

State of Wisconsin



1997 Assembly Bill 304

Date of enactment: **June 15, 1998**
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1997 WISCONSIN ACT 286

AN ACT *to renumber* 121.07 (6) (e) and 121.07 (7) (e); *to renumber and amend* 117.30 (1), 120.06 (2), 121.90 (2), 121.905 (3) (a) and 121.905 (3) (b); *to amend* 67.12 (12) (e) 2., 117.05 (1m), 117.05 (2) (a), 117.05 (4) (a) (intro.), 117.05 (5) (a), 117.05 (8), 117.05 (9) (title), 117.05 (9) (a) (intro.), 117.05 (9) (b), 117.05 (10), 117.14 (1) (b), 117.15 (2m), 117.15 (6), 117.17 (1) (a), 117.20 (1), 117.22 (2) (a) 1., 117.22 (2) (d), 120.42 (1) (a), 121.84 (1) (b) and 121.905 (4); and *to create* 67.05 (6a) (bg), 67.05 (7) (j), 67.12 (12) (e) 2r., 67.12 (12) (h), 117.05 (4) (d), 117.05 (9) (a) 1. and 2., 117.105, 117.17 (1) (bm), 117.22 (2) (bm), 117.22 (3), 117.25 (4), 117.30 (1) (b) and (c), 120.06 (2) (b), 120.42 (1) (c), 121.07 (6) (e) 2., 121.07 (7) (e) 2., 121.78 (2) (bm), 121.78 (2) (br), 121.90 (2) (b), 121.905 (3) (a) 2., 121.905 (3) (b) 2., 121.91 (2m) (e), 121.91 (4) (c) 3. and 121.91 (4) (g) of the statutes; **relating to**: procedures to create a school district out of the territory of one or more existing school districts and information provided to persons filing a petition for a referendum on the detachment of large territory from one school district and its attachment to another school district.

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

SECTION 1. 67.05 (6a) (bg) of the statutes is created to read:

67.05 (6a) (bg) For a school district from which territory is detached to create a new school district under s. 117.105, the amounts specified and calculated under par. (b) shall be increased, for the construction of a building or an addition to a building only, by the amount determined as follows:

1. Determine the number of pupils in each grade level who attended school in the previous school year in a building that was then owned by the school district and has been allocated to another school district by the reorganization and who resided in the previous school year in territory that was not transferred to the other school district. The number shall be the average of such pupils en-

rolled on the 3rd Friday of September and the 2nd Friday of January.

2. The department of commerce shall determine for each grade level in which pupils attended school in a building described in subd. 1., the average cost per square foot for, and the average number of square feet per pupil included in, 2 recently constructed school buildings that were designed to serve pupils of that grade level, as selected by that department.

3. For each grade level, multiply the number determined under subd. 1. by the product of the 2 numbers determined under subd. 2., and total the results.

SECTION 2. 67.05 (7) (j) of the statutes is created to read:

67.05 (7) (j) An initial resolution adopted by the school board of a school district created by a reorganization under s. 117.105, or adopted by the school board of a school district from which territory is detached to create

* Section 991.11, WISCONSIN STATUTES 1995-96: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

a school district under s. 117.105, for the purpose of financing any assets or liabilities apportioned to the school district or assets apportioned to another school district under s. 117.105 (1m) or (2m), is not subject to a referendum.

SECTION 3. 67.12 (12) (e) 2. of the statutes is amended to read:

67.12 (12) (e) 2. Unless the purpose and amount of the borrowing have been approved by the electors under s. 67.05 (6a) or deemed approved by the electors under s. 67.05 (7) (d) 3., the purpose is to refund any outstanding municipal obligation, the purpose is to pay unfunded prior service liability contributions under the Wisconsin retirement system if all of the proceeds of the note will be used for that purpose, the borrowing would not be subject to a referendum as a bond issue under s. 67.05 (7) (cc), (h) or (i), or subd. 2g. or par. (f) or (h) applies, the school district clerk shall, within 10 days after a school board adopts a resolution under subd. 1. to issue a promissory note in excess of \$5,000, publish notice of such adoption as a class 1 notice, under ch. 985. Alternatively, the notice may be posted as provided under s. 10.05. The notice need not set forth the full contents of the resolution, but shall state the maximum amount proposed to be borrowed, the purpose thereof, that the resolution was adopted under this subsection, and the place where, and the hours during which, the resolution may be inspected. If, within 30 days after publication or posting, a petition conforming to the requirements of s. 8.40 is filed with the school district clerk for a referendum on the resolution signed by at least 7,500 electors of the district or at least 20% of the number of district electors voting for governor at the last general election, as determined under s. 115.01 (13), whichever is the lesser, then the resolution shall not be effective unless adopted by a majority of the district electors voting at the referendum. The referendum shall be called in the manner provided under s. 67.05 (6a), except that the question which appears on the ballot shall be “Shall (name of district) borrow the sum of \$... for (state purpose) by issuing its general obligation promissory note (or notes) under section 67.12 (12) of the Wisconsin Statutes?”.

SECTION 4. 67.12 (12) (e) 2r. of the statutes is created to read:

67.12 (12) (e) 2r. For a school district from which territory is detached to create a new school district under s. 117.105, the amounts specified and calculated under subd. 2g. shall be increased, for the construction of a building or an addition to a building only, by the amount determined as follows:

a. Determine the number of pupils in each grade level who attended school in the previous school year in a building that was then owned by the school district and has been allocated to another school district by the reorganization and who resided in the previous school year in territory that was not transferred to the other school dis-

trict. The number shall be the average of such pupils enrolled on the 3rd Friday of September and the 2nd Friday of January.

b. The department of commerce shall determine, for each grade level in which pupils attended school in a building described in subd. 2r. a., the average cost per square foot for, and the average number of square feet per pupil included in, 2 recently constructed school buildings that were designed to serve pupils of that grade level, as selected by that department.

c. For each grade level, multiply the number determined under subd. 2r. a. by the product of the 2 numbers determined under subd. 2r. b., and total the results.

SECTION 5. 67.12 (12) (h) of the statutes is created to read:

67.12 (12) (h) Paragraph (e) 2. does not apply to borrowing by the school board of a school district created by a reorganization under s. 117.105, or by the school board from which territory is detached to create a school district under s. 117.105, for the purpose of financing any assets or liabilities apportioned to the school district or assets apportioned to another school district under s. 117.105 (1m) or (2m).

SECTION 6. 117.05 (1m) of the statutes is amended to read:

117.05 (1m) BOARD AND APPEAL PANEL MEETINGS. The secretary shall set the time and place for meetings of the board under ss. 117.10, 117.105 (2m), 117.12 (5) and 117.132 and for meetings of appeal panels under ss. 117.12 (4) and 117.13.

SECTION 7. 117.05 (2) (a) of the statutes is amended to read:

117.05 (2) (a) *Board.* The secretary state superintendent shall appoint 7 members of the board to perform any review under ss. 117.10, 117.105 (2m), 117.12 (5) and 117.132. The 7 members shall include the secretary state superintendent or his or her designee on the board, 2 board members from school districts with small enrollments, 2 board members from school districts with medium enrollments and 2 board members from school districts with large enrollments. Any action of the board under this chapter requires the affirmative vote of at least 4 of the 7 members appointed under this paragraph.

SECTION 8. 117.05 (4) (a) (intro.) of the statutes is amended to read:

117.05 (4) (a) *Pending proceedings.* (intro.) A reorganization proceeding is pending from the date that a petition is filed under s. 117.105 (1) (a), 117.11 (2) or 117.12 (2) or a resolution is adopted under s. 117.08 (1), 117.09 (1), 117.10 (1), 117.105 (1) (b), 117.13 (2) or 117.132 (2) until the date on which the latest of any of the following occurs:

SECTION 9. 117.05 (4) (d) of the statutes is created to read:

117.05 (4) (d) *Four-year limitation on consideration of creation of a school district.* 1. Except as provided in

subd. 2., no petition may be filed or resolution adopted for the creation of a new school district under s. 117.105 (1) (a) or (b) before the 5th July 1 following the filing of a petition under s. 117.105 (1) (a) or the adoption of a resolution under s. 117.105 (1) (b) for any reorganization that includes any of the same territory.

2. The limitation under subd. 1. does not apply if the school board of each affected school district adopts a resolution waiving the limitation. If a school board denies a request for a waiver under this subdivision, the denial may not be appealed under this chapter.

SECTION 10. 117.05 (5) (a) of the statutes is amended to read:

117.05 (5) (a) *Territory in district.* All territory within this state shall be included in a school district operating elementary school grades and a school district operating high school grades or in a school district operating both elementary and high school grades. No territory may be detached from a school district unless by the same order it is attached to another school district or included in a new school district created by the order. No territory may be detached from a school district that operates high school grades unless by the same order it is attached to or included in another school district that operates high school grades.

SECTION 11. 117.05 (8) of the statutes is amended to read:

117.05 (8) INFORMATION ON REORGANIZATION PROCEDURES. The department shall prepare a written description of the procedures for school district reorganizations under ss. 117.08 to 117.132 and distribute copies to school district clerks. A school district clerk shall give a copy of the description to any person, upon request, and to any person filing a petition with the clerk under s. 117.08 (3) (a) 2., 117.09 (3) (a) 2., 117.105 (1) (a), 117.11 (2) or (4) (a) 2. or 117.12 (2), at the time the petition is filed.

SECTION 12. 117.05 (9) (title) of the statutes is amended to read:

117.05 (9) (title) APPEAL BOARD AND APPEAL PANEL FEES.

SECTION 13. 117.05 (9) (a) (intro.) of the statutes is amended to read:

117.05 (9) (a) (intro.) The department may charge the following persons a fee sufficient to reimburse the department for the costs of the board under ss. 117.10, 117.105 and 117.132:

SECTION 14. 117.05 (9) (a) 1. and 2. of the statutes are created to read:

117.05 (9) (a) 1. The school boards of the affected school districts under s. 117.105 if they fail to reach agreement under s. 117.105 (1m) (b).

2. A person who files a petition requesting review by the board under s. 117.105 (2m).

SECTION 15. 117.05 (9) (b) of the statutes is amended to read:

117.05 (9) (b) The clerk of the school district ordering the dissolution or requesting review shall pay the fee under par. (a) 3. or 4. to the department. The clerk of each affected school district shall pay the fee under par. (a) 1. to the department. The department shall allocate the fee under par. (a) 1. among the school districts from which territory is being detached to create a new school district if there is more than one such school district. The secretary of the board shall forward the fee fees collected under par. (a) 1. and 5. to the department.

SECTION 16. 117.05 (10) of the statutes is amended to read:

117.05 (10) (title) SECRETARY STATE SUPERINTENDENT TO ADVISE. The secretary state superintendent shall advise and consult with school boards regarding school district organization and reorganization. If, in the secretary's state superintendent's opinion, one or more school districts should be created, altered, consolidated or dissolved, he or she may make recommendations to the school boards of the affected school districts.

SECTION 17. 117.105 of the statutes is created to read:
117.105 Creation of a school district. (1) INITIATION OF PROCEDURES. Procedures to create a school district from the territory of one or more existing school districts may be initiated by any of the following methods:

(a) Before July 1 of any year, a written petition requesting the creation of a school district may be filed with the clerk of the school district that has the highest equalized valuation of the affected school districts. The petition shall be signed by at least 20% of the total number of electors residing in the affected school districts and by at least 5% of the number of electors residing in each affected school district. The school district clerk with whom the petition is filed shall immediately send a certified notice of the petition to the school board of each affected school district and to the secretary of the board. The petition shall include the approximate boundaries of the proposed school district.

(b) Before July 1 of any year, the school board of each school district from which territory will be detached to create the proposed school district may adopt a resolution stating that the school board will consider the creation of the school district. The resolution shall include the approximate boundaries of the proposed school district. The school district clerk of each school board adopting a resolution under this paragraph shall send a certified copy of the resolution to the school boards of each of the other affected school districts and to the secretary of the board.

(1m) HEARING; BOUNDARIES; ASSETS AND LIABILITIES.
(a) Upon receipt of a petition or notice under sub. (1) (a), or upon the adoption of a resolution and the receipt of copies of resolutions adopted by the school board of each of the other affected school districts under sub. (1) (b), the school board shall hold a public hearing on the proposed reorganization.

(b) Before the October 15 following the receipt of a petition or notice under sub. (1) (a) or the adoption of resolutions under sub. (1) (b), the school boards of the affected school districts may, by the adoption of resolutions by the school boards of a majority of the affected school districts, agree on the precise boundaries of the proposed school district and the apportionment of the assets and liabilities between the affected school districts and the proposed school district according to the criteria under s. 66.03 (2c). The school boards may establish an alternative method to govern the assignment of assets and liabilities as provided in s. 66.03 (2c) (b). In determining the precise boundaries, the school boards may not detach territory from any additional school districts. The clerk of the school district that has the highest equalized valuation of the affected school districts shall notify the board of their agreement or their failure to reach agreement.

(c) If the school boards of a majority of the affected school districts fail to agree on the precise boundaries or on the apportionment of assets and liabilities by October 15 under par. (b), the board shall issue an order doing so by the following February 15. In determining the precise boundaries of the proposed school district, the board may not detach territory from any additional school districts.

(2) SCHOOL BOARD ACTION. Before the January 15 following the determination of the precise boundaries of the proposed school district and the apportionment of assets and liabilities under sub. (1m) (b), or before the April 15 following an order issued by the board under sub. (1m) (c), the school board of each affected school district shall adopt a resolution ordering or denying the creation of the school district. The resolution shall state the school board's rationale for ordering or denying the reorganization and include an evaluation of each of the factors specified in s. 117.15. Failure of a school board to adopt a resolution either ordering or denying the creation of the school district before the applicable date required under this subsection constitutes a denial of the creation of the school district by that school board. The school district clerk of each school board adopting a resolution under this subsection, either ordering or denying the reorganization, shall, within 5 days after the adoption of the resolution, send a certified copy of the resolution to the school boards of each of the other affected school districts and file a certified copy of the resolution as provided in s. 117.17 (2).

(2m) BOARD REVIEW. (a) The board shall review a proposed reorganization under this section if any of the following occurs:

1. The school board of each affected school district issues an order under sub. (2) granting the proposed reorganization, and a petition for board review of the proposed reorganization, signed by at least 10% of the number of electors residing in the territory of the affected school districts that is not within the proposed school district, is filed with the secretary of the board. The petition

shall be filed by February 15 following the school board action under sub. (2), or by May 15 following the school board action under sub. (2) if the board issued an order under sub. (1m) (c).

2. The school board of any of the affected school districts issues an order under sub. (2) denying the proposed reorganization, and a petition for board review of the proposed reorganization, signed by at least 10% of the number of electors residing in each affected school district, is filed with the secretary of the board. The petition shall be filed by February 15 following the school board action under sub. (2), or by May 15 following the school board action under sub. (2) if the board issued an order under sub. (1m) (c).

(b) Upon receipt of a petition for review under par. (a), the secretary of the board shall immediately notify the school board of each affected school district and the board shall hold a public hearing on the proposed reorganization. After the hearing and after consulting with the school boards of the affected school districts, but before May 15, the board may modify the boundaries of the proposed school district and the apportionment of assets and liabilities between the affected school districts and the proposed school district unless the board determined the boundaries and apportionment under sub. (1m) (c). The board may not modify the boundaries by detaching territory from any additional school districts.

(bm) If the board modifies the boundaries or the apportionment of assets and liabilities under par. (b), it shall immediately notify the school board of each affected school district, and before June 15, the school board of each affected school district may proceed under sub. (2) to issue an order either granting or denying the proposed reorganization, as modified by the board. The board shall then proceed under par. (c) without the filing of a new petition under par. (a) but may not issue an order under par. (c) before June 21.

(c) By August 1 following receipt of a petition for review under par. (a), the board shall issue an order either granting or denying the proposed reorganization. The order shall state the board's rationale and include an evaluation of each of the factors specified in s. 117.15. The board may overturn the decision of the school boards only if it finds that the school boards' conclusions regarding the factors specified in s. 117.15 are not supported by the facts or that the school boards did not properly apply these factors.

(3) REFERENDUM. (a) A referendum shall be held under par. (b) if any of the following occurs:

1. The school boards of all of the affected school districts grant the proposed reorganization and there is no petition filed for board review.

2. The school boards of all of the affected school districts grant the proposed reorganization, a petition for board review is filed and the board grants the proposed reorganization.

3. The school board of one or more of the affected school districts denies the proposed reorganization, a petition for board review is filed and the board grants the proposed reorganization.

(b) If a referendum is required under par. (a), the board shall immediately notify the school boards of each of the affected school districts and the clerk of each city, village or town, any part of which is contained within an affected school district. The referendum shall be held in the territory of the school district proposed to be created by the reorganization.

(c) In addition to the referendum under par. (a) 3., a referendum shall be held under par. (d) if par. (a) 3. applies and a petition conforming to the requirements of s. 8.40 requesting a referendum, signed by at least 20% of the number of electors residing in the territory of the affected school districts, is filed with the clerk of the affected school district with the largest equalized valuation before the 2nd Tuesday of September following issuance of the board's order under sub. (2m) (c).

(d) If a referendum is required under par. (c), the school district clerk receiving the petition shall immediately notify the school boards of each of the affected school districts and the clerk of each city, village or town, any part of which is contained within an affected school district. The referendum shall be held in the territory of the affected school districts as provided under s. 117.20.

(4) ORDER OF REORGANIZATION IF APPROVED AT REFERENDUM. If a majority of the votes cast in the referendum held under sub. (3) (b) in the territory of the school district proposed to be created by the reorganization is in favor of the creation of the proposed school district, and a majority of the votes cast in the referendum held under sub. (3) (d) in the territory of the affected school districts is in favor of the creation of the proposed school district, at the time of canvassing the returns the school boards of the affected school districts shall make and file an order of school district reorganization under s. 117.17 (2). The reorganization shall take effect on the following July 1 unless the school board of the newly created school district adopts and files a resolution, as provided in s. 117.17 (2), stating that the reorganization shall take effect on the 2nd July 1 following the order of reorganization.

(5) APPLICABILITY. This section does not apply to a reorganization that would result in the creation of a school district that has the same boundaries that an existing school district would have if territory were detached from one or more other school districts and attached to the existing school district under s. 117.12, 117.13 or 117.132 unless the existing school district operates only elementary grades.

(6) LIMITATION ON FURTHER REORGANIZATION. No school district created by a reorganization under this section may consolidate with another school district under s. 117.08 or 117.09, or have all of its territory attached to another school district under s. 117.10, 117.11 or

117.132, within 10 years after the effective date of the reorganization under this section. This subsection does not apply if the school district was created by detaching territory from a single school district, and the consolidation under s. 117.08 or 117.09 or the attachment under s. 117.10, 117.11 or 117.132 will consolidate the school district with, or reattach its territory to, the school district from which its territory was detached by the reorganization which created the school district.

SECTION 18. 117.14 (1) (b) of the statutes is amended to read:

117.14 (1) (b) If the order is issued under ss. ~~117.11~~ 117.105 to 117.132, the appeal shall be filed with the circuit court of any county in which any of the territory proposed to be detached from one school district and attached to, or included in, another school district is located or with the circuit court of any county in which any territory of the school district to which the territory is proposed to be attached, or the school district that is proposed to be created, is located.

SECTION 19. 117.15 (2m) of the statutes is amended to read:

117.15 (2m) If territory is proposed to be detached from one school district and attached to an adjoining school district or proposed to be included in a new school district under s. 117.105, whether the proposed detachment will have any adverse effect on the program currently offered by the school district from which the territory is proposed to be detached, including both curricular and extracurricular aspects of that program.

SECTION 20. 117.15 (6) of the statutes is amended to read:

117.15 (6) The socioeconomic level and racial composition of the pupils who reside or will reside in territory proposed to be detached from one school district and attached to an adjoining school district, in territory proposed to be included in a new school district under s. 117.105 or in school districts proposed to be consolidated or in a school district proposed to be dissolved; the proportion of the pupils who reside in such territory who are children at risk, as defined under s. 118.153 (1) (a); and the effect that the pupils described in this paragraph will have on the present and future socioeconomic level and racial composition of the affected school districts and on the proportion of the affected school districts' enrollments that will be children at risk.

SECTION 21. 117.17 (1) (a) of the statutes is amended to read:

117.17 (1) (a) Every order of school district reorganization under s. 117.08 ~~or~~, 117.09 or 117.105 that creates a new school district shall state the school districts which are dissolved or from which territory is detached to create the new school district, name the new school district, state the type of school district and the grades to be taught by the new school district pursuant to s. 115.01 (2), (3) and (5), designate the number of school board members

under s. 120.01 or 120.41, designate the terms of initial members of the school board under s. 120.02 (3) (a), designate the method of election of school board members under s. 120.06 or 120.42, direct the election of school board members under s. 120.06 or 120.42, insofar as applicable, designate the date of the first election of school board members, as provided under s. 117.22 (2) (b), and fix the time and place for the first annual meeting of the new school district, if one is to be held. The secretary of the board shall give notice of the first annual meeting, if one is to be held, under s. 120.08 (1) (c), and shall designate a person to act as temporary chairperson of the annual meeting until a chairperson is elected.

SECTION 22. 117.17 (1) (bm) of the statutes is created to read:

117.17 (1) (bm) Every order of school district reorganization under s. 117.105 shall describe the territory of the school districts from which territory is detached to create the new school district, state the school district created by the order and describe the territory of the school district created by the order.

SECTION 23. 117.20 (1) of the statutes is amended to read:

117.20 (1) If a referendum is required under ss. 117.08 to 117.11, it shall be held on the Tuesday after the first Monday in November following receipt of the petition or adoption of the resolution under s. 117.08 (3) (a), 117.09 (3) (a), 117.10 (3) (a) or 117.11 (4) (a). If a referendum is required under s. 117.105, it shall be held on the Tuesday after the first Monday in the 2nd November following receipt of the petition or adoption of the resolution under s. 117.105 (1).

SECTION 24. 117.22 (2) (a) 1. of the statutes is amended to read:

117.22 (2) (a) 1. The clerk of the affected school district that has the highest equalized valuation, if an order of reorganization is issued under s. 117.08 or 117.105.

SECTION 25. 117.22 (2) (bm) of the statutes is created to read:

117.22 (2) (bm) If an order of reorganization is issued under s. 117.105, the first election of school board members shall be held at the spring election following the referendum under s. 117.105 (3).

SECTION 25g. 117.22 (2) (d) of the statutes is amended to read:

117.22 (2) (d) At least 12 weeks prior to the date of the election, the school district clerk shall publish a type A notice of the school board election, under s. 10.01 (2) (a). No later than 5 p.m. on the date 10 weeks prior to the election, any qualified elector of the school district created by the reorganization may file with the school district clerk a sworn declaration of candidacy for the school board and, if required, nomination papers, as provided under s. 120.06 (6) (b). For purposes of this paragraph, a candidate who resides in the territory of the school district created pursuant to a reorganization under s. 117.105

and is otherwise a qualified elector shall be considered a qualified elector for a school board election under par. (bm). A candidate shall file an amended declaration with the school district clerk as provided in s. 120.06 (6) (b). Within 8 days after the first election in the newly created school district, the school district clerk shall notify the successful candidates of their election. On the 2nd Tuesday following the election, the clerk shall administer or receive the official oath and the newly elected members shall take office.

SECTION 25r. 117.22 (3) of the statutes is created to read:

117.22 (3) INELIGIBILITY. Any person elected to a school board in an election under sub. (2) (bm) who is also a member of the school board of an affected school district is not eligible to serve as a member of the school board for the school district created by the reorganization unless the person resigns as a member of the school board of the affected school district prior to receiving the official oath of office under sub. (2) (d).

SECTION 26. 117.25 (4) of the statutes is created to read:

117.25 (4) CREATIONS. When a school district is created under s. 117.105, all of the following apply:

(a) Any employe of a school district from which territory is detached by the reorganization who is laid off as a result of the reorganization has priority over other persons for 3 years after the effective date of the reorganization for new positions and vacant positions for which he or she is qualified in the school district that is created by the reorganization.

(b) Any person who wishes to exercise his or her priority under par. (a) shall notify the school district that is created by the reorganization, in writing, that he or she wishes to be considered for any new position or vacant position and shall include in the notice the address to be used by the school district to notify the person of such positions.

SECTION 27. 117.30 (1) of the statutes is renumbered 117.30 (1) (a) and amended to read:

117.30 (1) (a) If Except as provided under pars. (b) and (c), if a school district for 2 or more successive years has failed to operate a school as required by law sufficient classes at each grade level to provide all pupils who reside in the school district an opportunity to attend class at the appropriate grade level, the board shall attach the territory of the school district to one or more school districts that do operate schools so. Within 60 days of the date on which a school district becomes subject to this section, the department shall so notify the school district clerk and the clerk of each municipality in which part of the school district lies. Prior to August 30 of the year in which the school district becomes subject to this section, the board shall issue an order of school district reorganization attaching the school district to one or more operating school districts. Orders issued under this section

take effect upon being filed as provided in s. 117.17 (2). The school board of each district to which any territory is attached under this section shall levy and collect a special tax against the property in the territory so attached for such amount as is payable for tuition and transportation, at the time of the attachment, by the school district in which the attached territory was located prior thereto, in the proportion that the equalized valuation of the attached territory bears to the total equalized valuation of the school district in which such territory was located prior to such attachment.

SECTION 28. 117.30 (1) (b) and (c) of the statutes are created to read:

117.30 (1) (b) Before the end of the first school year beginning after the effective date of a reorganization under s. 117.105, the school board of the school district created by the reorganization may request the department to extend the 2-year time period under par. (a) by one year. The department may grant the extension, and may renew the extension for additional one-year periods, if the department determines that the school board has adequate plans and is making adequate progress toward operating sufficient classes at each grade level to provide all pupils who reside in the school district an opportunity to attend class at the appropriate grade level.

(c) If a school district created under s. 117.105 fails to operate sufficient classes at each grade level to provide all pupils who reside in the school district an opportunity to attend class at the appropriate grade level before the end of the first school year beginning after the effective date of the reorganization under s. 117.105, plus the period of any extension granted under par. (b), the board's order under par. (a) shall reattach the territory of the school district to each of the school districts from which the territory was detached by the reorganization under s. 117.105, unless the school district from which the territory was detached is no longer an operating school district.

SECTION 28d. 120.06 (2) of the statutes is renumbered 120.06 (2) (a) and amended to read:

120.06 (2) (a) School ~~Except as provided under par. (b), school~~ board members shall be electors of the school district and shall be elected at large by a plurality vote of the electors of the school district.

SECTION 28h. 120.06 (2) (b) of the statutes is created to read:

120.06 (2) (b) School board members elected to a school board in an election under s. 117.22 (2) (bm) shall reside in the territory of the school district created by the reorganization.

SECTION 28p. 120.42 (1) (a) of the statutes is amended to read:

120.42 (1) (a) Except as provided in ~~par. pars.~~ (b) and (c), school board members in a unified school district shall be electors of the school district and shall be elected at large, at large to numbered seats or at large to an apportioned election district area by a plurality vote of the elec-

tors of the school district. School board members in a unified school district shall be elected under s. 120.06 at the spring election. All candidates for school board seats shall file a declaration of candidacy as provided in s. 120.06 (6) (b).

SECTION 28t. 120.42 (1) (c) of the statutes is created to read:

120.42 (1) (c) School board members elected to a school board in an election under s. 117.22 (2) (bm) shall reside in the territory of the school district created by the reorganization.

SECTION 29. 121.07 (6) (e) of the statutes is renumbered 121.07 (6) (e) 1.

SECTION 30. 121.07 (6) (e) 2. of the statutes is created to read:

121.07 (6) (e) 2. For a school district from which territory was detached to create a school district under s. 117.105, in each of the 3 school years beginning on the July 1 following the effective date of the reorganization under s. 117.105, the amounts under par. (b) and (d) shall be multiplied by 1.05 and rounded to the next lower dollar.

SECTION 31. 121.07 (7) (e) of the statutes is renumbered 121.07 (7) (e) 1.

SECTION 32. 121.07 (7) (e) 2. of the statutes is created to read:

121.07 (7) (e) 2. For a school district from which territory was detached to create a school district under s. 117.105, in each of the 3 school years beginning on the July 1 following the effective date of the reorganization under s. 117.105, the amounts under pars. (a) to (bm) shall be multiplied by 1.05 and rounded to the next lower dollar.

SECTION 33. 121.78 (2) (bm) of the statutes is created to read:

121.78 (2) (bm) The school board of a school district from which territory was detached to create a school district under s. 117.105 and the school board of the school district created under s. 117.105 shall permit a pupil who resides in the territory that was detached to continue to attend school in the school district from which the territory was detached until the school district created by the reorganization begins offering instruction at the pupil's grade level. The school board of the school district created by the reorganization shall pay tuition for the pupil.

SECTION 34. 121.78 (2) (br) of the statutes is created to read:

121.78 (2) (br) The school board of a school district from which territory was detached to create a school district under s. 117.105 and the school board of the school district created under s. 117.105 shall permit a pupil who resides in the territory that was detached and has gained 12th grade status in the school district from which the territory was detached to continue to attend school in the school district from which the territory was detached.

The school board of the school district created by the reorganization shall pay tuition for the pupil.

SECTION 35. 121.84 (1) (b) of the statutes is amended to read:

121.84 (1) (b) Upon request of a pupil's parent or guardian, a school board of a district operating high school grades shall permit a pupil who has gained 12th grade status in a high school under its jurisdiction and is a resident of the school district at the time of gaining such status to complete 12th grade at the high school without payment of tuition, even though the pupil is no longer a resident of the school district. This paragraph does not apply to a pupil to whom s. 121.78 (2) (br) applies.

SECTION 36. 121.90 (2) of the statutes is renumbered 121.90 (2) (intro.) and amended to read:

121.90 (2) (intro.) "State aid" means aid under ss. 121.08, 121.09, 121.10 and 121.105 and subch. VI, as calculated for the current school year on October 15 under s. 121.15 (4), except that "state aid" excludes ~~any~~ all of the following:

(a) Any additional aid that a school district receives as a result of ss. 121.07 (6) (e) 1. and (7) (e) 1. and 121.105 (3) for school district consolidations that are effective on or after July 1, 1995, as determined by the department.

SECTION 37. 121.90 (2) (b) of the statutes is created to read:

121.90 (2) (b) Any additional aid that a school district receives as a result of s. 121.07 (6) (e) 2. and (7) (e) 2. for school district reorganizations under s. 117.105, as determined by the department.

SECTION 38. 121.905 (3) (a) of the statutes is renumbered 121.905 (3) (a) 1. and amended to read:

121.905 (3) (a) 1. ~~Calculate~~ Except as provided under subd. 2., calculate the sum of the amount of aid received under ss. 121.08, 121.10 and 121.105 and subch. VI in the previous school year and property taxes levied for the previous school year, excluding funds described under s. 121.91 (4) (c), and the costs of the county handicapped children's education board program, as defined in s. 121.135 (2) (a) 2., for pupils who were school district residents and solely enrolled in a special education program provided by a county handicapped children's education board in the previous school year.

SECTION 39. 121.905 (3) (a) 2. of the statutes is created to read:

121.905 (3) (a) 2. For a school district created under s. 117.105, for the school year beginning with the effective date of the reorganization, perform the following calculations:

a. Calculate the sum under subd. 1. for each of the school districts from which territory was detached to create the new school district.

b. For each of those school districts, divide the result in subd. 2. a. by the number of pupils enrolled in that school district in the previous school year.

c. For each of those school districts, multiply the result in subd. 2. b. by the number of pupils enrolled in that school district in the previous school year who resided in territory that was detached to create the new school district.

d. Calculate the sum of the amounts determined under subd. 2. c.

SECTION 40. 121.905 (3) (b) of the statutes, as affected by 1997 Wisconsin Act 27, is renumbered 121.905 (3) (b) 1. and amended to read:

121.905 (3) (b) 1. ~~Divide~~ Except as provided under subd. 2., divide the result in par. (a) 1. by the sum of the average of the number of pupils enrolled in the 3 previous school years and the number of pupils enrolled who were school district residents and solely enrolled in a special education program provided by a county handicapped children's education board program in the previous school year.

SECTION 41. 121.905 (3) (b) 2. of the statutes is created to read:

121.905 (3) (b) 2. For a school district created under s. 117.105, for the school year beginning with the effective date of the reorganization, divide the result in par. (a) 2. by the number of pupils who in the previous school year were enrolled in a school district from which territory was detached to create the new school district and who resided in the detached territory; for the school year beginning on the first July 1 following the effective date of the reorganization, divide the result in par. (a) 2. by the number of pupils in the previous school year; and for the school year beginning on the 2nd July 1 following the effective date of the reorganization, divide the result in par. (a) 2. by the average of the number of pupils in the 2 previous school years.

SECTION 42. 121.905 (4) of the statutes is amended to read:

121.905 (4) A school district that is exempt from the revenue limits under ~~this section sub. (2)~~ sub. (2) may not increase its base revenue per member to an amount that is greater than its revenue ceiling unless that school district follows the procedures prescribed in s. 121.91 (3).

SECTION 43. 121.91 (2m) (e) of the statutes is created to read:

121.91 (2m) (e) 1. Notwithstanding pars. (c) and (d), if a school district is created under s. 117.105, its revenue limit under this section for the school year beginning with the effective date of the reorganization shall be determined as follows except as provided under subs. (3) and (4):

a. Divide the result under s. 121.905 (3) (a) 2. by the total number of pupils who in the previous school year were enrolled in a school district from which territory was detached to create the new school district and who resided in the detached territory.

b. Add \$206 to the result under subd. 1. a.

c. Multiply the result under subd. 1. b. by the number of pupils who in the previous school year were enrolled in a school district from which territory was detached to create the new school district and who resided in the detached territory, or by the number of pupils enrolled in the new school district in the current school year, whichever is greater.

2. If a school district is created under s. 117.105, the following adjustments to the calculations under pars. (c) and (d) apply for the 2 school years beginning on the July 1 following the effective date of the reorganization:

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. (c) 1. and (d) 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. (c) 1. and (d) 1. instead of the average of the number of pupils in the 3 previous school years.

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 pre-

vious school years shall be used under pars. (c) 4. and (d) 4. instead of the average of the number of pupils in the current and the 2 preceding school years.

SECTION 44. 121.91 (4) (c) 3. of the statutes is created to read:

121.91 (4) (c) 3. Funds needed for the payment of any general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding municipal obligations, interest on outstanding municipal obligations or the payment of related issuance costs or redemption premiums, authorized by a resolution of the school board and secured by the full faith and credit of the school district if the issuance of the debt was not subject to a referendum as a result of s. 67.05 (6a) (bg) or (7) (j) or 67.12 (12) (e) 2r. or (h).

SECTION 45. 121.91 (4) (g) of the statutes is created to read:

121.91 (4) (g) The limit otherwise applicable to a school district from which territory is detached to create a school district under s. 117.105 is increased for the school year beginning with the effective date of the reorganization under s. 117.105 by an amount equal to 5% of the school district's state aid.
