

## RIVER VALLEY SCHOOL DISTRICT

660 West Daley Street

Spring Green, Wisconsin 53588

Phone: 608-588-2551

December 10, 2015

Governor Walker Senator Marklein Senator Erpenbach Representative Novak Representative Considine

## RE: Resolution Opposing School Referenda Restrictions

State Rep. Michael Schraa (R-Oshkosh) and state Sen. Duey Stroebel (R-Cedarburg) have introduced companion bills (Senate Bill 355 and Assembly Bill 481) to place restrictions on school district referenda ballot dates and impose a two-year waiting period following failed referenda.

Under current law, a school referendum can coincide with a primary election, general election, or a special election can be called specifically for the referendum. Under this bill, a school district referendum would have to coincide with a regularly scheduled spring or fall general election. There is currently also no limitation on whether, or how frequently, a referendum may be placed before voters. This bill would prevent a school board from bringing forward a new referendum request for two years if a referendum is voted down.

We strongly oppose this legislation for the following reasons:

- This bill is anti-local control.
- This bill does not show trust in locally-elected officials or local voters.
- In odd-numbered years, schools would have only one chance—at the April General election—to ask for voter approval because there is no November General Election in odd-numbered years.
- The bill's definition of two years (730 days) is poorly drafted. Consider: The 2016 November General Election will be November 8, 2016, while the November General Election in 2018 will be held on Nov. 6, 2018, which is less than 730 days after the November 2016 General Election. In this example, the "two-year moratorium" is, in reality, a "two and a half-year moratorium" because the next general election after the 730–day period expires is not until April 2019.

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- With state-imposed revenue limits on school districts frozen for the entire two –year state budget cycle for the first time ever, referenda are the only way many districts can access resources. This proposal will significantly impact declining enrollment districts which comprise over 60 percent of Wisconsin school districts. Most seriously affected will be small, rural school districts which lack economies of scale and have few places to make cuts. Many of these districts have come to rely on periodic referenda to exceed the revenue limits to maintain programming and, in some cases, to continue to exist. Legislators should know that supporting this bill could have the effect of forcing districts to consider dissolving or consolidating if they cannot pass such referenda and are barred from going back to their voters for two years (or more).
- This bill will further exacerbate the trend of creating school districts that are "Haves" who can pass referenda and "Have Nots" who cannot. Opportunities for students will further be determined by their zip code. As noted, these bills are extremely restrictive and inflexible for school boards under the bills in odd-numbered years boards will only have one opportunity to go to referendum (in the spring). If that referendum fails, boards will have to wait two years to the next odd-numbered year where once again there will only be one opportunity. In a state budget year (an odd-numbered year with only an April general election) a district would have to wait until the following spring to react to funding decisions made by the state.
- These bills are extremely restrictive and inflexible for school boards in another way as well—they also affect a variety of other funding mechanisms used by school boards to help them manage their finances, such as short-term borrowing, state trust fund loans, promissory notes and other borrowing or issuance of bonds. They provide that, if a school board applies or adopts a resolution to use any of these funding mechanisms and it is rejected by a majority of the electors of the school district, the school board may not use any of these mechanisms for two consecutive 365—day periods. When the Legislature adopted Act 10, it provided a number of "tools" to school boards to help them better manage their finances. This bill proposes taking away "tools" districts use to help them manage their finances. Many districts that receive little or no state general aid rely on short-term borrowing as a cash-flow management alternative to maintaining large fund balances. This bill could restrict the use of this cash-flow management "tool."
- In arguing for the two-year moratorium, the co-sponsorship memo being circulated states it is necessary because school boards are "holding repeated referenda in order to either wear down the public or manipulate the process." Legislators should be aware that referenda can fail for reasons other than the community is unwilling to increase spending on their schools. There may be other issues in a proposed plan for construction or remodeling that voters do not support and when those issues are addressed, the subsequent referendum passes. For example, disagreement over *the plan* for construction, not *the need* for new/expanded facilities. School boards **are** being responsive to the community when they bring forward a new referendum based on what they learn from their voters.
- Voting is not a difficult process. Further, voters in Wisconsin are intelligent. They do not need to be protected from themselves. If they do not support a referendum, they know how to vote no.
- Referenda can provide an opportunity for a community to have a very focused and robust conversation about what it wants its public schools to be. School boards propose referenda because they believe doing so is in the best educational interests of the students and communities they represent.

We urge you to oppose this legislation and would like to know what your position is on this bill. We look forward to working with you on this issue and look forward to your response.

Sincerely,

River Valley School District Board of Education

Attachment: Resolution Opposing School Referenda Restrictions

cc: Wisconsin Association of School Boards



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## **Resolution Opposing School Referenda Restrictions**

WHEREAS, State Rep. Michael Schraa (R-Oshkosh) and state Sen. Duey Stroebel (R-Cedarburg) have introduced legislation (Assembly Bill 481/Senate Bill 355) to place restrictions on school district referenda ballot dates and implement a 2 year waiting period following failed referenda; and

WHEREAS, under current law, a school referendum can coincide with a primary election, general election, or a special election can be called specifically for the referendum. Under this bill, a school district referendum would have to coincide with a regularly scheduled Spring or Fall general election; and

WHEREAS, under current law, there is no limitation on whether, and how frequently, a referendum may be placed before voters. This bill would prevent a school board from bringing a new referendum request for two years if a referendum is voted down; and

WHEREAS, the bill is anti-local control and does not show trust in locally-elected officials; and

WHEREAS, with state-imposed revenue limits on school districts frozen for the entire two —year state budget cycle for the first time ever, referenda are the only way many districts can access resources. This proposal will significantly impact declining enrollment districts which comprise over 60 percent of Wisconsin school districts. Most seriously affected will be small, rural school districts which lack economies of scale and have few places to make cuts. Many of these districts have come to rely on periodic referenda to maintain programming and, in some cases, to continue to exist. Legislators should know that supporting this bill could have the effect of forcing districts to consider dissolving; and

WHEREAS, the bill will further exacerbate the trend of creating "Haves" who can pass referenda and "Have Nots" who cannot and opportunities for students will further be determined by their zip code; and

WHEREAS, the bill is extremely restrictive and inflexible for school boards — under the bill in odd-numbered years boards will only have one opportunity to go to referendum (in the spring). If that referendum fails, boards will have to wait two years to the next odd-numbered year where once again there will only be one opportunity. In a state budget year (an odd-numbered year with only an April general election) a district would have to wait until the following spring to react to funding decisions made by the state; and

WHEREAS, the bill is extremely restrictive and inflexible for school boards in another way as well—it also affects a variety of other funding mechanisms used by school boards to help them

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manage their finances, such as short-term borrowing, state trust fund loans, promissory notes and other borrowing or issuance of bonds. It provides that, if a school board applies or adopts a resolution to use any of these funding mechanisms and it is rejected by a majority of the electors of the school district, the school board may not use any of these mechanisms for two consecutive 365—day periods. When the Legislature adopted Act 10, it provided a number of "tools" to school boards to help them better manage their finances. This bill proposes taking away "tools" districts use to help them manage their finances; and

WHEREAS, in arguing for the two-year moratorium, the co-sponsorship memo being circulated states it is necessary because school boards are "holding repeated referenda in order to either wear down the public or manipulate the process." Legislators should be aware that referenda can fail for reasons other than the community is unwilling to increase spending on their schools. There may be other issues in the plan that voters do not support and when those issues are addressed the subsequent referendum passes. For example, there could be disagreement over *the plan* for construction, not *the need* for new/expanded facilities. In these instances, school boards are being responsive to the community; and

WHEREAS, voting is not a difficult process and voters in Wisconsin are intelligent. They do not need to be protected from themselves. If they do not support a referendum, they can vote no; and

WHEREAS, referenda can provide an opportunity for a community to have a very focused and robust conversation about what it wants its public schools to be. School boards propose referenda because they believe doing so is in the best educational interests of the students and communities they represent; and

WHEREAS, The Wisconsin Association of School Boards (WASB) has formally adopted a policy resolution (Resolution 1.25) stating that "The WASB opposes limits on scheduling referenda."

THEREFORE, BE IT RESOLVED that the River Valley Board of Education calls on Governor Walker, Senator Marklein, Senator Erpenbach, Representative Novak, and Representative Considine to oppose this legislation that would further curtail the already very limited set of revenue options available to Wisconsin school boards.

Adopted and approved this 10th day of December, 2015.
ATTEST: Chool District President  School District President
School District Clerk
It was moved by Jenning and seconded by Jenning
that the foregoing resolution be adopted. Upon roll call vote, the following voted Age:
Cates, Cummings, Jausly, Gennings, Nelson,
Stroninsky, young (Mc Caulay absent)
The following voted No: / Bettinger
The School District President declared the resolution adonted