



WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO

2001 Senate Bill 124

**Senate Substitute
Amendment 1**

Memo published: May 25, 2001

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Current Law and Original Bill

Current law, with some exceptions, limits the increase in the amount of revenue that a school district may receive from general school aids and property taxes to approximately \$220 per pupil in the 2001 school year, and in subsequent school years, to the amount of revenue increase allowed per pupil in the previous school year increased by the percentage change in the Consumer Price Index.

Senate Bill 124, as originally drafted, provided increases in the revenue limits for increases in health insurance costs based on the type of health insurance plan used by a school district.

Senate Substitute Amendment 1

Senate Substitute Amendment 1 allows an increase in the school district's revenue limit for increased health care costs. Specifically, for a school district that subscribes to a private sector health care coverage plan or that subscribes to a health care coverage plan offered by the Group Insurance Board, the amount of the increase would be equal to the amount by which the health care coverage premiums in the current school year exceeded **110%** of costs for health care coverage premiums in the previous year.

For school districts that provide health care benefits under self-insured basis to employees of the school district, the revenue limit is increased by an amount equal to the amount by which the cost of health care claims paid by the school districts in a previous year exceeded **110%** of the cost of health care claims paid by the school district in the second previous school year. Thus, Substitute Amendment 1 makes no differentiation in the treatment of health care costs based on the type of coverage utilized by that school district.

The substitute amendment provides the act first applies to the calculation of a school district's revenue limit for the school year beginning after the effective date of the subsection.

Committee Votes

The Senate Education Committee in an executive session held May 23, 2001 recommended passage of the substitute amendment on a vote of Ayes, 6; Noes, 4.

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