



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-2903/1
FFK:kjf

2017 ASSEMBLY BILL 279

April 24, 2017 - Introduced by Representatives SANFELIPPO, BERNIER, BRANDTJEN, HORLACHER, MACCO, SCHRAA and WEATHERSTON, cosponsored by Senators STROEBEL, CRAIG, LASEE and NASS. Referred to Committee on Education.

1 **AN ACT to create** 20.255 (2) (fw) and 120.137 (4) of the statutes; **relating to:**
2 providing matching funds for a deposit to a long-term capital improvement
3 trust fund and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill requires the Department of Public Instruction to provide matching funds for deposits that a school board makes to a long-term capital improvement trust fund. The required match is equal to 50 percent of the total amount deposited in the previous school year. The bill also requires DPI to make a one-time payment to school boards for any funds deposited in a long-term capital improvement trust fund before July 1, 2017. A long-term capital improvement trust fund is a fund created by a school board for the purpose of financing the costs of the capital improvements included in the school board's approved long-term capital improvement plan.

Under the bill, if a school board adopts a resolution to increase the school district's levy limit for operating costs or capital costs, the school board is required to refund to DPI any matching funds it received for a deposit to a long-term capital improvement trust fund during the ten school years immediately preceding the resolution. If a school board fails to refund the amount of the matching funds to DPI within 12 months, DPI must reduce the school district's state aid to cover the amount due.

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For further information see the *state and 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:

1 **SECTION 1.** 20.255 (2) (fw) of the statutes is created to read:

2 20.255 (2) (fw) *Long-term capital improvement trust fund; matching funds.* A
3 sum sufficient to make deposits in long-term capital improvement trust funds under
4 s. 120.137 (4).

5 **SECTION 2.** 120.137 (4) of the statutes is created to read:

6 120.137 (4) (a) In the 2017-18 school year, from the appropriation under s.
7 20.255 (2) (fw), the department shall deposit into a school district's long-term capital
8 improvement fund created under sub. (2) an amount equal to 50 percent of the the
9 total amount the school district deposited in the long-term capital improvement
10 trust fund before July 1, 2017. In the 2018-19 school year and in each school year
11 thereafter, from the appropriation under s. 20.255 (2) (fw), the department shall
12 deposit into a school district's long-term capital improvement fund created under
13 sub. (2) an amount equal to 50 percent of the total amount the school district
14 deposited in the long-term capital improvement trust fund in the previous school
15 year.

16 (b) If a school board adopts a resolution under s. 121.91 (3) to exceed a school
17 district's limit under s. 121.91 (2m) or a school board or the electors of the school
18 district adopt a resolution to issue debt under s. 67.05 (6a) that will result in an
19 increase to the school district's limit under s. 121.91 (2m), the school board shall
20 refund to the department the total amount deposited by the department under par.

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1 (a) during the 10 school years immediately preceding the school year in which the
2 resolution was adopted.

3 (c) 1. If a school board is required to make a refund under par. (b) and the school
4 board does not refund the amount due under par. (b) within 12 months of the date
5 the resolution requiring the refund was adopted, the department shall decrease the
6 school district's state aid payment under s. 121.08 by the amount due under par. (b).
7 If, after making any reductions to a school district's aid payment under ss. 115.7915
8 (4m) (f) 2., 118.40 (2r) (g) 2. and (2x) (f) 2., 118.51 (16) and (17), and 118.60 (4d) (b)
9 2., a school district's state aid payment under s. 121.08 is insufficient to cover the
10 reduction under this paragraph, the department shall decrease other state aid
11 payments made by the department to the school district by the remaining amount.

12 2. The state superintendent shall ensure that an aid reduction under subd. 1.
13 lapses to the general fund and does not affect the amount determined to be received
14 by a school district as state aid under s. 121.08 for any other purpose.

15 (END)