

Governor's 2017-19 Budget Unveiled

A closer look at how the proposed budget aligns with the WASB's requests



Governor Scott Walker unveiled his 2017-19 state budget proposal on Feb. 8. This month's column takes a closer look at key education provisions in the governor's proposal and how they match up with the WASB's legislative agenda and budget requests.

Key Items from the Governor's Budget Proposal & WASB Positions

■ Per-Pupil Categorical Aid

WASB Request: Provide an additional \$200 per student in each year of the biennium through increases in per-pupil aid or increases in revenue limits coupled with increases in general (equalization) aid sufficient to hold statewide school property taxes steady.

Governor's Budget: Proposes to increase each school district's allotment of per-pupil categorical aid from the current \$250 per pupil by adding \$188 in 2017-18 and an additional \$180 in 2018-19. If sufficient savings accrue from the state's proposed shift to self-insurance for state employees' health coverage, those aid payments would increase by \$12 in 2017-18 to \$200 per pupil and by \$24 in 2018-19 to \$204 per pupil. Assuming the higher figures,

schools would receive a total of \$450 per pupil next year and \$654 per pupil the following year.

Legislative leaders, however, have expressed skepticism and could decide to approve less than what the governor is proposing. School leaders will have to be prepared to argue strongly to maintain the aid levels the governor has proposed.

No increase in revenue limits is proposed in either year. While the governor directs \$73 million to equalization aid in the second year, that funding will go toward property tax reduction due to no recommended revenue limit increase.

■ Sparsity Aid

WASB Resolution: The WASB supports providing sparsity aid based on enrollment size and population density (students per square mile), provided that, if any formula changes are made, additional funding will be provided to maintain sparsity aid payments to districts currently eligible. The WASB also supports creating a separate allotment for sparsely populated districts with larger enrollments, designed so that districts with lower enrollments would receive higher amounts than districts with higher enrollments.

Governor's Budget: Proposes to increase sparsity aid payments by \$100 per pupil (from \$300 to \$400) for school districts with enrollments of 745 or fewer students that meet sparsity aid criteria (less than 10 students per square mile). In addition, the governor proposes to add a second tier to the sparsity aid program to provide \$100 per pupil to districts with enrollments between 746 and 1,000 students that meet sparsity aid criteria.

This increase is sufficient to ensure that sparsity aid payments won't be prorated as they have been in the past. Adding in the proposed increase in per-pupil categorical aid, districts that qualify for sparsity aid in either enrollment category would see a total per-pupil increase in spendable resources of \$300 in 2017-18 and \$304 in 2018-19.

■ High Cost Transportation Aid

WASB Request: Provide additional funding for high-cost pupil transportation aid to districts with pupil transportation costs that exceed 150 percent of the statewide average cost per pupil. WASB's proposal eliminates the need to prorate reimbursements. Additionally, create a second tier to the program to provide at least

School leaders will have to be prepared to argue strongly to maintain the aid levels the governor has proposed.

To make the case for the funding increases and to make your positions known on other proposed budget provisions, we encourage school board members and administrators to attend the WASB Day at the Capitol on March 15.

some reimbursement to districts with per-pupil transportation costs that are significantly above average (e.g., between 125 and 149 percent of the statewide average), yet don't qualify for aid under the current program.

Governor's Budget: Proposes to add \$10.4 million to fully fund high-cost transportation aid in both years of the budget, eliminating the need to prorate payments. The 2015-16 reimbursement rate was prorated at roughly 60 percent of the amount qualifying districts were eligible to receive. There is no provision to add a second tier.

■ Mental Health Supports

WASB Request: Provide state grant funding to support school-based mental health programs, supports and services in districts that wish to partner with third-party providers (e.g., social services organizations and medical providers) to provide such services on-site.

Governor's Budget: Proposes \$6.5 million over the biennium to assist districts in providing mental health services in schools, including in partnership with social service agencies and other community mental health providers.

■ Preserving Local School Board Governance

WASB Request: Do not propose:

- Restrictions on scheduling of school district referenda;
- Unfunded state mandates;
- School district takeover proposals; or
- Expansion of vouchers/independent charters.

Governor's Budget: Although the WASB staff is still reviewing the budget details, it appears the governor did not include any of these items in his budget proposal. Legislative leaders have expressed support for lifting the enrollment and/or income caps on the statewide voucher program to further subsidize private schools in Wisconsin. There likely will be legislative efforts to restrict school referenda during budget deliberations.

■ Staff Licensure/Recruitment

WASB Resolutions: The WASB supports reasonable efforts to provide pathways to licensure for teaching candidates in subject or content areas where there is a shortage of licensed teachers. Potential candidates should have a bachelor's degree and qualified to be in a classroom as demonstrated by appropriate experience, knowledge and skills in the subject or content area, and rigorous training in pedagogy, assessment, and classroom management.

The WASB supports proposals providing the continuing proof of growth requirements for licensure.

The WASB supports state and federal initiatives to assist rural school districts in their efforts to attract and retain high-quality staff, including student loan forgiveness programs and grants for teachers who commit to work in rural school districts for at least a minimum number of years as determined by the Legislature.

Governor's Budget: Proposes that teaching and administrator licenses would be lifetime, rather than subject to a five-year renewal, other than in cases of misconduct. The

elimination of renewal requirements would apply to licenses issued after the effective date of the budget bill.

Because criminal background checks are currently conducted by the Department of Public Instruction (DPI) each time licenses are renewed, this would no longer occur on a regular basis. Instead, the budget would transfer responsibility for conducting periodic background checks to the local school board that employs the individual license holder.

Among other changes to licensure, the proposed budget plan would:

- Repeal the requirement that a teacher must have a job offer in Wisconsin in order to receive a teaching license based on licensure in another state.
- Authorize college professors or technical college faculty to teach in high schools without a DPI teaching license if the faculty are in good standing with their employing institution and have a bachelor's degree.
- Clarify that school districts may compensate student teachers.
- Create a new Teacher Development Program to support collaboration between schools of education (in particular, the UW's Flexible Option Program) and school districts to provide intensive curriculum and classroom training for certain school employees to earn a teaching license. Collaborating entities will be allowed to seek project funds from Wisconsin Fast Forward, a program administered by the Wisconsin Department of Workforce Development.

■ Other Proposals

The governor's budget proposes to eliminate the revenue limit exemption for future energy efficiency projects, noting that property tax levies associated with this exemption have grown 115 percent in the last three years. The governor argues it is necessary to prohibit any new increases in school district revenue limits for energy efficiency projects in order to mitigate these property tax increases. School districts would instead be required to go to referendum for these projects. The WASB opposes eliminating this exemption and will lobby the Legislature to remove its repeal from the budget bill.

The governor's budget also proposes combining and reforming the

Course Options and Youth Options programs to simplify college credit attainment for high school pupils and school districts through creation of a new Early College Credit program. Specifically, the governor recommends: restoring the part-time open enrollment program; creating a new program to govern traditional dual enrollment for college credit; enhancing the affordability of college credit attainment by statutorily limiting per-credit charges; clearly delineating the responsibility for payment of the costs of college credit; combining transportation aid programs; and providing state funding through the Wisconsin Department of Workforce Development to expand participation and offerings for the new Early College Credit program. The WASB is

still evaluating these changes as of this writing.

The governor's budget repeals several state mandates, including statutory requirements that school boards: schedule a minimum number of hours of instruction at particular grade levels, and hold a school board meeting at least once each month. The budget proposal also repeals statutory language specifying the required hour and date for annual school district meetings. Instead, each school board would decide when to hold its regular meetings and would determine the date and time of the annual meeting unless the electors at the annual meeting determine to hold the annual meeting at a different date and time. ■

For more on the governor's budget proposal follow the WASB Legislative Update Blog: wasblegupdate.wordpress.com

GIVE YOUR EMPLOYEES A REASON TO SMILE

First impression. Trust. Confidence. A healthy smile can convey so much. And no one protects smiles like us. Your employees deserve Delta Dental, the nation's leading dental benefits provider. With the largest network of dentists nationwide, quick responses, and personalized service, we make it easy to keep their smiles healthy. DeltaDentalWI.com

 **DELTA DENTAL**[®]

of Wisconsin

SMILE POWER[™]