

# State Budget Update

**W**ith the state enjoying a budget surplus — one that was arguably built on deep cuts to public education — advocates for public education are certainly perplexed by the proposed 2013-15 state budget, which freezes public school budgets and provides a net increase of only \$11 million in funding for public school districts. At the same time, the budget provides an additional \$73 million to fund the expansion of private voucher programs and a hefty increase in the per-pupil payments to voucher schools. School leaders must ask lawmakers: How fair is this to public school students?

## ■ Small Increase in State Funding

In the days before he released his proposed budget, Gov. Scott Walker emphasized it would boost state general school aid by \$129 million dollars over the biennium, with annual increases of \$43 million (1 percent) in 2013-14 and \$86 million (1 percent) in 2014-15. However, because the proposed budget does not adjust the statutorily imposed per-pupil revenue limits on school districts, none of the aid increase will go for education, it will all go to tax relief.

Current law and the proposed budget provides for no adjustment in per-pupil revenue limits. Sens. Mike Ellis (R-Neenah) and Luther Olsen (R-Ripon) have proposed a \$150 per-pupil revenue limit increase. Board members need to publicly advocate for this increase.

While the proposed 2013-15 biennial budget (2013 Assembly Bill 40) does indeed provide \$129 million more in general equalization aids over the biennium and \$64 million in categorical grants in 2014-15 based on school report card performance, it also discontinues a \$42.5 million per year appropriation for Per Pupil Adjustment Aid that is considered

part of the base funding for pre-K-12 public schools. As a result, on a biennial basis, the combined education aid increase (equalization and categorical aid) in the proposed budget totals just \$111.4 million.

This figure is before deductions from general aid to fund various expansions of voucher and charter schools included in the budget. After these deductions of \$72 million, only \$39 million would reach traditional public school districts over the next two years.

Deductions include: a \$23 million deduction off the top of the general aids appropriation to fund Independent Charter Schools, a \$21 million deduction from individual school districts' aid allocations to fund special education voucher payments and a \$28 million deduction from

individual school districts' aid allocations reflecting voucher school expansion and an increase in the per-pupil payments made to voucher schools.

In short, public school districts, which serve over 870,000 students, would see a net increase of \$39 million, while private voucher schools, which would serve no more than 30,000 students by the end of the biennium, would see an increase of \$73 million.

## ■ Expanded Vouchers

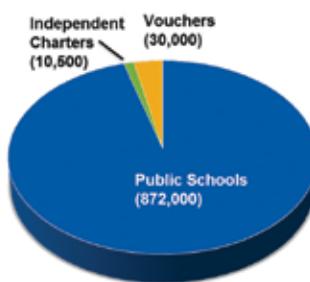
The proposed budget expands eligibility for taxpayer-funded voucher programs to those public school districts with an enrollment of at least 4,000 pupils and with two or more schools in the performance categories of "fails to meet expectations" or "meets few expectations" on the DPI's school report card.

Based on 2012-13 school report cards, Beloit, Fond du Lac, Green Bay, Kenosha, Madison, Sheboygan, Superior, Waukesha, and West Allis-West Milwaukee could face voucher programs although the ranks of voucher eligible districts could grow, depending on next fall's report cards. Once a school district becomes subject to a voucher program, it remains permanently subject to a voucher program.

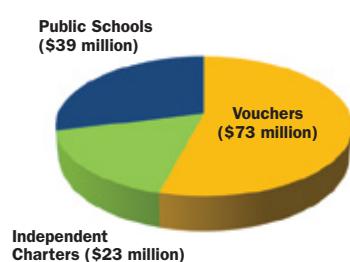
The budget calls for boosting

## State Aid Increase by Type of School

### Total Enrollment



### Total Net School Aid Increase

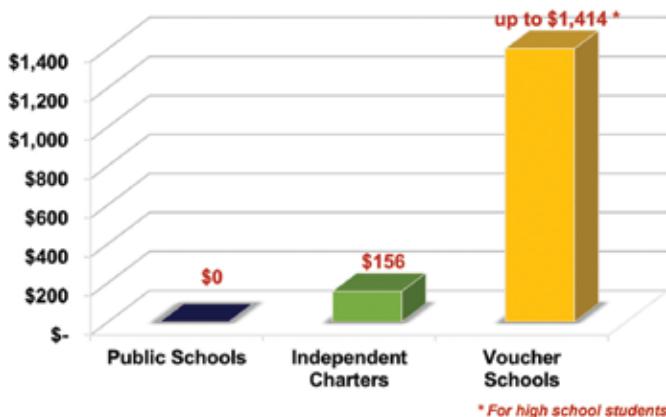


per-pupil payments to voucher schools from \$6,442 to \$7,050, for pupils in grades K through eight, and to \$7,856, for pupils in grades nine to twelve.

The budget also calls for creating a statewide special education voucher program, with language identical to that of 2011 Assembly Bill 110, as passed by the state Assembly late last session. Up to 5 percent of children with disabilities residing in this state could receive vouchers. Private schools accepting taxpayer-funded special education vouchers would not be required to have certified special education and related-services professionals on staff to provide the special education services called for in the child's individual education plan (IEP) and could negotiate away requirements to fulfill the child's IEP.

# Per-Pupil Budgetary Increase

Provided Under Proposed State Budget



These special education vouchers would be completely funded by deducting general school aid from resident district (where the voucher student resides) and resident districts would not be permitted to levy for the lost aid. If a student with a disability leaves, the district would still be subject to federal maintenance of effort (MOE) requiring it to maintain the same level of special education spending. Board members should advocate to remove *all* voucher expansion proposals from the budget.

## Loss of Local Control over Charters

The proposed budget calls for creation of a state-level Charter School Oversight Board (CSOB), dominated by political appointees and empowered to approve nonprofit, nonsectarian organizations, or consortia of such organizations, to contract directly with persons to operate independent charter schools. It would completely bypass local school boards.

The proposed budget would also restrict a school board's oversight authority over the instrumentality charter schools it has authorized by:

- **Giving** the charter school operator complete discretion over the charter school's budget, curriculum, professional development activities, hiring of personnel, and personnel policies for the

charter school, unless the health or safety of pupils is affected.

- **Requiring** the school board to pay the charter school operator the average per-pupil cost for the school district, for each pupil attending the charter school.
- **Prohibiting** a school board from imposing on the charter

school operator any requirement in Chapters 115-121, Wis. Statutes, that does not explicitly apply to charter schools.

Board members should advocate to remove all charter school proposals from the budget.

## Funding for Mandates

The proposed budget provides funding for a number of recent state mandates on public schools, including:

- \$13.5 million over the biennium to implement the state's Educator Effectiveness System.
- \$11.5 million in new funds over the biennium to implement new state assessments in 2014-15. These include the SMARTER Balanced and Dynamic Learning assessments, replacements for the Science and Social

Studies portions of the WKCE and the ACT suite — Explore, Plan, ACT, and WorkKeys, which would be available to all students free of charge.

- \$2.8 million over the biennium to phase-in the PALS reading screener tests for students entering 4K and grades 1 and 2.

- \$13.9 million over the biennium for implementation of the state-wide student information system (SSIS). The DPI would be authorized to collect fees from SSIS users to pay for its operating costs.

- \$1.1 million in 2014-15 to purchase and implement software to be made available to all state school districts to support academic and career learning planning and to train staff who will advise pupils. (The budget bill requires all schools to provide academic and career planning services to pupils in grades 6 to 12 by the 2017-18 school year.)

## Contact Your Legislators

The Joint Finance Committee (JFC) plans to start voting on the budget bill by no later than the last week in April, according to JFC co-chair Sen. Alberta Darling (R-River Hills). Over the next few weeks it is imperative that school board members make repeated contacts with your legislators on our three main issues:

- Increasing Revenue Limits and State Aid,
- Removing Voucher Expansion and the Creation of Special Education Vouchers from the Budget Bill, and
- Removing the Proposed Loss of School Board Authority over Charter Schools from the Budget Bill.

Public school leaders and parents must speak out if we wish to elevate public schools as a state priority in this budget debate. ■

## Annual Change in Per Pupil Revenue Limits Over Time

