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118.60 (3) (ar) 4. (intro.) For each school district in which private schools received applications under subd. 1. that exceeded the school district's pupil participation limit under sub. (2) (be), the <u>The</u> department shall establish a waiting list in accordance with the preferences required under subd. 3. <u>for each of the following:</u>

**SECTION 1597.** 118.60 (3) (ar) 4. a. and b. of the statutes are created to read:

118.60 (3) (ar) 4. a. A school district, other than an eligible school district or a 1st class city school district, for which the sum described under subd. 3. a. exceeds the school district's pupil participation limit under sub. (2) (be).

b. All school districts, other than an eligible school district or a 1st class city school district, if the sum described under subd. 3. b. exceeds the program cap under sub. (2) (bh) 2. b.

**Section 1598.** 118.60 (3) (ar) 5. of the statutes is amended to read:

118.60 (3) (ar) 5. A private school that has accepted a pupil who resides in a school district, other than an eligible school district or a 1st class city school district, under this paragraph shall notify the department whenever the private school determines that a pupil will not attend the private school under this paragraph. If, upon receiving notice under this subdivision, the department determines that the number of pupils attending private schools under this section falls below a school district's pupil participation limit under sub. (2) (be), or below the program cap under sub. (2) (bh) 2. b., the department shall fill any available slot in that school district or program with a pupil selected from the school district's applicable waiting list established under subd. 4., if such a waiting list exists.

**Section 1599.** 118.60 (3) (b) of the statutes is amended to read:

118.60 (3) (b) If a participating private school rejects an applicant who resides within an eligible school district because the private school has too few available spaces, the applicant may transfer his or her application to a participating private school that has space available. An applicant rejected under this paragraph or an applicant who is on the waiting list under par. (am) 4. may, subject to sub. (2) (bh) 2. a., be admitted to a private school participating in the program under this section for the following school year, provided that the applicant continues to reside within an eligible school district. The department may not require, in that following school year, the private school to submit financial information regarding the applicant or to verify the eligibility of the applicant to participate in the program under this section on the basis of family income.

**SECTION 1600.** 118.60 (3) (c) of the statutes is amended to read:

118.60 (3) (c) If a participating private school rejects an applicant who resides in a school district, other than an eligible school district or a 1st class city school district, because the private school has too few available spaces, the applicant may transfer his or her application to a participating private school that has space available. An applicant who is rejected under this paragraph or an applicant who is on the a waiting list under sub. (3) par. (ar) 4. a. or b. may, subject to sub. (2) (be) and (bh) 2. b., be admitted to a private school participating in the program under this section for the following school year, provided that the applicant continues to reside in a school district, other than an eligible school district or a 1st class city school district. The department may not require, in that following school year, the private school to submit financial information regarding the applicant or to verify the eligibility of the applicant to participate in the program under this section on the basis of family income.

**SECTION 1601.** 118.60 (3m) (a) 2. of the statutes is amended to read:

118.60 (3m) (a) 2. The pupil is enrolled in a grade from 9 to 12 and the family income of the pupil, as determined under sub. (2) (a) 1., does not exceed an amount equal to 2.2 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget line, as defined in 42 USC 9902 (2).

**Section 1602.** 118.60 (3m) (b) 2. of the statutes is amended to read:

118.60 (3m) (b) 2. The family income of the pupil, as determined under sub. (2) (a) 1., exceeds an amount equal to 2.2 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget line, as defined in 42 USC 9902 (2).

**Section 1603.** 118.60 (4) (bg) 3. of the statutes is amended to read:

and in each school year thereafter years, upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in the private school during a school term, except as provided in subd. 5., the state superintendent shall pay to the private school in which the pupil is enrolled on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fr), an amount equal to the sum of the maximum amount per pupil the state superintendent paid a private school under this section in the previous school year for the grade in which the pupil is enrolled; the amount of the per pupil revenue adjustment under s. 121.91 (2m) for the current school year, if positive; and the change in the amount of statewide categorical aid per pupil between the previous school year and the current school year, as determined under s. 118.40 (2r) (e) 2p., if positive.

**Section 1604.** 118.60 (4) (bg) 6. of the statutes is created to read:

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thereafter, upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in the private school during a school term, except as provided in subd. 7., the state superintendent shall pay to the private school in which the pupil is enrolled on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fr), an amount equal to the sum of the maximum amount per pupil the state superintendent paid a private school under this section in the previous school year for the grade in which the pupil is enrolled; the amount of the per pupil revenue adjustment under s. 121.91 (2m) for the current school year, if positive; and the change in the per pupil amount under s. 115.437 (2) (a) between the previous school year and the current school year, if positive.

**Section 1605.** 118.60 (4) (bg) 7. of the statutes is created to read:

118.60 (4) (bg) 7. If the pupil described in subd. 6. is enrolled in a private school that enrolls pupils under the program in any grade between kindergarten to 8 and also in any grade between 9 to 12, the state superintendent shall substitute for the amount described in subd. 6. the amount determined under subd. 4. a. to d., with the following modifications:

a. Multiply the number of pupils participating in the program who are enrolled in the private school in any grade between kindergarten to 8 by the sum of the maximum amount per pupil the state superintendent paid a private school under this section in the previous school year for the grade in which the pupil is enrolled; the amount of the per pupil revenue adjustment under s. 121.91 (2m) for the current school year, if positive; and the change in the per pupil amount under s. 115.437 (2) (a) between the previous school year and the current school year, if positive.

b. Multiply the number of pupils participating in the program who are enrolled in the private school in any grade between 9 to 12 by the sum of the maximum amount per pupil the state superintendent paid a private school under this section in the previous school year for the grade in which the pupil is enrolled; the amount of the per pupil revenue adjustment under s. 121.91 (2m) for the current school year, if positive; and the change in the per pupil amount under s. 115.437 (2) (a) between the previous school year and the current school year, if positive.

**Section 1606.** 118.60 (4v) (b) of the statutes is amended to read:

118.60 (4v) (b) If the department considers a pupil as a resident of an eligible school district under par. (a) for a school year, the department shall ensure that the pupil is not counted for that school year for purposes of determining whether a school district has exceeded its pupil participation limit under sub. (2) (be) and that the pupil is not counted for that school year for purposes of determining whether a program cap under sub. (2) (bh) 2. a. or b. has been exceeded.

**SECTION 1607.** 118.60 (4v) (c) and (d) of the statutes are created to read:

118.60 (4v) (c) The department may consider a pupil enrolled in a private school participating in the program under this section who satisfies all of the following as a resident of a school district, other than an eligible school district or a 1st class city school district, who is enrolled in the private school under this section:

- 1. The pupil was a resident of an eligible school district when the pupil applied to participate in the program under this section.
- 2. The pupil accepted a space at a private school participating in the program under this section as a resident of an eligible school district.
- 3. The pupil resides in a school district, other than an eligible school district or a 1st class city school district, on the 3rd Friday in September.

4. The private school the pupil is attending under	this section	accepts
applications under this section from pupils who reside in school	l districts, oth	ier than
an eligible school district or a 1st class city school district.		

(d) If the department considers a pupil as a resident of a school district, other than an eligible school district or a 1st class city school district, under par. (c) for a school year, the department shall ensure that the pupil is not counted for that school year for purposes of determining whether the school district has exceeded its pupil participation limit under sub. (2) (be) and that the pupil is not counted for that school year for purposes of determining whether a program cap under sub. (2) (bh) 2. a. or b. has been exceeded.

**Section 1608.** 118.60 (7) (ad) 1. of the statutes is amended to read:

118.60 (7) (ad) 1. If a private school participating in the program under this section or s. 119.23 and accredited under sub. (2) (a) 7. to offer instruction in any elementary grade, but not any high school grade, seeks to offer instruction in any high school grade, the private school shall apply for and achieve accreditation by an accrediting entity to offer instruction in the additional grades in the manner established under sub. (2) (a) 7. c by December 31 of the first school year in which the private school begins offering instruction in the additional grades and shall obtain accreditation by an accrediting entity by December 31 of the 3rd school year following the first school year in which the private school begins offering instruction in the additional grades.

**Section 1609.** 118.60 (7) (ad) 2. of the statutes is amended to read:

118.60 (7) (ad) 2. If a private school participating in the program under this section or s. 119.23 and accredited under sub. (2) (a) 7. to offer instruction in any high school grade, but not any elementary grade, seeks to offer instruction in any



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elementary grade, the private school shall apply for and achieve accreditation by an accrediting entity to offer instruction in the additional grades in the manner established under sub. (2) (a) 7. c by December 31 of the first school year in which the private school begins offering instruction in the additional grades and shall obtain accreditation by an accrediting entity by December 31 of the 3rd school year following the first school year in which the private school begins offering instruction in the additional grades.

Section 1610. Subchapter I (title) of chapter 119 [precedes 119.01] of the

**SECTION 1610.** Subchapter I (title) of chapter 119 [precedes 119.01] of the statutes is repealed.

**SECTION 1611.** 119.02 (1) of the statutes is amended to read:

119.02 (1) "Board" means the board of school directors in charge of the public schools of a city of the 1st class other than those public schools transferred to the opportunity schools and partnership programs under s. 119.33 or subch. II.

SECTION 1612. 119.02 (2g) of the statutes is repealed.

**SECTION 1613.** 119.02 (4) of the statutes is repealed.

**SECTION 1614.** 119.04 (1) of the statutes is amended to read:

119.04 (1) Subchapters IV, V, and VII of ch. 115, ch. 121, and ss. 66.0235 (3) (c), 66.0603 (1m) to (3), 115.01 (1) and (2), 115.28, 115.31, 115.33, 115.34, 115.343, 115.345, 115.363, 115.364, 115.365 (3), 115.367, 115.38 (2), 115.415, 115.445, 115.447, 115.448, 115.449, 118.001 to 118.04, 118.045, 118.06, 118.07, 118.075, 118.076, 118.10, 118.12, 118.125 to 118.14, 118.145 (4), 118.15, 118.153, 118.16, 118.162, 118.163, 118.164, 118.18, 118.19, 118.196, 118.20, 118.223, 118.225, 118.237, 118.24 (1), (2) (c) to (f), (6), (8), and (10), 118.245, 118.25, 118.25, 118.52, 118.55, 118.56,

120.12 (2m), (4m), (5), and (15) to (27), 120.125, 120.13 (1), (2) (b) to (g), (3), (14), (17)

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## **SECTION 1614**

1	to (19), (26), (34), (35), (37), (37m), and (38), 120.137, 120.14, 120.20, 120.21 (3), and
2	120.25 are applicable to a 1st class city school district and board but not, unless
3	explicitly provided in this chapter or in the terms of a contract, to the commissioner
4.	or to any school transferred to an opportunity schools and partnership program.  ****Note: This is reconciled s. 119.04 (1). This Section has been affected by drafts with the following LRB numbers: LRB-0974/P2, LRB-1746/P2, LRB-1801/P4, and LRB-2165/P1.
5	Section 1615. 119.04 (1) of the statutes, as affected by 2019 Wisconsin Act
6	(this act), is amended to read:
. 7	119.04 (1) Subchapters IV, V, and VII VIII of ch. 115, ch. 121 and ss. 66.0235
8	(3) (c), 66.0603 (1m) to (3), 115.01 (1) and (2), 115.28, 115.31, 115.33, 115.34, 115.343,
9 (10)	115.345, 115.363, 115.364, 115.365 (3), 115.367, 115.38 (2), 115.415, 115.445, 115.447, 115.448, 115.449, 118.001 to 118.04, 118.045, 118.06, 118.07, 118.075, 118.076,
11	118.10, 118.12, 118.125 to 118.14, 118.145 (4), 118.15, 118.153, 118.16, 118.162,
12	118.163,118.164,118.18,118.19,118.196,118.20,118.223,118.225,118.237,118.24
13	(1), (2) (c) to (f), (6), (8), and (10), 118.245, 118.255, 118.255, 118.258, 118.291, 118.292,
14	118.293, 118.30 to 118.43, 118.46, 118.50, 118.51, 118.52, 118.53, 118.56, 120.12 (2m),
15	(4m), (5), and (15) to (27), 120.125, 120.13 (1), (2) (b) to (g), (3), (14), (17) to (19), (26),
16	(34), (35), (37), (37m), and (38), 120.137, 120.14, 120.20, 120.21 (3), and 120.25 are
17	applicable to a 1st class city school district and board.
	****Note: This is reconciled s. 119.04 (1), as affected by this act. This Section has been affected by drafts with the following LRB numbers: LRB-0974/P2, LRB-1704/P4, LRB-1746/P2, LRB-1801/P4, and LRB-2165/P1.
18	SECTION 1616. 119.16 (1n) of the statutes is repealed.
19	SECTION 1617. 119.16 (2) of the statutes is amended to read:
20	119.16 (2) ESTABLISH SCHOOLS AND DISTRICTS. The board shall maintain the

public schools in the city, other than those public schools transferred to the

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opportunity schools and partnership programs under s. 119.33 and subch. II, and shall establish, organize, and maintain such schools as the board determines are necessary to accommodate the children entitled to instruction therein. The board shall divide the city into attendance districts for such schools.

**Section 1618.** 119.16 (8) (a) of the statutes is amended to read:

and at least 5 days before transmitting its completed budget under par. (b), the board shall hold a public hearing on the proposed school budget at a time and place fixed by the board. At least 45 days before the public hearing, the board shall notify the superintendent of schools and the commissioner of the date, time, and place of the hearing. At least one week before the public hearing, the board shall publish a class 1 notice, under ch. 985, of the public hearing.

**SECTION 1619.** 119.16 (8) (b) of the statutes is amended to read:

119.16 (8) (b) The board shall transmit its completed budget to the common council on or before the first Monday in August of each year on forms furnished by the auditing officer of the city, and shall include in the budget the information specified under s. 119.46 (1) for all public schools in the city under this chapter, including the schools transferred to the opportunity schools and partnership programs under s. 119.33 and subch. II. The board shall itemize those portions of the budget allocated to schools transferred to the opportunity schools and partnership programs under s. 119.33 and subch. II. Such completed budget shall be published with the budget summary under s. 65.04 (2) or 65.20 and budget under s. 65.05 (7).

**Section 1620.** 119.16 (9) of the statutes is amended to read:

119.16 (9) SCHOOL BUDGET. Annually, the board shall prepare a budget for each school in the school district operating under this chapter, other than the schools

transferred to the oppor	tunity schools and partner	ship programs under s.	119.33 and
subch. II.			

SECTION 1621. 119.16 (15) of the statutes is repealed.

**Section 1622.** 119.23 (2) (a) (intro.) of the statutes is amended to read:

119.23 (2) (a) (intro.) Subject to pars. (ag) and, (ar), and (b), any pupil in grades kindergarten to 12 who resides within the city may attend any private school if all of the following apply:

**Section 1623.** 119.23 (2) (a) 1. a. of the statutes is amended to read:

119.23 (2) (a) 1. a. The pupil is a member of a family that has a total family income that does not exceed an amount equal to 3.0 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget line, as defined in 42 USC 9902 (2). In this subdivision and sub. (3m), family income includes income of the pupil's parents or legal guardians. Except as provided in subd. 1. d., the family income of the pupil shall be verified as provided in subd. 1. b. A pupil attending a private school under this section whose family income increases, including a pupil who attended a private school under this section in the 2010–11 school year and whose family income has increased, may continue to attend a private school under this section.

**Section 1624.** 119.23 (2) (a) 6. a. of the statutes is amended to read:

119.23 (2) (a) 6. a. Except as provided in subd. 6. c., all of the private school's teachers have a teaching license issued by the department or a bachelor's degree or a degree or educational credential higher than a bachelor's degree, including a masters or doctorate, from a nationally or regionally accredited institution of higher education. This subd. 6. a. does not apply after June 30, 2022.

SECTION 1625. 119.23 (2) (a) 6m. of the statutes is created to read:

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119.23 (2) (a) 6m. a. Except as provided in subd. 6m. b., beginning on July 1, 2022, all of the private school's teachers have a teaching license or permit issued by the department.

b. Any teacher employed by the private school on July 1, 2022, who has been teaching for at least the 5 consecutive years immediately preceding July 1, 2022, and who does not satisfy the requirements under subd. 6m. a. on July 1, 2022, applies to the department on a form prepared by the department for a temporary, nonrenewable waiver from the requirements under subd. 6m. a. The department shall promulgate rules to implement this subd. 6m. b., including the form of the application and the process by which the waiver application will be reviewed. The application form shall require the applicant to submit a plan for satisfying the requirements under subd. 6m. a. No waiver granted under this subd. 6m. b. is valid after July 1, 2027.

**Section 1626.** 119.23 (2) (a) 7. bg. of the statutes is amended to read:

119.23 (2) (a) 7. bg. Each If the private school that begins participation in the program under this section on or after April 10, 2014, and before the 2021–22 school year, and that the private school is not accredited by an accrediting entity, shall obtain the private school obtains preaccreditation by a preaccrediting entity by August 1 before the first school term in which the private school begins participation in the program under this section, or by May 1 if the private school begins participating in the program during summer school. In any school year, a private school to which this subd. 7. bg. applies may apply for and seek to obtain preaccreditation from only one preaccrediting entity. A private school to which this subd. 7. bg. applies that fails to obtain preaccreditation as required under this subd. 7. bg. may not participate in the program under this section or under s. 118.60 until

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preaccreditation has been obtained, but the private school may apply for and seek to obtain preaccreditation from a preaccrediting entity for the following school year.

**Section 1627.** 119.23 (2) (a) 7. br. of the statutes is amended to read:

119.23 (2) (a) 7. br. A private school to which If subd. 7. bg. applies shall apply to the private school, the private school applies for accreditation by an accrediting entity by December 31 of the first school year that begins after April 10, 2014, in which the private school begins participation in the program under this section, and shall achieve obtains accreditation by an accrediting entity by December 31 of the 3rd school year following the school year in which the private school begins participation in the program under this section. If the private school is accredited under this subd. 7. br., the private school is not required to obtain preaccreditation as a prerequisite to providing instruction under this section in additional grades or in an additional or new school.

**Section 1628.** 119.23 (2) (a) 7. f. of the statutes is created to read:

119.23 (2) (a) 7. f. If the private school begins participation in the program under this section in the 2021–22 school year or in any school year thereafter, the private school is accredited by an accrediting entity by August 1 of the school year in which the private school begins participation in the program under this section.

**SECTION 1629.** 119.23 (2) (ag) 4. of the statutes is amended to read:

119.23 (2) (ag) 4. Notwithstanding If the new private school begins participation in the program under this section before the 2021–22 school year, notwithstanding the deadline to obtain preaccreditation under sub. (2) par. (a) 7. bg., by December 15 of the school year immediately preceding the school year in which the new private school intends to participate in the program under this section, obtain preaccreditation from a preaccrediting entity. If the new private school begins

1	participation in the program under this section in the 2021-22 school year or in any
2	school year thereafter, the new private school shall comply with the requirement
3	<u>under par. (a) 7. f.</u>
4	SECTION 1630. 119.23 (2) (b) of the statutes is created to read:
5	119.23 (2) (b) 1. In this paragraph, "program cap" means the total number of

119.23 (2) (b) 1. In this paragraph, "program cap" means the total number of pupils residing in the city who attended a private school under this section in the 2019–20 school year.

2. Beginning with the 2020–21 school year, the total number of pupils residing in the city who may attend a private school under this section during a school year may not exceed the program cap.

**SECTION 1631.** 119.23 (2) (c) 3. of the statutes is created to read:

119.23 (2) (c) 3. Notwithstanding par. (a) 6m., a teacher employed by a private school participating in the program under this section who teaches only courses in rabbinical studies is not required to hold a license or permit to teach issued by the department.

**Section 1632.** 119.23 (3) (a) (intro.) of the statutes is amended to read:

119.23 (3) (a) (intro.) The pupil or the pupil's parent or guardian shall submit an application, on a form provided by the state superintendent, to the participating private school that the pupil wishes to attend. If more than one pupil from the same family applies to attend the same private school, the pupils may use a single application. No later than 60 days after the end of the application period during which an application is received and subject to par. (ar), the private school shall notify each applicant, in writing, whether his or her application has been accepted. If the private school rejects an application, the notice shall include the reason. A Subject to par. (ar), a private school may reject an applicant only if it the private

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school has reached its maximum general capacity or seating capacity. The Except as provided in par. (ar), the state superintendent shall ensure that the private school determines which pupils to accept on a random basis, except that the private school may give preference to the following in accepting applications, in order of preference listed:

**Section 1633.** 119.23 (3) (ar) of the statutes is created to read:

119.23 (3) (ar) All of the following apply to applications to attend a private school under this section submitted by pupils who reside in the city:

- 1. A private school that has submitted a notice of intent to participate under sub. (2) (a) 3. may accept applications for a school year during application periods determined by the department from pupils who reside in the city. For each school year, the department shall establish one or more application periods under this subdivision, the first of which begins no later than February 1 of the school year before the applicable school year, and the last of which ends no later than September 14 of the applicable school year.
- 2. Each private school that received applications under subd. 1. shall report to the department the number of pupils who applied under subd. 1. to attend the private school under this section and the names of those applicants who have siblings who also applied under subd. 1. to attend the private school under this section. The private school shall submit the report no later than 10 days after each application period described under subd. 1. during which the private school received applications.
- 3. After the end of each application period described under subd. 1, upon receipt of the information under subd. 2., the department shall determine the sum of all applicants for pupils residing in the city. In determining the sum, the department



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shall count a pupil who has applied to attend more than one private school under the program only once. If, after the end of an application period described under subd.

1., the sum of all applicants for pupils residing in the city exceeds the program cap under sub. (2) (b), the department shall determine which applications submitted during the application period to accept on a random basis, except that the department shall give preference to the applications of pupils described in par. (a)

1. to 5., in the order of preference listed in that paragraph.

- 4. If the sum under subd. 3. exceeds the program cap under sub. (2) (b), the department shall establish a waiting list in accordance with the preferences required under subd. 3.
- 5. A private school that has accepted a pupil who resides in the city under this paragraph shall notify the department whenever the private school determines that a pupil will not attend the private school under this paragraph. If, upon receiving notice under this subdivision, the department determines that the number of pupils attending private schools under this section falls below the program cap under sub. (2) (b), the department shall fill any available slot with a pupil selected from the waiting list established under subd. 4., if such a waiting list exists.

**SECTION 1634.** 119.23 (3) (b) of the statutes is amended to read:

119.23 (3) (b) If the private school rejects an applicant because it the private school has too few available spaces, the applicant may transfer his or her application to a participating private school that has space available. An applicant rejected under this paragraph or an applicant who is on the waiting list under par. (ar) 4. may, subject to sub. (2) (b), be admitted to a private school participating in the program under this section for the following school year, provided that the applicant continues to reside within the city. The department may not require, in that following school

year, the private school to submit financial information regarding the applicant or to verify the eligibility of the applicant to participate in the program under this section on the basis of family income.

SECTION 1635. 119.23 (3m) (a) 2. of the statutes is amended to read:

119.23 (3m) (a) 2. The pupil is enrolled in a grade from 9 to 12 and the family income of the pupil, as determined under sub. (2) (a) 1., does not exceed an amount equal to 2.2 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget line, as defined in 42 USC 9902 (2).

**Section 1636.** 119.23 (3m) (b) 2. of the statutes is amended to read:

119.23 (3m) (b) 2. The family income of the pupil, as determined under sub. (2) (a) 1., exceeds an amount equal to 2.2 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget line, as defined in 42 USC 9902 (2).

**Section 1637.** 119.23 (4) (bg) 3. of the statutes is amended to read:

119.23 (4) (bg) 3. In the 2015–16, 2016–17, 2017–18, and 2018–19 school year and in each school year thereafter years, upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in the private school during a school term, except as provided in subd. 5., the state superintendent shall pay to the private school in which the pupil is enrolled on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fu), an amount equal to the sum of the maximum amount per pupil the state superintendent paid a private school under this section in the previous school year for the grade in which the pupil is enrolled; the amount of the per pupil revenue adjustment under s. 121.91 (2m) for the current school year, if positive; and the change in the amount of statewide categorical aid per

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pupil between the previous school year and the current school year, as determined under s. 118.40 (2r) (e) 2p., if positive.

**Section 1638.** 119.23 (4) (bg) 6. of the statutes is created to read:

119.23 (4) (bg) 6. Beginning in the 2019–20 school year and in each school year thereafter, upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in the private school during a school term, except as provided in subd. 7., the state superintendent shall pay to the private school in which the pupil is enrolled on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fu), an amount equal to the sum of the maximum amount per pupil the state superintendent paid a private school under this section in the previous school year for the grade in which the pupil is enrolled; the amount of the per pupil revenue adjustment under s. 121.91 (2m) for the current school year, if positive; and the change in the per pupil amount under s. 115.437 (2) (a) between the previous school year and the current school year, if positive.

SECTION 1639. 119.23 (4) (bg) 7. of the statutes is created to read:

119.23 (4) (bg) 7. If the pupil described in subd. 6. is enrolled in a private school that enrolls pupils under the program in any grade between kindergarten to 8 and also in any grade between 9 to 12, the state superintendent shall substitute for the amount described in subd. 6. the amount determined under subd. 4. a. to d., with the following modifications:

a. Multiply the number of pupils participating in the program who are enrolled in the private school in any grade between kindergarten to 8 by the sum of the maximum amount per pupil the state superintendent paid a private school under this section in the previous school year for the grade in which the pupil is enrolled; the amount of the per pupil revenue adjustment under s. 121.91 (2m) for the current

school year,	if positive;	and the c	hange in	the per	pupil	amount	under s.	115.437	'(2)
(a) between	the previou	as school	year and	the cur	rent so	chool yea	ar, if posi	tive.	

b. Multiply the number of pupils participating in the program who are enrolled in the private school in any grade between 9 to 12 by the sum of the maximum amount per pupil the state superintendent paid a private school under this section in the previous school year for the grade in which the pupil is enrolled; the amount of the per pupil revenue adjustment under s. 121.91 (2m) for the current school year, if positive; and the change in the per pupil amount under s. 115.437 (2) (a) between the previous school year and the current school year, if positive.

**Section 1640.** 119.23 (4v) (b) of the statutes is amended to read:

119.23 (4v) (b) If the department considers a pupil as a resident of the city under par. (a) for a school year, the department shall ensure that the pupil is not counted for that school year for purposes of determining whether a school district has exceeded its pupil participation limit under s. 118.60 (2) (be) and that the pupil is not counted for that school year for purposes of determining whether a program cap under sub. (2) (b) or s. 118.60 (2) (bh) 2. a. or b. has been exceeded.

SECTION 1641. 119.23 (4v) (c), (d) and (e) of the statutes are created to read:

119.23 (4v) (c) The department may consider a pupil enrolled in a private school participating in the program under this section who satisfies all of the following as a resident of a school district, other than a 1st class city school district, who is enrolled in the private school under this section:

- 1. The pupil was a resident of the city when the pupil applied to participate in the program under this section.
- 2. The pupil accepted a space at a private school participating in the program under this section as a resident of the city.

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- 3. The pupil resides in a school district, other than a 1st class city school district, on the 3rd Friday in September.
- 4. The private school at which the pupil accepted a space under this section is participating in the program under s. 118.60.
- (d) If the department considers a pupil as a resident of an eligible school district, as defined in s. 118.60 (1) (am), under par. (c) for a school year, the department shall ensure that the pupil is not counted for that school year for purposes of determining whether a program cap under sub. (2) (b) or s. 118.60 (2) (bh) 2. a. has been exceeded.
- (e) If the department considers a pupil as a resident of a school district, other than an eligible school district, as defined in s. 118.60 (1) (am), or a 1st class city school district, under par. (c) for a school year, the department shall ensure that the pupil is not counted for that school year for purposes of determining whether the school district has exceeded its pupil participation limit under s. 118.60 (2) (be) and that the pupil is not counted for that school year for purposes of determining whether a program cap under sub. (2) (b) or s. 118.60 (2) (bh) 2. b. has been exceeded.

**Section 1642.** 119.23 (7) (ad) 1. of the statutes is amended to read:

119.23 (7) (ad) 1. If a private school participating in the program under this section or s. 118.60 and accredited under sub. (2) (a) 7. to offer instruction in any elementary grade, but not any high school grade, seeks to offer instruction in any high school grade, the private school shall apply for and achieve accreditation by an accrediting entity to offer instruction in the additional grades in the manner established under sub. (2) (a) 7. br by December 31 of the first school year in which the private school begins offering instruction in the additional grades and shall obtain accreditation by an accrediting entity by December 31 of the 3rd school year

following the first school	year in which	the private	school begins	offering instruction
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<u>in the additional grades</u> .		•		

**Section 1643.** 119.23 (7) (ad) 2. of the statutes is amended to read:

119.23 (7) (ad) 2. If a private school participating in the program under this section or s. 118.60 and accredited under sub. (2) (a) 7. to offer instruction in any high school grade, but not any elementary grade, seeks to offer instruction in any elementary grade, the private school shall apply for and achieve accreditation by an accrediting entity to offer instruction in the additional grades in the manner established under sub. (2) (a) 7. br by December 31 of the first school year in which the private school begins offering instruction in the additional grades and shall obtain accreditation by an accrediting entity by December 31 of the 3rd school year following the first school year in which the private school begins offering instruction in the additional grades.

**Section 1644.** 119.313 of the statutes is created to read:

- 119.313 Mathematics Partnership. (1) The board, in consultation with the University of Wisconsin-Milwaukee, shall develop and implement a plan to improve mathematics instruction in schools in the school district.
- (2) Annually, beginning in the 2020–21 school year, from the appropriation under s. 20.255 (2) (ah), the department shall award a grant to the board to develop and implement the plan under sub. (1). The board may use grant proceeds for personnel costs associated with developing and implementing the plan under sub. (1).
- (3) The department may promulgate rules to implement and administer this section.
  - **SECTION 1645.** 119.33 of the statutes is repealed.

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**SECTION 1646.** 119.44 (2) (a) 5. of the statutes is repealed.

**SECTION 1647.** 119.46 (1) of the statutes is amended to read:

119.46 (1) As part of the budget transmitted annually to the common council under s. 119.16 (8) (b), the board shall report the amount of money required for the ensuing school year to operate all public schools in the city under this chapter, including the schools transferred to the superintendent of schools opportunity schools and partnership program under s. 119.33 and to the opportunity schools and partnership program under subch. II, to repair and keep in order school buildings and equipment, including school buildings and equipment transferred to the superintendent of schools opportunity schools and partnership program under s. 119.33 and to the opportunity schools and partnership program under subch. II, to make material improvements to school property, and to purchase necessary additions to school sites. The report shall specify the amount of net proceeds from the sale or lease of city-owned property used for school purposes deposited in the immediately preceding school year into the school operations fund as specified under s. 119.60 (2m) (c) or (5) and the net proceeds from the sale of an eligible school building deposited in the immediately preceding school year into the school operations fund as specified under s. 119.61 (5). The amount included in the report for the purpose of supporting the Milwaukee Parental Choice Program under s. 119.23 shall be reduced by the amount of aid received by the board under s. 121.136 and by the amount specified in the notice received by the board under s. 121.137 (2). The common council shall levy and collect a tax upon all the property subject to taxation in the city, which shall be equal to the amount of money required by the board for the purposes set forth in this subsection, at the same time and in the same manner as other taxes are levied and collected. Such taxes shall be in addition to all

1 .	other taxes which that the city is authorized to levy. The taxes so levied and collected,
2	any other funds provided by law and placed at the disposal of the city for the same
3	purposes, and the moneys deposited in the school operations fund under ss. 119.60
4	(1), (2m) (c), and (5) and 119.61 (5) shall constitute the school operations fund.
	****Note: This is reconciled s. 119.46 (1). This Section has been affected by drafts with the following LRB numbers: LRB-2163/P1 and LRB-2165/P1.
5	SECTION 1648. 119.49 (4) of the statutes is amended to read:
6	119.49 (4) The common council shall levy and collect a tax upon all taxable
7	property in the city, in the same manner and at the same time as other taxes are
8	levied and collected, which that shall be sufficient to pay the interest on all school
9	bonds issued under this subchapter which chapter that are outstanding and to pay
10	such part of the principal of such school bonds as becomes due during the ensuing
11	school year.
12	SECTION 1649. 119.61 (2) (b) of the statutes is amended to read:
13	119.61 (2) (b) The board shall submit a copy of the inventory required under
14	par. (a) to the commissioner, the superintendent of schools, the city clerk, the
15	department, and the joint committee on finance.
16	SECTION 1650. 119.61 (2) (c) of the statutes is amended to read:
17	119.61 (2) (c) In addition to the inventory required under par. (a), the board
18	shall annually notify the commissioner, the superintendent of schools, the city clerk,
19	the department, and the joint committee on finance any time a change is made to the
20	use of a school building.
21	SECTION 1651. 119.61 (3) (a) of the statutes is amended to read:
22	119.61 (3) (a) If, within 60 days after receipt of the inventory required under

sub. (2) (a) or of a notice under sub. (2) (c), either the commissioner or the

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superintendent of schools submits a letter of interest regarding an eligible school building, the common council shall immediately proceed to add the commissioner or the superintendent of schools, respectively, as an agent of the board on any existing lease for the eligible school building between the common council and the board.

**Section 1652.** 119.61 (3) (b) of the statutes is amended to read:

the superintendent of schools with a copy of the inventory under sub. (2) (a) or of a notice under sub. (2) (c), neither the commissioner nor the superintendent of schools has not submitted a letter of interest under par. (a), the city clerk shall post a public notice on the city's Internet site. The city clerk shall include in the public notice under this subsection the address of and the information specified under sub. (2) (a) 1. and 8. for each school building identified on the inventory under sub. (2) (a), or on the notice under sub. (2) (c), that is an eligible school building. The city clerk shall include in the public notice a request for and instructions for submitting letters of interest from persons interested in purchasing an eligible school building.

**SECTION 1653.** 119.66 of the statutes is amended to read:

or appointed and for 2 years after the expiration of the term, no member of the board may be employed by the board or by the department of employee trust funds in any capacity for which a salary or emolument is provided by the board or the department of employee trust funds. No board member, superintendent of schools, assistant superintendent, other assistant, teacher or other employee of the board may have any interest in the purchase or sale of property by the city for the use or convenience of the schools. No contract made in violation of this section is valid. Any consideration paid by the city for a purchase or sale prohibited by this section may

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be recovered in an action at law in the name of the city. Any person violating this section shall be removed from any position held under this subchapter chapter.

**SECTION 1654.** Subchapter II (title) of chapter 119 [precedes 119.9000] of the statutes is repealed.

**Section 1655.** 119.9000 of the statutes is repealed.

SECTION 1656. 119.9001 of the statutes is repealed.

**Section 1657.** 119.9002 of the statutes is repealed.

**Section 1658.** 119.9003 of the statutes is repealed.

**Section 1659.** 119.9004 of the statutes is repealed.

**Section 1660.** 119.9005 of the statutes is repealed.

**SECTION 1661.** 120.12 (17) of the statutes is repealed.

**Section 1662.** 120.13 (2) (g) of the statutes is amended to read:

120.13 (2) (g) Every self-insured plan under par. (b) shall comply with ss. 49.493 (3) (d), 631.89, 631.90, 631.93 (2), 632.728, 632.746 (1) and (10) (a) 2. and (b) 2., 632.747 (3), 632.798, 632.85, 632.853, 632.855, 632.867, 632.87 (4) to (6), 632.885, 632.89, 632.895 (9) (8) to (17), 632.896, and 767.513 (4).

**SECTION 1663.** 120.13 (14) (b) 1. of the statutes is amended to read:

120.13 (14) (b) 1. If a person-who has contracted under par. (a) to provide a child care program is convicted of a serious crime, as defined in s. 48.686 (1) (c), or if a caregiver specified in s. 48.686 (1) (ag) 1. or a nonclient resident, as defined in s. 48.686 (1) (bm), of the subject to a background check under s. 48.686 (2) who operates, works at, or resides at a child care program contracted for under par. (a), is convicted or adjudicated delinquent for committing a serious crime on or after his or her 10th birthday, as defined under s. 48.686 (1) (c), the school board shall rescind the contract of the contractor for the child care program immediately upon providing written

notice of the rescission and the grounds for the rescission and an explanation of the process for appealing the rescission.

**Section 1664.** 120.13 (14) (b) 2. of the statutes is amended to read:

120.13 (14) (b) 2. If a person who has contracted under par. (a) to provide a child care program is the subject of a pending criminal charge alleging that the person has committed a serious crime, as defined in s. 48.686 (1) (c), or if a caregiver specified in s. 48.686 (1) (ag) 1. or a nonclient resident, as defined in s. 48.686 (1) (bm), of the subject to a background check under s. 48.686 (2) who operates, works at, or resides at a child care program contracted for under par. (a) is the subject of a pending criminal charge or delinquency petition alleging that the person has committed a serious crime on or after his or her 10th birthday, as defined in s. 48.686 (1) (c), the school board shall immediately suspend the contract of the contractor for the child care program until the school board obtains information regarding the final disposition of the charge or delinquency petition indicating that the person is not ineligible to provide operate, work at, or reside at a child care program under this subsection.

**Section 1665.** 120.18 (1) (o) of the statutes is repealed.

\*\*\*\*Note: This is reconciled s. 120.18 (1) (o). This Section has been affected by drafts with the following LRB numbers: LRB-1704/P4 and LRB-2165/P1.

**Section 1666.** 121.004 (7) (c) 1. a. of the statutes is amended to read:

121.004 (7) (c) 1. a. A pupil enrolled in a 5-year-old kindergarten program that requires full-day attendance by the pupil for 5 days a week, but not on any day of the week that pupils enrolled in other grades in the school do not attend school, for 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	<b>Section 1667.</b> 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 1668. 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	<b>Section 1669.</b> 121.05 (1) (a) 5. of the statutes is amended to read:
14	121.05 (1) (a) 5. Pupils attending a technical college under s. $118.15$ (1) (b) and
15	pupils attending an institution of higher education under s. 118.55.
16	SECTION 1670. 121.07 (2) (intro.) of the statutes is amended to read:
17	121.07 (2) Membership. (intro.) For the purposes of ss. 121.08, 121.09, 121.095,
18	and 121.105, and 121.137, a school district's membership is the sum of all of the
19	following:
20	SECTION 1671. 121.07 (6) (d) of the statutes is amended to read:
21	121.07 (6) (d) The "secondary ceiling cost per member" in the 2001-02 school
22	year and in each school year thereafter is an amount determined by dividing the state

1	total shared cost in the previous school year by the state total membership in the
2	previous school year and multiplying the result by 0.90.
3	<b>Section 1672.</b> 121.07 (8) of the statutes is renumbered 121.07 (8) (intro.) and
4	amended to read:
5	121.07 (8) Guaranteed Valuation. (intro.) A school district's primary,
6	secondary and tertiary guaranteed valuations are determined by multiplying the
7	amounts in sub. (7) by the <u>sum of the school</u> district's membership- <u>and an amount</u>
8	calculated as follows:
9	Section 1673. 121.07 (8) (a) of the statutes is created to read:
10	121.07 (8) (a) Determine the number of pupils residing in the school district
11	who satisfy the income eligibility criteria for a free or reduced-price lunch under 42
12	USC 1758 (b) (1).
13	SECTION 1674. 121.07 (8) (b) of the statutes is created to read:
14	121.07 (8) (b) Multiply the number of pupils under par. (a) by 0.2.
15	Section 1675. 121.08 (4) (b) (intro.) and 1. of the statutes are consolidated,
16	renumbered 121.08 (4) (b) and amended to read:
17	121.08 (4) (b) The amount of state aid that the school district operating under
18	ch. 119 is eligible to be paid from the appropriation under s. $20.255(2)(ac)$ shall also
19	be reduced by the amount calculated as follows: 1. Multiply the amounts paid under
20	s. 119.23 (4) and (4m) in the 2009-10 school year by 41.6 percent, and multiply by
21	$\underline{\text{multiplying the amounts paid under s. 119.23 (4) and (4m) in the 2010-11 to 2012-13}$
22	school years by 38.4 percent. Beginning in the 2013-14 school year, multiply the
23	amounts paid under s. 119.23 (4) and (4m) in the current school year by a percentage
24	determined by subtracting 3.2 percentage points from the percentage that was

1	applied under this subdivision paragraph in the previous school year. This
2	subdivision paragraph does not apply after the 2024-25 school year.
3	<b>SECTION 1676.</b> 121.08 (4) (b) 2. and 3. of the statutes are repealed.
4	SECTION 1677. 121.10 of the statutes is created to read:
5	121.10 Hold harmless aid. (1) In this section, "state aid" means the sum of
6	the following:
7	(a) The payments made to a school district under ss. 121.08 and 121.105 and
8	subch. VI.
9	(b) The payments that would be made to a school district under s. $121.136$ if s.
10	121.136 were still applicable.
11	(c) The amount that would be received by a school district under s. 79.10 (4) and
12	(5m) if s. 79.10 (4) and (5m) were still applicable.
13	(2) (a) Except as provided in par. (b), in the 2020-21 school year, if a school
14	district would receive less in equalization aid under s. 121.08 in the current school
15	year before any adjustment is made under s. 121.15 (4) (b) than it would have
16	received in state aid in the current school year, the department shall pay to the school
17	district the amount equal to the difference.
18	(b) If a school district from which territory was detached to create a new school
19	district under s. 117.105 would receive in equalization aid under s. 121.08 in the
20	school year beginning on the first July 1 following the effective date of the
21	reorganization less than the amount determined as follows, the department shall
22	pay to the school district the difference between the former amount and the amount
23	determined as follows:
24	1. Divide the school district's membership in the preceding school year by the

school district's membership in the 2nd preceding school year.

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- 2. Multiply the amount of state aid that would have been received by the school district in the preceding school year, as adjusted under s. 121.15 (4) (b) in the current school year, by the quotient under subd. 1.
- (3) In the school year in which a school district consolidation takes effect under s. 117.08 or 117.09 and in each of the subsequent 4 school years, if the consolidated school district's equalization aid is less than the aggregate state aid to which the consolidating school districts would have been eligible in the school year prior to the school year in which the consolidation takes effect, the department shall pay the difference to the consolidated school district.
- (4) Additional aid under this section shall be paid from the appropriation under s. 20.255 (2) (ag). No aid may be paid under this section after the 2020-21 school year.
  - **SECTION 1678.** 121.105 (1) of the statutes is amended to read:
- 121.105 (1) In Except as provided in sub. (5), in this section "state aid" means the sum of the payments provided to a school district under this section and ss. 121.08, 121.85 and 121.86.
  - **Section 1679.** 121.105 (2) (am) 1. of the statutes is amended to read:
- 121.105 (2) (am) 1. Except as provided in subd. 2., if a school district would receive less in state aid in the current school year before any adjustment is made under s. 121.15 (4) (b) than an amount equal to 85 90 percent of the amount of state aid that it received in the previous school year, as adjusted under s. 121.15 (4) (b) in the current school year, its state aid for the current school year shall be increased to an amount equal to 85 90 percent of the state aid received in the previous school year.
- **Section 1680.** 121.105 (2) (am) 2. (intro.) of the statutes is amended to read:
- 121.105 (2) (am) 2. (intro.) If a school district from which territory was detached to create a new school district under s. 117.105 would receive in state aid in the school

year beginning on the first July 1 following the effective date of the reorganization
less than $85\underline{90}$ percent of the amount determined as follows, its state aid in the school
year beginning on the first July 1 following the effective date of the reorganization
shall be increased to an amount equal to $85 \underline{90}$ percent of the amount determined as
follows:
SECTION 1681. 121.105 (5) of the statutes is created to read:
121.105 (5) (a) In this subsection, "state aid" means the sum of the payments
provided to a school district under this section and s. 121.08.
(b) If, after making the adjustments under subs. (2), (3), and (4), a school
district would receive less in state aid in the current school year before any
adjustment is made under s. 121.15 (4) (b) than an amount equal to \$3,000 multiplied
by the school district's membership, the school district's state aid shall be increased
to an amount equal to \$3,000 multiplied by the school district's membership.
Section 1682. 121.136 (3) of the statutes is created to read:
121.136 (3) No aid may be paid under this section after June 30, 2020.
SECTION 1683. 121.137 of the statutes is repealed.
SECTION 1684. 121.15 (1m) (a) 3. of the statutes is amended to read:
121.15 (1m) (a) 3. Beginning in the 1999-2000 school year and ending in the
2018-19 school year, annually the state shall pay to school districts, from the
appropriation under s. 20.255 (2) (ac), \$75,000,000 on the 4th Monday in July of the
following school year.
SECTION 1685. 121.15 (1m) (a) 4. of the statutes is created to read:
121.15 (1m) (a) 4. Beginning in the 2020-2021 school year, annually the state
shall pay to school districts, from the appropriation under s. 20.255 (2) (ac),

1,090,000,000 on the 4th Monday in July of the following school year.

**SECTION 1686.** 121.15 (3m) of the statutes is created to read:

2	121.15 (3m) (a) In this subsection:
3	1. "Partial school revenues" means the sum of state school aids, property taxes
4	levied for school districts, and aid paid to school districts under s. 79.095 (4), less all
5	of the following:
6	a. The amount of any revenue limit increase under s. 121.91 (4) (a) 2. due to a
7	school board's increasing the services that it provides by adding responsibility for
8	providing a service transferred to it from another school board.
9	b. The amount of any revenue limit increase under s. 121.91 (4) (a) 3.
10	c. The amount of any revenue limit increase under s. 121.91 (4) (h).
11	d. The amount of any property taxes levied for the purpose of s. 120.13 (19).
12	e. An amount equal to the amount estimated to be paid under s. 119.23 (4) and
13	(4m) multiplied by the sum of the applicable percentages specified in s. 121.08 (4) (b)
14	1. and 2.
15	f. The amount by which the property tax levy for debt service on debt that has
16	been approved by a referendum exceeds \$490,000,000.
17	2. "State school aids" means the amounts appropriated under s. 20.255 (1) (b)
18	and (2), other than s. 20.255 (2) (az), (bb), (fm), (fp), (fq), (fr), (fu), (fv), (k), and (m),
19	the amount appropriated under s. 20.505 (4) (es), and the amount, as determined by
20	the secretary of administration, of the appropriation under s. 20.505 (4) (s) allocated
21	for payments to telecommunications providers under contracts with school districts
22	and cooperative educational service agencies under s. 16.971 (13), and to make
23	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.

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

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

**Section 1687.** 121.41 of the statutes is amended to read:

charter school authorized under s. 118.40 (2r) or (2x), cooperative educational service agency, or the technical college system board may establish and collect reasonable fees for any driver education program or part of a program which is neither required for nor credited toward graduation. The school board, operator of a charter school authorized under s. 118.40 (2r) or (2x), cooperative educational service agency, or the technical college system board may waive any fee established under this subsection for any indigent pupil.

**SECTION 1688.** 121.42 of the statutes is created to read:

## 121.42 Driver education programs; state aid. (1) In this section:

- (a) "Driver education program" means an instructional program in driver education approved by the department and operated by a qualified driver education provider.
- (b) "Eligible pupil" means a pupil who met the income eligibility standard for a free or reduced-price lunch in the federal school lunch program under 42 USC 1758 (b) (1) in the previous school year.

- (c) "Qualified driver education provider" means a school board, the operator of a charter school authorized under s. 118.40 (2r) or (2x), or a cooperative educational service agency.
  - (2) Beginning in the 2020–21 school year, from the appropriation under s. 20.255 (2) (cv) and subject to sub. (4), the department shall pay to each qualified driver education provider the amount determined under sub. (3) if all of the following apply:
  - (a) The qualified driver education provider demonstrates to the department that for eligible pupils the qualified driver education provider reduced the fees the qualified driver education provider otherwise charges pupils to enroll in and complete the driver education program.
  - (b) By October 1, 2020, and annually thereafter, the qualified driver education provider reports to the department the number of eligible pupils who enrolled in and successfully completed a driver education program operated by qualified driver education in the previous school year.
  - (3) The department shall calculate the amount paid to a qualified driver education provider under sub. (2) by multiplying the number of eligible pupils reported under sub. (2) (b) by the lesser of the following:
    - (a) Two hundred dollars.
  - (b) The amount by which the qualified driver education provider reduced fees under sub. (2) (a) in the previous school year.
  - (4) If the appropriation under s. 20.255 (2) (cv) in any fiscal year is insufficient to pay the full amount of aid under sub. (2), the department shall prorate the aid payments among the entitled qualified driver education providers.

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(5) The department may promulgate rules to implement and administer this section.

**Section 1689.** 121.58 (2) (a) 4. of the statutes is amended to read:

121.58 (2) (a) 4. For each pupil so transported whose residence is more than 12 miles from the school attended, \$300 \$365 per school year in the 2016–17 2018–19 school year and \$365 \$375 per school year thereafter.

**Section 1690.** 121.58 (4) of the statutes is amended to read:

121.58 (4) STATE AID FOR SUMMER CLASS TRANSPORTATION. Annually on or before October 1 of the year in which transportation is provided under s. 118.50 (3) (b) or 121.54 (4), or under s. 121.54 (10) if the transportation is provided by the nonresident school district that a pupil attends under s. 118.51 or 121.84 (4), the school district clerk shall file with the department a report, containing such information as the department requires, on transportation provided by the school board to and from summer classes. Upon receipt of such report and if the summer classes meet the requirements of s. 121.14 (1) (a) 1. or 2., state aid shall be paid for such transportation. A school district which that provides such transportation shall be paid state aid for such transportation at the rate of \$10 per pupil transported to and from public school whose residence is at least 2 miles and not more than 5 miles by the nearest traveled route from the public school attended, and \$20 per pupil transported to and from public school whose residence is more than 5 miles by the nearest traveled route from the public school attended, if the pupil is transported 30 days or more. The state aid shall be reduced proportionately if the pupil is transported less than 30 days.

**Section 1691.** 121.59 (2) (intro.) of the statutes is amended to read:

1	121.59 (2) (intro.) Annually the department shall, subject to sub. (3), pay to
2	each eligible school district the amount determined as follows:
3	<b>SECTION 1692.</b> 121.59 (2m) (a) (intro.), 1. and 2. of the statutes are renumbered
4	121.59 (2m) (intro.), (am) and (bm), and 121.59 (2m) (intro.) and (bm), as
5	renumbered, are amended to read:
6	121.59 (2m) (intro.) Beginning in the 2017-18 school year and in any school
7	year thereafter, if a If an eligible school district was eligible to receive aid under sub.
8	(2) in the immediately preceding school year but is ineligible to receive aid in the
9 .	current school year because the number under sub. (2) (d) is not a positive number,
10	the state superintendent shall, subject to par. (b) sub. (3), pay to that eligible school
11	district the amount determined as follows:
12	(bm) Multiply the amount under subd. 1. par. (am) by 0.5.
13	SECTION 1693. 121.59 (2m) (b) of the statutes is repealed.
14	<b>Section 1694.</b> 121.59 (3) of the statutes is amended to read:
15	121.59 (3) Aid under this section shall be is paid from the appropriation under
16	s. 20.255 (2) (cq). If the appropriation under s. 20.255 (2) (cq) is insufficient to pay
17	the full amount of aid under subs. (2) and (2m), the state superintendent shall
18	prorate the payments among the eligible school districts entitled to receive aid under
19	this section.
20	<b>SECTION 1695.</b> 121.84 (4) (b) of the statutes is amended to read:
21	121.84 (4) (b) If a pupil attends school in a school district outside the pupil's
22	school district of residence under par. (a), s. 118.51 (12) (b), (14), (16), and (17) apply
23	to the pupil as if the pupil were attending school in a nonresident school district
24	under s. 118.51. If the pupil is rejected as a result of s. 118.51 (12) $\frac{1}{12}$ , s. 118.51 (9)
25	applies.

## ...:... **SECTION 1696**

1	<b>SECTION 1696.</b> 121.90 (2) (am) 1. of the statutes is amended to read:
2	121.90 (2) (am) 1. Aid under ss. 121.08, 121.09, 121.10, 121.105, and 121.136
3	and subch. VI, as calculated for the current school year on October 15 under s. $121.15$
4	(4) and including adjustments made under s. 121.15 (4).
5	<b>SECTION 1697.</b> 121.90 (2) (am) 4. of the statutes is repealed.
6	<b>Section 1698.</b> 121.905 (1) (a) of the statutes is renumbered 121.905 (1) and
7	amended to read:
8	121.905 (1) Except as provided in par. (b), in this section, "revenue ceiling"
9	means \$9,100 in the 2017–18 school year, \$9,400 in the 2018–19 school year, \$9,500
10	\$9,700 in the 2019–20 school year, $$9,600$ and $$10,000$ in the 2020–21 school year,
11	\$9,700 in the 2021–22 school year, and \$9,800 in the 2022–23 school year and in any
12	subsequent <u>each</u> school year <u>thereafter</u> .
13	<b>SECTION 1699.</b> 121.905 (1) (b) of the statutes is repealed.
14	<b>Section 1700.</b> 121.905 (3) (c) 6. of the statutes is amended to read:
15	121.905 (3) (c) 6. For the limit for the 2015-16, 2016-17, 2017-18, and 2018-19
16	school year or any school year thereafter years, make no adjustment to the result
17	under par. (b).
18	<b>Section 1701.</b> 121.905 (3) (c) 7. of the statutes is created to read:
19	121.905 (3) (c) 7. For the limit for the 2019-20 school year, add \$200 to the
20	result under par. (b).
21	<b>Section 1702.</b> 121.905 (3) (c) 8. of the statutes is created to read:
22	121.905 (3) (c) 8. For the limit for the 2020-21 school year, add \$204 to the
23	result under par. (b).
24	<b>SECTION 1703.</b> 121.905 (3) (c) 9, of the statutes is created to read:

1	121.905 (3) (c) 9. For the limit for the 2021-22 school year and any school year
2	thereafter, add the result under s. 121.91 (2m) (k) 2. to the result under par. (b).
3	SECTION 1704. 121.91 (2m) (i) (intro.) of the statutes is amended to read:
4	121.91 (2m) (i) (intro.) Except as provided in subs. (3), (4), and (8), no school
5	district may increase its revenues for the 2015-16, 2016-17, 2017-18, and 2018-19
6	school year or for any school year thereafter years to an amount that exceeds the
7.	amount calculated as follows:
8	SECTION 1705. 121.91 (2m) (im) of the statutes is created to read:
9	121.91 (2m) (im) Except as provided in subs. (3), (4), and (8), no school district
10	may increase its revenues for the 2019-20 school year to an amount that exceeds the
11	amount calculated as follows:
12	1. Divide the sum of the amount of state aid received in the previous school year
13	and property taxes levied for the previous school year, excluding property taxes
14	levied for the purpose of s. 120.13 (19) and excluding funds described under sub. (4)
15	(c), by the average of the number of pupils enrolled in the 3 previous school years.
16	2. Add \$200 to the result under subd. 1.
17	3. Multiply the result under subd. 2. by the average of the number of pupils
18	enrolled in the current school year and the 2 preceding school years.
19	SECTION 1706. 121.91 (2m) (j) of the statutes is created to read:
20	121.91 (2m) (j) Except as provided in subs. (3), (4), and (8), no school district
21	may increase its revenues for the 2020-21 school year to an amount that exceeds the
22	amount calculated as follows:
23	1. Divide the sum of the amount of state aid received in the previous school year
94	and property taxes levied for the previous school year excluding property taxes

1	levied for the purpose of s. 120.13 (19) and excluding funds described under sub. (4)
2 .	(c), by the average of the number of pupils enrolled in the 3 previous school years.
3	2. Add \$204 to the result under subd. 1.
4	3. Multiply the result under subd. 2. by the average of the number of pupils
5	enrolled in the current school year and the 2 preceding school years.
6	SECTION 1707. 121.91 (2m) (k) of the statutes is created to read:
7	121.91 (2m) (k) Except as provided in subs. (3), (4), and (8), no school district
8	may increase its revenues for the 2021-22 school year or for any school year
9	thereafter to an amount that exceeds the amount calculated as follows:
10	1. Divide the sum of the amount of state aid received in the previous school year
11	and property taxes levied for the previous school year, excluding property taxes
12	levied for the purpose of s. 120.13 (19) and excluding funds described under sub. (4)
13	(c), by the average of the number of pupils enrolled in the 3 previous school years.
14	2. Multiply the amount of the revenue increase per pupil allowed under this
15	subsection for the previous school year by the sum of 1.0 plus the allowable rate of
16	increase under s. 73.0305 expressed as a decimal.
17	3. Add the result under subd. 1. to the result under subd. 2.
18	4. Multiply the result under subd. 3. by the average of the number of pupils
19	enrolled in the current and the 2 preceding school years.
20	Section 1708. 121.91 (2m) (r) 1. (intro.) of the statutes is amended to read:
21	121.91 (2m) (r) 1. (intro.) Notwithstanding pars. (e) to (i) (im) to (k), if a school
22	district is created under s. 117.105, its revenue limit under this section for the school
23	year beginning with the effective date of the reorganization shall be determined as

**Section 1709.** 121.91 (2m) (r) 1. b. of the statutes is amended to read:

follows except as provided under subs. (3) and (4):

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

**Section 1710.** 121.91 (2m) (r) 2. (intro.) of the statutes is amended to read:

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

**SECTION 1711.** 121.91 (2m) (r) 2. a. of the statutes is amended to read:

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

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

**SECTION 1713.** 121.91 (2m) (s) 1. (intro.) of the statutes is amended to read:

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

**SECTION 1714.** 121.91 (2m) (s) 1. b. of the statutes is amended to read:

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

**SECTION 1715.** 121.91 (2m) (s) 2. (intro.) of the statutes is amended to read:

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

**Section 1716.** 121.91 (2m) (s) 2. a. of the statutes is amended to read:

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

**Section 1717.** 121.91 (2m) (s) 2. b. of the statutes is amended to read:

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

**Section 1718.** 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

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

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

**Section 1719.** 121.91 (3) (a) 1. of the statutes is amended to read:

121.91 (3) (a) 1. If a school board wishes to exceed the limit under sub. (2m) otherwise applicable to the school district in any school year, it shall promptly adopt a resolution supporting inclusion in the final school district budget of an amount equal to the proposed excess revenue. The resolution shall specify whether the proposed excess revenue is for a recurring or nonrecurring purpose, or, if the proposed excess revenue is for both recurring and nonrecurring purposes, the amount of the proposed excess revenue for each purpose. The resolution shall be filed as provided in s. 8.37. Within 10 days after adopting the resolution, the school board shall notify the department that it will schedule a referendum for the purpose of submitting the resolution to the electors of the school district for approval or rejection and shall submit a copy of the resolution to the department. Except as provided in subd. 2., the school board shall schedule the referendum to be held at the next regularly scheduled spring primary or election or partisan primary or general election, provided such election is to be held not sooner than 70 days after the filing of the resolution of the school board. A school board may proceed under this subdivision and under s. 67.05 (6a) 2. a. no more than 2 times in any calendar year. The school district clerk shall certify the results of the referendum to the department within 10 days after the referendum is held.

**Section 1720.** 121.91 (4) (om) of the statutes is created to read:

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

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

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

**SECTION 1721.** 121.91 (4) (p) 1. of the statutes is amended to read:

121.91 (4) (p) 1. The limit otherwise applicable to a school district under sub. (2m) in any school year is increased by the amount of any reduction to that school district's state aid payment made under s. 118.51 (16) (b) 2. and (c) or (17) (c) 2. or (em) 2. in the previous school year for a pupil who was not included in the calculation of the number of pupils enrolled in that school district in the previous school year.

**Section 1722.** 125.07 (4) (d) of the statutes is amended to read:

125.07 (4) (d) A person who is under 17 years of age a minor on the date of disposition is subject to s. 938.344 unless proceedings have been instituted against

1	the person in a court of civil or criminal jurisdiction after dismissal of the citation
2	under s. 938.344 (3).
3	<b>Section 1723.</b> 125.07 (4) (e) 1. of the statutes is amended to read:
4	125.07 (4) (e) 1. In this paragraph, "defendant" means a person found guilty
5	of violating par. (a) or (b) who is 17, 18, 19 or 20 an adult under 21 years of age.
6	SECTION 1724. 125.085 (3) (bt) of the statutes is amended to read:
7	125.085 (3) (bt) A person who is under 17 years of age a minor on the date of
8	disposition is subject to s. 938.344 unless proceedings have been instituted against
9	the person in a court of civil or criminal jurisdiction after dismissal of the citation
10	under s. 938.344 (3).
11	SECTION 1725. 139.44 (4) of the statutes is amended to read:
12	139.44 (4) Any person who refuses to permit the examination or inspection
13	authorized in s. 139.39 (2) or 139.83 (1) may be fined not more than \$500 or
14	imprisoned not more than 90 days or both. Such refusal shall be cause for immediate
15	suspension or revocation of permit by the secretary.
16	SECTION 1726. 139.75 (1m) of the statutes is created to read:
17	139.75 (1m) "Cigar" means a roll, of any size or shape, of tobacco for smoking
18	that is made wholly or in part of tobacco, regardless of whether the tobacco is pure,
19	flavored, adulterated, or mixed with an ingredient if the roll has a wrapper made
20	wholly or in part of tobacco.
21	SECTION 1727. 139.75 (4t) of the statutes is created to read:
22	139.75 (4t) "Little cigar" means a cigar that has an integrated cellulose acetate
23	filter and is wrapped in a substance containing tobacco.
24	SECTION 1728. 139.75 (5b) of the statutes is created to read:



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139.75 (5b) "Manufacturer's list price" means the total price of tobacco products charged by the manufacturer or other seller to an unrelated distributor. The total price shall include all charges by the manufacturer or other seller that are necessary to complete the sale. The total price may not be reduced by any cost or expense, regardless of whether the cost or expense is separately stated on an invoice, that is incurred by the manufacturer or other seller, including fees, delivery, freight, transportation, packaging, handling, marketing, federal excise taxes, and import fees or duties. The total price may not be reduced by the value or cost of discounts or free promotional or sample products. For purposes of this subsection, a manufacturer or other seller is related to a distributor if the two parties have significant common purposes and substantial common membership or, directly or indirectly, substantial common direction or control.

**Section 1729.** 139.75 (12) of the statutes is amended to read:

139.75 (12) "Tobacco products" means cigars; <u>little cigars</u>; cheroots; stogies; periques; granulated, plug cut, crimp cut, ready-rubbed and other smoking tobacco; <u>vapor products</u>; snuff, including moist snuff; snuff flour; cavendish; plug and twist tobacco; fine cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco and other kinds and forms of tobacco prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing and smoking; but "tobacco products" does not include cigarettes, as defined under s. 139.30 (1m).

\*\*\*\*NOTE: This is reconciled s.139.75(12). This Section has been affected by drafts with the following LRB numbers: -1161/P2 and -1162/P4.

- 139.75 (14) (a) "Vapor product" means any noncombustible product, which may or may not contain nicotine, that employs a heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means, regardless of shape or size, that can be used to produce vapor from a solution or other substance.
  - (b) "Vapor product" includes all of the following:
- 1. An electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device.
- 2. Any cartridge or other container of a solution or other substance, which may or may not contain nicotine, that is intended to be used with or in an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device.
- (c) "Vapor product" does not include a product regulated as a drug or device under sections 501 to 524A of the federal Food, Drug, and Cosmetic Act, 21 USC 351 to 360n-1.

**Section 1731.** 139.76 (1) of the statutes is amended to read:

139.76 (1) An excise tax is imposed upon the sale, offering or exposing for sale, possession with intent to sell or removal for consumption or sale or other disposition for any purpose of tobacco products by any person engaged as a distributor of them at the rate, for tobacco products, not including moist snuff and little cigars, of 71 percent of the manufacturer's established list price to distributors without diminution by volume or other discounts on domestic products and, for moist snuff, at the rate of 100 percent of the manufacturer's established list price to distributors without diminution by volume or other discounts on domestic products. The tax imposed under this subsection on cigars, except little cigars, shall not exceed an amount equal to 50 cents for each cigar. On products imported from another country,

not including moist snuff, the rate of tax is 71 percent of the amount obtained by adding the manufacturer's list price to the federal tax, duties and transportation costs to the United States. On moist snuff imported from another country, the rate of the tax is 100 percent of the amount obtained by adding the manufacturer's list price to the federal tax, duties, and transportation costs to the United States. The tax attaches at the time the tobacco products are received by the distributor in this state. The tax shall be passed on to the ultimate consumer of the tobacco products. All tobacco products received in this state for sale or distribution within this state, except tobacco products actually sold as provided in sub. (2), shall be subject to such tax.

\*\*\*\*NOTE: This is reconciled s. 139.76(1). This Section has been affected by drafts with the following LRB numbers: -1161/P2 and -1162/P4.

**Section 1732.** 139.76 (1m) of the statutes is created to read:

139.76 (1m) The tax under sub. (1) is imposed on little cigars at the following rates:

- (a) On little cigars weighing not more than 3 pounds per thousand, 126 mills on each little cigar.
- (b) On little cigars weighing more than 3 pounds per thousand, 252 mills on each little cigar.

**Section 1733.** 139.78 (1) of the statutes is amended to read:

139.78 (1) A tax is imposed upon the use or storage by consumers of tobacco products in this state at the rate, for tobacco products, not including moist snuff and little cigars, of 71 percent of the cost manufacturer's list price of the tobacco products and, for moist snuff, at the rate of 100 percent of the manufacturer's established list price to distributors without diminution by volume or other discounts on domestic

## **SECTION 1733**

1	products. The tax imposed under this subsection on cigars, except little cigars, shall
2	not exceed an amount equal to 50 cents for each cigar. The tax does not apply if the
3	tax imposed by s. 139.76 (1) on the tobacco products has been paid or if the tobacco
4	products are exempt from the tobacco products tax under s. 139.76 (2).
	****Note: This is reconciled s. 139.78(1). This Section has been affected by drafts with the following LRB numbers: $-1161/P2$ and $-1162/P4$ .
5	Section 1734. 139.78 (1m) of the statutes is created to read:
6	139.78 (1m) The tax under sub. (1) is imposed on little cigars at the following
7	rates:
8	(a) On little cigars weighing not more than 3 pounds per thousand, 126 mills
9	on each little cigar.
10	(b) On little cigars weighing more than 3 pounds per thousand, 252 mills on
<b>41</b>	each little cigar.
12	<b>Section 1735.</b> 139.83 of the statutes is renumbered 139.83 (1).
13	Section 1736. 139.83 (2) of the statutes is created to read:
14	139.83 (2) Sections 139.315, 139.32, 139.321, and 139.44 (8), as they apply to
15	the tax under subch. II, apply to the administration and enforcement of this
16	subchapter for little cigars.
17	Section 1737. Subchapter IV of chapter 139 [precedes 139.97] of the statutes
18	is created to read:
19	CHAPTER 139
20	SUBCHAPTER IV
21	DISPENSARY SURCHARGE
22	139.97 Definitions. In this subchapter:
23	(1) "Department" means the department of revenue.

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<b>(2)</b>	"Dispensary"	has the	meaning	given	in s	.94.57	(1)	(a)	).
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139.971 Imposition. (1) A surcharge is imposed on a dispensary at the rate of 10 percent of the total price of cannabis and tetrahydrocannabinols sold or otherwise dispensed to an unrelated person, including any charge by the dispensary that is necessary to complete the sale. For purposes of this subsection, the total price of cannabis and tetrahydrocannabinols shall not be reduced by costs or expenses incurred by the dispensary, such as fees, delivery, freight, transportation, packaging, handling, marketing, taxes, and import fees or duties, regardless of whether such costs or expenses are separately stated on the invoice. The total price also shall not be reduced by the value or cost of discounts or free promotional or sample products. For purposes of this subsection, a dispensary is considered related to another person if the 2 entities have significant common purposes and substantial common membership or, directly or indirectly, substantial common direction or control.

- (2) A dispensary shall not separately state the surcharge on an invoice or other similar document given to the purchaser or recipient of the cannabis and tetrahydrocannabinols.
- (3) No dispensary may sell or otherwise dispense cannabis and tetrahydrocannabinols without first obtaining a business tax registration certificate as prescribed under s. 73.03 (50).
- 139.972 Records, returns. (1) Every dispensary shall keep accurate and complete records, in the manner prescribed by the department, of all transactions involving the sale or disposition of cannabis and tetrahydrocannabinols. A dispensary shall preserve the records on the premises described in its business tax registration certificate in such a manner as to ensure permanency and accessibility for inspection at reasonable hours by authorized personnel of the department.

1	(2) Every dispensary shall render a true and correct invoice of every sale and
2	disposition of cannabis and tetrahydrocannabinols and shall on or before the 15th
3	day of each calendar month file electronically a verified report of all such sales and
4	dispositions during the preceding calendar month.

- (3) The department shall prescribe reasonable and uniform methods of keeping records and making reports and shall prescribe and furnish the necessary report forms.
- (4) If the department finds that the records of any dispensary are not kept in the prescribed form or are in such condition that an unusual amount of time is required to determine from them the amount of surcharge due, the department shall give notice of such fact to that dispensary and require that the records be revised and kept in the prescribed form. If the dispensary fails to comply within 30 days, the dispensary shall pay the expenses reasonably attributable to a proper examination and surcharge determination at the rate of \$30 per day for each auditor. The department shall send a bill for expenses, and the dispensary shall pay the amount of the bill within 10 days.
- (5) If any dispensary fails to file a report when due, the dispensary shall be required to pay a late filing fee of \$50.
- (6) Sections 71.78 (1), (1m), and (4) to (9) and 71.83 (2) (a) 3. and 3m., relating to confidentiality of income and franchise tax returns, apply to any information obtained from any person on a dispensary surcharge return, report, schedule, exhibit, or other document or from an audit report pertaining to the return, report, schedule, exhibit, or document, except that the department shall publish on its Internet site, at least quarterly, a current list of business tax registration certificates issued to dispensaries under s. 73.03 (50) and include on the list the name and