



2005 ASSEMBLY BILL 417

May 12, 2005 - Introduced by Representative MURSAU. Referred to Joint Committee on Finance.

1 **AN ACT** *to create* 20.255 (2) (ae), 115.435 (2m), 115.436 and 121.91 (4) (L) of the
2 statutes; **relating to:** providing additional state aid to certain large-area,
3 declining enrollment school districts, granting rule-making authority, and
4 making an appropriation.

Analysis by the Legislative Reference Bureau

Under current law, a school district with an area of at least 200 square miles and an enrollment of fewer than 500 pupils, and in which at least 80 percent of the real property is exempt from taxation, is taxed as forest cropland, or is tribal land, is eligible for supplemental state aid of \$350 per enrolled pupil. Current law also limits the total amount of revenue that a school district may receive from general school aids and property taxes (revenue limit).

This bill provides that, if in any fiscal year the amount appropriated for supplemental aid is not fully expended, the balance will be used to provide a payment of \$350 per enrolled pupil to any school district that is at least 475 square miles in area and that experienced a decline in enrollment of more than 12 percent between the 2000-01 school year and the 2003-04 school year. The bill also creates a separate categorical aid program until June 30, 2008, that provides \$500 per pupil to the same kind of school district if the school district approves at a referendum an increase to the revenue limit equal to the amount of aid received under this new program.

ASSEMBLY BILL 417

1 (b) If the balance is insufficient to pay the full amount under this subsection,
2 the funds shall be prorated among the entitled school districts.

3 **SECTION 4.** 115.436 of the statutes is created to read:

4 **115.436 Additional aid. (1)** A school district that satisfies all of the following
5 criteria may apply to the department by October 15 of each school year for a grant:

6 (a) The school district's membership used to calculate aid under s. 121.15 (4)

7 (b) in the 2000-01 and the 2003-04 school years declined more than 12 percent
8 between those school years.

9 (b) The school district is at least 475 square miles in area.

10 (c) The school district approves a resolution at a referendum under s. 121.91
11 (3) that increases the limit under s. 121.91 (2m) by an amount equal to the amount
12 of aid to which the school district is entitled under sub. (2).

13 **(2)** Beginning in the 2005-06 school year, annually by June 30 the department
14 shall, from the appropriation under s. 20.255 (2) (ae), pay each school district that
15 satisfies the criteria under sub. (1) \$500 for each pupil enrolled in the school district
16 in the previous school year. If the appropriation under s. 20.255 (2) (ae) is insufficient
17 to pay the full amount under this subsection, the funds shall be prorated among the
18 entitled school districts.

19 **(3)** The department shall promulgate rules to implement and administer this
20 section.

21 **SECTION 5.** 121.91 (4) (L) of the statutes is created to read:

22 121.91 **(4) (L)** Any additional revenue received by a school district as a result
23 of a referendum held for the purpose of making the school district eligible for a grant
24 under s. 115.436 shall not be included in the base for determining the school district's
25 limit under sub. (2m) (e) for the following school year.

