

State of Misconsin 2015 - 2016 LEGISLATURE

LRB-3161/1 TKK:sac&emw

2015 ASSEMBLY BILL 423

October 19, 2015 – Introduced by Representatives Pope, Barnes, Sinicki, Barca, Berceau, Billings, Bowen, Brostoff, Considine, Danou, Doyle, Genrich, Goyke, Hebl, Hesselbein, Hintz, Johnson, Jorgensen, Kahl, Kessler, Kolste, Mason, Meyers, Milroy, Ohnstad, Riemer, Sargent, Shankland, Spreitzer, Stuck, Subeck, C. Taylor, Wachs, Young, Zamarripa and Zepnick, cosponsored by Senators Harris Dodd, C. Larson, Bewley, Carpenter, Erpenbach, Hansen, Lassa, Miller, Ringhand, Risser, Shilling, L. Taylor, Vinehout and Wirch. Referred to Committee on Education.

AUTHORS SUBJECT TO CHANGE

AN ACT to repeal 118.60 (2) (bm), 118.60 (4) (bg), 118.60 (11) (d), 119.23 (4) (bg) 1 2 and 119.23 (11) (d); to renumber and amend 118.31 (1); to amend 20.255 (1) 3 (f), 115.28 (7) (b), 118.016 (1) (c), 118.016 (1g), 118.016 (1r), 118.016 (2), 118.19 (1), 118.30 (5m), 118.305 (1) (h), 118.305 (3) (e), 118.31 (2), 118.31 (3) (intro.), 4 5 118.31 (4), 118.31 (5), 118.31 (6), 118.60 (2) (a) (intro.), 118.60 (2) (a) 1. a., 118.60 6 (2) (c), 118.60 (3) (c), 118.60 (4r) (a), 118.60 (7) (am) 2m. a., 118.60 (7) (b) 3m., 7 118.60 (7) (d) 1. b., 118.60 (10) (a) 7., 118.60 (10) (c), 119.23 (2) (a) 1. a., 119.23 (2) (c), 119.23 (4r) (a), 119.23 (7) (am) 2m. a., 119.23 (7) (b) 3m., 119.23 (7) (d) 1. 8 9 b., 119.23 (10) (a) 3., 119.23 (10) (a) 7. and 119.23 (10) (c); to repeal and 10 recreate 118.60 (4m) and 119.23 (4m); and to create 118.016 (1) (bm), 118.305 11 (1) (gm), 118.31 (1) (b), 118.33 (1) (f) 5., 118.60 (2) (a) 1. am., 118.60 (2) (a) 6m., 118.60 (2) (a) 9., 118.60 (2) (a) 10., 118.60 (2) (d), 118.60 (4) (bd), 118.60 (4) (be), 12 118.60 (7) (b) 9., 118.60 (7) (d) 1. d., 118.60 (7) (i), 118.60 (10) (a) 9., 118.60 (10) 13 14 (a) 10., 118.60 (10) (bg), 118.60 (10) (br), 119.23 (2) (a) 1. am., 119.23 (2) (a) 6m.,

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119.23 (2) (a) 9., 119.23 (2) (a) 10., 119.23 (2) (d), 119.23 (4) (bd), 119.23 (4) (be),
119.23 (7) (b) 9., 119.23 (7) (d) 1. d., 119.23 (7) (i), 119.23 (10) (a) 9., 119.23 (10)
(a) 10., 119.23 (10) (bg), 119.23 (10) (br) and 120.13 (1) (i) of the statutes;
relating to: accountability provisions for private schools participating in a
parental choice program, requiring the exercise of rule-making authority, and
making an appropriation.

Analysis by the Legislative Reference Bureau

This bill makes a number of changes to the law governing the Milwaukee Parental Choice Program, the Racine Parental Choice Program, and the statewide parental choice program (parental choice programs). The changes are to take effect in the 2016–17 school year.

Family income for pupil eligibility

Current law permits a pupil to attend a participating private school under the Racine Parental Choice Program or the Milwaukee Parental Choice Program if the pupil resides in the Racine Unified School District (RUSD) or the Milwaukee Public School District (MPS), respectively, and the family income of the pupil does not exceed three times the federal poverty level. Current law also permits a pupil who resides in a school district other than RUSD or MPS to attend a participating private school if the family income of the pupil does not exceed 1.85 times the federal poverty level. Under each parental choice program, if the family income of a pupil who is attending a private school under the program increases, the pupil may continue to attend a private school under the program.

Under this bill, beginning in the 2016–17 school year, no pupil whose family income exceeds 1.85 times the federal poverty level may attend a participating private school under any of the parental choice programs. The bill makes no changes to the provisions governing a pupil who is attending a private school under the program and whose family income increases.

Per pupil payments

Under current law, beginning in the 2015–16 school year, the maximum per pupil payment in any given school year is equal to the maximum per pupil payment in the previous school year plus the revenue limit per pupil adjustment, if positive, provided to school districts in the current year plus the change in total categorical aid funding per pupil, if positive, from the prior year to the current year.

This bill eliminates this method for determining per pupil payments to participating private schools. Under this bill, beginning in the 2016–17 school year, for each pupil enrolled in a private school under a parental choice program, the department must pay the lesser of the following: a) the private school's per pupil eligible education expenses; b) a rolling average of the tuition paid by a pupil

attending the private school, but not under a parental choice program, in the current and two preceding school years; or c) \$6,442.

Teacher licensure

With certain exceptions, current law requires that the teachers and administrators employed by a private school participating in a parental choice program have at least a bachelor's degree from an accredited institution of higher education. The teachers and administrators are not required to be licensed by the department.

With certain exceptions, this bill requires that all instructional staff of private schools participating in a parental choice program hold a license or permit issued by the department. "Instructional staff" means all professional employees who have as part of their responsibility direct contact with pupils or with the private school's instructional program.

Background investigations of teachers and administrators

Under current law, the state superintendent of public instruction (state superintendent) must, with the assistance of the Department of Justice (DOJ), conduct a background investigation of each applicant for issuance or renewal of a license or permit. Current law requires the state superintendent to revoke a license issued to an individual (licensee) by the state superintendent for incompetency or immoral conduct on the part of the licensee; if the licensee is convicted of certain Class A, B, C, D, E, F, G, or H felonies or certain other crimes or violations, including sex offenses; or if the licensee is liable for delinquent taxes or is delinquent in making court-ordered payments of child or family support payments.

This bill requires each private school participating in a parental choice program to conduct a background check of each teacher and administrator employed by the private school on the effective date of the bill. The bill also requires each participating private school to conduct a background check prior to extending an offer of employment to an individual who applies to teach in or serve as an administrator of the private school. Finally, the bill requires the private school to annually conduct a background check of each teacher and administrator employed by the private school. The bill prohibits a participating private school from employing a teacher or administrator who would not be eligible for employment in a public school for any of the reasons identified above. The bill also authorizes the state superintendent to immediately terminate a private school's participation in a parental choice program if the owner of the private school would not be eligible for employment for any of the reasons identified above or if the private school employs a teacher or administrator without conducting a background check or the teacher or administrator would be ineligible to be licensed for any of the reasons identified above.

Reading readiness assessments of participating pupils

Under current law, each school board and the governing body of each independent charter school must assess each pupil enrolled in four-year-old kindergarten to second grade for reading readiness or grade-level reading achievement.

- 4 -

ASSEMBLY BILL 423

This bill extends this requirement to private schools participating in a parental choice program. The requirement applies only to those pupils attending the private school under the program. The bill also authorizes the state superintendent of public instruction to issue an order barring a private school from participating in a parental choice program for the current school year if it violates the requirement described above

Criteria for awarding a high school diploma to participating pupils

Current law requires the governing body of each private school participating in a parental choice program to develop a policy specifying criteria for granting a high school diploma to pupils attending the school under the program. The criteria must include the pupil's academic performance and the recommendations of teachers. The private school may not grant a high school diploma to any pupil attending the school under the program unless the pupil satisfies the criteria specified in the policy.

Beginning in the 2016–17 school year, this bill requires a private school participating in a parental choice program to include in its policy the requirements for granting a high school diploma applicable to public school pupils. These requirements include earning a specified minimum number of credits in certain subjects and, in grades 9 to 12, being enrolled in a class or participating in an activity approved by the school board during each class period of each school day.

The bill also authorizes the state superintendent of public instruction to issue an order barring a private school from participating in a parental choice program for the current school year if the private school fails to include these new requirements in its high school graduation policy.

Corporal punishment of pupils enrolled in a participating private school

Under current law, no official, employee, or agent of a school district (school employee) may subject a pupil enrolled in the school district to corporal punishment. Current law defines corporal punishment to mean "the intentional infliction of physical pain which is used as a means of discipline." Current law permits a school employee to use reasonable and necessary force under certain circumstances, including to obtain possession of a weapon from a pupil, protect the safety of others, or quell a disturbance. Each school board must establish a policy to outline the circumstances in which a school employee may use reasonable and necessary force.

This bill extends these provisions regarding corporal punishment to private schools participating in a parental choice program, and permits the state superintendent to issue an order barring the private school from participating in a parental choice program for the current school year if the private school fails to comply with these provisions.

Expulsion of pupils from participating private schools

Under current law, a pupil may be expelled from a public school for repeatedly violating school rules; making a bomb threat; or endangering or threatening to endanger the property, health, or safety of others. A pupil who has a firearm at school must be expelled for at least one year. Before expelling a pupil, the school board must provide a hearing at which the pupil or his or her parent may be represented by an attorney. After the hearing, the school board must issue a written decision, which may be appealed to the state superintendent of public instruction.

This bill directs the department to promulgate rules establishing a procedure for the expulsion of pupils attending a private school under a parental choice program by the governing body of the private school. The rules must adhere as closely as feasible to the statutory provisions governing the expulsion of pupils from public schools.

The bill also authorizes the state superintendent to issue an order barring a private school from participating in a parental choice program for the current school year if the private school violates the rules described above.

Regular building inspection of certain participating private schools

Under current law, before a private school may participate in a parental choice program, the private school must submit to the department a copy of the certificate of occupancy (certificate) issued for the private school building by the municipality within which the private school is located. If the municipality does not issue certificates, the private school may submit either a certificate issued by a local or regional governmental unit with authority to issue such a certificate or a letter or form from the municipality that explains that the municipality does not issue certificates.

This bill requires a private school located in a municipality that does not issue certificates to annually obtain a building inspection of the school building.

Miscellaneous other provisions

Under current law, the department may only release data related to enrollment of, standardized test results for, and other information related to pupils participating in a parental choice program all at the same time, uniformly, and completely. This bill eliminates this requirement.

This bill requires a private school participating in a parental choice program to permit public inspection and copying of any record of the private school that relates to pupils attending the private school under the program to the same extent as required of, and subject to the same terms and enforcement provisions that apply to, a school board. The bill authorizes the department to issue an order barring the private school from participating in the parental choice program for the current school year if the private school violates this requirement.

This bill requires that a private school be located in this state in order to participate in a parental choice program.

This bill provides that a private school may participate in a parental choice program only if it has been in operation for the attendance of pupils for at least two school years. The bill also provides that no more than 49 percent of a private school's enrollment may consist of pupils attending the private school under a parental choice program.

Currently, a private school participating in a parental choice program must schedule two meetings each year at which members of the school's governing board will be present and at which pupils and prospective pupils and their parents may meet and communicate with the members of the governing board.

This bill requires a private school participating in a parental choice program to hold at least one such meeting each month. The bill requires that the meetings be open to the public and that the private school provide public notice of the meetings

in the same manner as notice of meetings of governmental bodies is required to be provided. Finally, the bill authorizes the department to issue an order barring the private school from participating in the parental choice program for the current school year if the private school violates these requirements.

For further information see the *state* 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:

Section 1. 20.255 (1) (f) of the statutes, as affected by 2015 Wisconsin Act 55, is amended to read:

20.255 (1) (f) Assessments of reading readiness. The amounts in the schedule to provide school districts and, independent charter schools under s. 118.40 (2r) and (2x), and the governing bodies of private schools participating in a parental choice program under s. 118.60 or 119.23 with the assessments of reading readiness under s. 118.016.

Section 2. 115.28 (7) (b) of the statutes is amended to read:

applicants and granting and revocation of licenses or certificates under par. (a), the state superintendent shall grant certificates and licenses to teachers in private schools and tribal schools, except that teaching experience requirements for such certificates and licenses may be fulfilled by teaching experience in public, private, or tribal schools. An applicant is not eligible for a license or certificate unless the state superintendent finds that the private school or tribal school in which the applicant taught offered an adequate educational program during the period of the applicant's teaching therein. Private Except as provided in ss. 118.60 (2) (a) 6m. and 119.23 (2) (a) 6m., private schools are not obligated to employ only licensed or certified teachers.

Section 3. 118.016 (1) (bm) of the statutes is created to read:

118.016 (1) (bm) Beginning in the 2016–17 school year, the governing body of each private school participating in a parental choice program under s. 118.60 or 119.23 shall, using the appropriate, valid, and reliable assessment of literacy fundamentals selected by the governing body, annually assess each pupil enrolled in 4-year-old kindergarten to 2nd grade in the private school for reading readiness. The governing body shall ensure that the assessment evaluates whether a pupil possesses phonemic awareness and letter sound knowledge. The governing body may administer computer adaptive assessments. This paragraph applies only to pupils attending the school under s. 118.60 or 119.23.

SECTION 4. 118.016 (1) (c) of the statutes, as created by 2015 Wisconsin Act 55, is amended to read:

118.016 (1) (c) The department shall pay to the school board or, operator, or governing body, from the appropriation under s. 20.255 (1) (f), the per pupil cost of the selected assessment. If the appropriation under s. 20.255 (1) (f) in any fiscal year is insufficient to pay the full amount of aid under this paragraph, the state superintendent shall prorate state aid payments among the school boards and, governing bodies of private schools, and operators of charter schools entitled to the aid.

SECTION 5. 118.016 (1g) of the statutes, as affected by 2015 Wisconsin Act 55, is amended to read:

118.016 (**1g**) If a pupil is enrolled in a special education program under subch. V of ch. 115, the school board or, operator of the charter school under s. 118.40 (2r) or (2x), or governing body of the private school under s. 118.60 or 119.23 shall comply with s. 115.77 (1m) (bg).

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1	Section 6. 118.016 (1r) of the statutes, as affected by 2015 Wisconsin Act 55,
2	is amended to read:
3	118.016 (1r) The school board or, operator of the charter school, or governing
4	body of the private school under s. 118.60 or 119.23 shall report the results of a pupil's
5	assessment under sub. (1) to the pupil's parent or guardian.
6	Section 7. 118.016 (2) of the statutes, as affected by 2015 Wisconsin Act 55,
7	is amended to read:
8	118.016 (2) The school board of the school district or, operator of the charter
9	school, or governing body of the private school in which the pupil is enrolled shall
10	provide a pupil whose assessment under sub. (1) indicates that he or she is at risk
11	of reading difficulty with interventions or remedial reading services, as described
12	under s. 121.02 (1) (c).
13	Section 8. 118.19 (1) of the statutes is amended to read:
14	118.19 (1) Except as provided in s. 118.40 (8) (b) 2., any person seeking to teach
15	in a public school, including a charter school, in a private school participating in a
16	parental choice program under s. 118.60 or 119.23, or in a school or institution
17	operated by a county or the state shall first procure a license or permit from the
18	department.
19	Section 9. 118.30 (5m) of the statutes, as affected by 2015 Wisconsin Act 55,
20	is amended to read:
21	118.30 (5m) When determining the percentage of pupils participating in the
22	program under s. 119.23 who performed at designated proficiency levels on the
23	examinations administered as required under sub. (1s) or s. 118.301 (3), the
24	department shall consider only the pupils participating in the program under s.

119.23 to whom the examinations were administered at each grade level, and shall

not exclude from consideration those pupils participating in the program under s. 1 $\mathbf{2}$ 119.23 who were excused from taking the examinations under sub. (2) (b) 5. 3 **Section 10.** 118.305 (1) (gm) of the statutes is created to read: 118.305 (1) (gm) "Pupil" excludes pupils who are attending a private school 4 5 participating in a parental choice program under s. 118.60 or 119.23 but not under 6 the parental choice program. 7 **Section 11.** 118.305 (1) (h) of the statutes, as affected by 2015 Wisconsin Act 8 55, is amended to read: 9 118.305 (1) (h) "School" means a public school, including a charter school, and 10 a private school participating in the program under s. 115.7915, and a private school 11 participating in a parental choice program under s. 118.60 or 119.23. **Section 12.** 118.305 (3) (e) of the statutes is amended to read: 12 13 118.305 (3) (e) It does not constitute corporal punishment, as defined in s. 14 118.31 (1) (a). 15 **Section 13.** 118.31 (1) of the statutes is renumbered 118.31 (1) (intro.) and 16 amended to read: 17 118.31 (1) (intro.) In this section, "corporal: 18 (a) "Corporal punishment" means the intentional infliction of physical pain 19 which is used as a means of discipline. "Corporal punishment" includes, but is not 20 limited to, paddling, slapping or prolonged maintenance of physically painful 21positions, when used as a means of discipline. "Corporal punishment" does not 22include actions consistent with an individualized education program developed 23under s. 115.787 or reasonable physical activities associated with athletic training. **Section 14.** 118.31 (1) (b) of the statutes is created to read: 24

	118.31	(1) (b)	"Private	school	l" means a	private	e school, a	ıs defin	ed i	n s. 115	.001
(3r),	that is	s partici	ipating in	n any	parental	choice	program	under	ss.	118.60	and
119.2	23.										

SECTION 15. 118.31 (2) of the statutes is amended to read:

118.31 **(2)** Except as provided in sub. (3), no official, employee, or agent of a school board <u>or of a private school</u> may subject a pupil enrolled in the school district <u>or in the private school</u> to corporal punishment.

SECTION 16. 118.31 (3) (intro.) of the statutes is amended to read:

118.31 **(3)** (intro.) Subsection (2) does not prohibit an official, employee, or agent of a school board or of a private school from:

Section 17. 118.31 (4) of the statutes is amended to read:

118.31 (4) Each school board <u>and each private school</u> shall adopt a policy that allows any official, employee, or agent of the school board <u>or private school</u> to use reasonable and necessary force for the purposes of sub. (3) (a) to (h). In determining whether or not <u>a person an official</u>, employee, or agent of a school board or of a private <u>school</u> was acting within the exceptions in sub. (3), deference shall be given to reasonable, good faith judgments made by <u>an the</u> official, employee, or agent of a school board.

Section 18. 118.31 (5) of the statutes is amended to read:

118.31 **(5)** Except as provided in s. 939.61 (1), this section does not create a separate basis for civil liability of a school board or of a private school or their officials, employees or agents of an official, employee, or agent of the school board or private school for damages arising out of claims involving allegations of improper or unnecessary use of force by a school employees official, employee, or agent against students a pupil.

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SECTION 1	ч.	11831	(h)	of the	statutes	18	amended	tΩ	read.

118.31 **(6)** Nothing in this section shall prohibit, permit, or otherwise affect any action taken by an official, employee, or agent of a school board <u>or private school</u> with regard to a person who is not a pupil enrolled in the school district <u>or in the private school</u>.

Section 20. 118.33 (1) (f) 5. of the statutes is created to read:

118.33 (1) (f) 5. Beginning in the 2016–17 school year, the governing body of each private school participating in a parental choice program under s. 118.60 or 119.23 shall include in its policy under subd. 2m. or 2r. the requirements for granting a high school diploma specified in pars. (a) and (b), with the exceptions provided in pars. (d) and (e).

SECTION 21. 118.60 (2) (a) (intro.) of the statutes is amended to read:

118.60 **(2)** (a) (intro.) Subject to pars. (ag) and (ar), any pupil in grades kindergarten to 12 who resides within an eligible school district may attend any private school under this section and, subject to pars. (ag), (ar), (be), (bm), and (bs), any pupil in grades kindergarten to 12 who resides in a school district, other than an eligible school district or a 1st class city school district, may attend any private school under this section if all of the following apply:

SECTION 22. 118.60 (2) (a) 1. a. of the statutes, as affected by 2015 Wisconsin Act 55, is amended to read:

118.60 (2) (a) 1. a. Except as provided in par. (bm) subd. 1. am., the pupil is a member of a family that has a total family income that does not exceed an amount equal to 3.0 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget. In this subdivision and sub. (3m), family income includes income of the pupil's parents or

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legal guardians. Except as provided in subd. 1. c., the family income of the pupil shall be verified as provided in subd. 1. b. A pupil attending a private school under this section whose family income increases above the income level in this subd. 1. a. may continue to attend a private school under this section.

SECTION 23. 118.60 (2) (a) 1. am. of the statutes is created to read:

118.60 (2) (a) 1. am. Beginning in the 2016–17 school year, the pupil is a member of a family that has a total family income that does not exceed an amount equal to 1.85 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget. The family income of the pupil shall be verified as provided in subd. 1. b. A pupil attending a private school under this section whose family income increases above the income level in this subd. 1. am. may continue to attend a private school under this section.

SECTION 24. 118.60 (2) (a) 6m. of the statutes is created to read:

118.60 (2) (a) 6m. All instructional staff employed by the private school hold a license or permit to teach issued by the department. For purposes of this subdivision, "instructional staff" has the meaning given in the rules promulgated by the department under s. 121.02 (1) (a) 2.

Section 25. 118.60 (2) (a) 9. of the statutes is created to read:

118.60 (2) (a) 9. The private school has been in operation for the attendance of pupils for at least 2 school years.

Section 26. 118.60 (2) (a) 10. of the statutes is created to read:

118.60 (2) (a) 10. The private school is located in this state.

SECTION 27. 118.60 (2) (bm) of the statutes is repealed.

SECTION 28. 118.60 (2) (c) of the statutes is amended to read:

118.60 (2) (c) 1. Notwithstanding par. (a) 6. and 6m., a teacher employed by a
private school participating in the program under this section who teaches only
courses in rabbinical studies is not required to have a bachelor's degree or hold a
license or permit to teach issued by the department.

2. Notwithstanding par. (a) 6. and 6m., an administrator of a private school participating in the program under this section that prepares and trains pupils attending the school in rabbinical studies is not required to have a bachelor's degree or hold a license or permit to teach issued by the department.

Section 29. 118.60 (2) (d) of the statutes is created to read:

118.60 **(2)** (d) No more than 49 percent of a private school's enrollment may consist of pupils attending the private school under this section and s. 119.23.

SECTION 30. 118.60 (3) (c) of the statutes is amended to read:

118.60 (3) (c) If a participating private school rejects an applicant who resides in a school district, other than an eligible school district or a 1st class city school district, because the private school has too few available spaces, the applicant may transfer his or her application to a participating private school that has space available. An applicant rejected under this paragraph may, subject to sub. (2) (a) 1. am. and (be) and (bm), be admitted to a private school participating in the program under this section for the following school year.

Section 31. 118.60 (4) (bd) of the statutes is created to read:

118.60 (4) (bd) Upon receipt from the pupil's parent or guardian of proof of the pupil's enrollment in the private school during a school term, the state superintendent shall pay to the private school in which the pupil is enrolled on behalf of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fr), an amount equal to the lesser of the following:

- 1. The amount equal to the private school's eligible education expenses, as defined in sub. (7) (am) 1m., per pupil, as determined by the department.
- 2. The average of the tuition paid by a pupil attending the private school, but not under the program under this section or the program under s. 119.23, in the current and 2 preceding school years.
 - 3. \$6,442.

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- **SECTION 32.** 118.60 (4) (be) of the statutes is created to read:
- 118.60 (4) (be) In determining a private school's eligible education expenses per pupil under par. (bd) 1., the department shall do all of the following, but may not determine separate expenses for pupils enrolled in grades kindergarten to 8 and for pupils enrolled in grades 9 to 12:
- 1. Subtract only the following, up to the actual cost of the service or material related to each item:
 - a. Fees charged pupils for books and supplies used in classes and programs.
 - b. Rentals for school buildings.
 - c. Food service revenues.
 - d. Governmental financial assistance.
 - e. Interest and other income resulting from the investment of debt proceeds.
 - 2. If legal title to the private school's buildings and premises is held in the name of the private school's parent organization or other related party, there is no other mechanism to include the private school's facilities costs in the calculation of its eligible education expenses, and the private school requests that the department do so, include an amount equal to 10.5 percent of the fair market value of the school and its premises. A request made by a private school under this subdivision remains effective in subsequent school years and may not be withdrawn by the private school.

3. If immediately prior to July 1, 2011, a private school's eligible education
expenses, as defined under sub. (7) (am) 1m. and as determined by the department,
included the amount described in subd. 2., continue to include the amount described
in subd. 2. in subsequent school years.
4. Permit a private school to accumulate up to 15 percent of the private school's
annual eligible education expenses in a reserve account and include any increase to
that reserved amount in the department's determination of the private school's
eligible education expenses for that school year.
SECTION 33. 118.60 (4) (bg) of the statutes, as affected by 2015 Wisconsin Act
55, is repealed.
Section 34. 118.60 (4m) of the statutes is repealed and recreated to read:
118.60 (4m) In addition to the payment under sub. (4), the state
superintendent shall pay to each private school participating in the program under
this section, on behalf of the parent or guardian of each pupil attending the private
school under this section, in the manner described in sub. (4) (c), the amount
determined as follows:
(a) Determine the private school's eligible education expenses, as defined in
sub. (7) (am) 1m., per pupil in summer school.
(b) Multiply the amount under par. (a) by 0.40.
(c) Multiply the product under par. (b) by the quotient determined by dividing
the summer choice average daily membership equivalent of the private school by the
total number of pupils for whom payments are being made under sub. (4).
SECTION 35. 118.60 (4r) (a) of the statutes is amended to read:
118.60 (4r) (a) Multiply the amount determined under sub. (4) (bg) (bd) by
0.616.

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SECTION 36. 118.60 (7) (am) 2m. a. of the statutes, as affected by 2015 Wisconsin Act 55, is amended to read:

118.60 (7) (am) 2m. a. An independent financial audit of the private school conducted by an independent certified public accountant, accompanied by the auditor's statement that the report is free of material misstatements and fairly presents the private school's eligible education expenses under sub. (4) (bd) 1.. and beginning in the 2nd school year a private school participates in the program under this section, a copy of a management letter prepared by the auditor. The audit shall be prepared in accordance with generally accepted accounting principles with allowable modifications for long-term fixed assets. The audit shall include a calculation of the private school's net eligible education expenses and a calculation of the balance of the private school's fund for future eligible education expenses. The auditor shall conduct his or her audit, including determining sample sizes and evaluating financial viability, in accordance with the auditing standards established by the American Institute of Certified Public Accountants. The department may not require an auditor to comply with standards that exceed the scope of the standards established by the American Institute of Certified Public Accountants. If a private school participating in a program under this section is part of an organization and the private school and the organization share assets, liabilities, or eligible education expenses, the private school may submit an audit of the private school or of the organization of which it is a part. If a private school that is part of an organization with which it shares assets, liabilities, or eligible education expenses submits an audit of only the private school, the independent auditor shall use his or her professional judgment to allocate any shared assets, liabilities, and eligible education expenses between the organization and the private school. If a private

school participating in the program under this section also accepts pupils under s. 119.23, the private school may submit one comprehensive financial audit to satisfy the requirements of this subdivision and s. 119.23 (7) (am) 2m. The private school shall include in the comprehensive financial audit the information specified under s. 119.23 (7) (am) 2m.

Section 37. 118.60 (7) (b) 3m. of the statutes is amended to read:

118.60 (7) (b) 3m. Annually, schedule -2 meetings at least one meeting each month at which members of the governing body of the private school will be present and at which pupils, and the parents or guardians of pupils, applying to attend the private school or attending the private school may meet and communicate with the members of the governing body. The meetings shall be open to the public. The private school shall, within 30 days after the start of the school term, notify the department in writing of the scheduled meeting dates and shall, at least 30 days before the scheduled meeting date, notify in writing each pupil, or the parent or guardian of each minor pupil, applying to attend the private school or attending the private school of the meeting date, time, and place. The private school shall provide notice of the meetings in the manner provided in s. 19.84.

Section 38. 118.60 (7) (b) 9. of the statutes is created to read:

118.60 (7) (b) 9. Permit public inspection and copying of any record, as defined in s. 19.32 (2), of the private school to the same extent as required of, and subject to the same terms and enforcement provisions that apply to, a school board under subch. II of ch. 19. This subdivision applies only to records that relate to pupils attending the private school under this section.

SECTION 39. 118.60 (7) (d) 1. b. of the statutes, as affected by 2015 Wisconsin Act 55, is amended to read:

118.60 (7) (d) 1. b. A Except as provided in subd. 1. c., a copy of the school's
current certificate of occupancy issued by the municipality within which the school
is located. If the private school moves to a new location, the private school shall
submit a copy of the new certificate of occupancy issued by the municipality within
which the school is located to the department before the attendance of pupils at the
new location and before the next succeeding date specified in s. 121.05 (1) (a).

- <u>c.</u> If the municipality within which the private school is located does not issue certificates of occupancy, the private school may submit a certificate of occupancy issued by the local or regional governmental unit with authority to issue certificates of occupancy or a letter or form from the municipality within which the private school is located that explains that the municipality does not issue certificates of occupancy. A temporary certificate of occupancy does not meet the requirement of this subdivision. This subdivision applies only to a private school located in an eligible school district private school to which this subd. 1. c. applies shall annually obtain a building inspection of the school building.
 - **Section 40.** 118.60 (7) (d) 1. d. of the statutes is created to read:
- 118.60 (7) (d) 1. d. A temporary certificate of occupancy does not satisfy the requirements of this subdivision.
 - **SECTION 41.** 118.60 (7) (i) of the statutes is created to read:
- 118.60 (7) (i) 1. Each private school participating in the program under this section shall annually conduct state and federal background checks of all teachers and administrators employed by the private school on the effective date of this subdivision [LRB inserts date].
- 2. Beginning on the effective date of this subdivision [LRB inserts date], each private school participating in the program under this section shall conduct

state and federal background checks of each individual who applies to teach in or
serve as an administrator of the private school prior to extending an offer of
employment to that individual. The private school shall annually conduct state and
federal background checks of each teacher or administrator investigated under this
subdivision who is employed by the private school.
3. A participating private school may not employ a person as a teacher or
administrator or contract with the person to serve as a teacher or administrator if
the person would not be eligible to be employed, licensed, or permitted for any of the
reasons specified under s. 115.31 (2g) or (6m) or 115.315.
SECTION 42. 118.60 (10) (a) 7. of the statutes is amended to read:
118.60 (10) (a) 7. Violated sub. (7) (b) 3m., 4., 5., or 6., or 9.
Section 43. 118.60 (10) (a) 9. of the statutes is created to read:
118.60 (10) (a) 9. Violated or employed a person who violated s. 118.016, 118.19
(1), 118.305, 118.31, or 118.33 (1) (f) 5.
Section 44. 118.60 (10) (a) 10. of the statutes is created to read:
118.60 (10) (a) 10. Violated the rules promulgated under s. 120.13 (1) (i).
Section 45. 118.60 (10) (bg) of the statutes is created to read:
118.60 (10) (bg) The state superintendent may issue an order immediately
terminating a private school's participation in the program under this section if he
or she determines that the owner of the private school would not be eligible or
permitted to be employed, licensed, or permitted for any of the reasons specified
under s. 115.31 (2g) or (6m) or 115.315.
SECTION 46. 118.60 (10) (br) of the statutes is created to read:
118.60 (10) (br) The state superintendent may issue an order immediately

terminating a private school's participation in the program under this section if he

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or she determines that the private school has failed to comply with the requirements under sub. (7) (i) 1. or 2. or if the private school employs an individual in contravention of the prohibitions under sub. (7) (i) 3.

SECTION 47. 118.60 (10) (c) of the statutes is amended to read:

118.60 (10) (c) Whenever the state superintendent issues an order under par. (a), (am), (ar), or (b), (bg), or (br), he or she shall immediately notify the parent or guardian of each pupil attending the private school under this section.

SECTION 48. 118.60 (11) (d) of the statutes is repealed.

SECTION 49. 119.23 (2) (a) 1. a. of the statutes, as affected by 2015 Wisconsin Act 55, is amended to read:

119.23 (2) (a) 1. a. The Except as provided in subd. 1. am., the pupil is a member of a family that has a total family income that does not exceed an amount equal to 3.0 times the poverty level determined in accordance with criteria established by the director of the federal office of management and budget. In this subdivision and sub. (3m), family income includes income of the pupil's parents or legal guardians. Except as provided in subd. 1. d., the family income of the pupil shall be verified as provided in subd. 1. b. A pupil attending a private school under this section whose family income increases above the income level in this subd. 1. a., including a pupil who attended a private school under this section in the 2010–11 school year and whose family income has increased, may continue to attend a private school under this section.

Section 50. 119.23 (2) (a) 1. am. of the statutes is created to read:

119.23 (2) (a) 1. am. Beginning in the 2016–17 school year, the pupil is a member of a family that has a total family income that does not exceed an amount equal to 1.85 times the poverty level determined in accordance with criteria

established by the director of the federal office of management and budget. The
family income of the pupil shall be verified as provided in subd. 1. b. A pupil
attending a private school under this section whose family income increases above
the income level in this subd. 1. am. may continue to attend a private school under
this section.
Section 51. 119.23 (2) (a) 6m. of the statutes is created to read:
119.23 (2) (a) 6m. All instructional staff employed by the private school hold
a license or permit to teach issued by the department. For purposes of this
subdivision, "instructional staff" has the meaning given in the rules promulgated by
the department under s. $121.02(1)(a)2$.
Section 52. 119.23 (2) (a) 9. of the statutes is created to read:
119.23 (2) (a) 9. The private school has been in operation for the attendance of
pupils for at least 2 school years.
Section 53. 119.23 (2) (a) 10. of the statutes is created to read:
119.23 (2) (a) 10. The private school is located in this state.
Section 54. 119.23 (2) (c) of the statutes is amended to read:
119.23 (2) (c) 1. Notwithstanding par. (a) 6. and 6m., a teacher employed by a
private school participating in the program under this section who teaches only
courses in rabbinical studies is not required to have a bachelor's degree $\underline{\text{or hold a}}$
license or permit to teach issued by the department.
2. Notwithstanding par. (a) 6. and 6m., an administrator of a private school
participating in the program under this section that prepares and trains pupils
attending the school in rabbinical studies is not required to have a bachelor's degree
or hold a license or permit to teach issued by the department.

Section 55. 119.23 (2) (d) of the statutes is created to read:

c. Food service revenues.

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1	119.23 (2) (d) No more than 49 percent of a private school's enrollment may
2	consist of pupils attending the private school under this section and s. 118.60.
3	Section 56. 119.23 (4) (bd) of the statutes is created to read:
4	119.23 (4) (bd) Upon receipt from the pupil's parent or guardian of proof of the
5	pupil's enrollment in the private school during a school term, the state
6	superintendent shall pay to the private school in which the pupil is enrolled on behalf
7	of the pupil's parent or guardian, from the appropriation under s. 20.255 (2) (fu), an
8	amount equal to the lesser of the following:
9	1. The amount equal to the private school's eligible education expenses, as
10	defined in sub. (7) (am) 1m., per pupil that is related to educational programming
11	as determined by the department.
12	2. The average of the tuition paid by a pupil attending the private school, but
13	not under the program under this section or the program under s. 118.60, in the
14	current and 2 preceding school years.
15	3. \$6,442.
16	Section 57. 119.23 (4) (be) of the statutes is created to read:
17	119.23 (4) (be) In determining a private school's eligible education expenses per
18	pupil under par. (bd) 1., the department shall do all of the following, but may not
19	determine separate expenses for pupils enrolled in grades kindergarten to 8 and for
20	pupils enrolled in grades 9 to 12:
21	1. Subtract only the following, up to the actual cost of the service or material
22	related to each item:
23	a. Fees charged pupils for books and supplies used in classes and programs.
24	b. Rentals for school buildings.

- d. Governmental financial assistance.
 - e. Interest and other income resulting from the investment of debt proceeds.
- 2. If legal title to the private school's buildings and premises is held in the name of the private school's parent organization or other related party, there is no other mechanism to include the private school's facilities costs in the calculation of its eligible education expenses, and the private school requests that the department do so, include an amount equal to 10.5 percent of the fair market value of the school and its premises. A request made by a private school under this subdivision remains effective in subsequent school years and may not be withdrawn by the private school.
- 3. If immediately prior to July 1, 2011, a private school's eligible education expenses, as defined under sub. (7) (am) 1m. and as determined by the department, included the amount described in subd. 2., continue to include the amount described in subd. 2. in subsequent school years.
- 4. Permit a private school to accumulate up to 15 percent of the private school's annual eligible education expenses in a reserve account and include any increase to that reserved amount in the department's determination of the private school's eligible education expenses for that school year.
- **SECTION 58.** 119.23 (4) (bg) of the statutes, as affected by 2015 Wisconsin Act 55, is repealed.
 - **SECTION 59.** 119.23 (4m) of the statutes is repealed and recreated to read:
- 119.23 (4m) In addition to the payment under sub. (4), the state superintendent shall pay to each private school participating in the program under this section, on behalf of the parent or guardian of each pupil attending the private school under this section, in the manner described in sub. (4) (c), the amount determined as follows:

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- (a) Determine the private school's eligible education expenses, as defined in sub. (7) (am) 1m., per pupil in summer school.
 - (b) Multiply the amount under par. (a) by 0.40.
- (c) Multiply the product under par. (b) by the quotient determined by dividing the summer choice average daily membership equivalent of the private school by the total number of pupils for whom payments are being made under sub. (4).
 - **SECTION 60.** 119.23 (4r) (a) of the statutes is amended to read:
- 119.23 (4r) (a) Multiply the amount determined under sub. (4) (bg) (bd) by 0.616.
 - **SECTION 61.** 119.23 (7) (am) 2m. a. of the statutes, as affected by 2015 Wisconsin Act 55, is amended to read:

119.23 (7) (am) 2m. a. An independent financial audit of the private school conducted by an independent certified public accountant, accompanied by the auditor's statement that the report is free of material misstatements and fairly presents the private school's eligible education expenses under sub. (4) (bd) 1., and beginning in the 2nd school year a private school participates in the program under this section, a copy of the management letter prepared by the auditor. The audit shall be prepared in accordance with generally accepted accounting principles with allowable modifications for long-term fixed assets. The audit shall include a calculation of the private school net eligible education expenses and a calculation of the balance of the private school's fund for future eligible education expenses. The auditor shall conduct his or her audit, including determining sample sizes and evaluating financial viability, in accordance with the auditing standards established by the American Institute of Certified Public Accountants. The department may not require an auditor to comply with standards that exceed the scope of the standards

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established by the American Institute of Certified Public Accountants. If a private school participating in a program under this section is part of an organization and the private school and the organization share assets, liabilities, or eligible education expenses, the private school may submit an audit of the private school or of the organization of which it is a part. If a private school that is part of an organization with which it shares assets, liabilities, or eligible education expenses submits an audit of only the private school, the independent auditor shall use his or her professional judgment to allocate any shared assets, liabilities, and eligible education expenses between the organization and the private school. If a private school participating in the program under this section also accepts pupils under s. 118.60, the private school may submit one comprehensive financial audit to satisfy the requirements of this subdivision and s. 118.60 (7) (am) 2m. The private school shall include in the comprehensive financial audit the information specified under s. 118.60 (7) (am) 2m.

Section 62. 119.23 (7) (b) 3m. of the statutes is amended to read:

119.23 (7) (b) 3m. Annually, schedule two meetings at least one meeting each month at which members of the governing body of the private school will be present and at which pupils, and the parents or guardians of pupils, applying to attend the private school or attending the private school may meet and communicate with the members of the governing body. The meetings shall be open to the public. The private school shall, within 30 days after the start of the school term, notify the department in writing of the scheduled meeting dates and shall, at least 30 days before the scheduled meeting date, notify in writing each pupil, or the parent or guardian of each minor pupil, applying to attend the private school or attending the

private school of the meeting date, time, and place. The private school shall provide notice of the meetings in the manner provided in s. 19.84.

SECTION 63. 119.23 (7) (b) 9. of the statutes is created to read:

119.23 (7) (b) 9. Permit public inspection and copying of any record, as defined in s. 19.32 (2), of the private school to the same extent as required of, and subject to the same terms and enforcement provisions that apply to, a school board under subch. II of ch. 19. This subdivision applies only to records that relate to pupils attending the private school under this section.

SECTION 64. 119.23 (7) (d) 1. b. of the statutes is amended to read:

119.23 (7) (d) 1. b. A Except as provided in subd. 1. c., a copy of the school's current certificate of occupancy issued by the municipality within which the school is located. If the private school moves to a new location, the private school shall submit a copy of the new certificate of occupancy issued by the municipality within which the school is located to the department before the attendance of pupils at the new location and before the next succeeding date specified in s. 121.05 (1) (a).

c. If the municipality within which the private school is located does not issue certificates of occupancy, the private school may submit a certificate of occupancy issued by the local or regional governmental unit with authority to issue certificates of occupancy or a letter or form from the municipality within which the private school is located that explains that the municipality does not issue certificates of occupancy. A temporary certificate of occupancy does not meet the requirement of this subdivision private school to which this subd. 1. c. applies shall annually obtain a building inspection of the school building.

Section 65. 119.23 (7) (d) 1. d. of the statutes is created to read:

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1	119.23 (7) (d) 1. d. A temporary certificate of occupancy does not satisfy the
2	requirements of this subdivision.
3	SECTION 66. 119.23 (7) (i) of the statutes is created to read:
4	119.23 (7) (i) 1. Each private school participating in the program under this
5	section shall annually conduct state and federal background checks of all teachers
6	and administrators employed by the private school on the effective date of this
7	subdivision [LRB inserts date].
8	2. Beginning on the effective date of this subdivision [LRB inserts date],
9	each private school participating in the program under this section shall conduct
10	state and federal background checks of each individual who applies to teach in or
11	serve as an administrator of the private school prior to extending an offer of
12	employment to that individual. The private school shall annually conduct state and
13	federal background checks of each teacher or administrator investigated under this
14	subdivision who is employed by the private school.
15	3. A participating private school may not employ a person as a teacher or
16	administrator or contract with the person to serve as a teacher or administrator if
17	the person would not be eligible to be employed, licensed, or permitted for any of the
18	reasons specified under s. 115.31 (2g) or (6m) or 115.315.
19	SECTION 67. 119.23 (10) (a) 3. of the statutes is amended to read:
20	119.23 (10) (a) 3. Failed to refund to the state any overpayment made under
21	s. 119.23 (4) (b), 2011 stats., or s. 119.23 (4) (bg), 2011 stats., or under sub. (4) (bg) (bd)
22	or (4m) by the date specified by department rule.

Section 68. 119.23 (10) (a) 7. of the statutes is amended to read:

Section 69. 119.23 (10) (a) 9. of the statutes is created to read:

119.23 (10) (a) 7. Violated sub. (7) (b) 3m., 4., 5., or 6., or 9.

1	119.23 (10) (a) 9. Violated or employed a person who violated s. 118.016, 118.19
2	(1), 118.305, 118.31, or 118.33 (1) (f) 5.
3	Section 70. 119.23 (10) (a) 10. of the statutes is created to read:
4	119.23 (10) (a) 10. Violated the rules promulgated under s. 120.13 (1) (i).
5	Section 71. 119.23 (10) (bg) of the statutes is created to read:
6	119.23 (10) (bg) The state superintendent may issue an order immediately
7	terminating a private school's participation in the program under this section if he
8	or she determines that the owner of the private school would not be eligible or
9	permitted to be employed, licensed, or permitted for any of the reasons specified
10	under s. 115.31 (2g) or (6m) or 115.315.
11	Section 72. 119.23 (10) (br) of the statutes is created to read:
12	119.23 (10) (br) The state superintendent may issue an order immediately
13	terminating a private school's participation in the program under this section if he
14	or she determines that the private school has failed to comply with the requirements
15	under sub. (7) (i) 1. or 2. or if the private school employs an individual in
16	contravention of the prohibitions under sub. (7) (i) 3.
17	Section 73. 119.23 (10) (c) of the statutes is amended to read:
18	119.23 (10) (c) Whenever the state superintendent issues an order under par.
19	(a), (am), (ar), or (b), (bg), or (br), he or she shall immediately notify the parent or
20	guardian of each pupil attending the private school under this section.
21	Section 74. 119.23 (11) (d) of the statutes is repealed.
22	Section 75. 120.13 (1) (i) of the statutes is created to read:
23	120.13 (1) (i) The department shall promulgate rules establishing a procedure
24	for the expulsion of pupils attending a private school under s. 118.60 or 119.23 by the

- governing body of the private school. The rules shall adhere as closely as feasible to the provisions applicable to public school pupils under this subsection.
- 3 Section 76. Effective date.
- 4 (1) This act takes effect on July 1, 2016.
- 5 (END)