



A Summary of the Governor's Proposed Budget for K-12 Education

February 16, 2015

Governor Walker has proposed an education budget that cuts state support to public schools, freezes local support, devotes new resources to private schools, and cuts property taxes.

His proposed budget now moves to the budget committee of the legislature, where lawmakers can make changes to the state's spending priorities.

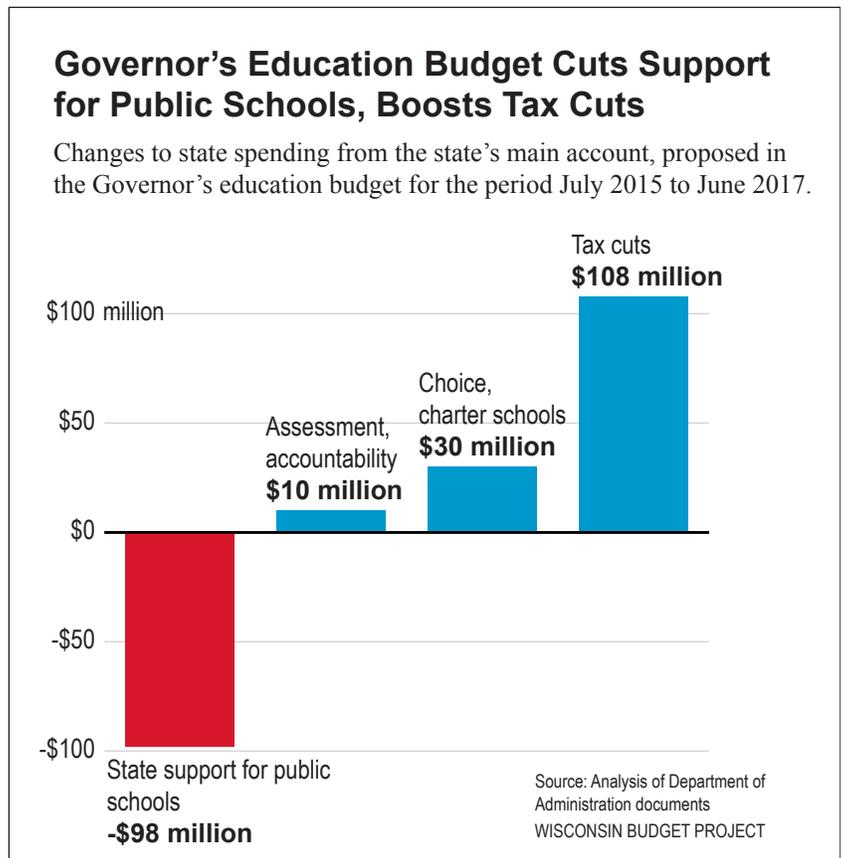
CUTS IN STATE SUPPORT FOR PUBLIC SCHOOLS

The Governor's budget essentially reduces support for public schools by \$98 million over the two year budget period, which runs from July 2015 to June 2017. Although the bill increases school aid by \$108 million in the second year of the biennium, districts will generally have to use those funds to reduce property tax levies, rather than increasing spending.

This proposed cut to public education would come on top of dramatic reductions in resources for public schools that have already occurred. Not counting the cut proposed for the upcoming budget, Wisconsin has already cut state support for investment in schools by 15% per student since 2008, a deeper cut than all but four other states. That 15% cut (in inflation-adjusted spending) means the state is spending \$1,014 less on each student in fiscal year 2015 compared to 2008.

The budget provides some targeted state aid to schools in rural areas, which have been hit particularly hard by declining enrollment and cuts in equalization aid. Yet even rural schools are concerned that the net effects of the school financing changes will be harmful.

For the most part, the Governor's proposal would not allow school districts to increase property taxes to make up for the decrease in state support. In fact, most public schools would have to cut spending by \$150 per student in the 2015-16 school year if the budget is approved in its current form.



ACCOUNTABILITY AND ASSESSMENTS

School accountability and student assessment changes in the budget include:

- \$4.5 million over two years to rework a variety of school accountability measures, including overhauling the report card system that shows how well schools and districts are meeting expectations.
- Ending the use of assessments aligned with the Common Core, a set of educational standards developed by states working together with the goal of establishing consistent educational standards.
- \$5.0 million to implement a new assessment system developed by the American College Test (ACT).

REDIRECTING RESOURCES FROM PUBLIC SCHOOLS TO VOUCHER AND CHARTER SCHOOLS

Governor Walker proposed expanding the state's Parental Choice Program, which allows students from low and moderate income families to attend private schools using publicly-funded tuition vouchers.

When a student leaves a public school to attend a private school using a tuition voucher, aid to that school district is decreased. The expansion of the voucher program will reduce resources available for students that remain in the public schools, and increase state spending on vouchers by \$17.2 million over two years.

Governor Walker recommends expanding the use of school vouchers by eliminating the cap on the number of students who may participate in the program. In 2015, the use of school vouchers outside of Milwaukee and Racine was limited to 1,000 students. The bill retains income caps for the program; all students with family incomes of below 185% of the federal poverty level – about \$45,000 for a family of four – would be eligible for tuition vouchers. New participation in the expanded voucher program outside of Milwaukee would be limited mostly to students who currently attend public schools.

Governor Walker's budget also devotes new resources to charter schools, which are public schools created by a school district, university, or nonprofit organization, and given freedom from most state rules and regulations. Governor Walker's budget proposes a new oversight board at the state level that would authorize additional organizations to approve the creation of charter schools. Governor Walker's budget includes an additional \$12.9 million to pay for the board and for additional students attending charter schools.

PROPERTY TAX CUTS

The Governor proposes delivering a property tax cut by forcing most schools districts to cut taxes. Because of how the proposal is currently structured, districts would generally be prohibited from raising property tax levies to offset a one-time cut in state aid of \$150 per student during the 2015-16 school year. Although the bill proposes a \$108 million increase in general aid to schools in the following year, spending caps would force most districts to use that increase to reduce property taxes. Governor Walker said that his budget proposals would cut taxes by \$5 for a typical home in each of the next two years.

OTHER CHANGES TO EDUCATION

The Governor's budget includes other proposals that would affect education, including:

- Loosening teaching license requirements for grades 6 through 12. Anyone with a bachelor's degree, relevant experience, and demonstrated proficiency in a subject could obtain a teacher's license for that subject. That would be a change from current practice, which requires new teachers to study the best way to communicate information to students.
- Ending a voluntary racial integration program that helps racially balance Milwaukee's city and suburban schools.