



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-0522/P8
FFK&JK:kjf/ahe/amn

In 2-25

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

1. School district funding; fair funding for our future

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. Under the bill, there are no delayed payments in the 2019-20 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.

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.

 ****NOTE: This is reconciled s. 20.255 (2) (ac). This SECTION has been affected by drafts with the following LRB numbers: -0522/P7 and -2163/P1.

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:

SECTION 4

1 **79.10 (5m) FIRST DOLLAR CREDIT.** Each municipality shall receive, from the
2 appropriation under s. 20.835 (3) (b), an amount determined by multiplying the
3 school tax rate by the estimated fair market value, not exceeding the value
4 determined under sub. (11) (d), of every parcel of real property with improvements
5 that is located in the municipality. No municipality shall receive a payment under
6 this subsection after 2020.

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

8 **79.14 School levy tax credit.** The appropriation under s. 20.835 (3) (b), for
9 the payments under s. 79.10 (4), is \$319,305,000 in 1994, 1995, and 1996;
10 \$469,305,000 beginning in 1997 and ending in 2006; \$593,050,000 in 2007;
11 \$672,400,000 in 2008; \$747,400,000 in 2009; \$732,550,000 in 2010, 2011, and 2012;
12 \$747,400,000 in 2013, 2014, and 2015; \$853,000,000 in 2016 and 2017; and
13 \$940,000,000 in 2018, 2019, and in each year thereafter 2020.

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

15 **79.15 Improvements credit.** The total amount paid each year to
16 municipalities from the appropriation account under s. 20.835 (3) (b) for the
17 payments under s. 79.10 (5m) is \$75,000,000 in 2009, \$145,000,000 in 2010, and
18 \$150,000,000 in each year beginning in 2011 and in each year thereafter ending in
19 2020.

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

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

****NOTE: This is reconciled s. 121.004 (7) (c) 1. a. This SECTION has been affected by drafts with the following LRB numbers: -0522/P7 and -1304/P4.

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

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

****NOTE: This is reconciled s. 121.004 (7) (c) 2. This SECTION has been affected by drafts with the following LRB numbers: -0522/P7 and -1304/P4.

5 **SECTION 9.** 121.004 (7) (cm) of the statutes is amended to read:

6 121.004 (7) (cm) A pupil enrolled in a 4-year-old kindergarten program,
7 including a 4-year-old kindergarten program being phased in under s. 118.14 (3) (b),
8 that provides the required number of hours of direct pupil instruction under s. 121.02
9 (1) (f) but requires less than full-day attendance by the pupil for 5 days a week shall
10 be counted as 0.6 pupil if the program annually provides at least 87.5 additional
11 hours of outreach activities. In this paragraph, “full-day” has the meaning given in
12 par. (c) 2.

****NOTE: This is reconciled s. 121.004 (7) (cm). This SECTION has been affected by drafts with the following LRB numbers: -0522/P7 and -1304/P4.

13 **SECTION 10.** 121.07 (6) (d) of the statutes is amended to read:

14 121.07 (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 11.** 121.07 (8) of the statutes is renumbered 121.07 (8) (intro.) and
19 amended to read:

20 121.07 (8) **GUARANTEED VALUATION.** (intro.) A school district’s primary,
21 secondary and tertiary guaranteed valuations are determined by multiplying the

SECTION 11

1 amounts in sub. (7) by the sum of the school district's membership- and an amount
2 calculated as follows:

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

4 121.07 (8) (a) Determine the number of pupils residing in the school district
5 who satisfy the income eligibility criteria for a free or reduced-price lunch under 42
6 USC 1758 (b) (1).

7 **SECTION 13.** 121.07 (8) (b) of the statutes is created to read:

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

9 **SECTION 14.** 121.10 of the statutes is created to read:

10 **121.10 Hold harmless aid. (1)** In this section, "state aid" means the sum of
11 the following:

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

14 (b) The payments that would be made to a school district under s. 121.136 if s.
15 121.136 were still applicable.

16 (c) The amount that would be received by a school district under s. 79.10 (4) and
17 (5m) if s. 79.10 (4) and (5m) were still applicable.

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

23 (b) If a school district from which territory was detached to create a new school
24 district under s. 117.105 would receive in equalization aid under s. 121.08 in the
25 school year beginning on the first July 1 following the effective date of the

1 reorganization less than the amount determined as follows, the department shall
2 pay to the school district the difference between the former amount and the amount
3 determined as follows:

4 1. Divide the school district's membership in the preceding school year by the
5 school district's membership in the 2nd preceding school year.

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

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

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

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

18 121.105 (1) ~~In~~ Except as provided in sub. (5), in this section "state aid" means
19 the sum of the payments provided to a school district under this section and ss.
20 121.08, 121.85 and 121.86.

21 **SECTION 16.** 121.105 (2) (am) 1. of the statutes is amended to read:

22 121.105 (2) (am) 1. Except as provided in subd. 2., if a school district would
23 receive less in state aid in the current school year before any adjustment is made
24 under s. 121.15 (4) (b) than an amount equal to 85 90 percent of the amount of state
25 aid that it received in the previous school year, as adjusted under s. 121.15 (4) (b) in

1 the current school year, its state aid for the current school year shall be increased to
2 an amount equal to 85 90 percent of the state aid received in the previous school year.

3 **SECTION 17.** 121.105 (2) (am) 2. (intro.) of the statutes is amended to read:

4 121.105 (2) (am) 2. (intro.) If a school district from which territory was detached
5 to create a new school district under s. 117.105 would receive in state aid in the school
6 year beginning on the first July 1 following the effective date of the reorganization
7 less than 85 90 percent of the amount determined as follows, its state aid in the school
8 year beginning on the first July 1 following the effective date of the reorganization
9 shall be increased to an amount equal to 85 90 percent of the amount determined as
10 follows:

11 **SECTION 18.** 121.105 (5) of the statutes is created to read:

12 121.105 (5) (a) In this subsection, "state aid" means the sum of the payments
13 provided to a school district under this section and s. 121.08.

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

19 **SECTION 19.** 121.136 (3) of the statutes is created to read:

20 121.136 (3) No aid may be paid under this section after June 30, 2020.

21 **SECTION 20.** 121.15 (1m) (a) 3. of the statutes is amended to read:

22 121.15 (1m) (a) 3. Beginning in the 1999-2000 school year and ending in the
23 2018-19 school year, annually the state shall pay to school districts, from the
24 appropriation under s. 20.255 (2) (ac), \$75,000,000 on the 4th Monday in July of the
25 following school year.

1 **SECTION 21.** 121.15 (1m) (a) 4. of the statutes is created to read:

2 121.15 (1m) (a) 4. Beginning in the 2020-2021 school year, annually the state
3 shall pay to school districts, from the appropriation under s. 20.255 (2) (ac),
4 \$1,090,000,000 on the 4th Monday in July of the following school year.

5 **SECTION 22.** 121.15 (3m) of the statutes is created to read:

6 121.15 (3m) (a) In this subsection:

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

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

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

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

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

16 e. An amount equal to the amount estimated to be paid under s. 119.23 (4) and
17 (4m) multiplied by the sum of the applicable percentages specified in s. 121.08 (4) (b)
18 1. and 2.

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

21 2. "State school aids" means the amounts appropriated under s. 20.255 (1) (b)
22 and (2), other than s. 20.255 (2) (az), (bb), (fm), (fp), (fq), (fr), (fu), (fv), (k), and (m),
23 the amount appropriated under s. 20.505 (4) (es), and the amount, as determined by
24 the secretary of administration, of the appropriation under s. 20.505 (4) (s) allocated
25 for payments to telecommunications providers under contracts with school districts

1 and cooperative educational service agencies under s. 16.971 (13), and to make
2 information technology infrastructure grants under s. 16.9945.

****NOTE: This is reconciled s. 121.15 (3m) (a) 2. This SECTION has been affected
by drafts with the following LRB numbers: -0522/P7, -0704/P6, -0911/P2, -1293/P2,
-1294/P2, -2163/P1, and -2165/P1.

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

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

11 **SECTION 23.** 121.90 (2) (am) 1. of the statutes is amended to read:

12 121.90 (2) (am) 1. Aid under ss. 121.08, 121.09, 121.10, 121.105, and 121.136
13 and subch. VI, as calculated for the current school year on October 15 under s. 121.15
14 (4) and including adjustments made under s. 121.15 (4).

15 **SECTION 24.** 121.905 (1) (a) of the statutes is renumbered 121.905 (1) and
16 amended to read:

17 17 121.905 (1) ~~Except as provided in par. (b), in~~ ^{In} this section, "revenue ceiling"
18 means \$9,100 in the 2017-18 school year, \$9,400 in the 2018-19 school year, \$9,500
19 \$9,700 in the 2019-20 school year, ~~\$9,600~~ and \$10,000 in the 2020-21 school year,
20 ~~\$9,700 in the 2021-22 school year, and \$9,800 in the 2022-23 school year and in any~~
21 ~~subsequent~~ each school year thereafter.

22 **SECTION 25.** 121.905 (1) (b) of the statutes is repealed.

23 **SECTION 26.** 121.905 (3) (c) 6. of the statutes is amended to read:

1 21.905 (3) (c) 6. For the limit for the 2015-16, 2016-17, 2017-18, and 2018-19
2 school year ~~or any school year thereafter~~ years, make no adjustment to the result
3 under par. (b).

4 **SECTION 27.** 21.905 (3) (c) 7. of the statutes is created to read:

5 21.905 (3) (c) 7. For the limit for the 2019-20 school year, add \$200 to the
6 result under par. (b).

7 **SECTION 28.** 21.905 (3) (c) 8. of the statutes is created to read:

8 21.905 (3) (c) 8. For the limit for the 2020-21 school year, add \$204 to the
9 result under par. (b).

10 **SECTION 29.** 21.905 (3) (c) 9. of the statutes is created to read:

11 21.905 (3) (c) 9. For the limit for the 2021-22 school year and any school year
12 thereafter, add the result under s. 121.91 (2m) (k) 2. to the result under par. (b).

13 **SECTION 30.** 121.91 (2m) (i) (intro.) of the statutes is amended to read:

14 121.91 (2m) (i) (intro.) Except as provided in subs. (3), (4), and (8), no school
15 district may increase its revenues for the 2015-16, 2016-17, 2017-18, and 2018-19
16 school year ~~or for any school year thereafter~~ years to an amount that exceeds the
17 amount calculated as follows:

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

19 121.91 (2m) (im) Except as provided in subs. (3), (4), and (8), no school district
20 may increase its revenues for the 2019-20 school year to an amount that exceeds the
21 amount calculated as follows:

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

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

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

4 **SECTION 32.** 121.91 (2m) (j) of the statutes is created to read:

5 121.91 (2m) (j) Except as provided in subs. (3), (4), and (8), no school district
6 may increase its revenues for the 2020-21 school year to an amount that exceeds the
7 amount calculated as follows:

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

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

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

15 **SECTION 33.** 121.91 (2m) (k) of the statutes is created to read:

16 121.91 (2m) (k) Except as provided in subs. (3), (4), and (8), no school district
17 may increase its revenues for the 2021-22 school year or for any school year
18 thereafter to an amount that exceeds the amount calculated as follows:

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

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

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

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

4 **SECTION 34.** 121.91 (2m) (r) 1. (intro.) of the statutes is amended to read:

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

9 **SECTION 35.** 121.91 (2m) (r) 1. b. of the statutes is amended to read:

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

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

22 121.91 **(2m)** (r) 2. (intro.) If a school district is created under s. 117.105, the
23 following adjustments to the calculations under pars. ~~(e) to (h)~~ (im) to (k) apply for
24 the 2 school years beginning on the July 1 following the effective date of the
25 reorganization:

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

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

10 **SECTION 38.** 121.91 (2m) (r) 2. b. of the statutes is amended to read:

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

16 **SECTION 39.** 121.91 (2m) (s) 1. (intro.) of the statutes is amended to read:

17 121.91 **(2m)** (s) 1. (intro.) Notwithstanding pars. ~~(e) to (i)~~ (im) to (k), if territory
18 is detached from a school district to create a new school district under s. 117.105, the
19 revenue limit under this section of the school district from which territory is detached
20 for the school year beginning with the effective date of the reorganization shall be
21 determined as follows except as provided in subs. (3) and (4):

22 **SECTION 40.** 121.91 (2m) (s) 1. b. of the statutes is amended to read:

23 121.91 **(2m)** (s) 1. b. Add an amount equal to the amount of revenue increase
24 per pupil allowed under this subsection for the previous school year multiplied by the
25 sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal

1 to the result under subd. 1. a., except that in calculating the limit for the 2013-14
2 school year and the 2014-15 school year, add \$75 to the result under subd. 1. a., and
3 in calculating the limit for the 2015-16 school year and any school year thereafter,
4 ~~make no adjustment to the result under subd. 1. a.~~ the 2019-20 school year, add \$200
5 to the result under subd. 1. a., in calculating the limit for the 2020-21 school year,
6 add \$204 to the result under subd. 1. a., and in calculating the limit for the 2021-22
7 school year and any school year thereafter, add the amount calculated under par. (k)
8 3. for that school year to the result under subd. 1. a.

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

10 121.91 (2m) (s) 2. (intro.) If territory is detached from a school district to create
11 a new school district under s. 117.105, the following adjustments to the calculations
12 under pars. (e) to (h) (im) to (k) apply to the school district from which territory is
13 detached for the 2 school years beginning on the July 1 following the effective date
14 of the reorganization:

15 **SECTION 42.** 121.91 (2m) (s) 2. a. of the statutes is amended to read:

16 121.91 (2m) (s) 2. a. For the school year beginning on the first July 1 following
17 the effective date of the reorganization, the number of pupils in the previous school
18 year shall be used under ~~par. (e)~~ pars. (im) 1., (j) 1. and (k) 1. instead of the average
19 of the number of pupils in the 3 previous school years; and for the school year
20 beginning on the 2nd July 1 following the effective date of the reorganization, the
21 average of the number of pupils in the 2 previous school years shall be used under
22 ~~par. (e)~~ pars. (im) 1., (j) 1. and (k) 1. instead of the average of the number of pupils
23 in the 3 previous school years.

24 **SECTION 43.** 121.91 (2m) (s) 2. b. of the statutes is amended to read:

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

6 **SECTION 44.** 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

7 121.91 (2m) (t) 1. (intro.) If 2 or more school districts are consolidated under
8 s. 117.08 or 117.09, ~~except as follows, in the 2013-14 school year and the 2014-15~~
9 2019-20 school year, the consolidated school district's revenue limit shall be
10 determined as provided under par. ~~(hm)~~, and (im), in the ~~2015-16~~ 2020-21 school
11 year, the consolidated school district's revenue limit shall be determined as provided
12 under par. (j), and in each school year thereafter, the consolidated school district's
13 revenue limit shall be determined as provided under par. ~~(i)~~ (k), except as follows:

14 **SECTION 45.** 121.91 (4) (om) of the statutes is created to read:

15 121.91 (4) (om) 1. Beginning in the 2020-21 school year, if a school board adopts
16 a resolution to do so, the limit otherwise applicable to a school district under sub.
17 (2m) in any school year is increased by the amount spent by the school district in that
18 school year on a project, including the payment of debt service on a bond or note
19 issued or a state trust fund loan obtained to finance the project, to remediate lead
20 contamination in drinking water in the school district. In this paragraph, the
21 amount spent by the school district includes costs incurred by the school district to
22 test for the presence of lead in drinking water, to provide safe drinking water to
23 affected school buildings during remediation, and, if necessary, to replace lead pipe
24 water service lines to school buildings in the school district. The term of a bond or
25 note issued or state trust fund loan obtained to finance the project under this

1 subdivision may not exceed 20 years. If a school board issues a bond or note or obtains
2 a state trust fund loan to finance a project described in this subdivision, a resolution
3 adopted by a school board under this subdivision is valid for each school year in which
4 the school board pays debt service on the bond, note, or state trust fund loan.

5 2. Any additional revenue received by a school district under this paragraph
6 shall not be included in the base for determining the school district's limit under sub.
7 (2m) for the following school year.

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

9 (1) SECONDARY GUARANTEE.

10 (a) Notwithstanding s. 121.07 (7) (b), for the purpose of setting the secondary
11 guaranteed valuation per member in the 2019-2020 school year, the department of
12 public instruction shall treat the appropriation under s. 20.255 (2) (ac) as if
13 \$75,000,000 were appropriated in the 2018-19 fiscal year.

14 (b) Notwithstanding s. 121.07 (7) (b), for the purpose of setting the secondary
15 guaranteed valuation per member in the 2020-21 school year, the department of
16 public instruction shall treat the appropriation under s. 20.255 (2) (ac) as if an
17 additional \$1,090,000,000 were appropriated in the 2020-21 fiscal year.

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

19 (1) STATE AID. The treatment of ss. 20.255 (2) (ac), 121.004 (7) (c) 1. a. and 2.,
20 121.07 (6) (d), and 121.105 (1), (2) (am) 1. and 2. (intro.), and (5), the renumbering
21 and amendment of s. 121.07 (8), and the creation of s. 121.07 (8) (a) and (b) first apply
22 to the distribution of school aid in, and the calculation of revenue limits for, the
23 2020-21 school year.

24

(END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0522/P8dn
FFK:kjf

February 21, 2019

This draft reconciles LRB-0522/P7, LRB-0704/P6, LRB-0911/P2, LRB-1293/P2, LRB-1294/P2, LRB-1304/P4, LRB-2163/P1, and LRB-2165/P1. All of these drafts should continue to appear in the compiled bill.

Proofing



FFK

121.901(1)(b) is repealed

(-0522)

but 121.901(1) still has xref

S. 1698-99

* Eliminate x-ref to par (b) in 121.901(1) *



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-0522/P9
FFK&JK:kjf/ahe/amn

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

1. School district funding; fair funding for our future

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. Under the bill, there are no delayed payments in the 2019-20 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.

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.

****NOTE: This is reconciled s. 20.255 (2) (ac). This SECTION has been affected by drafts with the following LRB numbers: -0522/P7 and -2163/P1.

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:

1 **79.10 (5m) FIRST DOLLAR CREDIT.** Each municipality shall receive, from the
2 appropriation under s. 20.835 (3) (b), an amount determined by multiplying the
3 school tax rate by the estimated fair market value, not exceeding the value
4 determined under sub. (11) (d), of every parcel of real property with improvements
5 that is located in the municipality. No municipality shall receive a payment under
6 this subsection after 2020.

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

8 **79.14 School levy tax credit.** The appropriation under s. 20.835 (3) (b), for
9 the payments under s. 79.10 (4), is \$319,305,000 in 1994, 1995, and 1996;
10 \$469,305,000 beginning in 1997 and ending in 2006; \$593,050,000 in 2007;
11 \$672,400,000 in 2008; \$747,400,000 in 2009; \$732,550,000 in 2010, 2011, and 2012;
12 \$747,400,000 in 2013, 2014, and 2015; \$853,000,000 in 2016 and 2017; and
13 \$940,000,000 in 2018, 2019, and ~~in each year thereafter~~ 2020.

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

15 **79.15 Improvements credit.** The total amount paid each year to
16 municipalities from the appropriation account under s. 20.835 (3) (b) for the
17 payments under s. 79.10 (5m) is \$75,000,000 in 2009, \$145,000,000 in 2010, and
18 \$150,000,000 in each year beginning in 2011 and ~~in each year thereafter~~ ending in
19 2020.

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

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

****NOTE: This is reconciled s. 121.004 (7) (c) 1. a. This SECTION has been affected by drafts with the following LRB numbers: -0522/P7 and -1304/P4.

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

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

****NOTE: This is reconciled s. 121.004 (7) (c) 2. This SECTION has been affected by drafts with the following LRB numbers: -0522/P7 and -1304/P4.

5 **SECTION 9.** 121.004 (7) (cm) of the statutes is amended to read:

6 121.004 (7) (cm) A pupil enrolled in a 4-year-old kindergarten program,
7 including a 4-year-old kindergarten program being phased in under s. 118.14 (3) (b),
8 that provides the required number of hours of direct pupil instruction under s. 121.02
9 (1) (f) but requires less than full-day attendance by the pupil for 5 days a week shall
10 be counted as 0.6 pupil if the program annually provides at least 87.5 additional
11 hours of outreach activities. In this paragraph, “full-day” has the meaning given in
12 par. (c) 2.

****NOTE: This is reconciled s. 121.004 (7) (cm). This SECTION has been affected by drafts with the following LRB numbers: -0522/P7 and -1304/P4.

13 **SECTION 10.** 121.07 (6) (d) of the statutes is amended to read:

14 121.07 (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 11.** 121.07 (8) of the statutes is renumbered 121.07 (8) (intro.) and
19 amended to read:

20 121.07 (8) **GUARANTEED VALUATION.** (intro.) A school district’s primary,
21 secondary and tertiary guaranteed valuations are determined by multiplying the

1 amounts in sub. (7) by the sum of the school district's membership- and an amount
2 calculated as follows:

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

4 121.07 (8) (a) Determine the number of pupils residing in the school district
5 who satisfy the income eligibility criteria for a free or reduced-price lunch under 42
6 USC 1758 (b) (1).

7 **SECTION 13.** 121.07 (8) (b) of the statutes is created to read:

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

9 **SECTION 14.** 121.10 of the statutes is created to read:

10 **121.10 Hold harmless aid. (1)** In this section, "state aid" means the sum of
11 the following:

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

14 (b) The payments that would be made to a school district under s. 121.136 if s.
15 121.136 were still applicable.

16 (c) The amount that would be received by a school district under s. 79.10 (4) and
17 (5m) if s. 79.10 (4) and (5m) were still applicable.

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

23 (b) If a school district from which territory was detached to create a new school
24 district under s. 117.105 would receive in equalization aid under s. 121.08 in the
25 school year beginning on the first July 1 following the effective date of the

1 reorganization less than the amount determined as follows, the department shall
2 pay to the school district the difference between the former amount and the amount
3 determined as follows:

4 1. Divide the school district's membership in the preceding school year by the
5 school district's membership in the 2nd preceding school year.

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

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

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

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

18 121.105 (1) ~~In~~ Except as provided in sub. (5), in this section "state aid" means
19 the sum of the payments provided to a school district under this section and ss.
20 121.08, 121.85 and 121.86.

21 **SECTION 16.** 121.105 (2) (am) 1. of the statutes is amended to read:

22 121.105 (2) (am) 1. Except as provided in subd. 2., if a school district would
23 receive less in state aid in the current school year before any adjustment is made
24 under s. 121.15 (4) (b) than an amount equal to 85 90 percent of the amount of state
25 aid that it received in the previous school year, as adjusted under s. 121.15 (4) (b) in

SECTION 16

1 the current school year, its state aid for the current school year shall be increased to
2 an amount equal to 85 90 percent of the state aid received in the previous school year.

3 **SECTION 17.** 121.105 (2) (am) 2. (intro.) of the statutes is amended to read:

4 121.105 (2) (am) 2. (intro.) If a school district from which territory was detached
5 to create a new school district under s. 117.105 would receive in state aid in the school
6 year beginning on the first July 1 following the effective date of the reorganization
7 less than 85 90 percent of the amount determined as follows, its state aid in the school
8 year beginning on the first July 1 following the effective date of the reorganization
9 shall be increased to an amount equal to 85 90 percent of the amount determined as
10 follows:

11 **SECTION 18.** 121.105 (5) of the statutes is created to read:

12 121.105 (5) (a) In this subsection, "state aid" means the sum of the payments
13 provided to a school district under this section and s. 121.08.

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

19 **SECTION 19.** 121.136 (3) of the statutes is created to read:

20 121.136 (3) No aid may be paid under this section after June 30, 2020.

21 **SECTION 20.** 121.15 (1m) (a) 3. of the statutes is amended to read:

22 121.15 (1m) (a) 3. Beginning in the 1999-2000 school year and ending in the
23 2018-19 school year, annually the state shall pay to school districts, from the
24 appropriation under s. 20.255 (2) (ac), \$75,000,000 on the 4th Monday in July of the
25 following school year.

1 **SECTION 21.** 121.15 (1m) (a) 4. of the statutes is created to read:

2 121.15 **(1m)** (a) 4. Beginning in the 2020-2021 school year, annually the state
3 shall pay to school districts, from the appropriation under s. 20.255 (2) (ac),
4 \$1,090,000,000 on the 4th Monday in July of the following school year.

5 **SECTION 22.** 121.15 (3m) of the statutes is created to read:

6 121.15 **(3m)** (a) In this subsection:

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

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

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

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

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

16 e. An amount equal to the amount estimated to be paid under s. 119.23 (4) and
17 (4m) multiplied by the sum of the applicable percentages specified in s. 121.08 (4) (b)
18 1. and 2.

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

21 2. "State school aids" means the amounts appropriated under s. 20.255 (1) (b)
22 and (2), other than s. 20.255 (2) (az), (bb), (fm), (fp), (fq), (fr), (fu), (fv), (k), and (m),
23 the amount appropriated under s. 20.505 (4) (es), and the amount, as determined by
24 the secretary of administration, of the appropriation under s. 20.505 (4) (s) allocated
25 for payments to telecommunications providers under contracts with school districts

1 and cooperative educational service agencies under s. 16.971 (13), and to make
2 information technology infrastructure grants under s. 16.9945.

****NOTE: This is reconciled s. 121.15 (3m) (a) 2. This SECTION has been affected
by drafts with the following LRB numbers: -0522/P7, -0704/P6, -0911/P2, -1293/P2,
-1294/P2, -2163/P1, and -2165/P1.

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

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

11 **SECTION 23.** 121.90 (2) (am) 1. of the statutes is amended to read:

12 121.90 (2) (am) 1. Aid under ss. 121.08, 121.09, 121.10, 121.105, and 121.136
13 and subch. VI, as calculated for the current school year on October 15 under s. 121.15
14 (4) and including adjustments made under s. 121.15 (4).

15 **SECTION 24.** 121.905 (1) (a) of the statutes is renumbered 121.905 (1) and
16 amended to read:

17 121.905 (1) ~~Except as provided in par. (b), in~~ In this section, "revenue ceiling"
18 means ~~\$9,100 in the 2017-18 school year, \$9,400 in the 2018-19 school year, \$9,500~~
19 ~~\$9,700 in the 2019-20 school year, \$9,600 and \$10,000 in the 2020-21 school year,~~
20 ~~\$9,700 in the 2021-22 school year, and \$9,800 in the 2022-23 school year and in any~~
21 ~~subsequent each school year thereafter.~~

22 **SECTION 25.** 121.905 (1) (b) of the statutes is repealed.

23 **SECTION 26.** 121.905 (3) (c) 6. of the statutes is amended to read:

1 121.905 (3) (c) 6. For the limit for the 2015-16, 2016-17, 2017-18, and 2018-19
2 school year ~~or any school year thereafter~~ years, make no adjustment to the result
3 under par. (b).

4 **SECTION 27.** 121.905 (3) (c) 7. of the statutes is created to read:

5 121.905 (3) (c) 7. For the limit for the 2019-20 school year, add \$200 to the
6 result under par. (b).

7 **SECTION 28.** 121.905 (3) (c) 8. of the statutes is created to read:

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

10 **SECTION 29.** 121.905 (3) (c) 9. of the statutes is created to read:

11 121.905 (3) (c) 9. For the limit for the 2021-22 school year and any school year
12 thereafter, add the result under s. 121.91 (2m) (k) 2. to the result under par. (b).

13 **SECTION 30.** 121.91 (2m) (i) (intro.) of the statutes is amended to read:

14 121.91 (2m) (i) (intro.) Except as provided in subs. (3), (4), and (8), no school
15 district may increase its revenues for the 2015-16, 2016-17, 2017-18, and 2018-19
16 school year ~~or for any school year thereafter~~ years to an amount that exceeds the
17 amount calculated as follows:

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

19 121.91 (2m) (im) Except as provided in subs. (3), (4), and (8), no school district
20 may increase its revenues for the 2019-20 school year to an amount that exceeds the
21 amount calculated as follows:

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

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

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

4 **SECTION 32.** 121.91 (2m) (j) of the statutes is created to read:

5 121.91 (2m) (j) Except as provided in subs. (3), (4), and (8), no school district
6 may increase its revenues for the 2020-21 school year to an amount that exceeds the
7 amount calculated as follows:

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

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

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

15 **SECTION 33.** 121.91 (2m) (k) of the statutes is created to read:

16 121.91 (2m) (k) Except as provided in subs. (3), (4), and (8), no school district
17 may increase its revenues for the 2021-22 school year or for any school year
18 thereafter to an amount that exceeds the amount calculated as follows:

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

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

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

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

4 **SECTION 34.** 121.91 (2m) (r) 1. (intro.) of the statutes is amended to read:

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

9 **SECTION 35.** 121.91 (2m) (r) 1. b. of the statutes is amended to read:

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

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

22 121.91 **(2m)** (r) 2. (intro.) If a school district is created under s. 117.105, the
23 following adjustments to the calculations under pars. ~~(e) to (h)~~ (im) to (k) apply for
24 the 2 school years beginning on the July 1 following the effective date of the
25 reorganization:

SECTION 37

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

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

10 **SECTION 38.** 121.91 (2m) (r) 2. b. of the statutes is amended to read:

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

16 **SECTION 39.** 121.91 (2m) (s) 1. (intro.) of the statutes is amended to read:

17 121.91 **(2m)** (s) 1. (intro.) Notwithstanding pars. ~~(e) to (i)~~ (im) to (k), if territory
18 is detached from a school district to create a new school district under s. 117.105, the
19 revenue limit under this section of the school district from which territory is detached
20 for the school year beginning with the effective date of the reorganization shall be
21 determined as follows except as provided in subs. (3) and (4):

22 **SECTION 40.** 121.91 (2m) (s) 1. b. of the statutes is amended to read:

23 121.91 **(2m)** (s) 1. b. Add an amount equal to the amount of revenue increase
24 per pupil allowed under this subsection for the previous school year multiplied by the
25 sum of 1.0 plus the allowable rate of increase under s. 73.0305 expressed as a decimal

1 to the result under subd. 1. a., except that in calculating the limit for the 2013-14
2 school year and the 2014-15 school year, add \$75 to the result under subd. 1. a., and
3 in calculating the limit for the 2015-16 school year and any school year thereafter,
4 make no adjustment to the result under subd. 1. a. the 2019-20 school year, add \$200
5 to the result under subd. 1. a., in calculating the limit for the 2020-21 school year,
6 add \$204 to the result under subd. 1. a., and in calculating the limit for the 2021-22
7 school year and any school year thereafter, add the amount calculated under par. (k)
8 3. for that school year to the result under subd. 1. a.

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

10 121.91 (2m) (s) 2. (intro.) If territory is detached from a school district to create
11 a new school district under s. 117.105, the following adjustments to the calculations
12 under pars. (e) to (h) (im) to (k) apply to the school district from which territory is
13 detached for the 2 school years beginning on the July 1 following the effective date
14 of the reorganization:

15 **SECTION 42.** 121.91 (2m) (s) 2. a. of the statutes is amended to read:

16 121.91 (2m) (s) 2. a. For the school year beginning on the first July 1 following
17 the effective date of the reorganization, the number of pupils in the previous school
18 year shall be used under ~~par. (e)~~ pars. (im) 1., (j) 1. and (k) 1. instead of the average
19 of the number of pupils in the 3 previous school years; and for the school year
20 beginning on the 2nd July 1 following the effective date of the reorganization, the
21 average of the number of pupils in the 2 previous school years shall be used under
22 ~~par. (e)~~ pars. (im) 1., (j) 1. and (k) 1. instead of the average of the number of pupils
23 in the 3 previous school years.

24 **SECTION 43.** 121.91 (2m) (s) 2. b. of the statutes is amended to read:

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

6 **SECTION 44.** 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

7 121.91 **(2m)** (t) 1. (intro.) If 2 or more school districts are consolidated under
8 s. 117.08 or 117.09, ~~except as follows, in the 2013-14 school year and the 2014-15~~
9 2019-20 school year, the consolidated school district's revenue limit shall be
10 determined as provided under par. ~~(hm), and (im),~~ in the 2015-16 2020-21 school
11 year, the consolidated school district's revenue limit shall be determined as provided
12 under par. (j), and in each school year thereafter, the consolidated school district's
13 revenue limit shall be determined as provided under par. ~~(i)~~ (k), except as follows:

14 **SECTION 45.** 121.91 (4) (om) of the statutes is created to read:

15 121.91 **(4)** (om) 1. Beginning in the 2020-21 school year, if a school board adopts
16 a resolution to do so, the limit otherwise applicable to a school district under sub.
17 (2m) in any school year is increased by the amount spent by the school district in that
18 school year on a project, including the payment of debt service on a bond or note
19 issued or a state trust fund loan obtained to finance the project, to remediate lead
20 contamination in drinking water in the school district. In this paragraph, the
21 amount spent by the school district includes costs incurred by the school district to
22 test for the presence of lead in drinking water, to provide safe drinking water to
23 affected school buildings during remediation, and, if necessary, to replace lead pipe
24 water service lines to school buildings in the school district. The term of a bond or
25 note issued or state trust fund loan obtained to finance the project under this

1 subdivision may not exceed 20 years. If a school board issues a bond or note or obtains
2 a state trust fund loan to finance a project described in this subdivision, a resolution
3 adopted by a school board under this subdivision is valid for each school year in which
4 the school board pays debt service on the bond, note, or state trust fund loan.

5 2. Any additional revenue received by a school district under this paragraph
6 shall not be included in the base for determining the school district's limit under sub.
7 (2m) for the following school year.

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

9 (1) SECONDARY GUARANTEE.

10 (a) Notwithstanding s. 121.07 (7) (b), for the purpose of setting the secondary
11 guaranteed valuation per member in the 2019-2020 school year, the department of
12 public instruction shall treat the appropriation under s. 20.255 (2) (ac) as if
13 \$75,000,000 were appropriated in the 2018-19 fiscal year.

14 (b) Notwithstanding s. 121.07 (7) (b), for the purpose of setting the secondary
15 guaranteed valuation per member in the 2020-21 school year, the department of
16 public instruction shall treat the appropriation under s. 20.255 (2) (ac) as if an
17 additional \$1,090,000,000 were appropriated in the 2020-21 fiscal year.

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

19 (1) STATE AID. The treatment of ss. 20.255 (2) (ac), 121.004 (7) (c) 1. a. and 2.,
20 121.07 (6) (d), and 121.105 (1), (2) (am) 1. and 2. (intro.), and (5), the renumbering
21 and amendment of s. 121.07 (8), and the creation of s. 121.07 (8) (a) and (b) first apply
22 to the distribution of school aid in, and the calculation of revenue limits for, the
23 2020-21 school year.

24

(END)