dividing the state  
16 total shared cost in the previous school year by the state total membership in the  
17 previous school year ~~and multiplying the result by 0.90.~~

18           **SECTION 12.** 21.10 of the statutes is created to read:

19           **21.10 Hold harmless aid. (1)** In this section, “state aid” means the sum of  
20 the following:

21           (a) The payments made to a school district under ss. 21.08 and 21.105 and  
22 subch. VI.

23           (b) The payments that would be made to a school district under s. 21.136 if s.  
24 21.136 were still applicable.

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1 (c) The amount that would be received by a school district under s. 79.10 (4) and  
2 (5m) if s. 79.10 (4) and (5m) were still applicable.

3 ~~(2)~~ (a) Except as provided in par. (b), in the 2020-21 school year, if a school  
4 district would receive less in equalization aid under s. 121.08 in the current school  
5 year before any adjustment is made under s. 121.15 (4) (b) than it would have  
6 received in state aid in the current school year, the department shall pay to the school  
7 district the amount equal to the difference.

8 (b) If a school district from which territory was detached to create a new school  
9 district under s. 117.105 would receive in equalization aid under s. 121.08 in the  
10 school year beginning on the first July 1 following the effective date of the  
11 reorganization less than the amount determined as follows, the department shall  
12 pay to the school district the difference between the former amount and the amount  
13 determined as follows:

14 1. Divide the school district's membership in the preceding school year by the  
15 school district's membership in the 2nd preceding school year.

16 2. Multiply the amount of state aid that would have been received by the school  
17 district in the preceding school year, as adjusted under s. 121.15 (4) (b) in the current  
18 school year, by the quotient under subd. 1.

19 **(3)** In the school year in which a school district consolidation takes effect under  
20 s. 117.08 or 117.09 and in each of the subsequent 4 school years, if the consolidated  
21 school district's equalization aid is less than the aggregate state aid to which the  
22 consolidating school districts would have been eligible in the school year prior to the  
23 school year in which the consolidation takes effect, the department shall pay the  
24 difference to the consolidated school district.

1 (4) Additional aid under this section shall be paid from the appropriation under  
2 s. 20.255 (2) (ag). No aid may be paid under this section after the 2020-21 school year.

3 **SECTION 13.** 121.105 (1) of the statutes is amended to read:

4 121.105 (1). ~~In~~ Except as provided in sub. (5), in this section “state aid” means  
5 the sum of the payments provided to a school district under this section and ss.  
6 121.08, 121.85 and 121.86.

7 **SECTION 14.** 121.105 (2) (am) 1. of the statutes is amended to read:

8 121.105 (2) (am) 1. Except as provided in subd. 2., if a school district would  
9 receive less in state aid in the current school year before any adjustment is made  
10 under s. 121.15 (4) (b) than an amount equal to ~~85~~ 90 percent of the amount of state  
11 aid that it received in the previous school year, as adjusted under s. 121.15 (4) (b) in  
12 the current school year, its state aid for the current school year shall be increased to  
13 an amount equal to ~~85~~ 90 percent of the state aid received in the previous school year.

14 **SECTION 15.** 121.105 (2) (am) 2. (intro.) of the statutes is amended to read:

15 121.105 (2) (am) 2. (intro.) If a school district from which territory was detached  
16 to create a new school district under s. 117.105 would receive in state aid in the school  
17 year beginning on the first July 1 following the effective date of the reorganization  
18 less than ~~85~~ 90 percent of the amount determined as follows, its state aid in the school  
19 year beginning on the first July 1 following the effective date of the reorganization  
20 shall be increased to an amount equal to ~~85~~ 90 percent of the amount determined as  
21 follows:

22 **SECTION 16.** 121.105 (5) of the statutes is created to read:

23 121.105 (5) (a) In this subsection, “state aid” means the sum of the payments  
24 provided to a school district under this section and s. 121.08.

1 (b) If, after making the adjustments under subs. (2), (3), and (4), a school  
2 district would receive less in state aid in the current school year before any  
3 adjustment is made under s. 121.15 (4) (b) than an amount equal to \$3,000 multiplied  
4 by the school district's membership, the school district's state aid shall be increased  
5 to an amount equal to \$3,000 multiplied by the school district's membership.

6 **SECTION 17.** 121.136 (3) of the statutes is created to read:

7 121.136 (3) No aid may be paid under this section after June 30, 2020.

8 **SECTION 18.** 121.15 (1m) (a) (intro.) and 3. of the statutes are consolidated,  
9 renumbered 121.15 (1m) (a) and amended to read:

10 121.15 (1m) (a) Notwithstanding subs. (1) and (1g), ~~a portion of state aid to~~  
11 ~~school districts shall be distributed as follows:~~ 3. Beginning ~~beginning~~ in the  
12 ~~1999-2000~~ 2020-21 school year, annually the state shall pay to school districts, from  
13 the appropriation under s. 20.255 (2) (ac), ~~\$75,000,000~~ \$1,090,000,000 on the 4th  
14 Monday in July of the following school year.

15 **SECTION 19.** 121.15 (3m) of the statutes is created to read:

16 121.15 (3m) (a) In this subsection:

17 1. "Partial school revenues" means the sum of state school aids, property taxes  
18 levied for school districts, and aid paid to school districts under s. 79.095 (4), less all  
19 of the following:

20 a. The amount of any revenue limit increase under s. 121.91 (4) (a) 2. due to a  
21 school board's increasing the services that it provides by adding responsibility for  
22 providing a service transferred to it from another school board.

23 b. The amount of any revenue limit increase under s. 121.91 (4) (a) 3.

24 c. The amount of any revenue limit increase under s. 121.91 (4) (h).

25 d. The amount of any property taxes levied for the purpose of s. 120.13 (19).



1 e. An amount equal to the amount estimated to be paid under s. 119.23 (4) and  
2 (4m) multiplied by the sum of the applicable percentages specified in s. 121.08 (4) (b)  
3 1. and 2.

4 f. The amount by which the property tax levy for debt service on debt that has  
5 been approved by a referendum exceeds \$490,000,000.

6 2. "State school aids" means the amounts appropriated under s. 20.255 (1) (b)  
7 and (2), other than s. 20.255 (2) (aw), (az), (bb), (dg), (dj), (fm), (fp), (fq), (fr), (fs), (fu),  
8 (fv), (k), and (m), the amount appropriated under s. 20.505 (4) (es), and the amount,  
9 as determined by the secretary of administration, of the appropriation under s.  
10 20.505 (4) (s) allocated for payments to telecommunications providers under  
11 contracts with school districts and cooperative educational service agencies under s.  
12 16.971 (13), for grants to school district consortia under s. 16.997 (7), and to make  
13 educational technology teacher training grants under s. 16.996.

14 (b) By May 15, 2021, and annually by May 15 thereafter, the department, the  
15 department of administration, and the legislative fiscal bureau shall jointly certify  
16 to the joint committee on finance an estimate of the amount necessary to appropriate  
17 under s. 20.255 (2) (ac) in the following school year to ensure that state school aids  
18 equal two-thirds of partial school revenues.

19 (c) By June 30, 2020, and biennially by June 30 thereafter, the joint committee  
20 on finance shall determine the amount appropriated under s. 20.255 (2) (ac) in the  
21 following school year.

22 **SECTION 20.** 121.90 (2) (am) 1. of the statutes is amended to read:

23 121.90 (2) (am) 1. Aid under ss. 121.08, 121.09, 121.10, 121.105, and 121.136  
24 and subch. VI, as calculated for the current school year on October 15 under s. 121.15  
25 (4) and including adjustments made under s. 121.15 (4).

1           **SECTION 21.** 121.905 (1) (a) of the statutes is renumbered 121.905 (1) and  
2 amended to read:

3           121.905 (1) ~~Except as provided in par. (b), in this section, “revenue ceiling”~~  
4 means ~~\$9,100 in the 2017-18 school year, \$9,400 in the 2018-19 school year, \$9,500~~  
5 \$9,700 in the 2019-20 school year, \$9,600 and \$10,000 in the 2020-21 school year,  
6 ~~\$9,700 in the 2021-22 school year, and \$9,800 in the 2022-23 school year~~ and in any  
7 subsequent each school year thereafter.

8           **SECTION 22.** 121.905 (1) (b) of the statutes is repealed.

9           **SECTION 23.** 121.905 (3) (c) 6. of the statutes is amended to read:

10           121.905 (3) (c) 6. For the limit for the 2015-16, 2016-17, 2017-18, and 2018-19  
11 school year ~~or any school year thereafter~~ years, make no adjustment to the result  
12 under par. (b).

13           **SECTION 24.** 121.905 (3) (c) 7. of the statutes is created to read:

14           121.905 (3) (c) 7. For the limit for the 2019-20 school year, add \$200 to the  
15 result under par. (b).

16           **SECTION 25.** 121.905 (3) (c) 8. of the statutes is created to read:

17           121.905 (3) (c) 8. For the limit for the 2020-21 school year, add \$204 to the  
18 result under par. (b).

19           **SECTION 26.** 121.905 (3) (c) 9. of the statutes is created to read:

20           121.905 (3) (c) 9. For the limit for the 2021-22 school year and any school year  
21 thereafter, add the result under s. 121.91 (2m) (k) 2. to the result under par. (b).

22           **SECTION 27.** 121.91 (2m) (i) (intro.) of the statutes is amended to read:

23           121.91 (2m) (i) (intro.) Except as provided in subs. (3), (4), and (8), no school  
24 district may increase its revenues for the 2015-16, 2016-17, 2017-18, and 2018-19

1 school year ~~or for any school year thereafter~~ years to an amount that exceeds the  
2 amount calculated as follows:

3 **SECTION 28.** 121.91 (2m) (im) of the statutes is created to read:

4 121.91 (2m) (im) Except as provided in subs. (3), (4), and (8), no school district  
5 may increase its revenues for the 2019-20 school year to an amount that exceeds the  
6 amount calculated as follows:

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

11 2. Add \$200 to the result under subd. 1.

12 3. Multiply the result under subd. 2. by the average of the number of pupils  
13 enrolled in the current school year and the 2 preceding school years.

14 **SECTION 29.** 121.91 (2m) (j) of the statutes is created to read:

15 121.91 (2m) (j) Except as provided in subs. (3), (4), and (8), no school district  
16 may increase its revenues for the 2020-21 school year to an amount that exceeds the  
17 amount calculated as follows:

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

22 2. Add \$204 to the result under subd. 1.

23 3. Multiply the result under subd. 2. by the average of the number of pupils  
24 enrolled in the current school year and the 2 preceding school years.

25 **SECTION 30.** 121.91 (2m) (k) of the statutes is created to read:

1           121.91 (2m) (k) Except as provided in subs. (3), (4), and (8), no school district  
2 may increase its revenues for the 2021-22 school year or for any school year  
3 thereafter to an amount that exceeds the amount calculated as follows:

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

8           2. Multiply the amount of the revenue increase per pupil allowed under this  
9 subsection for the previous school year by the sum of 1.0 plus the allowable rate of  
10 increase under s. 73.0305 expressed as a decimal.

11           3. Add the result under subd. 1. to the result under subd. 2.

12           4. Multiply the result under subd. 3. by the average of the number of pupils  
13 enrolled in the current and the 2 preceding school years.

14           **SECTION 31.** 121.91 (2m) (r) 1. (intro.) of the statutes is amended to read:

15           121.91 (2m) (r) 1. (intro.) Notwithstanding pars. ~~(e) to (i)~~ <sup>(1m) to</sup> (k), if a school district  
16 is created under s. 117.105, its revenue limit under this section for the school year  
17 beginning with the effective date of the reorganization shall be determined as follows  
18 except as provided under subs. (3) and (4):

19           **SECTION 32.** 121.91 (2m) (r) 1. b. of the statutes is amended to read:

20           121.91 (2m) (r) 1. b. Add an amount equal to the amount of revenue increase  
21 per pupil allowed under this subsection for the previous school year multiplied by the  
22 sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal  
23 to the result under subd. 1. a., except that in calculating the limit for the 2013-14  
24 school year and the 2014-15 school year, add \$75 to the result under subd. 1. a., and  
25 in calculating the limit for the 2015-16 school year and any school year thereafter,

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1 ~~make no adjustment to the result under subd. 1. a. the 2019-20 school year, add \$200~~  
2 ~~to the result under subd. 1. a., in calculating the limit for the 2020-21 school year,~~  
3 ~~add \$204 to the result under subd. 1. a., and in calculating the limit for the 2021-22~~  
4 ~~school year and any school year thereafter, add the amount calculated under par. (k)~~  
5 ~~3. for that school year to the result under subd. 1. a.~~

6 SECTION 33. 121.91 (2m) (s) 1. (intro.) of the statutes is amended to read:

7 121.91 (2m) (s) 1. (intro.) Notwithstanding pars. (e) to (i) <sup>(im) to</sup> (k), if territory is  
8 detached from a school district to create a new school district under s. 117.105, the  
9 revenue limit under this section of the school district from which territory is detached  
10 for the school year beginning with the effective date of the reorganization shall be  
11 determined as follows except as provided in subs. (3) and (4):

12 SECTION 34. 121.91 (2m) (s) 1. b. of the statutes is amended to read:

13 121.91 (2m) (s) 1. b. Add an amount equal to the amount of revenue increase  
14 per pupil allowed under this subsection for the previous school year multiplied by the  
15 sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal  
16 to the result under subd. 1. a., except that in calculating the limit for the 2013-14  
17 school year and the 2014-15 school year, add \$75 to the result under subd. 1. a., and  
18 in calculating the limit for the 2015-16 school year and any school year thereafter,  
19 make no adjustment to the result under subd. 1. a. the 2019-20 school year, add \$200  
20 to the result under subd. 1. a., in calculating the limit for the 2020-21 school year,  
21 add \$204 to the result under subd. 1. a., and in calculating the limit for the 2021-22  
22 school year and any school year thereafter, add the amount calculated under par. (k)  
23 3. for that school year to the result under subd. 1. a.

24 SECTION 35. 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

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1           121.91 (2m) (t) 1. (intro.) If 2 or more school districts are consolidated under  
2 s. 117.08 or 117.09, except as follows, in the 2013-14 school year and the 2014-15  
3 school year, the consolidated school district's revenue limit shall be determined as  
4 provided under par. (hm), and in the 2015-16, 2016-17, 2017-18, and 2018-19  
5 school year and in each school year thereafter years, the consolidated school district's  
6 revenue limit shall be determined as provided under par. (i), in the 2019-20 school  
7 year, the consolidated school district's revenue limit shall be determined as provided  
8 under par. (im), in the 2020-21 school year, the consolidated school district's revenue  
9 shall be determined under par. (j), and in the 2021-22 school year and in each school  
10 year thereafter, the consolidated school district's revenue limit shall be determined  
11 as provided under par. (k):

12           **SECTION 36.** 121.91 (4) (om) of the statutes is created to read:

13           121.91 (4) (om) 1. Beginning in the 2020-21 school year, if a school board adopts  
14 a resolution to do so, the limit otherwise applicable to a school district under sub.  
15 (2m) in any school year is increased by the amount spent by the school district in that  
16 school year on a project, including the payment of debt service on a bond or note  
17 issued or a state trust fund loan obtained to finance the project, to remediate lead  
18 contamination in drinking water in the school district. In this paragraph, the  
19 amount spent by the school district includes costs incurred by the school district to  
20 test for the presence of lead in drinking water, to provide safe drinking water to  
21 affected school buildings during remediation, and, if necessary, to replace lead pipe  
22 water service lines to school buildings in the school district. The term of a bond or  
23 note issued or state trust fund loan obtained to finance the project under this  
24 subdivision may not exceed 20 years. If a school board issues a bond or note or obtains  
25 a state trust fund loan to finance a project described in this subdivision, a resolution

1 adopted by a school board under this subdivision is valid for each school year in which  
2 the school board pays debt service on the bond, note, or state trust fund loan.

3 2. Any additional revenue received by a school district under this paragraph  
4 shall not be included in the base for determining the school district's limit under sub.  
5 (2m) for the following school year.

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

7 (1) SECONDARY GUARANTEE. Notwithstanding s. 121.07 (7) (b), for the purpose  
8 of setting the secondary guaranteed valuation per member in the 2020-21 school  
9 year, the department of public instruction shall treat the appropriation under section  
10 20.255 (2) (ac) of the statutes as if an additional \$1,090,000,000 were appropriated  
11 in the 2020-21 fiscal year.

\*\*\*\*NOTE: Please confirm that this provision is consistent with your intent.

12 **SECTION 9334. Initial applicability; Public Instruction.**

13 (1) STATE AID. The treatment of ss, 20.255 (2) (ac), 121.004 (7) (a), (c) 1. a. and  
14 2. and (g), 121.07 (6) (d), and 121.105 (1), (2) (am) 1. and 2. (intro.), and (5) first  
15 applies to the distribution of school aid in, and the calculation of revenue limits for,  
16 the 2020-21 school year.

17 (2) DELAYED PAYMENT. The treatment of s. 121.15 (1m) (a) (intro.) and 3. first  
18 applies to the payment made under s. 121.15 (1m) (a) on the 4th Monday in July 2022.

19 (END)

2021

and the renumbering and amendment of  
s. 121.07 (8)

2019-2020 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0522/P2ins  
FFK:...

INS 5-17

1           **SECTION 1.** 121.07 (8) of the statutes is renumbered 121.07 (8) (intro.) and

2 amended to read: *Guaranteed valuation.*

3           121.07 (8) (intro.) A school district's primary, secondary and tertiary  
4 guaranteed valuations are determined by multiplying the amounts in sub. (7) by the  
5 sum of the school district's membership and an amount calculated as follows:

History: 1971 c. 125; 1973 c. 61, 90, 190, 333; 1975 c. 39; 1977 c. 29, 178, 418; 1979 c. 34, 221; 1981 c. 20, 317, 385; 1983 a. 27, 212; 1985 a. 29; 1987 a. 27; 1989 a. 31, 114, 309, 336, 359; 1991 a. 39, 269, 315; 1993 a. 16, 437; 1995 a. 27 ss. 4046m to 4064, 9145 (1); 1997 a. 27, 113, 286; 1999 a. 9, 17; 2001 a. 16, 109; 2003 a. 33; 2005 a. 25; 2009 a. 28; 2011 a. 71; 2013 a. 20, 336; 2015 a. 55; 2017 a. 59. SECTION 2. 121.07 (10) (a) of the statutes is amended to read:

6           **SECTION 3.** 121.07 (8) (a) of the statutes is created to read:

7           121.07 (8) (a) Determine the number of pupils residing in the school district  
8 who satisfy the income eligibility criteria for a free or reduced-price lunch under 42  
9 USC 1758 (b) (1).

10          **SECTION 4.** 121.07 (8) (b) of the statutes is created to read:

11          121.07 (8) (b) Multiply the number of pupils under par. (a) by 0.2.

END INS 5-17

INS 13-5

12          **SECTION 5.** 121.91 (2m) (r) 2. (intro.) of the statutes is amended to read:

13          121.91 (2m) (r) 2. (intro.) If a school district is created under s. 117.105, the  
14 following adjustments to the calculations under pars. (e) to (h) *(im) to (k)* apply for  
15 the 2 school years beginning on the July 1 following the effective date of the  
16 reorganization:

History: 1993 a. 16; 1995 a. 27 ss. 4108m to 4114, 9145 (1); 1997 a. 27, 113, 164, 237, 286; 1999 a. 9, 17, 19, 32, 182; 2001 a. 16; 2005 a. 25, 219; 2007 a. 1, 20; 2009 a. 28; 2011 a. 32, 75, 114; 2013 a. 20, 306; 2015 a. 55, 118, 289, 317; 2017 a. 36, 59, 143; 2017 a. 364 s. 49.

17          **SECTION 6.** 121.91 (2m) (r) 2. a. of the statutes is amended to read:

18          121.91 (2m) (r) 2. a. For the school year beginning on the first July 1 following  
19 the effective date of the reorganization the number of pupils in the previous school



1 year shall be used under pars. (e) (im) 1., (d) (j) 1. and (e) (k) 1. instead of the average  
 2 of the number of pupils in the 3 previous school years, and for the school year  
 3 beginning on the 2nd July 1 following the effective date of the reorganization the  
 4 average of the number of pupils in the 2 previous school years shall be used under  
 5 pars. (e) (im) 1., (d) (j) 1. and (e) (k) 1. instead of the average of the number of pupils  
 6 in the 3 previous school years.

**History:** 1993 a. 16; 1995 a. 27 ss. 4108m to 4114, 9145 (1); 1997 a. 27, 113, 164, 237, 286; 1999 a. 9, 17, 19, 32, 182; 2001 a. 16; 2005 a. 25, 219; 2007 a. 1, 20; 2009 a. 28; 2011 a. 32, 75, 114; 2013 a. 20, 306; 2015 a. 55, 118, 289, 317; 2017 a. 36, 59, 143; 2017 a. 364 s. 49.

7 **SECTION 7.** 121.91 (2m) (r) 2. b. of the statutes is amended to read:

8 121.91 (2m) (r) 2. b. For the school year beginning on the first July 1 following  
 9 the effective date of the reorganization the average of the number of pupils in the  
 10 current and the previous school years shall be used under par. (e) par. (j) 3. and (k)  
 11 4. instead of the average of the number of pupils in the current and the 2 preceding  
 12 school years.

**History:** 1993 a. 16; 1995 a. 27 ss. 4108m to 4114, 9145 (1); 1997 a. 27, 113, 164, 237, 286; 1999 a. 9, 17, 19, 32, 182; 2001 a. 16; 2005 a. 25, 219; 2007 a. 1, 20; 2009 a. 28; 2011 a. 32, 75, 114; 2013 a. 20, 306; 2015 a. 55, 118, 289, 317; 2017 a. 36, 59, 143; 2017 a. 364 s. 49.

**END INS 13-5**

**INS 13-23**

13 **SECTION 8.** 121.91 (2m) (s) 2. (intro.) of the statutes is amended to read:

14 121.91 (2m) (s) 2. (intro.) If territory is detached from a school district to create  
 15 a new school district under s. 117.105, the following adjustments to the calculations  
 16 under pars. (e) ~~to (h)~~ (im) to (k) apply to the school district from which territory is  
 17 detached for the 2 school years beginning on the July 1 following the effective date  
 18 of the reorganization:

**History:** 1993 a. 16; 1995 a. 27 ss. 4108m to 4114, 9145 (1); 1997 a. 27, 113, 164, 237, 286; 1999 a. 9, 17, 19, 32, 182; 2001 a. 16; 2005 a. 25, 219; 2007 a. 1, 20; 2009 a. 28; 2011 a. 32, 75, 114; 2013 a. 20, 306; 2015 a. 55, 118, 289, 317; 2017 a. 36, 59, 143; 2017 a. 364 s. 49.

19 **SECTION 9.** 121.91 (2m) (s) 2. a. of the statutes is amended to read:

1            121.91 (2m) (s) 2. a. For the school year beginning on the first July 1 following  
 2            the effective date of the reorganization, the number of pupils in the previous school  
 3            year shall be used under par. (e) pars. (im) 1., (j) 1. and (k) 1. instead of the average  
 4            of the number of pupils in the 3 previous school years; and for the school year  
 5            beginning on the 2nd July 1 following the effective date of the reorganization, the  
 6            average of the number of pupils in the 2 previous school years shall be used under  
 7            par. (e) pars. (im) 1., (j) 1. and (k) 1. instead of the average of the number of pupils  
 8            in the 3 previous school years.

History: 1993 a. 16; 1995 a. 27 ss. 4108m to 4114, 9145 (1); 1997 a. 27, 113, 164, 237, 286; 1999 a. 9, 17, 19, 32, 182; 2001 a. 16; 2005 a. 25, 219; 2007 a. 1, 20; 2009 a. 28; 2011 a. 32, 75, 114; 2013 a. 20, 306; 2015 a. 55, 118, 289, 317; 2017 a. 36, 59, 143; 2017 a. 364 s. 49.

9            **SECTION 10.** 121.91 (2m) (s) 2. b. of the statutes is amended to read:

10            121.91 (2m) (s) 2. b. For the school year beginning on the first July 1 following  
 11            the effective date of the reorganization the average of the number of pupils in the  
 12            current and the previous school year shall be used under par. (e) pars. (j) 3. and (k)  
 13            4. instead of the average of the number of pupils in the current and the 2 preceding  
 14            school years.

History: 1993 a. 16; 1995 a. 27 ss. 4108m to 4114, 9145 (1); 1997 a. 27, 113, 164, 237, 286; 1999 a. 9, 17, 19, 32, 182; 2001 a. 16; 2005 a. 25, 219; 2007 a. 1, 20; 2009 a. 28; 2011 a. 32, 75, 114; 2013 a. 20, 306; 2015 a. 55, 118, 289, 317; 2017 a. 36, 59, 143; 2017 a. 364 s. 49.

15            **SECTION 11.** 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

16            121.91 (2m) (t) 1. (intro.) If 2 or more school districts are consolidated under  
 17            s. 117.08 or 117.09, ~~except as follows, in the 2013-14 school year and the 2014-15~~  
 18            2019-20 school year, the consolidated school district's revenue limit shall be  
 19            determined as provided under par. ~~(hm)~~ (im), and in the ~~2015-16~~ 2020-21 school  
 20            year, the consolidated school district's revenue limit shall be determined as provided

1 under par. (j), and in each school year thereafter, the consolidated school district's  
2 revenue limit shall be determined as provided under par. (i) (k), except as follows:

**History:** 1993 a. 16; 1995 a. 27 ss. 4108m to 4114, 9145 (1); 1997 a. 27, 113, 164, 237, 286; 1999 a. 9, 17, 19, 32, 182; 2001 a. 16; 2005 a. 25, 219; 2007 a. 1, 20; 2009 a. 28; 2011 a. 32, 75, 114; 2013 a. 20, 306; 2015 a. 55, 118, 289, 317; 2017 a. 36, 59, 143; 2017 a. 364 s. 49.

**END INS 13-23**



Per Kyle

p. 9 line 7  
remove pas (dj) from exclusion



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRB-0522/P2 1P3  
FFK&JK:kjf aah

FN 290  
(change on p. 9)

DOA:.....Kretschmann, BB0003 - DPI Fair Funding for Our Future Proposal

**FOR 2019-2021 BUDGET -- NOT READY FOR INTRODUCTION**

School district funding;  
1. Fair funding for our future

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

**Analysis by the Legislative Reference Bureau  
EDUCATION**

**PRIMARY AND SECONDARY EDUCATION**

This bill makes a number of changes in the laws relating to public school financing, including the following:

1. Currently, the amount appropriated each fiscal year for general school aid is a sum set by law. Beginning in the 2020-21 school year, this bill directs DPI, DOA, and the Legislative Fiscal Bureau annually to jointly certify to JCF an estimate of the amount necessary to appropriate in the following school year to ensure that state school aids equal two-thirds of partial school revenues (in general, the sum of state school aids and school property taxes). Under the bill, JCF determines the amount appropriated as general school aids in each odd-numbered fiscal year and the amount is set by law in each even-numbered fiscal year.

2. For purposes of determining a school district's general school aid amount, this bill changes how a pupil enrolled in a four-year-old full-day kindergarten program is counted for purposes of general school aid from 0.5 pupil to one pupil. Additionally, for purposes of the general school aid formula, the bill requires each pupil who is eligible for a free or reduced-price lunch to be counted as an additional 0.2 pupil solely for the purpose of determining a school district's property value per member.

3. Currently, if a school district would receive less in general state aid in any school year than 85 percent of the amount it received in the previous school year, its

state aid for the current school year is increased to 85 percent of the aid received in the previous school year. This bill increases the percentage to 90 percent.

4. This bill provides that a school district's state aid in any school year may not be less than an amount equal to the school district's membership multiplied by \$3,000.

5. Under current law, there is no per pupil adjustment for purposes of calculating a school district's revenue limit. This bill provides a per pupil adjustment of \$200 per pupil for the 2019-20 school year and \$204 for the 2020-21 school year. Under the bill, in the 2021-22 school year and thereafter, the per pupil adjustment is the per pupil adjustment for the previous school year as adjusted for any increase in the consumer price index.

6. Current law provides a minimum per pupil revenue limit for school districts, known as the revenue limit ceiling. Under the bill, the revenue limit ceiling for school districts is \$9,700 in the 2019-20 school year and \$10,000 in the 2020-21 school year and each school year thereafter. Under current law, the revenue limit ceiling is \$9,500 in the 2019-20 school year, and increases by \$100 each school year until the ceiling reaches \$9,800 in the 2022-23 school year. Current law also provides that during the three school years following a school year in which an operating referendum fails in a school district, the school district's revenue limit ceiling is the revenue limit ceiling that applied in the school year during which the referendum was held. This bill eliminates this consequence for a failed operating referendum.

7. This bill creates a revenue limit adjustment for a school district that incurs costs to remediate lead contamination in drinking water in the school district, including costs to test for the presence of lead in drinking water, to provide safe drinking water, and to replace lead pipe water service lines to school buildings in the school district.

8. Currently, if at least 50 percent of a school district's enrollment is eligible for a free or reduced-price lunch under the federal school lunch program, the school district is eligible for a prorated share of the amount appropriated as high-poverty aid. This bill eliminates this aid beginning in the 2020-21 school year. The bill provides additional state aid for the 2020-21 school year to hold school districts harmless from the loss of high-poverty aid.

9. Currently, \$75,000,000 in general school aid payments is delayed until the following school year. Beginning in the 2020-21 school year, this bill delays \$1,090,000,000 in general school aid payments until the following school year.

10. In the school district equalization aid formula, the guaranteed evaluations represent the amount of property tax base support that the state guarantees behind each pupil. There are three guaranteed valuations used; each applies to a different level of expenditures. The first level is for expenditures up to the primary cost ceiling of \$1,000 per pupil. The second level is for costs per pupil that exceed \$1,000 but are less than the secondary cost ceiling, which is set at 90 percent of the prior school year statewide shared cost per pupil. This bill changes the secondary cost ceiling to 100 percent of the prior school year statewide shared cost per pupil.

11. The bill eliminates the school levy property tax credit and the first dollar property tax credit in 2021.

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

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

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

2           20.255 (2) (ac) *General equalization aids.* ~~The amounts in the schedule A sum~~  
3           sufficient for the payment of educational aids under ss. 121.08, 121.09, 121.095, and  
4           ~~121.105, 121.137~~ and subch. VI of ch. 121 equal to the amount determined by the joint  
5           committee on finance under s. 121.15 (3m) (c) in the 2020-21 fiscal year and  
6           biennially thereafter, and equal to the amount determined by law in the 2021-22  
7           fiscal year and biennially thereafter.

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

8           **SECTION 2.** 20.255 (2) (ag) of the statutes is created to read:

9           20.255 (2) (ag) *Hold harmless aid.* A sum sufficient for hold harmless aid to  
10          school districts under s. 121.10.

          \*\*\*\*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.** 79.10 (4) of the statutes is amended to read:

12          79.10 (4) SCHOOL LEVY TAX CREDIT. Except as provided in sub. (5m), the amount  
13          appropriated under s. 20.835 (3) (b) shall be distributed to municipalities in  
14          proportion to their share of the sum of average school tax levies for all municipalities.  
15          No municipality shall receive a payment under this subsection after 2020.

16          **SECTION 4.** 79.10 (5m) of the statutes is amended to read:

17          79.10 (5m) FIRST DOLLAR CREDIT. Each municipality shall receive, from the  
18          appropriation under s. 20.835 (3) (b), an amount determined by multiplying the  
19          school tax rate by the estimated fair market value, not exceeding the value

1 determined under sub. (11) (d), of every parcel of real property with improvements  
2 that is located in the municipality. No municipality shall receive a payment under  
3 this subsection after 2020.

4 **SECTION 5.** 79.14 of the statutes is amended to read:

5 **79.14 School levy tax credit.** The appropriation under s. 20.835 (3) (b), for  
6 the payments under s. 79.10 (4), is \$319,305,000 in 1994, 1995, and 1996;  
7 \$469,305,000 beginning in 1997 and ending in 2006; \$593,050,000 in 2007;  
8 \$672,400,000 in 2008; \$747,400,000 in 2009; \$732,550,000 in 2010, 2011, and 2012;  
9 \$747,400,000 in 2013, 2014, and 2015; \$853,000,000 in 2016 and 2017; and  
10 \$940,000,000 in 2018, 2019, and in each year thereafter 2020.

11 **SECTION 6.** 79.15 of the statutes is amended to read:

12 **79.15 Improvements credit.** The total amount paid each year to  
13 municipalities from the appropriation account under s. 20.835 (3) (b) for the  
14 payments under s. 79.10 (5m) is \$75,000,000 in 2009, \$145,000,000 in 2010, and  
15 \$150,000,000 in each year beginning in 2011 and in each year thereafter ending in  
16 2020.

17 **SECTION 7.** 121.004 (7) (c) 1. a. of the statutes is amended to read:

18 121.004 (7) (c) 1. a. A pupil enrolled in a ~~5-year-old~~ kindergarten program that  
19 requires full-day attendance by the pupil for 5 days a week, but not on any day of  
20 the week that pupils enrolled in other grades in the school do not attend school, for  
21 an entire school term shall be counted as one pupil.

22 **SECTION 8.** 121.004 (7) (c) 2. of the statutes is amended to read:

23 121.004 (7) (c) 2. In subd. 1. a. and b., “full-day” means the length of the school  
24 day for pupils in the first grade of the school district operating the 4-year-old or  
25 5-year-old kindergarten program.



1           **SECTION 9.** 121.07 (6) (d) of the statutes is amended to read:

2           121.07 (6) (d) The “secondary ceiling cost per member” ~~in the 2001–02 school~~  
3 ~~year and in each school year thereafter~~ is an amount determined by dividing the state  
4 total shared cost in the previous school year by the state total membership in the  
5 previous school year ~~and multiplying the result by 0.90.~~

6           **SECTION 10.** 121.07 (8) of the statutes is renumbered 121.07 (8) (intro.) and  
7 amended to read:

8           121.07 (8) GUARANTEED VALUATION. (intro.) A school district’s primary,  
9 secondary and tertiary guaranteed valuations are determined by multiplying the  
10 amounts in sub. (7) by the sum of the school district’s membership, and an amount  
11 calculated as follows:

12           **SECTION 11.** 121.07 (8) (a) of the statutes is created to read:

13           121.07 (8) (a) Determine the number of pupils residing in the school district  
14 who satisfy the income eligibility criteria for a free or reduced-price lunch under 42  
15 USC 1758 (b) (1).

16           **SECTION 12.** 121.07 (8) (b) of the statutes is created to read:

17           121.07 (8) (b) Multiply the number of pupils under par. (a) by 0.2.

18           **SECTION 13.** 121.10 of the statutes is created to read:

19           **121.10 Hold harmless aid. (1)** In this section, “state aid” means the sum of  
20 the following:

21           (a) The payments made to a school district under ss. 121.08 and 121.105 and  
22 subch. VI.

23           (b) The payments that would be made to a school district under s. 121.136 if s.  
24 121.136 were still applicable.

1 (c) The amount that would be received by a school district under s. 79.10 (4) and  
2 (5m) if s. 79.10 (4) and (5m) were still applicable.

3 (2) (a) Except as provided in par. (b), in the 2020-21 school year, if a school  
4 district would receive less in equalization aid under s. 121.08 in the current school  
5 year before any adjustment is made under s. 121.15 (4) (b) than it would have  
6 received in state aid in the current school year, the department shall pay to the school  
7 district the amount equal to the difference.

8 (b) If a school district from which territory was detached to create a new school  
9 district under s. 117.105 would receive in equalization aid under s. 121.08 in the  
10 school year beginning on the first July 1 following the effective date of the  
11 reorganization less than the amount determined as follows, the department shall  
12 pay to the school district the difference between the former amount and the amount  
13 determined as follows:

14 1. Divide the school district's membership in the preceding school year by the  
15 school district's membership in the 2nd preceding school year.

16 2. Multiply the amount of state aid that would have been received by the school  
17 district in the preceding school year, as adjusted under s. 121.15 (4) (b) in the current  
18 school year, by the quotient under subd. 1.

19 (3) In the school year in which a school district consolidation takes effect under  
20 s. 117.08 or 117.09 and in each of the subsequent 4 school years, if the consolidated  
21 school district's equalization aid is less than the aggregate state aid to which the  
22 consolidating school districts would have been eligible in the school year prior to the  
23 school year in which the consolidation takes effect, the department shall pay the  
24 difference to the consolidated school district.

1           (4) Additional aid under this section shall be paid from the appropriation under  
2 s. 20.255 (2) (ag). No aid may be paid under this section after the 2020-21 school year.

3           **SECTION 14.** 121.105 (1) of the statutes is amended to read:

4           121.105 (1) ~~In~~ Except as provided in sub. (5), in this section “state aid” means  
5 the sum of the payments provided to a school district under this section and ss.  
6 121.08, 121.85 and 121.86.

7           **SECTION 15.** 121.105 (2) (am) 1. of the statutes is amended to read:

8           121.105 (2) (am) 1. Except as provided in subd. 2., if a school district would  
9 receive less in state aid in the current school year before any adjustment is made  
10 under s. 121.15 (4) (b) than an amount equal to 85 90 percent of the amount of state  
11 aid that it received in the previous school year, as adjusted under s. 121.15 (4) (b) in  
12 the current school year, its state aid for the current school year shall be increased to  
13 an amount equal to 85 90 percent of the state aid received in the previous school year.

14           **SECTION 16.** 121.105 (2) (am) 2. (intro.) of the statutes is amended to read:

15           121.105 (2) (am) 2. (intro.) If a school district from which territory was detached  
16 to create a new school district under s. 117.105 would receive in state aid in the school  
17 year beginning on the first July 1 following the effective date of the reorganization  
18 less than 85 90 percent of the amount determined as follows, its state aid in the school  
19 year beginning on the first July 1 following the effective date of the reorganization  
20 shall be increased to an amount equal to 85 90 percent of the amount determined as  
21 follows:

22           **SECTION 17.** 121.105 (5) of the statutes is created to read:

23           121.105 (5) (a) In this subsection, “state aid” means the sum of the payments  
24 provided to a school district under this section and s. 121.08.

1 (b) If, after making the adjustments under subs. (2), (3), and (4), a school  
2 district would receive less in state aid in the current school year before any  
3 adjustment is made under s. 121.15 (4) (b) than an amount equal to \$3,000 multiplied  
4 by the school district's membership, the school district's state aid shall be increased  
5 to an amount equal to \$3,000 multiplied by the school district's membership.

6 **SECTION 18.** 121.136 (3) of the statutes is created to read:

7 121.136 (3) No aid may be paid under this section after June 30, 2020.

8 **SECTION 19.** 121.15 (1m) (a) (intro.) and 3. of the statutes are consolidated,  
9 renumbered 121.15 (1m) (a) and amended to read:

10 121.15 (1m) (a) Notwithstanding subs. (1) and (1g), ~~a portion of state aid to~~  
11 ~~school districts shall be distributed as follows:~~ 3. Beginning ~~beginning~~ in the  
12 ~~1999-2000~~ 2020-21 school year, annually the state shall pay to school districts, from  
13 the appropriation under s. 20.255 (2) (ac), ~~\$75,000,000~~ \$1,090,000,000 on the 4th  
14 Monday in July of the following school year.

15 **SECTION 20.** 121.15 (3m) of the statutes is created to read:

16 121.15 (3m) (a) In this subsection:

17 1. "Partial school revenues" means the sum of state school aids, property taxes  
18 levied for school districts, and aid paid to school districts under s. 79.095 (4), less all  
19 of the following:

20 a. The amount of any revenue limit increase under s. 121.91 (4) (a) 2. due to a  
21 school board's increasing the services that it provides by adding responsibility for  
22 providing a service transferred to it from another school board.

23 b. The amount of any revenue limit increase under s. 121.91 (4) (a) 3.

24 c. The amount of any revenue limit increase under s. 121.91 (4) (h).

25 d. The amount of any property taxes levied for the purpose of s. 120.13 (19).

1 e. An amount equal to the amount estimated to be paid under s. 119.23 (4) and  
2 (4m) multiplied by the sum of the applicable percentages specified in s. 121.08 (4) (b)  
3 1. and 2.

4 f. The amount by which the property tax levy for debt service on debt that has  
5 been approved by a referendum exceeds \$490,000,000.

6 2. "State school aids" means the amounts appropriated under s. 20.255 (1) (b)  
7 and (2), other than s. 20.255 (2) (aw), (az), (bb), (dg), (dj), (fm), (fp), (fq), (fr), (fs), (fu),  
8 (fv), (k), and (m), the amount appropriated under s. 20.505 (4) (es), and the amount,  
9 as determined by the secretary of administration, of the appropriation under s.  
10 20.505 (4) (s) allocated for payments to telecommunications providers under  
11 contracts with school districts and cooperative educational service agencies under s.  
12 16.971 (13), for grants to school district consortia under s. 16.997 (7), and to make  
13 educational technology teacher training grants under s. 16.996.

14 (b) By May 15, 2021, and annually by May 15 thereafter, the department, the  
15 department of administration, and the legislative fiscal bureau shall jointly certify  
16 to the joint committee on finance an estimate of the amount necessary to appropriate  
17 under s. 20.255 (2) (ac) in the following school year to ensure that state school aids  
18 equal two-thirds of partial school revenues.

19 (c) By June 30, 2020, and biennially by June 30 thereafter, the joint committee  
20 on finance shall determine the amount appropriated under s. 20.255 (2) (ac) in the  
21 following school year.

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

23 121.90 (2) (am) 1. Aid under ss. 121.08, 121.09, 121.10, 121.105, and 121.136  
24 and subch. VI, as calculated for the current school year on October 15 under s. 121.15  
25 (4) and including adjustments made under s. 121.15 (4).

1           **SECTION 22.** 121.905 (1) (a) of the statutes is renumbered 121.905 (1) and  
2 amended to read:

3           121.905 (1) Except as provided in par. (b), in this section, “revenue ceiling”  
4 means \$9,100 in the 2017-18 school year, \$9,400 in the 2018-19 school year, \$9,500  
5 \$9,700 in the 2019-20 school year, \$9,600 and \$10,000 in the 2020-21 school year,  
6 \$9,700 in the 2021-22 school year, and \$9,800 in the 2022-23 school year and in any  
7 subsequent each school year thereafter.

8           **SECTION 23.** 121.905 (1) (b) of the statutes is repealed.

9           **SECTION 24.** 121.905 (3) (c) 6. of the statutes is amended to read:

10           121.905 (3) (c) 6. For the limit for the 2015-16, 2016-17, 2017-18, and 2018-19  
11 school year or any school year thereafter years, make no adjustment to the result  
12 under par. (b).

13           **SECTION 25.** 121.905 (3) (c) 7. of the statutes is created to read:

14           121.905 (3) (c) 7. For the limit for the 2019-20 school year, add \$200 to the  
15 result under par. (b).

16           **SECTION 26.** 121.905 (3) (c) 8. of the statutes is created to read:

17           121.905 (3) (c) 8. For the limit for the 2020-21 school year, add \$204 to the  
18 result under par. (b).

19           **SECTION 27.** 121.905 (3) (c) 9. of the statutes is created to read:

20           121.905 (3) (c) 9. For the limit for the 2021-22 school year and any school year  
21 thereafter, add the result under s. 121.91 (2m) (k) 2. to the result under par. (b).

22           **SECTION 28.** 121.91 (2m) (i) (intro.) of the statutes is amended to read:

23           121.91 (2m) (i) (intro.) Except as provided in subs. (3), (4), and (8), no school  
24 district may increase its revenues for the 2015-16, 2016-17, 2017-18, and 2018-19

1 school year or for any school year thereafter years to an amount that exceeds the  
2 amount calculated as follows:

3 **SECTION 29.** 121.91 (2m) (im) of the statutes is created to read:

4 121.91 (2m) (im) Except as provided in subs. (3), (4), and (8), no school district  
5 may increase its revenues for the 2019-20 school year to an amount that exceeds the  
6 amount calculated as follows:

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

11 2. Add \$200 to the result under subd. 1.

12 3. Multiply the result under subd. 2. by the average of the number of pupils  
13 enrolled in the current school year and the 2 preceding school years.

14 **SECTION 30.** 121.91 (2m) (j) of the statutes is created to read:

15 121.91 (2m) (j) Except as provided in subs. (3), (4), and (8), no school district  
16 may increase its revenues for the 2020-21 school year to an amount that exceeds the  
17 amount calculated as follows:

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

22 2. Add \$204 to the result under subd. 1.

23 3. Multiply the result under subd. 2. by the average of the number of pupils  
24 enrolled in the current school year and the 2 preceding school years.

25 **SECTION 31.** 121.91 (2m) (k) of the statutes is created to read:

1           121.91 (2m) (k) Except as provided in subs. (3), (4), and (8), no school district  
2 may increase its revenues for the 2021-22 school year or for any school year  
3 thereafter to an amount that exceeds the amount calculated as follows:

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

8           2. Multiply the amount of the revenue increase per pupil allowed under this  
9 subsection for the previous school year by the sum of 1.0 plus the allowable rate of  
10 increase under s. 73.0305 expressed as a decimal.

11           3. Add the result under subd. 1. to the result under subd. 2.

12           4. Multiply the result under subd. 3. by the average of the number of pupils  
13 enrolled in the current and the 2 preceding school years.

14           **SECTION 32.** 121.91 (2m) (r) 1. (intro.) of the statutes is amended to read:

15           121.91 (2m) (r) 1. (intro.) Notwithstanding pars. ~~(e) to (i)~~ (im) to (k), if a school  
16 district is created under s. 117.105, its revenue limit under this section for the school  
17 year beginning with the effective date of the reorganization shall be determined as  
18 follows except as provided under subs. (3) and (4):

19           **SECTION 33.** 121.91 (2m) (r) 1. b. of the statutes is amended to read:

20           121.91 (2m) (r) 1. b. Add an amount equal to the amount of revenue increase  
21 per pupil allowed under this subsection for the previous school year multiplied by the  
22 sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal  
23 to the result under subd. 1. a., except that in calculating the limit for ~~the 2013-14~~  
24 ~~school year and the 2014-15 school year, add \$75 to the result under subd. 1. a., and~~  
25 ~~in calculating the limit for the 2015-16 school year and any school year thereafter,~~



1 ~~make no adjustment to the result under subd. 1. a. the 2019-20 school year, add \$200~~  
2 ~~to the result under subd. 1. a., in calculating the limit for the 2020-21 school year,~~  
3 ~~add \$204 to the result under subd. 1. a., and in calculating the limit for the 2021-22~~  
4 ~~school year and any school year thereafter, add the amount calculated under par. (k)~~  
5 ~~3. for that school year to the result under subd. 1. a.~~

6 **SECTION 34.** 121.91 (2m) (r) 2. (intro.) of the statutes is amended to read:

7 121.91 **(2m)** (r) 2. (intro.) If a school district is created under s. 117.105, the  
8 following adjustments to the calculations under pars. ~~(e) to (h)~~ **(im)** to **(k)** apply for  
9 the 2 school years beginning on the July 1 following the effective date of the  
10 reorganization:

11 **SECTION 35.** 121.91 (2m) (r) 2. a. of the statutes is amended to read:

12 121.91 **(2m)** (r) 2. a. For the school year beginning on the first July 1 following  
13 the effective date of the reorganization the number of pupils in the previous school  
14 year shall be used under pars. ~~(e)~~ **(im)** 1., ~~(d)~~ **(j)** 1. and ~~(e)~~ **(k)** 1. instead of the average  
15 of the number of pupils in the 3 previous school years, and for the school year  
16 beginning on the 2nd July 1 following the effective date of the reorganization the  
17 average of the number of pupils in the 2 previous school years shall be used under  
18 pars. ~~(e)~~ **(im)** 1., ~~(d)~~ **(j)** 1. and ~~(e)~~ **(k)** 1. instead of the average of the number of pupils  
19 in the 3 previous school years.

20 **SECTION 36.** 121.91 (2m) (r) 2. b. of the statutes is amended to read:

21 121.91 **(2m)** (r) 2. b. For the school year beginning on the first July 1 following  
22 the effective date of the reorganization the average of the number of pupils in the  
23 current and the previous school years shall be used under ~~par. (e)~~ **pars. (j) 3. and (k)**  
24 4. instead of the average of the number of pupils in the current and the 2 preceding  
25 school years.

1           **SECTION 37.** 121.91 (2m) (s) 1. (intro.) of the statutes is amended to read:

2           121.91 (2m) (s) 1. (intro.) Notwithstanding pars. ~~(e) to (i)~~ (im) to (k), if territory  
3 is detached from a school district to create a new school district under s. 117.105, the  
4 revenue limit under this section of the school district from which territory is detached  
5 for the school year beginning with the effective date of the reorganization shall be  
6 determined as follows except as provided in subs. (3) and (4):

7           **SECTION 38.** 121.91 (2m) (s) 1. b. of the statutes is amended to read:

8           121.91 (2m) (s) 1. b. Add an amount equal to the amount of revenue increase  
9 per pupil allowed under this subsection for the previous school year multiplied by the  
10 sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal  
11 to the result under subd. 1. a., except that in calculating the limit for ~~the 2013-14~~  
12 ~~school year and the 2014-15 school year, add \$75 to the result under subd. 1. a., and~~  
13 ~~in calculating the limit for the 2015-16 school year and any school year thereafter,~~  
14 ~~make no adjustment to the result under subd. 1. a. the 2019-20 school year, add \$200~~  
15 ~~to the result under subd. 1. a., in calculating the limit for the 2020-21 school year,~~  
16 ~~add \$204 to the result under subd. 1. a., and in calculating the limit for the 2021-22~~  
17 ~~school year and any school year thereafter, add the amount calculated under par. (k)~~  
18 ~~3. for that school year to the result under subd. 1. a.~~

19           **SECTION 39.** 121.91 (2m) (s) 2. (intro.) of the statutes is amended to read:

20           121.91 (2m) (s) 2. (intro.) If territory is detached from a school district to create  
21 a new school district under s. 117.105, the following adjustments to the calculations  
22 under pars. ~~(e) to (h)~~ (im) to (k) apply to the school district from which territory is  
23 detached for the 2 school years beginning on the July 1 following the effective date  
24 of the reorganization:

25           **SECTION 40.** 121.91 (2m) (s) 2. a. of the statutes is amended to read:

1           121.91 **(2m)** (s) 2. a. For the school year beginning on the first July 1 following  
2 the effective date of the reorganization, the number of pupils in the previous school  
3 year shall be used under ~~par. (e) pars. (im) 1., (j) 1. and (k) 1.~~ instead of the average  
4 of the number of pupils in the 3 previous school years; and for the school year  
5 beginning on the 2nd July 1 following the effective date of the reorganization, the  
6 average of the number of pupils in the 2 previous school years shall be used under  
7 ~~par. (e) pars. (im) 1., (j) 1. and (k) 1.~~ instead of the average of the number of pupils  
8 in the 3 previous school years.

9           **SECTION 41.** 121.91 (2m) (s) 2. b. of the statutes is amended to read:

10           121.91 **(2m)** (s) 2. b. For the school year beginning on the first July 1 following  
11 the effective date of the reorganization the average of the number of pupils in the  
12 current and the previous school year shall be used under ~~par. (e) pars. (j) 3. and (k)~~  
13 4. instead of the average of the number of pupils in the current and the 2 preceding  
14 school years.

15           **SECTION 42.** 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

16           121.91 **(2m)** (t) 1. (intro.) If 2 or more school districts are consolidated under  
17 s. 117.08 or 117.09, ~~except as follows, in the 2013-14 school year and the 2014-15~~  
18 2019-20 school year, the consolidated school district's revenue limit shall be  
19 determined as provided under par. ~~(hm)~~ (im), and in the ~~2015-16~~ 2020-21 school  
20 year, the consolidated school district's revenue limit shall be determined as provided  
21 under par. (j), and in each school year thereafter, the consolidated school district's  
22 revenue limit shall be determined as provided under par. ~~(i)~~ (k), ~~except as follows:~~

23           **SECTION 43.** 121.91 (4) (om) of the statutes is created to read:

24           121.91 **(4)** (om) 1. Beginning in the 2020-21 school year, if a school board adopts  
25 a resolution to do so, the limit otherwise applicable to a school district under sub.

1 (2m) in any school year is increased by the amount spent by the school district in that  
2 school year on a project, including the payment of debt service on a bond or note  
3 issued or a state trust fund loan obtained to finance the project, to remediate lead  
4 contamination in drinking water in the school district. In this paragraph, the  
5 amount spent by the school district includes costs incurred by the school district to  
6 test for the presence of lead in drinking water, to provide safe drinking water to  
7 affected school buildings during remediation, and, if necessary, to replace lead pipe  
8 water service lines to school buildings in the school district. The term of a bond or  
9 note issued or state trust fund loan obtained to finance the project under this  
10 subdivision may not exceed 20 years. If a school board issues a bond or note or obtains  
11 a state trust fund loan to finance a project described in this subdivision, a resolution  
12 adopted by a school board under this subdivision is valid for each school year in which  
13 the school board pays debt service on the bond, note, or state trust fund loan.

14 2. Any additional revenue received by a school district under this paragraph  
15 shall not be included in the base for determining the school district's limit under sub.  
16 (2m) for the following school year.

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

18 (1) SECONDARY GUARANTEE. Notwithstanding s. 121.07 (7) (b), for the purpose  
19 of setting the secondary guaranteed valuation per member in the 2020-21 school  
20 year, the department of public instruction shall treat the appropriation under section  
21 20.255 (2) (ac) of the statutes as if an additional \$1,090,000,000 were appropriated  
22 in the 2020-21 fiscal year.

\*\*\*\*NOTE: Please confirm that this provision is consistent with your intent.

23 **SECTION 9334. Initial applicability; Public Instruction.**



2-20-19



Per Kyle

change amount on p. 8 line 15

to \$1,165,000,000