

### State of Misconsin 2021 - 2022 LEGISLATURE

LRB-0815/P5 FFK:amn&skw

DOA:.....Kretschmann, BB0253 - 2/3rds funding of partial school revenues

#### FOR 2021-2023 BUDGET -- NOT READY FOR INTRODUCTION

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

## Analysis by the Legislative Reference Bureau EDUCATION

PRIMARY AND SECONDARY EDUCATION

### Two-thirds funding for school districts; appropriation for general school aid

Currently, the amount appropriated each fiscal year for general school aid is a sum set by law. Beginning in the 2021–22 school year, this bill directs DPI, DOA, and the Legislative Fiscal Bureau annually to jointly certify to JCF an estimate of the amount necessary to appropriate in the following school year to ensure that general school aids equal two-thirds of partial school revenues (in general, the sum of state school aids and school property taxes). Under the bill, JCF determines the amount appropriated as general school aids in each odd-numbered fiscal year and the amount is set by law in each even-numbered fiscal year.

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

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

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

20.255 (2) (ac) General equalization aids. The amounts in the schedule A sum sufficient equal to, in the 2022-23 fiscal year and biennially thereafter, the amount determined by the joint committee on finance under s. 121.075 (3) and, in the 2021-22 fiscal year and biennially thereafter, the amount determined by law for the payment of educational aids under ss. 121.08, 121.09, 121.095, and 121.105, 121.137 and subch. VI of ch. 121.

\*\*\*\*Note: This is reconciled s. 20.255 (2) (ac). This Section has been affected by drafts with the following LRB numbers: -0815/P3 and -0830/P1

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

**Section 2.** 121.075 of the statutes is created to read:

# 121.075 Two-thirds funding of partial school revenues; appropriation amount in odd fiscal years. (1) In this section:

- (a) "Partial school revenues" means the sum of state school aids, property taxes levied for school districts, and aid paid to school districts under ss. 79.095 (4) and 79.096 (4), less all of the following:
- 1. The amount of any revenue limit increase under s. 121.91 (4) (a) 2. due to a school board's increasing the services that it provides by adding responsibility for providing a service transferred to it from another school board.
  - 2. The amount of any revenue limit increase under s. 121.91 (4) (a) 3.
  - 3. The amount of any revenue limit increase under s. 121.91 (4) (h).
  - 4. The amount of any property taxes levied for the purpose of s. 120.13 (19).
- 5. An amount equal to the amount estimated to be paid under s. 119.23 (4) and (4m) multiplied by the applicable percentage in s. 121.08 (4) (b).

\*\*\*\*Note: This is reconciled s. 121.075(1)(a) 5. This Section has been affected by drafts with the following LRB numbers: -0815/p4 and -0830/P2.

- 6. The amount by which the property tax levy for debt service on debt that has been approved by a referendum exceeds \$490,000,000.
  - (b) "State school aids" means all of the following:
- 1. The amounts appropriated under s. 20.255 (1) (b) and (2), other than s. 20.255 (2) (aw), (az), (bb), (fm), (fp), (fq), (fr), (fs), (fu), (fv), (k), and (m).
  - 2. The amount appropriated under s. 20.505 (4) (es).
- 3. The amount, as determined by the secretary of administration, of the appropriation under s. 20.505 (4) (s) allocated for payments to telecommunications providers under contracts with school districts and cooperative educational service agencies under s. 16.971 (13).
  - 4. The amount appropriated under s. 20.437 (2) (eh).

\*\*\*\*Note: This is included as part of pre-reconciliation with LRB-0918. If -0918 is not part of the compile, this subdivision should be removed.

- (2) By May 15, 2022, 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.
- (3) By June 30, 2022, 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.

(END)