SENATE SUBSTITUTE AMENDMENT 1,
TO SENATE BILL 267

October 31, 2023 – Offered by Senator JAMES.

1 AN ACT to create 115.359 of the statutes; relating to: grants to support recovery high schools.

Analysis by the Legislative Reference Bureau

This bill creates operational grants for recovery high schools and planning grants for schools and nonprofit organizations that intend to establish recovery high schools. Under the bill, a recovery high school is a public, private, or tribal school operating only high school grades that 1) is specifically designed for pupils in recovery from a substance use disorder or a mental health disorder that coexists with a substance use disorder and 2) awards high school credits that count towards a high school diploma awarded by the school or high school credits that will transfer and count towards a high school diploma awarded by a school district.

Under the bill, the Department of Public Instruction must annually award operational grants to eligible recovery high schools that apply for the grant. To be eligible, a recovery high school must meet the following criteria:

1. The recovery high school must be governed by a governing board.
2. The recovery high school demonstrates that its model is capable of supporting its anticipated enrollment.
3. The recovery high school must employ an individual who is responsible for the recovery school’s daily operations.
4. If the recovery high school is a private school, the private school is a nonprofit organization.
5. The recovery high school provides evidence that it has at least one other source of funding to support its operations.

6. The recovery high school requires prospective pupils to apply and conditions eligibility for enrollment on the following: that the pupil desires to be sober; that the pupil commits to attend the recovery high school daily; that the pupil consents to weekly drug testing; and that the pupil agrees to a 30-day probationary period at the end of which the pupil's enrollment may be terminated.

7. The recovery high school provides evidence-based programming to pupils.

An eligible recovery high school that applies for an operational grant must include in its application the specific grant amount for which it is applying and a budget for how it will use the grant funding it has requested. If DPI awards an eligible recovery school less than the full amount requested, DPI must provide an explanation for the reduced amount. Under the bill, if a recovery high school closes during a school year during which it receives a grant, the recovery high school is required to return any unused grant proceeds to DPI.

Until DPI determines there are at least three recovery high schools in this state, the bill requires DPI to annually allocate $300,000 of the total amount appropriated for grants to support recovery high schools to planning grants. Under the bill, DPI must award planning grants to public, private, and tribal schools and nonprofit organizations that intend to establish a recovery high school. However, the bill limits DPI to awarding no more than four planning grants in any school year. Under the bill, a planning grant may be used for hiring a recovery school consultant, general program planning, curriculum planning, mental health services planning, and any other costs incurred for establishing a recovery high school. An applicant for a planning grant must include in its application the specific grant amount for which it is applying and a budget for how it will use the grant funding it has requested. If DPI awards less than the full amount requested, DPI must provide an explanation for the reduced amount. The recipient of a planning grant must return any unused grant proceeds to DPI. Once DPI determines that there are at least three recovery high schools operating in the state, planning grants are not available unless DPI determines that the number of recovery high schools in this state drops below three. In the event DPI determines there are less than three recovery high schools, DPI may again award planning grants.

Under the bill, the recipient of an operational or planning grant must report various information to DPI by August 1 of the following school year. A recovery high school that receives an operational grant must report, among other information, an independent financial audit of the recovery high school conducted by an independent certified public accountant and a written report on the recovery high school's operations in the previous school year. A recipient of a planning grant must report how the grant funding was used and the status of its plan to establish a recovery high school, which may include a final plan for establishing a recovery high school or an explanation of why the recipient no longer intends to establish a recovery high school.

Finally, the bill requires DPI to submit a request by no later than 90 days after the bill becomes law to the Joint Committee on Finance for the $1,000,000 that was
put in the JCF supplemental appropriation under 2023 Wisconsin Act 19 for a grant program for recovery high schools.

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

SECTION 1. 115.359 of the statutes is created to read:

115.359 Recovery high schools; operational and planning grants. (1)

DEFINITION. In this section, “recovery high school” means a public, private, or tribal school that operates only high school grades and meets all of the following criteria:

(a) The school is specifically designed for pupils in recovery from a substance use disorder or a mental health disorder that coexists with a substance use disorder.

(b) The school awards high school credits that count towards a high school diploma awarded by the school or high school credits that will transfer and count towards a high school diploma awarded by a school district.

(2) ELIGIBILITY; OPERATIONAL GRANT. A recovery high school is eligible for a grant under sub. (3) if the recovery high school satisfies all of the following:

(a) The recovery high school is governed by a governing board.

(b) The recovery high school employs an individual who is responsible for the daily operations of the recovery high school.

(c) The recovery high school demonstrates that its model is capable of supporting its anticipated enrollment.

(d) If the recovery high school is a private school, the private school is a nonprofit organization.

(e) The recovery high school requires prospective pupils to apply to the recovery high school and conditions eligibility for enrollment on all of the following:

1. That the pupil desires to be sober.
2. That the pupil commits to attend the recovery high school daily.

3. That the pupil consents to weekly drug testing.

4. That the pupil agrees to a 30-day probationary period and that the pupil’s enrollment may be terminated at the end of the probationary period for any of the following reasons:
   a. The pupil tests positive for a controlled substance on a drug test administered at the end of the probationary period.
   b. The individual responsible for the daily operations of the recovery high school determines that the pupil’s enrollment should be terminated based on the pupil’s behavior at the recovery high school during the probationary period.
   
   (f) The recovery high school provides evidence that it has at least one other source of funding to support its operations.

   (g) The recovery high school provides evidence-based programming to pupils. For purposes of this paragraph, “evidence-based programming” includes evidence-based peer-to-peer suicide prevention programming, smaller class sizes, and self-care planning.

3 OPERATIONAL GRANTS. (a) A recovery high school that meets the requirements under sub. (2) may apply for a grant under this subsection. An applicant for a grant under this subsection shall include in its application the grant amount requested and a proposed budget for how it will use the grant funds in the following school year.

   (b) Beginning in the 2023-24 school year, from the appropriation under s. 20.255 (3) (ef), the department annually shall award grants to eligible recovery high schools that apply for a grant under this subsection. If the department does not award an applicant the full amount requested in an application, the department
shall provide an explanation to the applicant for the reduced grant award. The department shall pay 50 percent of a grant amount on the 2nd Monday of July and 50 percent of the grant amount on the 2nd Monday of January.

(c) A recovery high school may use a grant under this subsection for any of the following purposes:

1. To employ school staff, including teachers and counselors.
2. To rent, or otherwise secure, a physical location for the school.
3. To purchase drug testing supplies.
4. To develop and implement an after-school and weekend sober activity program.
5. For transportation of pupils.
6. For legal and accounting services.
7. For general administrative costs, including insurance, office supplies and equipment, and phone and Internet costs.

(4) PLANNING GRANTS. (a) Subject to par. (c), the department shall award planning grants to public, private, and tribal schools that intend to establish a recovery high school and nonprofit organizations that intend to establish a recovery high school. An applicant for a grant under this subsection shall include in its application the grant amount requested and a proposed budget for how it will use the grant funds in the following school year. If the department does not award an applicant the full amount requested in an application, the department shall provide an explanation to the applicant for the reduced grant award.

(b) A grant under this subsection may be used for any of the following:

1. Hiring a consultant for planning the recovery high school.
2. General program planning for the recovery high school.
3. Curriculum and lesson planning.

4. Mental health services planning.

5. Any other costs incurred to develop a final plan for establishing a recovery high school.

(c) 1. Beginning on the effective date of this subdivision .... [LRB inserts date], and ending on the date the department determines there are at least 3 recovery high schools in this state, in each fiscal year the department shall allocate $300,000 from the appropriation under s. 20.255 (3) (ef) for grants under this subsection. The department may not award more than 4 grants under this subsection in any school year.

2. In any school year for which the department determines that there are at least 3 recovery high schools in operation in this state, the department may not award grants under this subsection.

3. In the school year beginning after the department first determines there are at least 3 recovery high schools in operation in this state and each school year thereafter, if the department determines there are fewer than 3 recovery high schools in operation in this state for that school year, the department shall allocate $100,000 from the appropriation under s. 20.255 (3) (ef) for grants under this subsection.

(5) REPORTING. (a) By no later than August 1, a recovery high school that received a grant under sub. (3) in the previous school year shall report, in a manner that does not identify a pupil enrolled in the recovery high school, all of the following to the department:

1. An independent financial audit of the recovery high school conducted by an independent certified public accountant.
2. A written report on the operations of the recovery high school in the previous school year that includes at least all of the following information:

   a. The number of prospective pupils who applied to attend the recovery high school.

   b. The total number of pupils who were enrolled in the recovery high school during the school year.

   c. Demographic information about pupils enrolled in the recovery high school, including age, gender, race, ethnicity, and school district of residence.

   d. As of the first day of each month that the recovery high school is in operation for the attendance of pupils, the number of pupils enrolled in the recovery high school and the staff-to-pupil ratio.

   e. The number of pupils who graduated from the recovery high school.

   f. Information about substance use by pupils enrolled in the recovery high school, including a list of the substances for which enrolled pupils are in recovery, the relapse rate for pupils enrolled in the recovery high school, and the number of positive drug tests and the drugs identified by those tests.

   g. Information about the mental health of pupils enrolled in the recovery high school, including the number of enrolled pupils who receive mental health services from the recovery high school for something other than a substance use disorder and a list of mental health disorders for which enrolled pupils receive services from the recovery high school.

   h. Information on academic, behavioral, and substance use recovery progress and success among pupils enrolled in the recovery high school.

   i. The name of each staff member employed by the recovery high school and any professional credential held by the staff member.
j. How grant funding received under sub. (3) was used to support the operations of the recovery high school.

(b) By no later than August 1, a recipient of a grant under sub. (4) in the previous school year shall report all of the following to the department:
1. How it used the grant funding it received under sub. (4).
2. The status of the grant recipient’s plan to establish a recovery high school, which may include a final plan for establishing a recovery high school or an explanation of why the recipient no longer intends to establish a recovery high school.

(6) RETURN OF GRANT FUNDS. (a) If a recovery high school closes during a school year for which it receives a grant under sub. (3), the recovery high school shall return any unused grant funds to the department.
(b) The recipient of a grant under sub. (4) shall return any unused grant funds to the department.

SECTION 2. Nonstatutory provisions.

(1) GRANT FUNDING; JOINT COMMITTEE ON FINANCE. By no later than the 90th day after the effective date of this subsection, the department of public instruction shall submit a request to the joint committee on finance to supplement the appropriation under s. 20.255 (3) (ef) with $500,000 in each year of the fiscal biennium from funding provided to the joint committee on finance supplemental appropriation under s. 20.865 (4) (a) in 2023 Wisconsin Act 19 for a grant program for recovery high schools.

(2) GRANT AWARDS; 2023-24 SCHOOL YEAR. Notwithstanding s. 115.359 (3) (b), for purposes of making payment to grant recipients in the 2023-24 school year, the
department may pay the grant amount to a recipient of a grant under s. 115.359 (3)(b) in one payment at any time before July 1, 2024.

(END)