



## Competing Proposals for Wisconsin Schools

### A Comparison of the Governor’s and the Assembly’s Education Budgets

In response to Governor Walker’s K-12 education budget proposal, Wisconsin Assembly Republicans have released their own version of an education budget. The Assembly version allocates about \$90 million less in state funding to K-12 schools and would result in slightly higher taxes for property owners compared to the Governor’s budget.

Some lawmakers in the State Senate have indicated they favor the Governor’s proposal over the Assembly’s. Education advocates, a diverse group with varied positions, generally favor some measures included in the Governor’s budget, such as the overall level of funding, and other measures included in the Assembly proposal, such as raising the budget caps for districts with low revenue ceilings.

The budget under debate is for the two-year period starting July 1, 2017, or as soon as the budget is passed, whichever is later.

### Comparison of Major K-12 Education Budget Proposals for 2017-19

MEASURE	GOVERNOR’S PROPOSAL	ASSEMBLY PROPOSAL	REACTION OF EDUCATION ADVOCATES
Per-pupil aid from state	Increase of \$200 per student in 2018 and \$404 in 2019 over current levels, for a total of \$509 million in new money over two years. A portion of that increase is contingent on the state achieving savings by restructuring the program that provides health insurance for state employees, a plan the budget committee of the legislature has since rejected.	Increase of \$150 per student in 2018 and \$350 in 2019 over current levels, for a total of \$418 million in new money over two years. That is \$91 million less than the amount included in the Governor’s proposal.	Generally favor the Governor’s proposal over the Assembly’s, although some advocates believe that the Governor’s proposal does not go far enough in adding new resources. Also, some would prefer to see the additional resources distributed through the main funding formula that takes into account differences among school districts in their capacity to raise revenue from the property tax.

MEASURE	GOVERNOR'S PROPOSAL	ASSEMBLY PROPOSAL	REACTION OF EDUCATION ADVOCATES
Conditions on receiving increase in per-pupil aid	Require district employees to pay at least 12% of health care costs, and districts must pass through the funding equally to school buildings based on the number of students enrolled in each building.	Set no conditions.	Oppose setting conditions on receiving aid.
Change to revenue limits	Freeze the ceiling on each district's spending from the combination of property taxes and general school aids.	Allow districts with low revenue limits to increase them without going to referendum, leading to an estimated \$92 million property tax increase statewide. No across-the-board increase in revenue limits.	Favor raising revenue limits both for low-spending districts and across the board, but have concerns about pushing districts to raise property taxes by failing to provide sufficient state aid.
General school aids	Increase by \$73 million in the second year of the budget, but because there is no increase in revenue limits, districts would be forced to cut property taxes by the same amount of new aid they received.	Increase by \$20 million in the first year and \$83 million in second year compared to current levels. Without an across-the-board increase in revenue limits for districts, almost all the additional state aid would go to decreasing property taxes.	Favor allowing increases in state resources to be used to provide more resources to educate students rather than lowering property taxes.
School levy tax credit	Increase by \$87 million a year compared to current levels. This credit is applied directly to the tax bills of all property owners, including non-resident owners of vacation homes. There is no upper income limit to be eligible for the credit.	Increase by \$52 million in 2017(18) property tax year and by \$147 million in 2018(19) compared to current levels, for a two-year amount that is \$25 million higher than governor's proposal.	Favor providing districts with resources that can be used in the classrooms, rather than used for broad tax cuts.
Aid to rural districts	Provide \$20 million in new resources over two years outside the revenue limits for sparsely populated districts, compared to current levels. Increase grant amounts and expand eligibility.	Provide \$2 million in new resources compared to current levels for sparsely populated districts.	Favor Governor's proposal, which provides \$18 million more than the Assembly.

MEASURE	GOVERNOR'S PROPOSAL	ASSEMBLY PROPOSAL	REACTION OF EDUCATION ADVOCATES
Limits on school referendums	No new limits.	Limit when referendums can be held to the spring election or November general election, i.e. three times in a given two-year period.	Oppose adding new limits.
Funding for rural districts with high transportation costs	Provide an additional \$10 million over two years.	Similar to the Governor's proposal; brings in a few more districts.	Little difference between the proposals.
Mental health	Provide \$6 million a year for districts to add social workers and to provide mental health collaborative grants, starting in second year of the budget.	Provide \$7 million for districts to add social workers and to provide mental health collaborative grants, \$1 million more than the Governor's proposal.	In general, education advocates favor providing additional resources to help districts address the mental health needs of their students, as long as providing mental health services isn't a mandate for schools.
Resources for districts that consolidate, share grades, or share services	Expand ability of districts to share services, but provide no additional resources for this purpose.	Provide \$1 million annually starting in the second year of the budget in incentive payments for districts that consolidate, \$1.5 million per year for districts that share grades, and \$3.5 million a year for districts that share administrative positions.	Mixed. Education advocates favor providing additional tools and resources to rural districts, many of which face declining enrollments, but some would prefer the aid be provided in a way that allows districts to avoid combining districts or parts of districts.

MEASURE	GOVERNOR'S PROPOSAL	ASSEMBLY PROPOSAL	REACTION OF EDUCATION ADVOCATES
Mobile computers for students	Not included in budget proposal.	Provide public and private schools with grants to buy mobile devices or associated services for students, at a total cost of \$9 million a year. Schools must match the dollar amount provided by the state.	Mixed. Some advocates believe that additional resources for devices will promote academic achievement and address technology access issues that create the digital divide. Others oppose providing public resources to private schools or believe resources would be better spent in other ways.
Voucher amounts for students with disabilities who attend private schools	Keep current system in which private schools that accept children with disabilities under the special needs scholarship program receive a fixed payment from the state for each student. Increase the payment amount from \$12,000 to \$12,217 in the first year of the budget and then to \$12,434 in the second year.	Change the voucher amount that private schools receive to a new variable amount based on an estimate of the cost to implement the student's IEP, prepared by the student's school district of residence. Private schools are not required to provide special education or related services, even though the amount they would be paid would be based on the cost of providing those services.	Oppose providing additional public resources to private schools, as the Governor's proposal would do. Advocates also oppose the administrative burden for school districts that developing cost estimates would entail, as required by the Assembly proposal. Districts would be required to prepare cost estimates even if students were not enrolled in the resident district at the time or had not yet enrolled in any school.
Open enrollment payment amounts	Keep current levels for amounts of aid transferred from one school district to another when a student who lives in one school district enrolls in a different district.	Significantly increase the open enrollment transfer amount, by about \$1,400 to about \$8,200. The transfer amount for students with special needs would change from \$12,000 to an amount that reflects an estimate of actual costs incurred by the non-resident school district.	Oppose Assembly proposal. Advocates note that increasing the transfer amounts could create winners and losers among school districts, with the biggest beneficiaries being suburban school districts, many of which have higher than average revenue limit authority.