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LRB-0470/1 TKK:jld

# **2017 SENATE BILL 195**

April 20, 2017 - Introduced by Senators Stroebel, Craig, Lasee and Nass, cosponsored by Representatives Brandtjen, Allen, R. Brooks, Gannon, Horlacher, Jacque, Kleefisch, Macco, Murphy, Neylon, Schraa, Weatherston and Wichgers. Referred to Committee on Government Operations, Technology and Consumer Protection.

AN ACT to amend 121.91 (3) (a) and 121.91 (7); and to create 121.91 (9) of the statutes; relating to: school board referendums to exceed revenue limit applicable to a school district.

## Analysis by the Legislative Reference Bureau

This bill limits to five consecutive school years the number of years for which a school board may seek approval from voters in the school district to increase the revenue limit applicable to the district.

Current law generally restricts a school district's per pupil revenue raised from state aids and property taxes in a school year to the total amount received per pupil from state aids and property taxes in the previous school year. Current law permits a school district to exceed this revenue limit by passing a resolution and submitting the resolution to the electors of the school district in a referendum election. If a majority of the electors of the school district votes to approve the referendum, the revenue limit of the school district is increased as specified in the referendum question.

Current law requires the school district to specify in its resolution, and in the referendum question, whether the proposed excess revenue will be for a recurring or a nonrecurring purpose. If the proposed excess revenue will be for a recurring purpose, the school district may add the excess revenue to its base revenue per pupil when the school district determines its revenue limit for the next school year.

This bill eliminates the distinction between recurring and nonrecurring purposes. The bill also eliminates the authority of a school board to include excess

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revenue generated for a recurring purpose in its base revenue per pupil when the school board next determines its revenue limit. Finally, the bill imposes a five-year limit on the number of years in which a school district whose electors approved a recurring referendum, prior to the effective date of the bill, may add the excess revenue to its base revenue per pupil.

For further information see the *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.** 121.91 (3) (a) of the statutes is amended to read:

121.91 (3) (a) 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 school board 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, in the resolution the amount of the proposed excess revenue for each purpose. The number of years for which a school board may seek approval under a resolution adopted under this paragraph to exceed the limit under sub. (2m) may not exceed 5 consecutive school years. 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 of the scheduled date of the referendum and submit a copy of the resolution to the department. The school board shall call a special referendum for the purpose of submitting the resolution to the electors of the school district for approval or rejection. In lieu of a special referendum, the school board may specify that the referendum be held at the next succeeding spring primary or election or partisan primary or general election, if such election is to be held not sooner than 70 days after

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the filing of the resolution of the school board. The school district clerk shall certify the results of the referendum to the department within 10 days after the referendum is held.

**Section 2.** 121.91 (7) of the statutes is amended to read:

121.91 (7) Except as provided in subs. (4) (f) 2. and (n) to (qe) and (8), if an excess revenue is approved under sub. (3) for a recurring purpose or allowed under sub. (4), the excess revenue shall be included in the base for determining the limit for the next school year for purposes of this section. If an excess revenue is approved under sub. (3) for a nonrecurring purpose, the excess revenue shall not be included in the base for determining the limit for the next school year for purposes of this section.

**Section 3.** 121.91 (9) of the statutes is created to read:

121.91 (9) If, prior to the effective date of this subsection .... [LRB inserts date], a school board submitted to the electors of the school district a resolution under s. 121.91 (3) (a), 2015 stats., to exceed the limit under sub. (2m) for a recurring purpose and if the electors of the school district approved the resolution at a referendum held as authorized under s. 121.91 (3) (a), 2015 stats., then, beginning on the effective date of this subsection .... [LRB inserts date], the number of years for which the school board may include, as authorized under s. 121.91 (7), 2015 stats., the excess revenue approved in the referendum described in this subsection in the base for determining the limit for the next school year for purposes of this section may not exceed the 5 consecutive school years beginning after the effective date of this subsection .... [LRB inserts date].

## SECTION 4. Initial applicability.

(1) The treatment of section 121.91 (3) (a) and (7) of the statutes first applies to a resolution to exceed the revenue limit applicable to a school district adopted by

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- the school board of the school district under section 121.91 (3) (a) of the statutes on
- 2 the effective date of this subsection.
- 3 (END)