



Legislative Fiscal Bureau

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DRAFT

June 18, 2013

TO: Members
Wisconsin Assembly

FROM: Bob Lang, Director

SUBJECT: AA ?? to ASA 1 to AB 40

Following is a summary of the items of AA ?? to ASA 1 to AB 40.

1. COMMUNITY SERVICE LEVY (FUND 80)

Prohibit a district from levying more for community service activities in 2013-14 and 2014-15 than it did in the most recent year preceding 2013-14 in which the district levied for those activities. Provide that if a district wishes to exceed the limit on the community service levy, the school board could adopt a resolution to exceed the limit by a specified amount and submit the resolution to the electors of the district for approval. Specify that the limit otherwise applicable to the district would be increased by the amount approved by a majority of those voting on the question.

Under ASA 1, a school district would be prohibited from levying more for community service activities in 2013-14 and 2014-15 than it did in 2012-13.

[AA ?? Items: 104, 105, 106, and 107]

2. PARENTAL CHOICE PROGRAMS -- DELETE RACINE PRIOR YEAR ATTENDANCE CRITERIA

Chg. to JFC	
GPR	\$5,273,600

Delete the prior year attendance criteria for the Racine parental choice program under which, to be eligible to participate in the program, a pupil must: (a) have been enrolled in RUSD in the prior year; (b) not have been enrolled in school in the prior year; (c) have been enrolled in the Racine program in the prior year; or (d) be enrolling in kindergarten, first grade, or ninth grade in a school participating in the Racine program in the current year. Based on

the additional pupils currently attending schools participating in the program that would become eligible under this provision, provide \$1,610,500 GPR in 2013-14 and \$3,663,100 GPR in 2014-15 to fund an estimated 250 additional pupils in 2013-14 and 500 additional pupils in 2014-15.

[AA ?? Item: 48]

3. PARENTAL CHOICE PROGRAMS -- STUDENT PRIORITY

Specify that under the expanded choice program outside of Milwaukee and Racine, a private school would be required to give preference to a pupil who satisfies either of the following: (a) the pupil was enrolled in a public school in the school district in the previous year and is applying to attend the school in grades 2 through 8 or 10 through 12; or (b) the pupil was not enrolled in school in the previous school year.

Under current law, choice schools must select pupils on a random basis, except that they may give preference in accepting applications to siblings of pupils selected on a random basis. Under ASA 1, schools would be allowed to give preference in accepting applications to any of the following: (a) pupils who attended the school under the choice program during the school year prior to the school year for which the application is being made; (b) siblings of pupils who attended the school during the school year prior to the school year for which the application is being made and to siblings of pupils who have been accepted to the school for the school year for which the application is being made; and (c) pupils who attended another school under a parental choice program during the school year prior to the school year for which the application is being made.

[AA ?? Items: 51 thru 56]

4. PARENTAL CHOICE PROGRAMS -- RELEASE OF INFORMATION

Require DPI, when publicly releasing data related to, but not limited to, enrollment of, standardized test results for, applications submitted by, waiting lists for, and other information related to pupils participating in or seeking to participate in parental choice programs, to release the data all at the same time, uniformly, and completely. Provide that DPI may selectively release portions of the information specified above only to the following: (a) the school district or an individual school; and (b) an entity requesting the information for a specific participating school or the school district, provided that the entity is authorized to obtain official data releases for that school or the school district.

[AA ?? Items: 77 and 79]

5. PARENTAL CHOICE PROGRAMS -- REQUIRED CREDENTIALS FOR TEACHERS

Modify current law that specifies that a teacher in a choice school have a bachelor's degree, to also allow a degree or educational credential higher than a bachelor's degree, including a masters or doctorate.

[AA ?? Items: 49 and 78]

6. PARENTAL CHOICE PROGRAMS -- INCOME LIMITS UNDER EXPANDED PROGRAM

Specify that a pupil attending a choice school whose family income increases above the limit of 185% of the poverty guideline could continue in the program. Under the substitute amendment, pupils with family incomes under 185% of the federal poverty level could participate in the statewide expansion of the parental choice program, with the current income adjustment of \$7,000 for married couples.

[AA ?? Item: 50]

7. PARENTAL CHOICE PROGRAMS -- CURRENT PROGRAM SCHOOLS

Specify that schools currently participating in the Milwaukee and Racine parental choice programs could accept students under the proposed statewide program, subject to the 500/1,000 statewide limit on pupils.

[AA ?? Items: 57 thru 61]

8. PARENTAL CHOICE PROGRAMS -- RETURN OF STATE FEE

Specify that the annual nonrefundable fee currently paid to DPI by schools that intend to participate in the parental choice programs would be refunded to schools that: (a) did not participate in the program in 2012-13; and (b) did not get included in the count of 25 private schools under the proposed program expansion.

[AA ?? Items: 62 and 63]

9. PARENTAL CHOICE PROGRAMS -- MILWAUKEE AND RACINE PUPILS

Provide that schools in the expanded choice program could accept pupils from MPS and RUSD, outside of the 500/1,000 limits on pupils in the expanded program.

[AA ?? Items: 64 and 65]

10. PARENTAL CHOICE PROGRAMS -- CALCULATION OF PAYMENTS AND COSTS

Clarify the calculation of the payments and of educational costs for purposes of the parental choice programs.

[AA ?? Items: 66 thru 76]

11. PROPERTY TAX EXEMPTION FOR STUDENT HOUSING FACILITIES

Modify the substitute amendment provision that would limit the property tax exemption for student housing facilities to those facilities in existence and meeting other requirements for the exemption on the general effective date of the bill by allowing a facility to qualify for the exemption if the following apply: (a) the facility is located in a municipally designated landmark; and (b) the facility is in existence and meets the other requirements for the exemption on September 30, 2014. This modification would allow a project being planned at the site of the Holy Redeemer Catholic Church in Madison to qualify for the exemption if it is operational by September 30, 2014.

[AA ?? Item: 17]

12. PROPERTY TAX EXEMPTION FOR PROPERTY USED FOR AGING CHEESE

Delete the substitute amendment provisions that would include entities that age natural cheese on behalf of others under the statutory definition of manufacturing and that would amend definitions in the property tax exemption for manufacturing machinery and specific processing equipment as they relate to aging natural cheese.

[AA ?? Items: 18 thru 21, 23, and 121]

13. LOCAL GOVERNMENT EMPLOYEE RESIDENCY REQUIREMENTS

Specify that the limitations on local government residency requirements would also not apply to any provision of local law requiring residency in the state (under the substitute amendment, the limitations would not apply to any provision of state law requiring residency in the state). In addition, specify that the local government residency requirements allowed under the substitute amendment would not apply to any volunteer law enforcement, fire, or emergency personnel who are employees of the local unit of government.

Under the substitute amendment, local units of government would be allowed to establish the following relating to the residency of their employees: (a) a requirement that law enforcement, fire, or emergency personnel of the local government must reside within 15 miles of the jurisdictional boundaries of the local government; and (b) if the local unit of government is a county, a requirement that law enforcement, fire, or emergency personnel must reside within 15 miles of the jurisdictional boundaries of the municipality to which they are assigned.

[AA ?? Items: 15 and 16]

14. COST-BENEFIT ANALYSIS FOR CONSULTING SERVICES FOR TRANSPORTATION PROJECTS

Delete the provisions of the substitute amendment that would eliminate a requirement that the Department of Transportation perform a cost-benefit analysis for each proposed engagement for engineering services with an estimated cost of more than \$25,000 and the requirement that the

Department periodically review, and before any renewal, the continued appropriateness of entering into such contracts. Instead, increase the cost threshold for these requirements from \$25,000 to \$300,000.

[AA ?? Item: 26]

15. RELOCATION ASSISTANCE FOR CTH LS IN MANITOWOC AND SHEBOYGAN COUNTIES -- MODIFICATION TO JURISDICTIONAL TRANSFER AGREEMENT CONDITIONS

Modify a provision of the substitute amendment that would provide a grant of \$4,200,000 for the relocation of CTH LS in Manitowoc and Sheboygan counties, to specify that a jurisdictional transfer agreement entered into by the affected local governments may provide property access to properties on the existing CTH LS through the construction of a town through-road or another mechanism, in addition to, under the substitute amendment, the construction of two town road cul-de-sacs.

[AA ?? Item: 113]

16. VETERANS AND SURVIVING SPOUSES PROPERTY TAX CREDIT

Chg. to JFC	
GPR	\$18,800,000

Delete the substitute amendment provisions that would limit the amount of property taxes that can be used to calculate the veterans and surviving spouses property tax credit to \$2,500 annually and create a phase-out for the program for claimants with a Wisconsin adjusted gross income between \$75,000 and \$150,000 if filing married-joint, \$60,000 to \$120,000 if filing head-of-household, \$50,000 to \$100,000 if filing single, and \$37,500 to \$75,000 if filing married-separate. Compared to the Joint Finance budget, increase estimated expenditures by \$7,600,000 GPR in 2013-14 and \$11,200,000 GPR in 2014-15. Estimate total funding for the credit at \$23,000,000 in 2013-14 and \$33,900,000 in 2014-15.

[AA ?? Items: 22 and 122]

17. AIRCRAFT COMPANY JOB CREATION AND RETENTION GRANTS

Chg. to JFC	
SEG	- \$4,000,000

Delete \$2,000,000 economic development fund SEG in 2013-14 and 2014-15 in the Joint Committee on Finance's Supplemental SEG appropriation and the associated grant program for aircraft maintenance and repair companies to be administered by the Wisconsin Economic Development Corporation (WEDC).

Under the substitute amendment, the program would have to be used to provide grants to companies included in the 2007 North American Industry Classification System (NAICS) as aerospace product and parts manufacturing or support activities for air transportation companies that create or retain jobs in the state. WEDC would be required to submit, to Joint Finance, a plan and policies for awarding grants that ensure grant recipients are retaining and/or creating jobs. The

Committee would be required to approve the plan and policies, before releasing the funds to WEDC.

[AA ?? Item: 116]

18. CUMULATIVE ENVIRONMENTAL IMPACTS OF HIGH CAPACITY WELLS

Modify the effective date under the substitute amendment for implementation of the prohibition for a person to challenge a high capacity well permit based on the lack of consideration of the cumulative environmental impacts of that high capacity well together with existing wells. Specify the provision would apply to applications for approvals of high capacity wells submitted to DNR on or after July 1, 2014, rather than to approvals issued by DNR, and applications received by DNR before, on, or after, the effective date of the bill. In addition, delete the provision in the substitute amendment that would have applied the prohibition to applications and approvals that are the subject of a pending administrative or judicial review proceeding on the effective date of the bill.

[AA ?? Items: 96, 97, 119, and 123]

19. UNIFORM STATEWIDE STANDARDS FOR STORM WATER MANAGEMENT

Provide a municipality may, for the following purposes, enact and enforce an ordinance for storm water management that is stricter than statewide uniform standards: (a) to control storm water quantity or local flooding; or (b) to comply with a federally approved total maximum daily load (TMDL) plan. Further, specify municipal storm water management ordinances may exceed statewide uniform standards if regulating existing development or redevelopment, as defined in administrative rule NR 151.002.

[AA ?? Item: 95]

20. STATE CHIROPRACTIC EXAMINATION

Specify that any person who applied for licensure as a chiropractor on or after January 1, 2012, and before the effective date of the bill and who took the state practical examination administered by the Chiropractic Examining Board, would not be required to have successfully completed the practical examination under current law, and would be considered to have satisfied all examination requirements for licensure by doing all of the following: (a) achieving a score of 375 or higher on Part III of the National Board of Chiropractor Examiners (NBCE) examination; (b) achieving a score of 375 or higher on Part IV of the NBCE examination; and (c) successfully completing the state-administered exam on the applicant's knowledge of the laws of this state relating to the practice of chiropractic.

[AA ?? Item: 112]

21. REAL ESTATE BROKERS

Prohibit a local governmental unit from enacting an ordinance or adopting a resolution that does any of the following: (a) in relation to the provision of real estate services, imposes any fees on brokers or on real estate brokerage services; or (b) imposes any regulations on the professional services provided by a broker or by a person who provides real estate brokerage services. Provide that if, on the effective date of the bill, a local governmental unit has an ordinance or resolution in place that is inconsistent with this provision, that ordinance or resolution does not apply and may not be enforced.

[AA ?? Item: 14]

22. SINGLE PRIME CONTRACTING

Modify the provisions relating to the state not being liable for damages to subcontractor that enters into a contract with the general prime contractor to specify that the state would not be liable except as otherwise provided by law.

[AA ?? Item: 4]

23. PAYDAY LOAN DEFAULT

Specify that the provisions under the Joint Finance budget modifying the definition of default (under the Wisconsin Consumer Act) would apply to payday loans, rather than installment loans, made by payday lenders.

[AA ?? Item: 98]

24. AUTHORITY TO SELL OR LEASE STATE PROPERTIES

Specify that the information provided by the Department of Administration or the Building Commission to the Joint Committee on Finance related to the sale or lease of a state property would have to include the methodology used to ensure the competitive and transparent sale of the asset.

[AA ?? Items: 1m and 3m]

25. CONDUIT REVENUE BOND AUTHORITY (PUBLIC FINANCE AUTHORITY)

Modify the definition of a bond for purposes of the statutes governing the PFA to include any bond, note, or other obligation issued or entered into or acquired under this statute.

[AA ?? Item: 13]

26. CRIME PREVENTION FUNDING BOARDS

Delete a person chosen by the county's Public Defender Office as one of the six members of a County Crime Prevention Funding Board. Instead, provide that the presiding judge of the Circuit Court, or his or her designee, would serve as one of the six members of a County Crime Prevention Funding Board. The bill would create a \$20 crime prevention funding board surcharge. Revenue from the surcharge would be retained by the relevant county to be distributed as grants at the direction of the County Crime Prevention Funding Board.

[AA ?? Item: 12]

27. GENERAL FUND STRUCTURAL BALANCE

Provide that s. 20.003(4m) of the statutes, which requires that no bill may be passed by the Legislature if the estimated general fund expenditures exceed estimated revenues in the second year of any fiscal biennium would not apply to the 2013-15 budget bill.

[AA ?? Item: 102]

28. LFB/LRB TECHNICAL CORRECTIONS

Make the following technical corrections and clarifications to provisions in the substitute amendment identified by the Legislative Fiscal and Reference Bureaus: (a) add a specific administrative rule reference to clarify the intent of the provision specifying when statewide bear dog training is allowed; (b) add several cross-references to the new farmland preservation grant program where the current tax credit is referenced and make references to "the eligible farm" uniform; (c) renumber additional DSPS statutes to DATCP to reflect the transfer of petroleum tank plan review functions; (d) clarify that the modifications included in the budget bill to sales and use tax exemptions for certain machinery and items used in qualified research would first apply to sales made the day following publication of the bill, rather than on the day of publication; (e) clarify that the reduction in the interest rate on amounts owed taxpayers from 9% to 3% applies to all taxes administered by DOR; (f) modify s. 973.05 of the statutes, which establishes the order in which surcharges are paid in a criminal proceeding, to reflect the changes made to the crime victim and witness assistance surcharge under AB 40; and (g) correct typographic errors.

[AA ?? Items: 5 thru 9, 10, 24, 25, 27 thru 47, 90, 91, 94, 101, 103 108 thru 111, 117, 120, and 124]