

PUBLIC INSTRUCTION

Budget Summary							
Fund	2020-21 Base Year Doubled	2021-23 Governor	2021-23 Jt. Finance	2021-23 Legislature	2021-23 Act 58	Act 58 Change Over Base Year Doubled	
						Amount	Percent
GPR	\$13,590,141,800	\$15,231,894,900	\$14,244,097,500	\$14,244,097,500	\$14,243,347,500	\$653,205,700	4.8%
FED	1,764,709,000	1,765,084,600	1,764,686,800	1,764,686,800	1,764,686,800	-22,200	0.0
PR	95,071,000	107,136,300	106,736,300	106,736,300	106,736,300	11,665,300	12.3
SEG	<u>123,877,600</u>	<u>171,668,600</u>	<u>136,815,800</u>	<u>136,815,800</u>	<u>136,815,800</u>	<u>12,938,200</u>	10.4
TOTAL	\$15,573,799,400	\$17,275,784,400	\$16,252,336,400	\$16,252,336,400	\$16,251,586,400	\$677,787,000	4.4%

FTE Position Summary						
Fund	2020-21 Base	2022-23 Governor	2022-23 Jt. Finance	2022-23 Legislature	2022-23 Act 58	Act 58 Change Over 2020-21 Base
GPR	252.47	253.47	252.47	252.47	252.47	0.00
FED	313.84	313.84	313.84	313.84	313.84	0.00
PR	76.69	76.69	76.69	76.69	76.69	0.00
SEG	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL	643.00	644.00	643.00	643.00	643.00	0.00

Budget Change Items

General School Aids and Revenue Limits

1. STATE SUPPORT FOR K-12 EDUCATION [LFB Paper 496]

Governor: Provide \$6,908,916,200 in 2021-22 and \$7,237,834,900 in 2022-23 for general and categorical school aids. Compared to the 2020-21 base level funding of \$6,295,280,100, school aids would increase by \$613,636,100 (9.7%) in 2021-22 and \$942,554,800 (15.0%) in 2022-23. These proposed funding levels would represent annual changes to the prior year of 9.7% in 2021-22 and 4.8% in 2022-23.

Under the definition of state funding for support of K-12 education (the sum of state general and categorical school aids, the school levy and first dollar credits, and the general program

operations appropriation for the program for the deaf and hard of hearing and the center for the blind and visually impaired), the bill would increase state support from the base amount of \$7,397,208,500 in 2020-21 to \$8,011,790,600 in 2021-22 and \$8,340,709,300 in 2022-23. These proposed funding levels would represent annual changes to the prior year of 8.3% in 2021-22 and 4.1% in 2022-23.

Using the definition of partial school revenues (the sum of state school aids and property taxes levied for school districts), the administration estimates that state support of partial school revenues would increase from 65.2% in 2020-21 to approximately 67.0% in 2021-22 and 67.5% in 2022-23. These estimates incorporate the state support funding in the bill, which is presented in Table 1.

Joint Finance/Legislature: Provide \$6,435,378,000 in 2021-22 and \$6,675,125,900 in 2022-23 for general and categorical school aids. Compared to the 2020-21 base year, school aids would increase by \$140,097,900 (2.2%) in 2021-22 and \$379,845,800 (6.0%) in 2022-23. These proposed funding levels would represent annual changes to the prior year of 2.2% in 2021-22 and 3.7% in 2022-23. Compared to the Governor's recommendations, school aids would be reduced by \$473,538,200 in 2021-22 and \$562,709,000 in 2022-23.

Using the traditional definition of state support of K-12 education, total funding would increase from \$7,397,208,500 in 2020-21 to \$7,538,252,400 in 2021-22 and \$7,778,000,300 in 2022-23. These funding levels would represent annual changes to the prior year of 1.9% in 2021-22 and 3.2% in 2022-23. With the changes to K-12 school finance adopted by Joint Finance, it is estimated that state support of partial school revenues under the traditional definition would be 66.55% in 2021-22 and 68.0% in 2022-23.

Veto by Governor [B-17]: By vetoing the appropriation for grants to the Lakeland STAR Academy, the Governor's veto reduces the amount of funding for categorical aids by \$250,000 in 2021-22 and \$500,000 in 2022-23. A summary of the funding amounts for state support under the recommendations of the Governor, under Joint Finance and the Legislature, and under Act 58 is presented in Table 1.

Table 2 provides an outline of state support for K-12 education by individual fund source. Table 3 presents the Act 58 funding levels for each general and categorical school aid program as compared to the 2020-21 base funding level. The provisions relating to individual school aid programs are summarized in the items that follow.

TABLE 1

State Support for K-12 Education

<u>State Funding</u>	<u>2020-21 Base Year</u>	<u>Governor</u>		<u>Joint Finance/Legislature</u>		<u>Act 58</u>	
		<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>
General School Aids	\$4,920,420,000	\$5,141,830,000	\$5,311,830,000	\$5,030,420,000	\$5,218,420,000	\$5,030,420,000	\$5,218,420,000
Categorical Aids	1,374,860,100	1,767,086,200	1,926,004,900	1,404,958,000	1,456,705,900	1,404,708,000	1,456,205,900
School Levy Tax Credit	940,000,000	940,000,000	940,000,000	940,000,000	940,000,000	940,000,000	940,000,000
First Dollar Credit	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
State Residential Schools	<u>11,928,400</u>	<u>12,874,400</u>	<u>12,874,400</u>	<u>12,874,400</u>	<u>12,874,400</u>	<u>12,874,400</u>	<u>12,874,400</u>
Total	\$7,397,208,500	\$8,011,790,600	\$8,340,709,300	\$7,538,252,400	\$7,778,000,300	\$7,538,002,400	\$7,777,500,300
Change to Prior Year:							
	Amount	\$614,582,100	\$328,918,700	\$141,043,900	\$239,747,900	\$140,793,900	\$239,497,900
	Percent	8.3%	4.1%	1.9%	3.2%	1.9%	3.2%
Change to Base:							
	Amount	\$614,582,100	\$943,500,800	\$141,043,900	\$380,791,800	\$140,793,900	\$380,291,800
	Percent	8.3%	12.8%	1.9%	5.1%	1.9%	5.1%

TABLE 2

State Support for K-12 Education by Fund Source

<u>State Funding</u>	<u>2020-21 Base Year</u>	<u>Governor</u>		<u>Joint Finance/Legislature</u>		<u>Act 58</u>	
		<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>
GPR							
General School Aids	\$4,920,420,000	\$5,141,830,000	\$5,311,830,000	\$5,030,420,000	\$5,218,420,000	\$5,030,420,000	\$5,218,420,000
Categorical Aids	1,317,068,400	1,707,394,500	1,828,460,400	1,345,466,300	1,394,214,200	1,345,216,300	1,393,714,200
School Levy Tax Credit	940,000,000	940,000,000	940,000,000	940,000,000	940,000,000	940,000,000	940,000,000
First Dollar Credit	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
State Residential Schools	<u>11,928,400</u>	<u>12,874,400</u>	<u>12,874,400</u>	<u>12,874,400</u>	<u>12,874,400</u>	<u>12,874,400</u>	<u>12,874,400</u>
GPR Subtotal	\$7,339,416,800	\$7,952,098,900	\$8,243,164,800	\$7,478,760,700	\$7,715,508,600	\$7,478,510,700	\$7,715,008,600
PR							
Categorical Aids	\$1,507,500	\$1,707,500	\$1,707,500	\$1,507,500	\$1,507,500	\$1,507,500	\$1,507,500
SEG							
Categorical Aids	<u>\$56,284,200</u>	<u>\$57,984,200</u>	<u>\$95,837,000</u>	<u>\$57,984,200</u>	<u>\$60,984,200</u>	<u>\$57,984,200</u>	<u>\$60,984,200</u>
Total State Support - All Funds	\$7,397,208,500	\$8,011,790,600	\$8,340,709,300	\$7,538,252,400	\$7,778,000,300	\$7,538,002,400	\$7,777,500,300

TABLE 3

**General and Categorical School Aid by Funding Source
2020-21 Base Year Compared to Act 58**

Agency	Type and Purpose of Aid	2020-21 Base Year	Act 58		2021-23 Change to Base Year Doubled	
			2021-22	2022-23	Amount	Percent
General Aid						
DPI	General School Aids	\$4,903,590,000	\$5,013,590,000*	\$5,201,590,000	\$408,000,000	4.2%
	High Poverty Aid	<u>16,830,000</u>	<u>16,830,000</u>	<u>16,830,000</u>	<u>0</u>	0.0
	Total General Aid	\$4,920,420,000	\$5,030,420,000	\$5,218,420,000	\$408,000,000	4.1%
Categorical Aid--GPR Funded						
DPI	Per Pupil Aid	\$616,973,000	\$608,756,800	\$607,527,300	-\$17,661,900	-1.4%
	Supplemental Per Pupil Aid	2,500,000	0	0	-5,000,000	-100.0
	Special Education	450,276,200	468,091,800	517,890,000	85,429,400	9.5
	High-Cost Special Education Aid	9,353,800	11,106,000	11,439,200	3,837,600	20.5
	Spec. Ed. Transitions Incentive Grants	3,600,000	3,600,000	3,600,000	0	0.0
	Transition Readiness Investment Grant	1,500,000	1,500,000	1,500,000	0	0.0
	Achievement Gap Reduction	109,184,500	109,184,500	109,184,500	0	0.0
	SAGE--Debt Service	133,700	133,700	133,700	0	0.0
	Sparsity Aid	24,813,900	27,962,400	27,983,800	6,318,400	12.7
	Pupil Transportation	24,000,000	24,000,000	24,000,000	0	0.0
	High-Cost Transportation Aid	13,500,000	19,856,200	19,856,200	12,712,400	47.1
	Bilingual-Bicultural Aid	8,589,800	8,589,800	8,589,800	0	0.0
	Tuition Payments	8,242,900	8,242,900	8,242,900	0	0.0
	Mental Health Collaboration Grants	6,500,000	10,000,000	10,000,000	7,000,000	53.8
	Aid for School Mental Health Programs	6,000,000	12,000,000	12,000,000	12,000,000	100.0
	Peer-to-Peer Suicide Prevention Grants	250,000	250,000	250,000	0	0.0
	Head Start Supplement	6,264,100	6,264,100	6,264,100	0	0.0
	Educator Effectiveness Grants	5,746,000	5,746,000	5,746,000	0	0.0
	School Lunch	4,218,100	4,218,100	4,218,100	0	0.0
	County Children with Disabilities Educ. Boards	4,067,300	4,067,300	4,067,300	0	0.0
	School Breakfast	2,510,500	2,510,500	2,510,500	0	0.0
	Peer Review and Mentoring	1,606,700	1,606,700	1,606,700	0	0.0
	Rural School Teacher Talent Pilot Program	1,500,000	1,500,000	1,500,000	0	0.0
	MPS Summer School Grant Program	1,400,000	1,400,000	1,400,000	0	0.0
	Four-Year-Old Kindergarten Grants	1,350,000	1,350,000	1,350,000	0	0.0
	School Day Milk	1,000,000	1,000,000	1,000,000	0	0.0
	Robotics League Participation Grants	500,000	500,000	500,000	0	0.0
	Aid for Transportation--Open Enrollment	454,200	454,200	454,200	0	0.0
	Gifted and Talented	237,200	474,400	474,400	474,400	100.0
	Supplemental Aid	100,000	100,000	100,000	0	0.0
DOA	Debt Service--Tech. Infrastructure Bonding	<u>696,500</u>	<u>750,900</u>	<u>325,500</u>	<u>-316,600</u>	-22.7
	Total Categorical Aid--GPR Funded	\$1,317,068,400	\$1,345,216,300	\$1,393,714,200	\$104,793,700	4.0%
Categorical Aid--PR Funded						
DPI	AODA	\$1,284,700	\$1,284,700	\$1,284,700	\$0	0.0%
	Tribal Language Revitalization Grants	<u>222,800</u>	<u>222,800</u>	<u>222,800</u>	<u>0</u>	0.0
	Total Categorical Aid--PR Funded	\$1,507,500	\$1,507,500	\$1,507,500	\$0	0.0%
Categorical Aid--SEG Funded						
DPI	School Library Aids	\$40,300,000	\$42,000,000	\$45,000,000	\$6,400,000	7.9%
DOA	Educ. Telecommunications Access Support	<u>15,984,200</u>	<u>15,984,200</u>	<u>15,984,200</u>	<u>0</u>	0.0
	Total Categorical Aid--SEG Funded	\$56,284,200	\$57,984,200	\$60,984,200	\$6,400,000	5.7%
	Total Categorical Aid--All Funds	\$1,374,860,100	\$1,404,708,000	\$1,456,205,900	\$111,193,700	4.0%
	Total School Aid--All Funds	\$6,295,280,100	\$6,435,128,000	\$6,674,625,900	\$519,193,700	4.1%

*Reflects the total amount of funding to be distributed through the formula for the 2021-22 school year; does not include the \$75 million in funding appropriated in 2021-22 to buy back the current law delayed aid payment.

2. GENERAL SCHOOL AID BASE FUNDING INCREASE [LFB Paper 496]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$612,820,000	-\$204,820,000	\$408,000,000

Governor: Provide \$221,410,000 in 2021-22 and \$391,410,000 in 2022-23 for general school aids. Base level funding is \$4,903,590,000. The general school aids appropriation funds equalization, integration, and special adjustment aid. This bill funding would represent an increase of 4.5% in 2021-22 and 3.3% in 2022-23 compared to the prior year.

Joint Finance/Legislature: Provide \$110,000,000 in 2021-22 and \$298,000,000 in 2022-23 above base level, which would be reductions of \$111,410,000 in 2021-22 and \$93,410,000 in 2022-23 from the bill. This would represent an increase of 2.2% in 2021-22 and 3.7% in 2022-23 compared to the prior year.

3. BUYBACK OF CURRENT LAW GENERAL SCHOOL AID PAYMENT DELAY [LFB Paper 497]

GPR	\$75,000,000
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Governor: Provide \$75,000,000 in 2021-22 for general school aids and, beginning in the 2021-22 school year, delete the current law provisions under which the state annually pays that amount of aid on a delayed basis on the fourth Monday in July of the following school year. (A technical correction would need to be made to treat the general aid appropriation as if there were no buyback so as to set the secondary guarantee to distribute the correct amount of funding for 2021-22 through the general aid formula.)

Under current law, equalization aid is distributed to districts according to the following payment schedule: 15% on the third Monday in September; 25% on the first Monday in December; 25% on the fourth Monday in March; and 35% on the third Monday in June. Total aid entitlements on each of the four dates are reduced by the percentage that generates the \$75 million amount for the school year, which is paid in the following July.

Joint Finance/Legislature: Include provision with technical correction relating to the setting of the secondary guaranteed valuation.

[Act 58 Sections: 356 and 9134(2)]

4. SPECIAL ADJUSTMENT AID [LFB Paper 498]

Governor: Specify that special adjustment aid would be calculated based on 90% of a district's prior year general school aids payment for the distribution of general aid in 2021-22 and 2022-23 school years.

Under current law, special adjustment aid is equal to the amount needed to make an eligible district's total general aid eligibility equal to 85% of the district's prior year general aid payment.

This item would raise the percentage to 90%, further limiting year-to-year declines in a district's general aid payment for the two years specified.

Joint Finance/Legislature: Provision not included.

5. INDEPENDENT CHARTER SCHOOL AID REDUCTION

GPR Effect of Change to Aid Reductions	\$166,700,000
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Joint Finance/Legislature: Beginning in the 2021-22 school year, delete the general school aids reduction associated with the payments to independent charter schools authorized by the City of Milwaukee, UW-Milwaukee, and UW-Parkside. Reduce GPR lapses by \$82,800,000 in 2021-22 and \$83,900,000 in 2022-23. Under this provision, net general school aids received by school districts would increase correspondingly.

Under current law, DPI pays the operators of these charter schools a statutorily-determined per pupil amount (\$9,165 in 2020-21) from a separate, GPR sum sufficient appropriation established for these payments. The cost of the payments for pupils attending these schools is offset by a lapse from the general school aids appropriation to the general fund in an amount equal to the estimated payments. DPI is required to proportionately reduce the general school aids for which each school district is eligible by an amount totaling the charter lapse (a 1.6% reduction in aid in 2020-21).

[Act 58 Sections: 352 thru 354 and 9334(2)]

6. TWO-THIRDS FUNDING OF PARTIAL SCHOOL REVENUES

Governor: Beginning in 2021-22, restore the requirement that that state fund two-thirds of K-12 partial school revenues and the associated statutory provisions that existed prior to its repeal in the 2003-05 biennial budget, as modified to reflect changes to K-12 funding provisions in the intervening time.

Define "partial school revenues" as the sum of state school aids, property taxes levied for school districts, and exempt property aid payments to school districts, less the following: (a) the amount of any revenue limit increase due to a school board's increasing the services that it provides by adding responsibility for providing a service transferred to it from another school board; (b) the amount of any revenue limit increase due to a school board increasing the services that it provides by adding responsibility for providing a service that is transferred to it from another governmental unit for a child with a disability or for a limited-English proficient pupil; (c) the amount of any revenue limit increase due to a district depositing funds into a specified capital improvement fund; (d) the amount of property taxes levied for community service activities; (e) an amount equal to the net general aid reduction to the Milwaukee Public Schools' aid entitlement related to the Milwaukee private school choice program; and (f) the amount by which the property tax levy for debt service on referenda-approved debt referendum exceeds \$490 million.

Define "state school aids" as the sum of the following: (a) the amounts appropriated under s. 20.255(2), which is the statutory subsection containing the aids for local educational

programming, less the appropriations for high poverty aid, federal and program revenue aid appropriations, and the appropriations for the private school choice, independent charter school, and special needs scholarship programs, which are also under s. 20.255(2); (b) the general program operations appropriation for the program for the deaf and hard of hearing and the center for the blind and visually impaired; (c) the DOA appropriation for debt service costs for educational technology infrastructure financial assistance to school districts; (d) the amount, as determined by the DOA Secretary, in the DOA appropriation for telecommunications access for educational agencies allocated for payments to telecommunications providers under contracts with school districts and cooperative educational service agencies; and (e) the current law DPI appropriation for the Head Start supplement which would be transferred to the Department of Children and Families (DCF) under the bill.

Require the Departments of Public Instruction and Administration and the Legislative Fiscal Bureau to jointly certify, by May 15, 2022, and annually by May 15 thereafter, to the Joint Committee on Finance an estimate of the amount necessary to appropriate in the general school aids appropriation in the following school year to ensure that state school aids equal two-thirds of partial school revenues. Require the Joint Committee on Finance, by June 30, 2022, and biennially by June 30 thereafter, to determine the amount appropriated in the general school aids appropriation in following school year. Modify the general school aids appropriation from a sum certain appropriation to a sum sufficient equal to the amount determined by law in the 2021-22 fiscal year and biennially thereafter, and equal to the amount determined by Joint Finance in the 2022-23 fiscal year and biennially thereafter.

Joint Finance/Legislature: Provision not included.

7. REVENUE LIMIT PER PUPIL ADJUSTMENT [LFB Paper 496]

Governor: Set the per pupil adjustment under revenue limits at \$200 in 2021-22 and \$204 in 2022-23 and restore the pre-2009-10 inflationary adjustment beginning in 2023-24. Under the inflationary adjustment, the per pupil adjustment in 2023-24 would be the prior year per pupil amount (\$204) times the percentage change in the consumer price index.

Under revenue limits, the amount of revenue a school district can raise from general school aids, property taxes, and exempt property aids is restricted. A district's base revenue in a given year is equal to the restricted revenues received in the prior school year. Base revenue is divided by the average of the district's enrollments in the prior three years to determine its base revenue per pupil. In 2020-21, a \$179 per pupil adjustment was added to each district's base revenue per pupil to determine its current year revenue per pupil. Under current law, no per pupil adjustment will be made in 2021-22 and in each year thereafter. Current year revenue per pupil is then multiplied by the average of the district's enrollments in the current and prior two years to determine the district's initial revenue limit.

Prior to 2009-10, the per pupil adjustment was adjusted for inflation, using the percentage change, if positive, in the consumer price index for all urban consumers between the preceding March and second-preceding March. The following table shows the per pupil adjustment under the bill compared to current law.

Per Pupil Adjustment

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Current Law	\$179	\$0	\$0
Bill	179	200	204

Joint Finance/Legislature: Provision not included.

8. LOW REVENUE ADJUSTMENT [LFB Paper 496]

Governor: Set the low revenue adjustment amount under revenue limits at \$10,250 per pupil in 2021-22 and \$10,500 per pupil in 2022-23 and each year thereafter. Also, beginning in 2021-22, delete the statutory provisions generally restricting otherwise-eligible districts from any low revenue adjustment increases for three years after a failed operating referendum.

Under the low revenue adjustment, if the sum of the base revenue per pupil and the revenue limit per pupil adjustment for a district is below the statutorily-specified amount, a district may increase its revenue to that amount. The low revenue adjustment amount in 2020-21 is \$10,000 per pupil, with the three-year exception for districts with failed referenda. Under current law, the low revenue adjustment amount will remain at \$10,000 per pupil in future years. The following table shows the low revenue adjustment amount under the bill compared to current law.

Low Revenue Adjustment - Per Pupil Amount

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Current Law	\$10,000	\$10,000	\$10,000
Bill	10,000	10,250	10,500

Joint Finance/Legislature: Provision not included.

9. REVENUE LIMIT ENROLLMENT FOR THE 2020-21 SCHOOL YEAR [LFB Paper 499]

Governor: Specify that for calculating a school district's revenue limit for the 2021-22, 2022-23, and 2023-24 school years, the number of pupils enrolled in the district in the 2020-21 school year is the sum of the following: (a) the greater of the number of pupils enrolled in the district's September enrollment count in the 2019-20 school year or in the 2020-21 school year; and (b) the greater of 40% of the district's summer enrollment in the 2019-20 school year or in the 2020-21 school year.

For revenue limit purposes, a district's enrollment is the sum of its pupil count taken on the third Friday in September plus 40% of its full-time equivalent summer enrollment. A three-year rolling average of a district's enrollment is used to calculate its revenue limit. For example, for the

2020-21 revenue limit, the average of the 2017, 2018, and 2019 enrollments is used to calculate the 2019-20 base year revenue per pupil. Then, the average of the 2018, 2019, and 2020 enrollments is used to calculate the 2020-21 current year revenue per pupil.

Joint Finance/Legislature: Provision not included.

10. FOUR-YEAR-OLD KINDERGARTEN MEMBERSHIP

Governor: Specify that a four-year-old kindergarten (K4) pupil enrolled in a program that requires full-day attendance by the pupil for five days a week would be counted as 1.0 pupil for membership purposes, beginning with the distribution of school aid in, and the calculation or revenue limits for 2022-23. This membership change would apply to school district revenue limits and general aid and payments to schools in private school choice programs and the independent charter school program.

Under current law, a K4 pupil is counted as 0.5 member if the pupil attends for at least 437 hours, unless the program provides at least 87.5 additional hours of outreach activities, in which case the pupil is counted as 0.6 member. Under the bill, a K4 pupil enrolled in a program requiring less than full-day attendance by the pupil for five days a week would be counted as 0.5 or 0.6 member, depending on whether the additional outreach is provided.

Joint Finance/Legislature: Provision not included.

Categorical Aids

1. SPECIAL EDUCATION [LFB Paper 505]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$709,584,700	-\$624,155,300	\$85,429,400

Governor: Provide \$296,694,600 in 2021-22 and \$412,890,100 in 2022-23 for special education categorical aid, and modify the appropriation from sum certain to be a sum sufficient appropriation paying 45% of eligible costs in 2021-22 and 50% in 2022-23 and annually thereafter. Base level funding is \$450,276,200, which DPI estimates will reimburse approximately 28.2% of eligible costs in 2020-21.

Joint Finance/Legislature: Provide \$17,815,600 in 2021-22 and \$67,613,800 in 2022-23, a change of -\$278,879,000 in 2021-22 and -\$345,276,300 in 2022-23 relative to the amounts in the bill. It is estimated that this funding would maintain the current proration rate of 28.2% in 2021-22 and increase the proration rate to 30.0% in 2022-23.

2. HIGH COST SPECIAL EDUCATION AID [LFB Paper 505]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$9,557,100	- \$5,719,500	\$3,837,600

Governor: Provide \$1,752,200 in 2021-22 and \$7,804,900 in 2022-23 for high cost special education aid. It is estimated that this funding would increase the proration rate to 40% in 2021-22 and 60% in 2022-23. Base level funding is \$9,353,800, which DPI estimates will reimburse approximately 31% of eligible costs in 2020-21.

Under current law, applicants are eligible for high-cost aid for 90% of non-administrative costs above \$30,000 for an individual pupil in the previous school year, if the costs were not reimbursed by state special education categorical aid, federal Individual with Disabilities Education Act (IDEA), or the federal Medicaid program. If funding is insufficient, payments are prorated.

Joint Finance/Legislature: Provide \$1,752,200 in 2021-22 and \$2,085,400 in 2022-23, which would provide the same amount of funding in 2021-22 and reduce funding by \$5,719,500 in 2022-23 compared to the bill. It is estimated that this funding would increase the proration rate to 40% in each year.

3. SPECIAL EDUCATION TRANSITION READINESS GRANT [LFB Paper 505]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,500,000	- \$1,500,000	\$0

Governor: Provide \$1,500,000 in 2022-23 above base level funding of \$1,500,000 for competitive grants for special education workforce transition support services.

Under current law, school districts and independent charter schools are eligible for grants of \$25,000 to \$100,000 for the following expenses: (a) transportation for pupils to work-based learning experiences; (b) professional development for instructors related to special education transitions; and (c) school staff to help pupils with disabilities transition into the workforce.

Joint Finance/Legislature: Provision not included.

4. COUNTY CHILDREN WITH DISABILITIES EDUCATION BOARD AID

Governor/Legislature: Specify that county children with disabilities education boards (CCDEBs) would be eligible to receive state aid on behalf of pupils with disabilities who are attending a school district under the full-time open enrollment program but are solely enrolled in a special education program provided by the CCDEB in the same manner as they receive state aid

on behalf of pupils attending school in their district of residence who are solely enrolled in the CCDEB. Under current law, aid is calculated by determining the percentage of a district's shared costs that it would receive from state general aids if its membership included each pupil residing in the district who is fully enrolled in a CCDEB and the district's shared costs were increased by the costs of the CCDEB program for all pupils participating in the CCDEB program who are residents of the school district, and multiplying the costs of the CCDEB program by that percentage.

Additionally, specify that costs of the CCDEB program for pupils with disabilities who are attending a school district under the full-time open enrollment program but are solely enrolled in a special education program provided by the CCDEB would be excluded from the calculation of a school district's base revenue per member, in the same manner as for pupils attending school in their district of residence who are solely enrolled the CCDEB.

Fiscally independent CCDEBs, which fund the local share of their educational programs through the county property tax levy, receive state aid. The state provides aid for pupils enrolled solely in CCDEB-operated programs and for costs incurred by CCDEBs for pupils jointly enrolled in school district and CCDEB programs. There are three fiscally independent CCDEBs in the state, located in Brown, Calumet, and Walworth counties.

These provisions would have the effect of modifying current law so that for pupils who open enroll into another school district in order to attend a CCDEB, state aid for the CCDEB and the effect of the pupil's enrollment on the school district would be calculated as if the pupil was enrolled in their district of attendance.

[Act 58 Sections: 355 and 361]

5. PER PUPIL AID [LFB Paper 496]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$60,829,000	-\$78,490,900	-\$17,661,900

Governor: Provide \$31,177,000 in 2021-22 and \$29,652,000 in 2022-23 above base level funding of \$616,973,000 for per pupil aid.

Each school district receives a statutorily-specified, flat per pupil aid payment, outside of revenue limits, from the sum sufficient appropriation for per pupil aid. Under current law this payment is \$742 per pupil in 2020-21 and each year thereafter. A district's current three-year rolling average pupil count under revenue limits is used to calculate the aid payment.

There are three components in the bill relating to per pupil aid. The funding levels for each, and in total, are based on the administration's enrollment estimates of 829,096 pupils in 2021-22 and 827,146 pupils in 2022-23. These estimates include the effect of separate bill provisions that would modify the enrollment used for revenue limit purposes.

a. *Current payment reestimate.* Delete \$1,783,800 in 2021-22 and \$3,230,700 in 2022-23 as a reestimate of payments using the current payment amount.

b. *Per pupil payment increase.* Provide \$6,632,800 in 2021-22 and \$6,617,200 in 2022-23 to increase the per pupil payment from \$742 in 2020-21 to \$750 in 2021-22 and each year thereafter.

c. *Additional payment for economically disadvantaged pupils.* Provide \$26,328,000 in 2021-22 and \$26,265,500 in 2022-23 for an additional \$75 per pupil payment for economically disadvantaged pupils, beginning in the 2021-22 school year. These funding levels would provide aid for 351,039 pupils in 2021-22 and 350,214 pupils in 2022-23.

Define "economically disadvantaged pupil" as a pupil that satisfies either the income eligibility criteria for a free or reduced-price lunch under federal law or other measures of poverty, as determined by the Department. (In 2020-21, a family of four qualifies for a free or reduced-price lunch with an income of less than \$48,470.) Specify that, in the 2021-22 and 2022-23 school years, each district be paid an amount equal to the district's enrollment multiplied by the district's rate of economically disadvantaged pupils in the 2019-20 school year multiplied by \$75. Define "rate of economically disadvantaged pupils" as the number of economically disadvantaged pupils enrolled in a district divided by the number of pupils enrolled in the district. Specify that, beginning in the 2023-24 school year, the rate of economically disadvantaged pupils for this calculation would be the figure from the previous school year, rather than from the 2019-20 school year.

Joint Finance/Legislature: Provision not included. Reduce funding by \$8,216,200 in 2021-22 and by \$9,445,700 in 2022-23 as the result of a sum sufficient reestimate of estimated per pupil aid payments using the current law definition of enrollment used for revenue limit and per pupil aid purposes, which would represent reductions of \$39,393,200 in 2021-22 and \$39,097,700 in 2022-23 compared to the bill.

6. SUPPLEMENTAL PER PUPIL AID [LFB Paper 506]

GPR	- \$5,000,000
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Governor/Legislature: Delete \$2,500,000 annually and the appropriation and program statutes for supplemental per pupil aid.

As passed by the Legislature in the 2019-21 budget bill, supplemental per pupil aid was intended to provide additional per pupil aid to higher-value districts. As vetoed by the Governor, a school district is eligible for this aid and DPI must pay each eligible school district an amount. DPI distributes this aid by dividing the amount appropriated by the statewide current-year three year average enrollment under revenue limits and distributing the aid to all districts on a per pupil basis. In 2020-21, districts will receive an estimated \$3 per pupil from this appropriation.

[Act 58 Sections: 32 and 351]

7. PER PUPIL AID -- CLARIFY CURRENT LAW

Governor/Joint Finance: Delete obsolete statutory language relating to the delayed payment of per pupil aid for the 2015-16 school year.

Also, change the cross-reference for the exclusions from per pupil aid enrollment to a current reference, rather than an outdated one. Under current law, pupils who attend certain independent charter schools are included in their resident districts' enrollments for revenue limit purposes. The revenue limit count is used for per pupil aid, but the provision excluding these pupils for per pupil aid refers to an outdated statutory paragraph.

Assembly/Legislature: Provision not included.

8. SCHOOL MENTAL HEALTH AID [LFB Paper 507]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$46,500,000	-\$34,500,000	\$12,000,000

Governor: Provide \$22,500,000 in 2021-22 and \$24,000,000 in 2022-23 above annual base level funding of \$6,000,000 for aid for school mental health programs.

Modify current law to include expenditures for any pupil services professional, rather than only social workers as under current law. Define pupil services professional as a school counselor, school social worker, school psychologist, or school nurse. Modify the program to specify that beginning in the 2021-22 school year, school districts, independent charter schools, and private schools participating in one of the private school choice programs would be eligible for reimbursement of any expenditures made to employ, hire, or retain pupil services professionals, rather than only 50% of the increase in expenditures to employ, hire, or retain school social workers. Specify that if funding in the appropriation is insufficient to pay the full amount of aid, payments would be prorated among the school districts, independent charter schools, and private schools that are eligible for aid.

Modify the name of the appropriation to be mental health programs and pupil wellness aid, rather than aid for school mental health programs as under current law. Exclude the program from the indexing provision used to determine the per pupil payment increase for independent charter schools, private choice schools, and open enrollment pupils.

Under current law, the program reimburses eligible districts and schools for expenditures on social worker services as follows: (a) 50% reimbursement of the increase in expenditures for school social worker services from one year to the next; and (b) a proportion of unreimbursed expenditures for social workers, based on the amount remaining in the appropriation after payments are made under (a). Eligible districts and schools are defined as school districts, independent charter schools, and private schools participating in a choice program that increased their expenditures on social workers from one year to the next.

Joint Finance/Legislature: Provide \$6,000,000 annually above base level funding, which would reduce funding by \$16,500,000 in 2021-22 and \$18,000,000 in 2022-23 compared to the bill. Delete the statutory language modifications included in the Governor's proposal.

9. SCHOOL-BASED MENTAL HEALTH SERVICES COLLABORATION GRANT [LFB Paper 507]

GPR	\$7,000,000
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Governor: Provide \$3,500,000 annually above base level funding of \$6,500,000 for grants to school districts and independent charter schools for collaboration with community partners to provide mental health services to pupils. Additionally, modify current law to change the program purpose to collaborate with "community mental health agencies" to instead reference collaboration with "mental health providers."

In 2019-20, 106 grants were awarded to recipients including 97 individual school districts, eight consortia representing an additional 23 districts, and one independent charter school.

Joint Finance/Legislature: Provide \$3,500,000 annually, but delete statutory language change.

10. BILINGUAL BICULTURAL AID [LFB Paper 508]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$28,032,700	- \$28,032,700	\$0

Governor: Provide \$9,745,500 in 2021-22 and \$18,287,200 in 2022-23 for aid for bilingual-bicultural programs. Base level funding for the program is equal to \$8,589,800 annually.

Modify the program to allow independent charter schools to qualify for aid, beginning in the 2022-23 school year. Additionally, modify the program to establish that aid would be paid to an eligible school district or independent charter school in the following amounts, beginning in the 2022-23 school year: (a) \$10,000, if there was at least one limited-English proficient (LEP) pupil enrolled in the school district or attending the charter school in the previous school year; (b) an additional \$500 for each LEP pupil over 20 pupils enrolled in the school district or attending the charter school in the previous school year. Require DPI to prorate payments if the amount in the appropriation is insufficient to fully fund payments under the program. Delete current law specifying the number of LEP pupils required for a school board to be eligible for aid, effective for the 2022-23 school year.

Specify that the current law payment determination would apply in the 2021-22 school year. Create a hold-harmless that would apply to a school board that received a payment in the 2021-22 school year. Under the hold-harmless, in the 2022-23 school year, the board would receive an amount equal to the greater of the following: (a) the amount calculated under the new methodology as described above; or (b) the amount received by the board in 2020-21. In the 2023-24 school

year, the school board would receive the greater of the following: (a) the amount calculated using the new methodology; or (b) the amount under (a) plus 50% of the difference between that amount and the amount received by the board in 2020-21.

Specify that a school board that is required to establish a bilingual-bicultural education program is eligible for state aid only if the State Superintendent is satisfied that the school board maintained the bilingual-bicultural education program in accordance with the requirements in the statutes. Require that school districts include a summary of the costs incurred to operate the bilingual-bicultural program in the previous school year and the estimated budget for the program in the current school year in the annual report each school district operating a bilingual-bicultural education program is required to submit to the State Superintendent.

Require school boards and independent charter school operators to report to the State Superintendent the number of limited-English proficient pupils enrolled in the district or school in the previous school year and the classification of those pupils by language group annually, on or before August 15. Specify that current law requiring school districts to conduct a count of LEP pupils, assess their language proficiency, and classify the pupils by language group, grade level, age, and English language proficiency annually on or before March 1 would also apply to independent charter schools, and specify that a school board or independent charter school operator would only be eligible for aid if this count is conducted. Specify that a school board or independent charter school operator is eligible for aid only if it submits the reports required under state law.

In the current annual report submitted by the State Superintendent to the Legislature, require that DPI report the number of LEP pupils in each language group enrolled in each school district and attending each independent charter school, and delete current law requiring that the Department include the per-pupil cost of the bilingual-bicultural education program for each school district, language group, and program type. Specify in statute that it is the policy of this state to provide support to school districts and independent charter schools for the added costs of educating LEP pupils.

Under current law, school districts are required to establish a bilingual program if, within a language group at a given school, there are 10 or more LEP pupils in kindergarten to grade three, or 20 or more LEP pupils in grades four to eight or grades nine to 12. Aid is provided to districts to reimburse eligible costs related to providing services for English learners. Districts in which English learners comprise 15% or more of total enrollment are eligible for additional aid from a \$250,000 set-aside, which is divided proportionately among eligible districts based on their costs. In 2019-20, the reimbursement rate under the program was approximately 8.1%.

Joint Finance/Legislature: Provision not included.

11. CAPACITY BUILDING GRANTS FOR BILINGUAL EDUCATORS [LFB Paper 508]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$750,000	-\$750,000	\$0

Governor: Provide \$750,000 in 2022-23 for a new grant program to provide funding for a school board or independent charter school operator to provide support and financial assistance to its staff and teachers in obtaining licensure or certification as bilingual teachers and teachers of English as a second language. School boards or independent charter school operators could apply for a grant, and DPI could award grants from the appropriation beginning in the 2022-23 school year in an amount determined by the Department. Specify that DPI could promulgate rules to implement and administer the program.

Joint Finance/Legislature: Provision not included.

12. OUT-OF-SCHOOL-TIME PROGRAM GRANTS

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$20,000,000	- \$20,000,000	\$0

Governor: Provide \$20,000,000 in 2022-23 in a continuing appropriation for a new grant program to support high-quality after-school programs and other out-of-school-time programs that provide services to school-age children. Require DPI to award grants to school boards and organizations beginning in the 2022-23 school year. Require DPI to award grants of between \$80,000 and \$145,000, and specify that grants could continue for up to five school years. In each school year, require DPI to award not less than 30% of all grant moneys to out-of-school time programs that serve pupils in the elementary grades. Provide that DPI could promulgate rules to implement and administer the program.

Joint Finance/Legislature: Provision not included.

13. ENERGY EFFICIENCY GRANTS

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$20,000,000	- \$20,000,000	\$0

Governor: Provide \$10,000,000 annually in a new biennial appropriation for grants to school districts for energy efficiency projects in school buildings beginning in the 2021-22 school year. Require DPI to give preference to projects that relate to heating, ventilation, and air conditioning systems in awarding grants for the 2021-22 and 2022-23 school years. Specify that DPI could promulgate rules to implement the program in consultation with the Office of Environmental Justice that would be created under the Department of Administration under the bill.

Joint Finance/Legislature: Provision not included.

14. SPARSITY AID [LFB Paper 509]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	-\$14,891,800	\$21,210,200	\$6,318,400
SEG	<u>34,852,800</u>	<u>- 34,852,800</u>	<u>0</u>
Total	<u>\$19,961,000</u>	<u>- \$13,642,600</u>	<u>\$6,318,400</u>

Governor: Provide \$9,922,100 GPR in 2021-22, and in 2022-23 delete \$24,813,900 GPR and provide \$34,852,800 SEG. The segregated funds would be from the community reinvestment fund created under the Department of Revenue. Monies to the fund would be provided from taxes generated on the sale of marijuana. The net effect would be an increase of \$9,922,100 in 2021-22 and \$10,038,900 in 2022-23 above base level funding of \$24,813,900 for sparsity aid, with the funding source for the program shifting from GPR in 2021-22 to SEG in 2022-23.

Additionally, modify the program in 2021-22 by creating an additional tier of aid eligibility that would provide \$100 per pupil to any district with an enrollment of more than 745 pupils and a population density of fewer than 10 pupils per square mile.

Under current law, districts qualify for \$400 per pupil if, in the prior school year, they had an enrollment of less than 745 pupils and had a population density of fewer than 10 pupils per square mile of district attendance area. If funding is insufficient, payments are prorated. In 2020-21, 145 school districts qualified for aid, and aid payments were prorated at 99%. It is estimated that an additional 85 districts would have qualified for aid in 2020-21 had the expanded eligibility provision been in place in that year.

Additionally, modify the provision that exists under current law to allow a district that loses its eligibility as a result of an increase in its pupil population density to receive up to 50% of its prior year award. This would replace the current provision where any district that qualified for sparsity aid in one year but did not qualify the following year due to an increase in its enrollment is eligible to receive 50% of its prior year award. One district qualified for aid under this provision in 2020-21.

Joint Finance/Legislature: Modify the funding provided in the bill by -\$6,773,600 GPR in 2021-22 and \$27,983,800 GPR in 2022-23. Delete \$34,852,800 SEG provided under the bill, and delete the proposal to shift funding for the program to segregated funds. The net effect would be an increase of \$3,148,500 GPR in 2020-21 and \$3,169,900 GPR relative to base level funding.

Modify the program beginning in 2021-22 by creating an additional tier of aid eligibility. Specify that a district would be eligible for aid of \$100 per pupil with an enrollment of between 745 and 1,000 pupils and a population density of fewer than 10 pupils per square mile, which would replace the Governor's provision that added a second tier of aid but did not include the 1,000 pupil limit.

[Act 58 Sections: 342m thru 347m]

15. TRANSFER HEAD START SUPPLEMENT TO DCF

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	- \$12,528,200	\$12,528,200	\$0

Governor: Transfer supplemental aid for Head Start programs to the Department of Children and Families beginning in 2021-22 with \$6,264,100 of annual funding. As under current law, grants under the program would be awarded to federal Head Start sites to allow expansion of their programs to serve additional children. The federal Head Start program provides comprehensive educational, health, nutritional, social, and other services to economically disadvantaged preschool children and their families.

Joint Finance/Legislature: Provision not included.

16. SCHOOL BREAKFAST PROGRAMS [LFB Paper 510]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$5,019,000	- \$5,019,000	\$0

Governor: Provide \$2,459,500 in 2021-22 and \$2,559,500 in 2022-23 over annual base level funding of \$2,510,500 for the school breakfast program. Under the program, participating agencies are eligible for reimbursements of 15.0 cents per meal served if funding is available. DPI estimates that payments will be prorated at approximately 7.9 cents per meal served in 2020-21. It is estimated that the additional funding would increase the state reimbursement rate to 15.0 cents per meal served.

Additionally, modify statutory language to allow independent charter schools, the state's Educational Services Program for the Deaf and Hard of Hearing and Center for the Blind and Visually Impaired, and residential care centers to be eligible for reimbursement. Specify that schools that ceased operations during the prior school year are not eligible for reimbursement for any breakfasts served during that year.

Joint Finance/Legislature: Provision not included.

17. SUPPLEMENTAL NUTRITION AID [LFB Paper 510]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$4,864,000	- \$4,864,000	\$0

Governor: Provide \$2,432,000 annually in a new sum sufficient appropriation for reimbursing educational agencies for the cost of reduced-cost meals, so that those meals would be

provided at no cost to eligible pupils, defined as pupils who meet the eligibility criteria for a reduced-price lunch.

Under the program, an educational agency would be eligible to receive an annual payment equal to the sum of the following: (a) the number of school lunches provided to pupils eligible for a reduced-price lunch multiplied by the difference between the reimbursement amount for a reduced-price lunch and a free lunch in the previous school year; (b) the number of school breakfasts provided to pupils eligible for a reduced-price breakfast multiplied by the difference between the reimbursement amount for a reduced-price breakfast and a free breakfast in the previous school year; and (c) the number of meal supplements provided to pupils eligible for a reduced-price meal supplement multiplied by the difference between the reimbursement amount for a reduced-price meal supplement and a free meal supplement in the previous school year. An educational agency would be defined as a school board, an operator of an independent charter school, a private school, a tribal school, an operator of a residential care center for children and youth, and the state's Educational Services Program for the Deaf and Hard of Hearing and Center for the Blind and Visually Impaired. To be eligible for reimbursement, the educational agency could not charge eligible pupils for school meals.

The basic cash reimbursement rates under the federal school lunch program in 2020-21 are \$3.51 for a free lunch and \$3.11 for a reduced-price lunch; \$1.89 for a free breakfast and \$1.59 for a reduced-price breakfast; and \$0.96 for a free snack and \$0.48 for a reduced-price snack. In the same year, a family of four qualifies for a free lunch with an annual income of less than \$34,060, and a reduced-price lunch with an income of between \$34,060 and \$48,470. In the 2019-20 school year, approximately 337,000 public school pupils in Wisconsin qualified for free meals, and 44,500 pupils qualified for reduced-price meals.

Joint Finance/Legislature: Provision not included.

18. HIGH COST TRANSPORTATION AID [LFB Paper 511]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$4,000,000	\$8,712,400	\$12,712,400

Governor: Provide \$2,000,000 annually above base level funding of \$13,500,000 for high cost transportation aid. It is estimated that this amount would fully fund payments to eligible districts in each year. Additionally, eliminate the \$200,000 cap for payments for school districts that qualified for aid in the previous year, but did not qualify in the current year, beginning with aid paid in 2021-22. Also, clarify that DPI can prorate payments if funding is insufficient to fully fund eligible expenses.

Under current law, districts qualify for aid if they meet the following eligibility requirements: (a) a transportation cost per member greater than 145% of the state average in the prior year; and (b) a pupil population density of 50 pupils per square mile or less, calculated by dividing the school district's membership in the previous school year by the district's area in square

miles. Any district that qualified for aid in the preceding school year but is ineligible for aid in the current school year is eligible to receive an amount equal to 50% of its prior year award, with the sum of all payments under this provision not to exceed \$200,000 in any fiscal year. In 2019-20, 136 districts were eligible for aid under the program, and payments to those districts were prorated at 79.3%. Twenty-two districts had been eligible in the previous year but did not meet the eligibility requirements in the current year, and received payments equal to 36.5% of the maximum amount for which they were eligible (50% of their prior year payment).

Joint Finance/Legislature: Provide \$6,356,200 annually for high cost transportation aid, an increase of \$4,356,200 annually above the Governor's recommendation. Modify the program by lowering the aid threshold from 145% of statewide average transportation costs to 140% of statewide average transportation costs beginning in the 2021-22 school year. Specify that a district would be eligible for aid if its membership in the previous year was less than 3,500 pupils, and delete current law limiting eligibility to districts with a pupil population density of 50 pupils per square mile or less. It is estimated that the funding provided would reimburse 100% of eligible costs.

Veto by Governor [B-19]: Delete the eligibility criterion limiting eligibility to districts with a membership of less than 3,500 pupils, and restore the prior law eligibility criterion under which a district would not qualify for aid if its pupil population density is greater than 50 pupils per square mile.

[Act 58 Section: 360]

[Act 58 Vetoed Section: 359]

19. PUPIL TRANSPORTATION AID

Governor/Legislature: Increase the reimbursement rate for pupils transported over 12 miles to and from school in the regular school year from \$365 to \$375 beginning in the 2021-22 school year. It is estimated that the current funding level would fully fund payments at the increased rate.

Additionally, delete a current law provision requiring DPI to prorate summer school transportation payments if a pupil attends less than 30 days during the summer session, beginning in the 2021-22 school year.

<u>Mileage</u>	<u>Current Law</u>		<u>Act 58</u>	
	<u>School Year</u>	<u>Summer School</u>	<u>School Year</u>	<u>Summer School</u>
0-2 miles (hazardous area)	\$15	--	\$15	---
2-5 miles	35	\$10	35	\$10
5-8 miles	55	20	55	20
8-12 miles	110	20	110	20
Over 12 miles	365	20	375	20

[Act 58 Sections: 357, 358, and 9334(1)]

20. DRIVER EDUCATION AID

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$2,900,000	- \$2,900,000	\$0

Governor: Provide \$2,900,000 beginning in 2022-23 in a new sum sufficient appropriation for driver education aid. Define a driver education program as an instructional program in driver education approved by DPI and operated by a driver school or a qualified driver education provider, which would include school boards, operators of an independent charter school, and cooperative educational service agencies. Specify that eligible pupils would be pupils who qualified for free or reduced-price lunch in the federal school lunch program in the previous school year. Provide that in order to receive grants, qualified driver education providers would have to: (a) demonstrate to DPI that the provider waived at least 50% of the fees it would otherwise charge for eligible pupils; and (b) by October 1, 2022, and annually thereafter, report the number of eligible pupils who enrolled in and successfully completed its driver education program in the previous school year and the amount charged to a pupil who was not an eligible pupil to enroll in and complete the program in the previous year.

Require DPI to calculate the amount paid to each qualified driver education provider by multiplying the number of eligible pupils reported as having successfully completed a program in the previous school year by 50% of the amount that the provider reported that it charged a pupil who was not an eligible pupil in the previous year. Provide that DPI could promulgate rules to implement and administer this program.

Joint Finance/Legislature: Provision not included.

21. OPEN ENROLLMENT TRANSPORTATION AID [LFB Paper 512]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,405,100	- \$1,405,100	\$0

Governor: Provide \$645,700 in 2021-22 and \$759,400 in 2022-23 above base level funding of \$454,200 for open enrollment transportation aid.

Under the full-time open enrollment program, a pupil may attend a public school outside his or her school district of residence. The pupil's parent is responsible for transporting the pupil to and from the school, with exceptions if a child with disabilities requires transportation under his or her individual education plan. Parents of pupils who are eligible for the federal free or reduced-price lunch program may apply to DPI for reimbursement of transportation costs. DPI determines the reimbursement amount, which may not exceed the parent's actual costs or three times the statewide average per pupil transportation costs, whichever is less. If the appropriation is insufficient, payments are prorated. The administration estimates that the requested funding would

fund 50% of eligible claims for each year of the biennium. In 2019-20, payments were prorated at 24.9% of claims.

Joint Finance/Legislature: Provision not included.

22. COMPUTER SCIENCE LICENSURE GRANT PROGRAM

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$750,000	-\$750,000	\$0

Governor: Provide \$750,000 in 2022-23 for a new program to award grants to school districts to provide assistance to eligible employees for the purpose of obtaining a license or permit that authorizes the eligible employee to teach computer science. An eligible employee would be defined as a school district employee who holds a license or permit to teach issued by DPI that does not authorize the employee to teach computer science.

Require DPI to give priority to applications submitted by a district that meet either of the following criteria: (a) at least 50% of the school district's membership is eligible for a free or reduced-price lunch; or (b) at least 40% of the school district's membership identifies as a minority group pupil according to a definition under current law that includes pupils who are black or African American, Hispanic, American Indian, an Alaskan native, or a person of Asian or Pacific Island origin, and who has reached the age of four on or before September 1 of the year he or she enters school.

Specify that DPI could promulgate rules to establish and administer the program. The appropriation would take effect on July 1, 2022.

Joint Finance/Legislature: Provision not included.

23. FOUR-YEAR-OLD KINDERGARTEN GRANTS [LFB Paper 513]

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	-\$750,000	\$750,000	\$0

Governor: Delete \$50,000 in 2021-22 and \$700,000 in 2022-23 from the appropriation for four-year-old kindergarten (K4) grants. Base level funding is \$1,350,000.

This program provides two-year grants to school districts that implement a new K4 program. Each eligible district receives up to \$3,000 for each K4 pupil enrolled in the district in the first year of the grant and up to \$1,500 for each K4 pupil enrolled in the second year of the grant. The administration estimates that the funding in the bill would fully fund eligible payments in the biennium.

Joint Finance/Legislature: Provision not included.

24. EARLY COLLEGE CREDIT PROGRAM TRANSPORTATION AID

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$20,000	- \$20,000	\$0

Governor: Provide \$10,000 annually in a newly-created appropriation to reimburse parents and guardians for the cost of transporting pupils under the early college credit program. Delete references to the early college credit program from the appropriation for aid for transportation for the open enrollment program, which is combined with aid for transportation for the early college credit program under current law.

Under the early college credit program, any public or private high school pupil can enroll in an institution of higher education for the purpose of taking one or more nonsectarian courses, including during a summer semester or session. An institution of higher education is defined as: (a) an institution within the University of Wisconsin System; (b) a tribally-controlled college; or (c) a private, nonprofit institution of higher education located in Wisconsin. Parents are responsible for transporting pupils to and from courses. The parent of a pupil can apply to DPI for reimbursement of the costs of the pupil's transportation if the pupil and parent are unable to pay the cost of such transportation. DPI determines the amount of the reimbursement. DPI must give preference in making reimbursements to pupils who would be eligible for the federal free or reduced-price lunch program.

Joint Finance/Legislature: Provision not included.

25. GIFTED AND TALENTED GRANTS

GPR	\$474,400
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Joint Finance/Legislature: Provide an increase of \$237,200 annually for gifted and talented grants.

Under current law, grants may be awarded to provide gifted and talented pupils with any services and activities not ordinarily provided in a regular school program to allow such pupils to fully develop their capabilities. Under the program, grants may be awarded to nonprofit organizations, cooperative educational service agencies, institutions within the UW System, and school districts. Base level funding is \$237,200 annually

26. SCHOOL LIBRARY AIDS REESTIMATE

SEG	\$6,400,000
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Governor/Legislature: Reestimate school library aids by \$1,700,000 in 2021-22 and \$4,700,000 in 2022-23. Base level funding is \$40,300,000 annually. Revenues are from interest earned on the segregated common school fund, administered by the Board of Commissioners of Public Lands.

27. GRANTS TO REPLACE CERTAIN RACE-BASED NICKNAMES, LOGOS, MASCOTS, AND TEAM NAMES

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
PR	\$400,000	- \$400,000	\$0

Governor: Provide \$200,000 for grants to school boards for the costs associated with adopting and implementing a nickname, logo, mascot, or team name that is not race-based. The State Superintendent could award a grant to a school board that adopts a resolution to terminate the use of a race-based nickname, logo, mascot, or team name that is associated with a federally recognized American Indian tribe or American Indians in general, regardless of whether the board has received an objection from a school district resident or an order to terminate the use of the nickname, logo, mascot, or team name from the Division of Hearings and Appeals. Specify that the amount of the grant could not exceed the greater of \$50,000 or the school board's actual costs to adopt and implement the new team name.

The program revenue would be from tribal gaming revenue transferred from DOA.

Joint Finance/Legislature: Provision not included.

28. GRANTS TO LAKELAND STAR ACADEMY

	Jt. Finance/Leg. (Chg. to Base)	Veto (Chg. to Leg.)	Net Change
GPR	\$750,000	- \$750,000	\$0

Joint Finance/Legislature: Provide \$250,000 in 2021-22 and \$500,000 in 2022-23 in a newly-created annual appropriation for grants to the Lakeland STAR Academy. Require DPI to provide a grant equal to the amount appropriated in each year to the Lakeland UHS School District for the Lakeland STAR Academy, a charter school authorized by that district. Repeal the appropriation on July 1, 2023.

Veto by Governor [B-17]: Delete provision.

[Act 58 Vetoed Sections: 21 (as it relates to s. 20.255(2)(ai)), 30, 31, 9134(1), and 9434(1)]

Choice, Charter, and Open Enrollment

1. MILWAUKEE PRIVATE SCHOOL CHOICE PROGRAM FUNDING

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	-\$5,502,000	-\$10,927,000	-\$16,429,000
GPR Effect of Aid			
Reductions	<u>24,566,100</u>	<u>853,100</u>	<u>25,419,200</u>
Net GPR	\$19,064,100	-\$10,073,900	\$8,990,200

Governor: Modify funding by -\$5,717,200 in 2021-22 and \$215,200 in 2022-23 from the base year funding of \$250,323,300 for the Milwaukee private school choice program to reflect changes in pupil participation and per pupil payments under the bill. This would reflect an increase in pupil participation from 27,800 pupils in 2020-21 to an estimated 28,100 pupils in 2021-22 and 2022-23. The table below shows the per pupil payments under the bill based on the increase in the per pupil adjustment under revenue limits provided in the bill.

Per Pupil Payments Under the Bill, 2021-22 and 2022-23

	<u>Current Law</u>	<u>Bill</u>	
	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
K-8	\$8,300	\$8,508	\$8,712
9-12	8,946	9,154	9,358
Change to prior year		208	204

Under current law, the estimated cost to the state of the payments from the Milwaukee choice program appropriation is partially offset by a reduction (after consideration of aid paid to the City of Milwaukee to defray the choice levy, which would be eliminated under another provision of the bill) in the general school aids otherwise paid to the Milwaukee Public Schools (MPS) by an amount equal to 9.6% of the total cost of the program in 2021-22 and 6.4% of the total cost of the program in 2022-23. The aid reduction will decrease by 3.2 percentage points each year until it is phased out in 2024-25. Under revenue limits, MPS may levy property taxes to make up for the amount of general aid lost due to this reduction (less the amount of high poverty aid paid to MPS).

Under the bill, the aid reduction for MPS would decrease by \$8,559,200 in 2021-22 and \$16,006,900 in 2022-23 from the base choice reduction of \$32,041,400. The net general fund fiscal effect for the Milwaukee program would be increased expenditures of \$2,842,000 in 2021-22 and of \$16,222,100 in 2022-23.

The total change in funding provided for the Milwaukee choice program under this item

includes the following changes attributable to other modifications made to the program under the bill, and summarized under other summary items. The table below shows the total cost of the Milwaukee program under current law, the fiscal effect of these changes, the total cost of the program under the bill, and the change to base level funding in each year.

**Cost of the Milwaukee Private School Choice Program
Under the Bill, 2021-22 and 2022-23**

	2021-22			2022-23		
	Total GPR	GPR Effect of Aid Reduction	Net GPR	Total GPR	GPR Effect of Aid Reduction	Net GPR
Base	\$250,323,300	-\$32,041,400	\$218,281,900	\$250,323,300	-\$32,041,400	\$218,281,900
Changes under the bill						
Current law reestimate*	-\$11,562,000	\$9,120,300	-\$2,441,700	-\$8,775,100	\$16,582,300	\$7,807,200
Participation cap	0	0	0	-9,226,900	590,500	-8,636,400
Count 4K as 1.0 FTE	0	0	0	6,640,000	-425,000	6,215,000
Modification to payment amount	5,844,800	-561,100	5,283,700	11,577,200	-740,900	10,836,300
Subtotal	-\$5,717,200	\$8,559,200	\$2,842,000	\$215,200	\$16,006,900	\$16,222,100
Total cost of the program as modified by the bill	\$244,606,100	-\$23,482,200	\$221,123,900	\$250,538,500	-\$16,034,500	\$234,504,000

*Assumes no increase to the 2020-21 per pupil payment amount; under current law, the per pupil payment will be adjusted in each year by any revenue limit per pupil adjustment provided to public school pupils, if positive, and any increase in the per pupil categorical aid funding. This indexing mechanism would be modified under another provision of the bill.

Joint Finance/Legislature: Reduce funding from the base by \$10,522,300 in 2021-22 and \$5,906,700 in 2022-23 for the Milwaukee private school choice program to reflect the following modifications made by the Committee: (a) deleting the participation cap (\$9,226,900 in 2022-23); (b) deleting the proposal to count 4K pupils as 1.0 FTE (-\$6,640,000 in 2022-23); and (c) reestimating participation counts and per pupil payment amounts (-\$10,522,300 in 2021-22 and -\$8,493,600 in 2022-23). These funding adjustments would represent changes to the bill of -\$4,805,100 in 2021-22 and -\$6,121,900 in 2022-23.

As a result of these changes, the total cost of the program would equal an estimated \$239,801,000 in 2021-22 and \$244,416,600 in 2022-23. The aid reduction would be equal to -\$23,020,900 in 2021-22 and -\$15,642,700 in 2022-23, for a net GPR cost of \$216,780,100 in 2021-22 and \$228,773,900.

Under the current law indexing mechanism, it is estimated that per pupil payments would increase by an estimated \$36 in 2021-22 and a further \$63 in 2022-23 under Joint Finance for per pupil payments of \$8,336 for K-8 pupils and \$8,982 for 9-12 pupils in 2021-22 and \$8,399 for K-8 pupils and \$9,045 for 9-12 pupils in 2022-23.

2. RACINE AND STATEWIDE PRIVATE SCHOOL CHOICE PROGRAM FUNDING

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$40,791,000	\$9,534,700	\$50,325,700
GPR Effect of Aid			
Reductions	- 45,670,900	- 9,985,700	- 55,656,600
Net GPR	- \$4,879,900	- \$451,000	- \$5,330,900

Governor: Provide \$18,499,400 in 2021-22 and \$22,291,600 in 2022-23 over the base year funding of \$137,512,600 for the Racine and statewide private school choice programs to reflect changes in the bill.

The table below shows the per pupil payments under the bill based on the increase in the per pupil adjustment under revenue limits provided in the bill.

Per Pupil Payments Under the Bill, 2021-22 and 2022-23

	<u>Current Law</u>	<u>Bill</u>	
	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
K-8	\$8,300	\$8,508	\$8,712
9-12	8,946	9,154	9,358
Change to prior year		208	204

Estimated pupil participation in each year of the biennium is shown in the table below.

Estimated Racine and Statewide Private School Choice Program Participation

	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Racine	3,760	3,900	3,900
Statewide	<u>11,700</u>	<u>14,100</u>	<u>14,100</u>
Total	15,460	18,000	18,000

Under current law, the cost of payments for legacy pupils (pupils who first participated in the programs in the 2014-15 school year or earlier) is fully funded through GPR. Payments for all other pupils are fully funded through an aid reduction in the general school aids that would otherwise be paid to those pupils school districts of residence. School districts receive a revenue limit adjustment equal to the amount of the aid reduction in the current year.

Under the bill, the aid reduction for the programs would total \$147,130,100 in 2021-22 and \$151,544,400 in 2022-23 from the base choice aid reduction of \$126,501,800. The net general fund fiscal effect for the Racine and statewide programs would be decreased expenditures of \$2,128,900 in 2021-22 and \$2,751,000 in 2022-23 compared to the base.

The total change in funding provided for the Racine and statewide choice programs under this item include the following changes attributable to other modifications made to the program under the bill, and summarized under other summary items. The table below shows the total cost of the Racine and statewide programs under current law, the fiscal effect of these changes, and the total cost of the program under the bill.

**Cost of the Racine and Statewide Private School Choice Programs
Under the Bill, 2021-22 and 2022-23**

	2021-22			2022-23		
	Total GPR	GPR Effect of Aid Reduction	Net GPR	Total GPR	GPR Effect of Aid Reduction	Net GPR
Base	\$137,512,600	-\$126,501,800	\$11,010,800	\$137,512,600	-\$126,501,800	\$11,010,800
Changes under the bill						
Current law reestimate*	\$14,755,300	-\$17,092,300	-\$2,336,900	\$32,867,200	-\$35,989,000	-\$3,121,800
Participation cap	0	0	0	-21,519,100	21,519,100	0
Count 4K as 1.0 FTE	0	0	0	3,527,500	-3,527,500	0
Modification to payment amount	3,744,000	-3,536,000	208,000	7,416,000	-7,045,200	370,800
Subtotal	\$18,499,300	-\$20,628,300	-\$2,128,900	\$22,291,600	-\$25,042,600	-\$2,751,000
Total cost of the program as modified by the bill	\$156,012,000	-\$147,131,800	\$8,881,900	\$159,804,200	-\$151,544,400	\$8,259,800

*Assumes no increase to the 2020-21 per pupil payment amount; under current law, the per pupil payment will be adjusted in each year by any revenue limit per pupil adjustment provided to public school pupils, if positive, and any increase in the per pupil categorical aid funding. This indexing mechanism would be modified under another provision of the bill.

Joint Finance/Legislature: Provide \$15,421,300 in 2021-22 and \$34,904,400 in 2022-23 relative to base level funding for the statewide and Racine private school choice programs to reflect the following modifications made by the Committee: (a) deleting the participation cap (\$21,519,100 in 2022-23); (b) deleting the proposal to count 4K pupils as 1.0 FTE (-\$3,527,500 in 2022-23); and (c) reestimating participation counts and per pupil payment amounts (\$15,421,300 in 2021-22 and \$27,435,100 in 2022-23). These funding adjustments would represent changes to the bill of -\$3,078,100 in 2021-22 and \$12,612,800 in 2022-23.

As a result of these changes, the total cost of the program would equal an estimated \$152,933,900 in 2021-22 and \$172,417,000 in 2022-23. The aid reduction would be equal to -\$144,223,100 in 2021-22 and -\$164,437,100 in 2022-23, for a net GPR cost of \$8,710,900 in 2021-22 and \$7,979,900.

Under the current law indexing mechanism, it is estimated that per pupil payments would increase by an estimated \$36 in 2021-22 and a further \$63 in 2022-23 under Joint Finance for per pupil payments of \$8,336 for K-8 pupils and \$8,982 for 9-12 pupils in 2021-22 and \$8,399 for K-8 pupils and \$9,045 for 9-12 pupils in 2022-23.

3. PRIVATE SCHOOL CHOICE PROGRAMS AND SPECIAL NEEDS SCHOLARSHIP PROGRAM -- CAP PARTICIPATION AT 2021-22 LEVELS

Governor: Beginning in the 2022-23 school year, specify that the total number of pupils who can participate in each of the three choice programs and the special needs scholarship program could not exceed a program cap for each program defined as the total number of pupils who attended private schools under that program in the 2021-22 school year.

Specify that a private school participating in the program could accept applications from eligible pupils during application periods determined by DPI. For the Racine and Milwaukee choice programs, require DPI to establish one or more application periods, the first of which may begin no earlier than the first weekday in February of the previous school year and the last of which may end no later than September 14 of the applicable school year. For the statewide choice program, maintain the application period under current law (February 1 to April 20 of the previous school year). For the special needs scholarship program, require a participating private school to notify DPI of its intent to participate in the program by the first Monday in March of the previous school year, and specify that the school could accept applications for the following school year between the first weekday in April and the first Thursday in June. Delete current law allowing a pupil to apply to the special needs scholarship program at any time during the school year.

Require each private school to report to DPI the number of pupils who applied to attend the school under each program, and the names of those applicants who have siblings who also applied to attend the school under the program. For the choice programs, require that this information is reported no later than 10 days after each application period ends, and for the special needs scholarship program, require that this information is reported no later than the third Thursday in June immediately following the application period.

At the end of each application period, require DPI to determine the sum of all applicants, counting a pupil who has applied to attend more than one private school under a choice program or under the special needs scholarship program only once. If the sum exceeds the program cap (or, for the statewide program, the district participation limits under current law), require DPI to determine which applications to accept on a random basis, with the following exceptions: (a) for the choice programs, the pupil preferences established under current law; and (b) for the special needs scholarship program, children who attended a different eligible school under the special needs scholarship program in the previous school year, and siblings of pupils who already attend the private school. Delete current law related to procedures for private schools to determine which applications to accept under the Racine or statewide choice programs.

Require DPI to establish a waiting list for those pupils whose applications are not accepted in accordance with the current law preferences. Require a private school to notify DPI if an accepted pupil will not attend the school, and require DPI to fill any available slot with a pupil from the waiting list. Allow a pupil on the waiting list under the choice programs to be admitted for the following school year without submitting additional financial information, provided that the applicant continues to meet the residency requirements for the program for which the pupil is applying. For the Racine and statewide programs, specify that a pupil on the waiting list would be considered to meet the prior year attendance requirements under current law.

No later than 60 days after the end of the application period for the special needs scholarship program, require DPI to notify each applicant and each eligible school, in writing, whether the applicant has been approved to receive a scholarship. For the Milwaukee, Racine, and statewide choice programs, require a private school to notify each applicant who is not eligible to participate in the programs for any reason, including the program caps, that their application has been rejected. Require that the notification be made in writing, and that it includes the reason the application was rejected.

Specify that a pupil could transfer between private schools participating in the special needs scholarship program at any time during a school year. The governing body of a private school could accept a pupil's application, and could approve it if the school has an unfilled available space for a pupil attending the school under the special needs scholarship program as specified in the notice the school submitted to DPI of its intent to participate in the program. Require the governing body to notify DPI if it approves the transfer request. Specify that this provision would not apply to a child who is reevaluated and determined to no longer be a child with a disability by the child's individualized education program team.

Specify that current law that creates an exception under which pupils who apply to a private school under the statewide choice program but move to Milwaukee or Racine before the 3rd Friday in September and continue to attend the same private school under the Milwaukee or Racine choice programs are not counted for the school district participation limits would also apply to the program caps for that school year.

Additionally, require DPI to promulgate rules to ensure that if a pupil who accepts a space at a private school participating in the Milwaukee, Racine, or statewide choice programs changes their residence, the pupil will not be counted under the program cap or the current law participation limit. Allow DPI to promulgate emergency rules to implement these exceptions, and specify that any such emergency rules would remain in effect until July 1, 2024, or the date on which permanent rules take effect, whichever is sooner.

Specify that these provisions would first apply to program caps and applications or transfer of applications for the 2022-23 school year.

Joint Finance/Legislature: Provision not included.

4. PRIVATE SCHOOL CHOICE AND SPECIAL NEEDS SCHOLARSHIP PROGRAMS -- TEACHER LICENSURE REQUIREMENT

Governor: Require that beginning on July 1, 2024, all of a participating private school's teachers have a teaching license or permit issued by DPI, except teachers who teach only rabbinical studies. This requirement would apply to the Milwaukee, Racine, and statewide choice programs, and the special needs scholarship program.

Specify that any teacher employed by the school on July 1, 2024, who has been teaching for at least the five consecutive years immediately preceding that date and who does not have a teaching license or permit issued by DPI could apply for a temporary, nonrenewable waiver on a

form prepared by DPI. Require DPI to promulgate rules to implement this provision, including the form of the application and the process by which the waiver application would be reviewed. Require that the waiver application require the applicant to submit a plan for satisfying the licensure requirement. Specify that no waiver would be valid after July 1, 2029.

Modify current law teacher licensure requirements to include private schools participating in these programs, including the following: (a) specify that an individual located in another state may teach an online course without a Wisconsin license if he or she is properly licensed in the state from which the course is provided; (b) allow a faculty member of an institution of higher education to teach without a license or permit if the faculty member satisfies certain requirements, including a background investigation; (c) prohibit a teaching license from being issued to any individual without a bachelor's degree, with certain exceptions, or anyone who completed a professional training program outside of Wisconsin that did not include a student teaching component; (d) specify that an individual certified to teach native American languages and culture cannot teach other courses; (e) allow a private school participating in these programs to employ an individual who teaches a technical or vocational education subject with an experience-based license if the school fulfills certain requirements; and (f) require that a private school participating in the private school choice programs employing a person who holds a professional teaching permit does not fill the position following the removal of a regularly licensed teacher. Specify that these provisions would first take effect on July 1, 2024.

Joint Finance/Legislature: Provision not included.

5. PRIVATE SCHOOL CHOICE AND SPECIAL NEEDS SCHOLARSHIP PROGRAMS -- INFORMATION REQUIRED ON PROPERTY TAX BILL

Governor: Require property tax bills to include information from the school district where the property is located regarding the amount of any gross reduction in state aid to the district under the private school choice and special needs scholarship programs in the previous year and the current year and the percentage change between those years, if such a reduction occurs in that year.

Require the following insert to also be included in substantially similar form: "The gross reduction in state aid to your school district in the ... (current year) is \$... as a result of pupils enrolled in the ... (statewide choice program) (Racine choice program) (Milwaukee choice program) or as a result of payments to ... (a private school) under the special needs scholarship program. Your school district had the option to increase property taxes to replace this aid reduction."

Joint Finance/Legislature: Provision not included.

6. RACINE AND STATEWIDE CHOICE PROGRAMS -- PRIOR YEAR ATTENDANCE REQUIREMENT

Governor: Specify that a pupil is considered to be enrolled in a public school in the previous school year for purposes of the current prior year attendance requirement if the pupil was counted in the school district's membership on either of the count dates defined under current law, or

attended an independent charter school, and the pupil did not attend a private school during the previous school year. Specify that this provision would first apply to an application to attend a private school in the 2022-23 school year.

Under current law, to be eligible to participate in the Racine or statewide programs, a pupil must satisfy one or more of the following criteria in the year prior, or be enrolling in kindergarten, first grade, or ninth grade in the current year: (a) was enrolled in a public school; (b) was not enrolled in school; (c) was enrolled in a private school choice program; (d) was enrolled in a school in another state; (e) had applied to attend a private school under any of the choice programs and was placed on a waiting list because the private school to which he or she applied did not have space; or (f) applied to participate in the statewide choice program and was placed on a waiting list because of the district's pupil participation limit.

Joint Finance/Legislature: Provision not included.

7. MILWAUKEE PRIVATE SCHOOL CHOICE PROGRAM -- ELIMINATE CITY CHOICE LEVY AID

Governor: Eliminate the city choice levy aid paid to the City of Milwaukee to reduce the choice program levy used to fund a portion of the cost of the Milwaukee program. Instead, these moneys would be paid directly to Milwaukee Public Schools (MPS) and would have the same effect of reducing the MPS choice levy.

Under current law, the City of Milwaukee receives moneys from the general equalization aids appropriation equal to 6.6% of the total cost of the Milwaukee choice program that otherwise would have gone to MPS. The City is then required to use the amount to defray the choice program levy it raises on behalf of MPS.

Joint Finance/Legislature: Provision not included.

8. SPECIAL NEEDS SCHOLARSHIP PROGRAM FUNDING

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$18,329,000	\$13,828,600	\$32,157,600
GPR Effect of Aid			
Reductions	<u>- 18,329,000</u>	<u>- 13,828,600</u>	<u>- 32,157,600</u>
Net GPR	\$0	\$0	\$0

Governor: Provide \$8,952,600 in 2021-22 and \$9,376,400 in 2022-23 above base level funding of \$17,084,900 for the special needs scholarship program to reflect changes in pupil participation and per pupil payments under the bill. This would reflect changes in pupil participation from 1,400 pupils in 2020-21 to 1,970 pupils in 2021-22 and 2022-23. Based on the increase in the per pupil revenue limit adjustment provided in the bill, the per pupil payment under the program would increase from \$12,977 in 2020-21 to \$13,185 in 2021-22 and \$13,389 in 2022-23.

Under current law, the cost of payments for pupils attending a private school under the special needs scholarship program are fully offset through an aid reduction in the general school aids that would otherwise be paid to those pupils' school districts of residence and a corresponding revenue limit increase.

The total change in funding provided for the program under this item include the following changes attributable to other modifications made to the program under the bill, and summarized under other summary items. The table below shows the total cost of the program under current law, the fiscal effect of these changes, and the total cost of the program under the bill.

**Cost of the Special Needs Scholarship Program
Under the Bill, 2021-22 and 2022-23**

	2021-22			2022-23		
	Total GPR	GPR Effect of Aid Reduction	Net GPR	Total GPR	GPR Effect of Aid Reduction	Net GPR
Base	\$17,084,900	-\$17,084,900	\$0	\$17,084,900	-\$17,084,900	\$0
Changes under the bill						
Current law reestimate*	\$8,542,800	-\$8,542,800	\$0	\$23,228,800	-\$23,228,800	\$0
Participation cap	0	0	0	-14,923,600	14,923,600	0
Count 4K as 1.0 FTE	0	0	0	259,600	-259,600	0
Modification to payment amount	409,800	-409,800	0	811,600	-811,600	0
Subtotal	\$8,952,600	-\$8,952,600	\$0	\$9,376,400	-\$9,376,400	\$0
Total cost of the program as modified by the bill	\$26,037,500	-\$26,037,500	\$0	\$26,461,300	-\$26,461,300	\$0

*Assumes no increase to the 2020-21 per pupil payment amount; under current law, the per pupil payment will be adjusted in each year by any revenue limit per pupil adjustment provided to public school pupils, if positive, and any increase in the per pupil categorical aid funding. This indexing mechanism would be modified under another provision of the bill.

Joint Finance/Legislature: Provide \$8,615,700 in 2021-22 and \$23,541,900 in 2022-23 relative to base level funding for the special needs scholarship program to reflect the following modifications made by the Committee: (a) deleting the participation cap (\$14,923,600 in 2022-23); (b) deleting the proposal to count 4K pupils as 1.0 FTE (-\$259,600 in 2022-23); and (c) reestimating participation counts and per pupil payment amounts (\$8,615,700 in 2021-22 and \$8,877,900 in 2022-23). The appropriation changes in each year would be offset by equal changes in the associated aid reductions under the program. These funding adjustments would represent changes to the bill of -\$336,900 in 2021-22 and \$14,165,500 in 2022-23.

As a result of these changes, the total cost of the program, and the associated aid reductions, would equal an estimated \$25,700,600 in 2021-22 and \$40,626,800 in 2022-23.

Under the current law indexing mechanism, it is estimated that per pupil payments would increase by an estimated \$36 in 2021-22 and a further \$63 in 2022-23 under Joint Finance for per pupil payments of \$13,013 in 2021-22 and \$13,076 in 2022-23.

9. SPECIAL NEEDS SCHOLARSHIP PROGRAM -- DELETE ACTUAL COST REIMBURSEMENT PROVISION

Governor: Delete current law allowing a private school to submit a financial statement showing the actual costs that the private school incurred to implement a participating pupil's most recent individualized education program or services plan, as modified by an agreement between the private school and the pupil's parent, and specifying that the financial statement would be used to calculate the per pupil payment for that pupil in the following school year. Specify that the last payments using this provision would be those made in the 2020-21 school year. As a result of deleting this provision, payments for all pupils would be equal to the amount specified in current law, with adjustments for increases in the revenue limit per pupil adjustment and per pupil aid for public school districts.

Under current law, if a private school chooses to submit a financial statement, payments of up to 150% of the per pupil payment amount for that year are fully funded through a reduction in the general aid that is otherwise paid to each pupil's school district of residence, offset with an equal revenue limit adjustment for the district. If the costs incurred by the school in the previous school year exceed 150% of the per pupil payment, the school is reimbursed for 90% of the remaining costs, but no corresponding aid reduction would occur. (As a result, payments made for 90% of costs incurred above 150% of the per pupil payment are funded with state GPR; the private school would pay for the other 10% of costs.) The first payments under the actual cost reimbursement provision were made in the 2019-20 school year. In 2020-21, a total of \$113,715 was paid to three schools on behalf of five participating pupils, based on the actual costs of educating those pupils in the 2019-20 school year.

Joint Finance/Legislature: Provision not included.

10. SPECIAL NEEDS SCHOLARSHIP PROGRAM -- PRIVATE SCHOOL REQUIREMENTS

Governor: Require that a school that begins participating in the special needs scholarship program in the 2022-23 school year or any school year thereafter also participate in the Milwaukee, Racine, or statewide private school choice program in the year in which the school receives a scholarship on behalf of an eligible pupil attending the school.

This provision would have the effect of modifying current law so that private schools participating in the special needs scholarship program would meet the same requirements as schools participating in one of the choice programs, such as requirements related to teacher qualifications, minimum hours of instruction, and participating in the state's accountability report system.

Joint Finance/Legislature: Provision not included.

11. SPECIAL NEEDS SCHOLARSHIP PROGRAM -- RELIGIOUS ACTIVITY OPT-OUT

Governor: Require a private school participating in the program to allow a participating pupil to refrain from participating in any religious activity if the pupil's parent submits to the pupil's teacher or the private school's principal a written request that the pupil be exempt from such activities.

Joint Finance/Legislature: Provision not included.

12. INDEPENDENT CHARTER SCHOOL PROGRAM FUNDING

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net
GPR	\$9,245,500	- \$6,501,400	\$2,744,100
GPR Effect of Aid			
Reduction	<u>- 9,245,500</u>	<u>6,501,400</u>	<u>- 2,744,100</u>
Net GPR	\$0	\$0	\$0

Governor: Provide \$1,938,500 in 2021-22 and \$5,800,700 in 2022-23 as a reestimate of sum sufficient funding in the main appropriation for the independent charter school program. Base level funding is \$82,755,000.

The main appropriation for the program currently funds payments to charter schools that the City of Milwaukee, UW-Milwaukee, UW-Parkside, and the Lac Courte Oreilles Ojibwa Community College contract to operate. The administration estimates that 9,000 pupils in 2021-22 and 9,200 pupils in 2022-23 will attend schools funded from this appropriation and that, based on the relevant provisions in the bill, the per pupil payment under the program would increase from \$9,165 in 2020-21 to \$9,373 in 2021-22 and \$9,577 in 2022-23.

Provide \$216,600 in 2021-22 and \$1,289,700 in 2022-23 as a reestimate of sum sufficient funding in the appropriation for independent charter schools authorized by the Office of Educational Opportunity (OEO) in the UW System. Base level funding is \$4,045,400.

The administration estimates that 450 pupils in 2021-22 and 550 pupils in 2022-23 will attend schools funded from this appropriation. DPI pays the operators of these charter schools the same per pupil payment as other independent charter schools.

By law, DPI is required to proportionally reduce the general aid for which each school district is eligible by an amount totaling the estimated payments to schools authorized by the City of Milwaukee, UW-Milwaukee, and UW-Parkside. Under revenue limits, districts may levy property taxes to make up for the amount of revenue lost due to these aid reductions. These pupils are not counted by any district for revenue limit and general aid purposes. In 2020-21, a 1.6% reduction was made in the general aid received by school districts statewide.

Pupils that attend charter schools authorized by the OEO or the Lac Courte Oreilles Ojibwa

Community College are counted by their district of residence for revenue limit and general aid purposes. DPI is required to reduce the district's general aid payment in an amount equal to the total of the per pupil payments made for pupils residing in the district. Districts are not allowed to levy to backfill, or replace, that aid reduction.

The total change in funding provided for the independent charter school program under this item includes the following changes attributable to other modifications made to the program under the bill, and summarized under other summary items. The table below shows the total cost of the program under current law, the fiscal effect of these changes, the total cost of the program under the bill, and the change to base level funding in each year.

**Cost of the Independent Charter School Program
Under the Bill, 2021-22 and 2022-23**

	2021-22			2022-23		
	Total GPR	GPR Effect of Aid Reduction	Net GPR	Total GPR	GPR Effect of Aid Reduction	Net GPR
Base	\$86,800,400	-\$86,800,400	\$0	\$86,800,400	-\$86,800,400	\$0
Changes under the bill						
Current law reestimate*	\$189,500	-\$189,500	\$0	\$1,240,300	-\$1,240,300	\$0
Count 4K as 1.0 FTE	0	0	0	1,833,100	-1,833,100	0
Modification to payment amount	<u>1,965,600</u>	<u>-1,965,600</u>	<u>0</u>	<u>4,017,000</u>	<u>-4,017,000</u>	<u>0</u>
Subtotal	\$2,155,100	-\$2,155,100	\$0	\$7,090,400	-\$7,090,400	\$0
Total cost of the program as modified by the bill	\$88,955,500	-\$88,955,500	\$0	\$93,890,800	-\$93,890,800	\$0

*Assumes no increase to the 2020-21 per pupil payment amount. Under current law, the per pupil payment will be adjusted in each year by any revenue limit per pupil adjustment provided to public school pupils, if positive, and any increase in the per pupil categorical aid funding. This indexing mechanism would be modified under another provision of the bill.

Joint Finance/Legislature: Provide \$539,200 in 2021-22 and \$2,204,900 in 2022-23, which would represent reductions of \$1,615,900 in 2021-22 and \$4,885,500 in 2022-23 for the independent charter school program. Of those reductions, \$1,539,000 in 2021-22 and \$4,251,100 in 2022-23 would be in the main appropriation for the independent charter school program, and \$76,900 in 2021-22 and \$634,400 in 2022-23 would be attributable to the appropriation for independent charter schools authorized by the OEO. The appropriation changes in each year would be offset by equal changes in the associated aid reductions under the program.

These reestimates would reflect the following modifications made by the Committee: (a) deleting the proposal to count 4K pupils as 1.0 FTE (-\$1,833,100 in 2022-23); and (b) reestimating per pupil payment amounts (-\$1,615,900 in 2021-22 and -\$3,052,400 in 2022-23). As a result of these changes, the total cost of the program, and the associated aid reductions, would equal an estimated \$87,339,600 in 2021-22 and \$89,005,300 in 2022-23. Under the current law indexing mechanism, it is estimated that per pupil payments would increase by an estimated \$36 in 2021-22 and a further \$63 in 2022-23 under Joint Finance for per pupil payments of \$9,201 in 2021-22 and \$9,264 in 2022-23.

13. CHOICE, CHARTER, AND OPEN ENROLLMENT PAYMENT INDEXING MECHANISM

Governor: Modify the indexing mechanism for the payments for the private school choice programs, the special needs scholarship program, the independent charter school program, and the open enrollment program to specify that, beginning in 2021-22, these payments would increase by an amount equal to the per pupil revenue limit adjustment for the current year, if positive, plus the change in the per pupil aid payment amount between the previous year and the current year, if positive. (These provisions would also apply to payments for children with disabilities under a whole grade sharing agreement and for payments under a school board contract with Second Chance Partners for Education or similar nonprofits.)

Under current law, the various per pupil payment amounts under these programs are equal to the sum of the payment amount for the program in the previous year plus the per pupil revenue limit adjustment for the current year, if positive, plus the statewide change in funding per pupil for statutorily-specified categorical school aid appropriations, including per pupil aid, between the previous year and the current year, if positive.

Under the bill, the revenue limit per pupil adjustment would be set at \$200 per pupil in 2021-22 and \$204 per pupil in 2022-23. The per pupil aid payment amount would increase by \$8 in 2021-22 and remained unchanged in 2022-23. Thus, under the bill, the various per pupil aid payments would increase by \$208 per pupil in 2021-22 and a further \$204 per pupil in 2022-23 as a change to the prior year. If the bill provisions for categorical aid funding, the revenue limit per pupil adjustment, and revenue limit enrollment were included in the current law indexing calculation, it is estimated that the various program payments would increase by approximately \$675 per pupil in 2021-22 and a further \$400 per pupil in 2022-23 as a change to the prior year.

Joint Finance/Legislature: Provision not included. Under the current law indexing mechanism, the various per pupil payments would increase by an estimated \$36 in 2021-22 and a further \$63 in 2022-23 under Joint Finance.

14. ELIMINATE OFFICE OF EDUCATIONAL OPPORTUNITY

Governor: Delete the Office of Educational Opportunity (OEO) in the UW System, and transfer oversight responsibilities for the charter schools currently authorized by the OEO from the OEO Director to the Chancellor of UW-Madison.

Specify that, beginning on the effective date of the bill, the Chancellor may not contract with a person to operate a charter school under the statutory authority of the OEO, including the separate statutory authority of the OEO to enter into a contract to operate a recovery charter school. Provide that a contract entered into before the effective date of the bill by the Director of the OEO with a person to operate a charter school under the statutory authority of the OEO remains in full force and effect, but that the Chancellor may not renew or modify the contract. Require the Chancellor to carry out the OEO Director's obligations under a contract.

Specify that, unless the Chancellor revokes the school's charter, the operator of the charter

school may continue to operate the charter school under the terms of its contract that is effective on the effective date of the bill for the remaining term of the contract, but that the contract is not renewable for any additional term and may not be extended. Specify that unless the Chancellor revokes the charter school's charter, the operator of the charter school may enter into a contract with a school district or another independent charter authorizer to operate the charter school.

Require the Chancellor to monitor pupil academic performance and the overall operations of charter schools previously authorized by the OEO, as well as the performance and compliance of each charter school in accordance with the terms of each charter school contract. Specify that the Chancellor could appoint up to two assistants in carrying out duties related to OEO charters. Specify that the Chancellor could solicit private gifts and grants for charter schools previously authorized by the OEO, and would be required to report to the Board of Regents regarding any such private gift or grant received for these purposes and the intended use of the gift or grant. (These provisions apply to the Director of the OEO under current law.)

Require the Chancellor to provide notice to the Legislature, Governor, and State Superintendent within 30 days of the termination of all OEO charter school contracts. Provide that all requirements and authority of the Chancellor related to OEO charter schools would terminate after the Chancellor provides the notice. Specify that no moneys could be encumbered from the appropriations for payments to OEO charter schools after the Chancellor provides the notice.

Joint Finance/Legislature: Provision not included.

15. PAYMENT TO INDEPENDENT CHARTER SCHOOLS AUTHORIZED BY TRIBAL COLLEGES

Governor: Specify that the per pupil payment for independent charter schools authorized by tribal colleges would be equal to the per pupil payment for the other authorizers of independent charter schools, beginning in the 2021-22 school year.

Under the independent charter school program, certain statutorily-specified entities other than school districts can contract to operate charter schools. The per pupil payments to most of these entities is equal to the prior year payment indexed to the change in the revenue limit per pupil adjustment and categorical aid per pupil. The per pupil payment to tribal colleges (the College of Menominee Nation and the Lac Courte Oreilles Ojibwa Community College) is equal to the per pupil academic base funding provided to tribal schools by the federal Bureau of Indian Education in the previous school year. In 2020-21, the payment to tribal colleges is \$8,568 per pupil, while the payment to other authorizers is \$9,165 per pupil. In the 2020-21 school year, the Lac Courte Oreilles Ojibwa Community College has authorized one charter school.

Joint Finance/Legislature: Provision not included.

16. INDEPENDENT CHARTER SCHOOLS -- DRIVER EDUCATION PROGRAM FEES

Governor: Modify current law that authorizes school districts and technical college districts

to charge reasonable fees for any driver education program or part of a program which is neither required for graduation nor credited toward graduation to also authorize operators of independent charter schools and cooperative educational service agencies to charge such fees.

Joint Finance/Legislature: Provision not included.

17. CHARTER SCHOOL AUTHORIZER REPORT

Governor: Delete the current law provision under which a charter school authorizer is required to submit an annual report with certain statutorily-required items.

Under current law, a school board or an independent charter school authorizer is required to submit an annual report to the State Superintendent and Legislature that includes the following information: (a) an identification of each charter school operating under contract with the authorizer, each charter school that operated under contract with the authorizer but had its contract nonrenewed or revoked or that closed, and each charter school under contract with the authorizer that has not yet begun to operate; (b) the academic and financial performance of each charter school operated under contract with the authorizer; (c) the operating costs of the school board or independent charter school authorizer incurred under its required duties, detailed in an audited financial statement prepared in accordance with generally accepted accounting principles; and (d) the services that the school board or independent charter school authorizer has provided to the charter schools under contract with it and an itemized accounting of the costs of the services.

Joint Finance/Legislature: Provision not included.

18. OPEN ENROLLMENT AID TRANSFER AMOUNT -- SPECIAL EDUCATION

Governor: Delete the current law provisions under which the aid transfer amount for special education students participating in the open enrollment program can be increased, and restore prior law under which a single aid transfer amount applied to all of these students, beginning in the 2021-22 school year.

Under the 2017-19 budget act, a process was created under which the open enrollment aid transfer amount for a special education pupil (\$12,977 in 2020-21) could be adjusted. Beginning in the 2018-19 school year, at the end of a school year in which a special education pupil has participated in the program, a nonresident district may submit to DPI a financial statement that shows the actual costs the nonresident district incurred to provide a free appropriate public education to the pupil during that year. DPI is required to provide the resident district with a copy of any financial statement it receives. Beginning in the 2019-20 school year, the aid transfer amount for a pupil for whom the nonresident district does not submit a financial statement will equal the indexed amount described above. The aid transfer amount for a pupil for whom the nonresident district has submitted a financial statement will be the amount shown on the financial statement for that child for the previous school year, up to a maximum of \$30,000.

Joint Finance/Legislature: Provision not included.

19. EARLY COLLEGE CREDIT PROGRAM -- PAYMENT TO PRIVATE SCHOOLS

Governor: Modify the appropriation for the early college credit program to specify that reimbursements could be made to private schools.

Under the program, the cost of a course is shared between the student's school or school district and the state, if the student will receive high school credit for the course, or between the school or school district, the state, and the student, if the student will receive only postsecondary credit for the course. The state portion of the cost is paid to school districts as a reimbursement for a portion of the cost of tuition paid to the institution of higher education on behalf of the participating pupil.

Joint Finance/Legislature: Provision not included.

20. EARLY COLLEGE CREDIT PROGRAM -- INDEPENDENT CHARTER SCHOOL PUPILS

Governor: Modify current law under the early college credit program to allow pupils enrolled in an independent charter school to participate in the program beginning in the 2021-22 school year.

Specify that payments under the program could be made to independent charter schools. The role and responsibilities that apply to a school board under current law would apply to the governing board of the independent charter school, including the following: (a) being notified of a pupil's intent to participate in the program; (b) determining whether a course is comparable to a course offered by the school, whether the course satisfies high school graduation requirements, and how many credits to award for the course; (c) being notified by an institution of higher education that admits a pupil attending the school; (d) being notified if a pupil is admitted to attend a different course than the one the pupil originally specified; (e) paying the specified tuition amount to the institution of higher education, and funding a portion of the cost of the program; (f) paying the cost of books and other necessary materials for the course; (g) waiving the student's portion of the cost if DPI determines that the cost would pose an undue financial burden on the pupil's family; (h) establishing a written policy limiting the number of credits for which a governing board will pay, if the governing board chooses to do so; (i) being reimbursed by a pupil or his or her parent or guardian for the cost of a course that a pupil fails; and (j) entering into an agreement with an institution of higher education to facilitate the program, if the governing board wishes to do so. Prohibit the governing board from charging additional fees for the course. Specify that a pupil is not responsible for any portion of the cost of a course that is not comparable to a course offered by the school, as determined by the school's governing board.

Specify that the provisions under the early college credit program would not apply to a course for which a high school pupil attending an independent charter school may earn postsecondary credit if the governing board of the charter school has entered into an agreement with a UW System institution or a private, nonprofit institution before, on, or after the effective date of the bill. The agreement would be to provide a college credit in high school program to academically qualified pupils under which pupils may take a course for postsecondary credit, if the instruction of pupils takes place in the charter school building. Require that under the

agreement, either of the following would apply: (a) the instructor is a high school teacher employed by the charter school and certified or approved to provide the instruction by the participating UW institution or a faculty member of the UW institution, if the agreement is made with a UW institution; or (b) the instructor is a high school teacher employed by the charter school and certified or approved to provide the instruction by the participating private, nonprofit institution or a faculty member of the private institution, if the agreement is made with a private institution.

Under current law, high school students enrolled in a public or private school can enroll in courses at a UW institution, a private, non-profit college or university, or a tribal college under the early college credit program. Under the program, the cost of a course is shared between the student's school or school district and the state, if the student will receive high school credit for the course, or between the school or school district, the state, and the student, if the student will receive only postsecondary credit for the course. Tuition is charged at a reduced rate for pupils participating in the program.

Joint Finance/Legislature: Provision not included.

21. OPPORTUNITY SCHOOLS AND PARTNERSHIP PROGRAM

Governor: Delete current law related to the opportunity schools and partnership programs (OSPP), which was created in the 2015-17 budget act and modified in the 2017-19 budget act.

In general, an OSPP is modeled as a "turnaround school district," with the potential to affect Milwaukee, Racine, and Madison. Currently, no districts or schools are participating in an OSPP.

More specifically, the 2015-17 budget act (2015 Act 55) created an OSPP within the Milwaukee Public Schools (MPS) under the management and control of a Commissioner appointed by the Milwaukee County Executive. Generally, the Commissioner could select MPS schools that either received the lowest rating on the most recent school accountability report or was identified as a vacant or underutilized building to be transferred to the OSPP. The Commissioner could transfer the operation and management of an OSPP school to either a nonprofit group operating a charter school, the governing body of a nonsectarian private school participating in a private school choice program, or an individual or group not currently operating a school, provided that the entity meets certain statutory criteria. The Commissioner could transfer a school out of their OSPP if the Commissioner determined that the school has been placed in a performance category of "meets expectations" or higher on the three preceding consecutive accountability reports published for the school. The Commissioner could return operation and management of the school to the MPS Board (provided MPS has not received a grade of "fails to meet expectations" on the school district accountability reports in the three most recent consecutive school years) or to an individual or group as a non-instrumentality charter, or to the governing body of a private school.

Act 55 also created an OSPP (modeled on the above provisions) within MPS under the management and control of the MPS Superintendent and allowed for the creation of an OSPP within other eligible school districts that: (a) were assigned to the lowest performance category on two school district accountability reports in the most recent consecutive years; (b) had a pupil

membership of over 15,000; and (c) received intradistrict transfer aid in the two school years in which the district was assigned the lowest performance category on the school district accountability reports.

The 2017-19 budget act (2017 Act 59) created additional provisions under which an eligible unified school district could be identified, with additional criteria based on the number and size of municipalities within the district and the delegation of decision-making authority related to employee benefits. Act 59 also created a procedure under which the village boards of each village within an eligible unified school district could initiate the process for the creation of a new school district, subject to a binding referendum on the proposed creation by voters in the territory of the proposed school district.

Joint Finance/Legislature: Provision not included.

School Operations and Curriculum

1. PROHIBIT VAPING ON SCHOOL PROPERTY

Governor: Specify that no individual may vape on school premises. Define "vape" as to inhale or exhale vapor from a vapor product, as defined under current state law. Define "school premises" as all of the following: (a) real property owned or rented by, or under the control of a school board, including playgrounds, athletic facilities or fields, and any other property that is occupied by pupils on a regular basis; (b) real property owned or rented by an operator or governing board of a charter school that is used for the operation of a charter school, including playgrounds, athletic facilities or fields, and any other property that is occupied on a regular basis by pupils attending the charter school; and (c) real property owned or rented by the governing body of a private school that is used for the operation of a private school, including playgrounds, athletic facilities or fields, and any other property that is occupied on a regular basis by pupils attending the private school.

Joint Finance/Legislature: Provision not included.

2. DELETE MPS TRUANCY CENTER AND LAW ENFORCEMENT OFFICER REQUIREMENTS

Governor: Delete current law requiring Milwaukee Public Schools (MPS) to establish at least two youth service centers for the counseling of children who are taken into custody for being absent from school without an acceptable excuse, and requiring the MPS board to pay the City of Milwaukee for the costs of salaries and fringe benefits of four law enforcement officers to work on truancy abatement and burglary suppression on a full-time basis.

Joint Finance/Legislature: Provision not included.

3. AMERICAN INDIAN STUDIES REQUIRED IN CURRICULUM -- SCHOOL DISTRICTS

Governor: Modify current law to require that beginning September 1, 2022, instruction in the culture, tribal sovereignty, and contemporary and historical significant events of the federally recognized American Indian tribes and bands located in this state must be provided at least once in grades K-2, once in grades 3-5, and twice in grades 6-8 as part of the social studies curriculum.

Additionally, require that beginning September 1, 2022, instruction in the culture, tribal sovereignty, and contemporary and historical significant events of the federally recognized American Indian tribes and bands located in this state must be provided at least once in each of the high school grades as part of the high school curriculum. Specify that in at least one high school grade, the school board must include the instruction in the social studies curriculum.

Under current law, instruction in the history, culture, and tribal sovereignty of the federally recognized American Indian tribes and bands located in this state must be provided at least twice in the elementary grades and at least once in the high school grades as part of the social studies curriculum.

Joint Finance/Legislature: Provision not included.

4. AMERICAN INDIAN STUDIES REQUIRED IN CURRICULUM -- CHOICE AND CHARTER SCHOOLS

Governor: Require that beginning in the 2022-23 school year, independent charter schools and private choice schools include in their curriculum instruction in the culture, tribal sovereignty, and contemporary and historical significant events of the federally recognized American Indian tribes and bands located in this state at least twice in the elementary grades and at least once in the high school grades.

Under current law, instruction in the history, culture, and tribal sovereignty of the federally recognized American Indian tribes and bands located in this state must be provided at least twice in the elementary grades and at least once in the high school grades as part of the social studies curriculum.

Joint Finance/Legislature: Provision not included.

5. HEALTH PROBLEMS EDUCATION PROGRAMS

Governor: Make minor changes to statutory language to create a numbered list describing the topics that must be included in the comprehensive education curricula developed by the critical health problems education program under DPI, rather than a list separated by commas.

Joint Finance/Legislature: Provision not included.

Administrative and Other Funding

1. STANDARD BUDGET ADJUSTMENTS

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,269,200	- \$352,600	\$916,600
FED	375,600	- 397,800	- 22,200
PR	<u>821,800</u>	<u>0</u>	<u>821,800</u>
Total	\$2,466,600	- \$705,400	\$1,716,200

Governor: Adjust the base budget by \$634,600 GPR, \$187,800 FED, and \$410,900 PR annually for: (a) turnover reduction (-\$440,500 GPR and -\$526,000 FED annually); (b) full funding of continuing position salaries and fringe benefits (\$741,400 GPR, \$700,000 FED, and \$396,800 PR annually); (c) overtime (\$274,000 GPR, \$41,900 FED, and \$13,900 PR annually); (d) night and weekend differential pay (\$55,300 GPR, \$400 FED, and \$200 PR annually); and (e) lease and directed moves costs (\$4,400 GPR and -\$28,500 FED annually).

Joint Finance/Legislature: Increase the rate used to calculate turnover reduction from 3% to 4% for all appropriations subject to a 3% turnover rate under the Governor's recommended budget. Reduce funding under the turnover reduction standard budget adjustment by \$176,300 GPR and \$198,900 FED annually.

2. PUPIL ASSESSMENT

GPR	- \$4,000,000
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Governor/Legislature: Reduce funding by \$2,000,000 annually from annual base level funding of \$18,558,400 to reflect the current DPI estimate of moneys required for contract payments to vendors.

3. GENERAL EDUCATIONAL DEVELOPMENT TEST FEE PAYMENTS

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,300,000	- \$1,300,000	\$0

Governor: Provide \$400,000 in 2021-22 and \$900,000 in 2022-23 in a new sum sufficient appropriation to subsidize testing fees for individuals taking the general educational development (GED) test beginning on January 1, 2022. Payments would be made to GED Testing Service LLC equal to \$30 for each eligible individual who takes a content area test given under the GED test at a testing site in Wisconsin that is approved by the State Superintendent. Define an eligible individual as one who meets the following criteria: (a) meets the eligibility requirements

promulgated by DPI by rule for a high school equivalency diploma or certificate of general educational development; and (b) takes and receives a passing score on a practice test for the content area that is developed by GED Testing Service LLC. Specify that for each eligible individual, no more than one testing service fee could be paid for each content area test in a calendar year.

The GED consists of tests to measure competency in math, science, social studies, and language arts. Wisconsin administrative code requires that, to be eligible to take the GED, an individual must meet the following criteria: (a) be a resident of Wisconsin for voting purposes, or have lived in Wisconsin for at least 10 days, or be a migrant worker or the child of a migrant worker; (b) be at least 18 years six months of age, or have entered 9th grade with a class that has graduated from high school; (c) have not graduated from high school, and are not enrolled in a public or private high school; and (d) have completed a career counseling session provided by a high school, technical college district, community-based organization, college, university, licensed psychologist, or licensed school counselor. In 2019, 7,624 Wisconsin residents took the GED. Each of the four sections of the test costs \$33.75.

Joint Finance/Legislature: Provision not included.

4. ACADEMIC AND CAREER PLANNING

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,055,000	-\$1,055,000	\$0

Governor: Provide \$339,000 in 2021-22 and \$716,000 in 2022-23 over annual base level funding of \$1,100,000.

This funding would be used to support the academic and career planning program that was created under the 2013-15 budget. Under current law, the State Superintendent is required to do the following: (a) ensure that every school board is providing academic and career planning services to pupils in grades 6-12; and (b) procure, install, and maintain information technology, including computer software, to be used by school districts to provide academic and career planning services. DPI provides districts with computer software for college and career planning, and maintains contracts with each of the twelve cooperative educational service agencies (CESAs) to support academic and career planning, including subsidizing the cost of academic and career planning coordinators in each CESA.

Joint Finance/Legislature: Provision not included.

5. MENTAL HEALTH TRAINING PROGRAM

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$1,000,000	-\$1,000,000	\$0

Governor: Provide \$500,000 annually for mental health training. Require DPI to provide training to school district staff and the instructional staff of independent charter schools regarding social and emotional learning, in addition to the other types of training required under current law.

Under current law, DPI is required to provide training to school district staff and the instructional staff of independent charter schools regarding the following: (a) screening, brief interventions, and referral to treatment (SBIRT); (b) trauma sensitive schools; and (c) youth mental health first aid. Funding equal to \$420,000 GPR annually is provided for the trainings.

Joint Finance/Legislature: Provision not included.

6. DELETE LAPSE OF TEACHER LICENSING FEES

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR-REV	- \$800,000	\$800,000	\$0
PR-REV	<u>800,000</u>	<u>- 800,000</u>	<u>0</u>
Total	\$0	\$0	\$0

Governor: Specify that all program revenue received in the appropriation for teacher licensure would be credited to the appropriation for that purpose, rather than 90% of certain revenues as under current law. This would result in an estimated decrease of GPR-Earned equal to \$400,000 annually.

Modify the appropriation to authorize the expenditure of all moneys received rather than the amounts in the schedule of appropriations as under current law.

Under current law, 90% of revenues received from fees for the licensure of school and public library personnel are retained by DPI. The remaining 10% is credited to the general fund.

Joint Finance/Legislature: Provision not included.

7. CITY YEAR MILWAUKEE

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$760,000	- \$760,000	\$0

Governor: Provide \$380,000 annually for a grant for City Year Milwaukee, and require the State Superintendent to award the funds annually to City Year, Inc.

City Year is a non-profit organization that places AmeriCorps members full-time in schools to partner with classroom teachers, tutor pupils one-on-one or in groups, organize school-wide events, and run after-school programs. The program targets pupils in 3rd through 9th grades who exhibit one or more warning signs of not completing high school. It is anticipated that the funding

would allow the organization to expand to two additional schools.

Joint Finance/Legislature: Provision not included.

8. RECOLLECTION WISCONSIN

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$450,000	- \$450,000	\$0

Governor: Provide \$150,000 in 2021-22 and \$300,000 in 2022-23 for Recollection Wisconsin, and require the State Superintendent to annually distribute the funding to Wisconsin Library Services, Inc (WiLs). Create an annual sum certain GPR appropriation for this purpose.

Recollection Wisconsin is a consortium administered by WiLs, a nonprofit organization of Wisconsin libraries and other organizations, with the Wisconsin Historical Society, UW-Milwaukee, UW-Madison, the Milwaukee Public Library, Marquette University, and DPI also serving as governing partners. Its purpose is to collect digital historical resources from Wisconsin libraries, archives, museums, and historical societies, and makes them publicly available.

Joint Finance/Legislature: Provision not included.

9. WISELEARN

GPR	- \$350,000
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Governor/Legislature: Reduce funding for WISELearn by \$150,000 in 2021-22 and \$200,000 in 2022-23. Base level funding for WISELearn is \$1,359,000.

Under current law, DPI is required to develop and maintain an online resource, called WISELearn, to provide educational resources for parents, teachers, and pupils; offer online learning opportunities; provide regional technical support centers; provide professional development for teachers; and enable video conferencing.

10. FUEL AND UTILITIES REESTIMATE

GPR	- \$239,100
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Governor/Legislature: Reduce funding by \$118,900 in 2021-22 and \$120,200 in 2022-23 to reflect estimated costs for fuel and utilities for the state residential schools. Base level funding is equal to \$548,500 annually.

11. DIGITIZE PAPER GED TEST CREDENTIALS

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	\$145,000	- \$145,000	\$0

Governor: Provide \$145,000 in 2021-22 to digitize paper records related to the General Educational Development (GED) test, including hard copy GED credentials from past test-takers. DPI is responsible for maintaining GED records, providing credential records to individuals who have taken the test, and responding to verification requests from employers or institutions of higher education. A corrective amendment is needed to create the biennial appropriation with this funding.

Joint Finance/Legislature: Provision not included.

12. EQUITY OFFICER POSITION

	Governor (Chg. to Base)		Jt. Finance/Leg. (Chg. to Gov)		Net Change	
	Funding Positions		Funding Positions		Funding Positions	
GPR	\$144,800	1.00	-\$144,800	- 1.00	\$0	0.00

Governor: Provide \$63,500 in 2021-22 and \$81,300 in 2022-23 and 1.0 position beginning in 2021-22 to create an agency equity officer position. The agency equity officer would be responsible for coordinating with other agency equity officers and identifying opportunities to advance equity in government operations. For additional information, see "Administration -- General Agency Provisions."

Joint Finance/Legislature: Provision not included.

13. DEBT SERVICE REESTIMATE

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
GPR	-\$6,900	-\$158,400	-\$165,300

Governor: Modify funding by -\$114,300 in 2021-22 and \$107,400 in 2022-23 as a reestimate of debt service payments for the state residential schools. Annual base level funding is \$1,020,000.

Joint Finance/Legislature: Reestimate debt service by \$107,900 in 2021-22 and -\$266,300 in 2022-23.

14. WISCONSIN READING CORPS

GPR	\$1,600,000
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Joint Finance/Legislature: Provide \$300,000 in 2021-22 and \$1,300,000 in 2022-23 for the Wisconsin Reading Corps, an AmeriCorps program that provides one-on-one literacy tutoring. Current base level funding is \$700,000 annually.

15. AGENCY BUDGET REDUCTION

GPR	- \$1,465,200
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Joint Finance/Legislature: Reduce funding by \$270,000 annually in the appropriation for general program operations, \$450,000 annually in the appropriation for the longitudinal data system, and \$12,600 annually in the appropriation for renewable energy costs.

16. SCHOOL SAFETY MAPPING

Joint Finance/Legislature: Provide \$2,000,000 GPR in the Joint Committee on Finance supplemental appropriation in 2021-22 for school safety mapping for release upon request and approval by the Committee. The fiscal effect of this item is shown under "Program Supplements."

17. BENCHMARK ASSESSMENTS

Joint Finance/Legislature: Provide \$2,000,000 GPR in the Joint Committee on Finance supplemental appropriation in 2021-22 for benchmark assessments for release upon request and approval by the Committee. The fiscal effect of this item is shown under "Program Supplements."

Veto by Governor [B-18]: Delete provision.

[Act 58 Vetoed Section: 21 (as it relates to s. 20.865(4)(a))]

18. PROGRAM REVENUE REESTIMATES

PR	\$10,843,500
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Governor/Legislature: Reestimate program revenue by \$5,428,300 in 2021-22 and \$5,415,200 in 2022-23. The reestimate includes \$958,600 annually in the appropriation for personnel licensure to reflect projected teacher license fee revenue; -\$30,300 in 2021-22 and -\$43,400 in 2022-23 in the appropriation for general educational development and high school graduation equivalency to reflect projected GED/HSED credential fee revenue; and \$4,500,000 annually in the appropriation for transfers from other state agencies for assistance to school districts.

19. PUBLIC LIBRARY AID

SEG	\$6,500,000
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Governor/Legislature: Provide \$2,500,000 in 2021-22 and \$4,000,000 in 2022-23 above base level funding of \$16,013,100 for public library system aid. The segregated revenue is provided from the state universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers.

20. LIBRARY SERVICE CONTRACTS

SEG	\$38,200
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Governor/Legislature: Provide \$12,900 in 2021-22 and \$25,300 in 2022-23 above base level funding of \$1,342,400 to fully fund the cost of statutorily-required library service contracts for resources of specialized library materials and other information.

DPI contracts with four service providers: (a) the Milwaukee Public Library; (b) the University of Wisconsin-Madison; (c) the Wisconsin Talking Book and Braille Library; and (d) the Cooperative Children's Book Center. DPI indicated in its agency request document that projected costs for each of the contracts will increase over the biennium due to general operating cost increases, and insufficient funding would result in a cap on the amount of material that can be requested from the Milwaukee Public Library and the UW-Madison library. The segregated revenue is provided from the state universal service fund, which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers.

21. BULLYING PREVENTION GRANTS

Governor: Modify current law relating to the grant for bullying prevention to specify that, beginning in the 2021-22 school year, the grant must be awarded annually to the nonprofit organization that received the award in the 2019-20 and 2020-21 school years. (The grant was awarded in those years to the Children's Hospital of Wisconsin.)

Funding is equal to \$150,000 GPR annually, and the grants are required to provide training and an online bullying prevention curriculum for pupils in grades kindergarten to eight.

Joint Finance/Legislature: Provision not included.

22. REPORT ON HOMELESS PUPILS

Governor: Require the State Superintendent to submit an annual report on the number of homeless children and youths, as defined under federal law, in the public schools of Wisconsin. The report would be submitted to the Chief Clerk of each house of the Legislature for distribution to the Legislature.

Under federal law, homeless children and youths are defined as follows: (a) children and youths who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason, are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations, are living in emergency or transitional shelters, or are abandoned in hospitals; (b) children and youths who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings; (c) children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and (d) migratory children who are living in circumstances described in (a) through (c).

Joint Finance/Legislature: Provision not included.

23. CLIMATE CHANGE IN MODEL ACADEMIC STANDARDS

Governor: Require that if the State Superintendent adopts model academic standards for any of the following subjects, the standards for that subject incorporate information about climate change: (a) science; (b) mathematics; (c) social studies; (d) English language arts; (e) agriculture;

(f) food and natural resources; (g) environmental literacy and sustainability; and (h) nutrition education. Require that the standards incorporate an understanding of climate, the interconnected nature of climate change, the potential local and global impacts of climate change, and individual and societal actions that may mitigate the harmful effects of climate change.

Joint Finance/Legislature: Provision not included.

24. AMERICAN INDIAN INSTRUCTION -- TEACHING LICENSE

Governor: Modify a current requirement that the State Superintendent cannot grant a teaching license to any person unless the person has received instruction in the history, culture, and tribal sovereignty of the federally recognized American Indian tribes and bands located in the state, to delete the reference to history and instead refer to contemporary and historical significant events.

Joint Finance/Legislature: Provision not included.