



School Administrators Alliance

Representing the Interests of Wisconsin School Children

TO: Assembly Committee on Education
FROM: John Forester, Executive Director
DATE: February 1, 2018
RE: AB 803 – Excluding Costs Funded by Referenda From Shared Costs

The School Administrators Alliance (SAA) opposes Assembly Bill 803, relating to excluding costs funded by referenda from shared costs for the purpose of determining general equalization aids for school districts.

This is a difficult issue for the SAA. SAA members line up on both sides of this legislation. Some probably question why the SAA is taking a position on the bill. Let me explain. An important part of the job of every school administrator is to advocate for the interests of the students and parents they serve as well as the district's taxpayers. The SAA's role is to advocate for the collective interest of all SAA members in every Wisconsin school district. But that's not all. We also advocate for the long-term interests of public education in Wisconsin as well.

I have been lobbying for the SAA for 16 years now. Throughout my tenure, the SAA has supported a school equalization aid formula as the primary distribution mechanism for state school aid. It is one of a handful of firmly-held core beliefs we have on school finance. I believe that maintaining the integrity of the equalization aid formula is part of the collective interest we represent. It is also in the long-term interest of public education in Wisconsin. AB 803 runs counter to tax base equalization, one of the guiding principles of our school aid formula. If adopted, it would result in a redistribution of general aid that will create winners and losers among Wisconsin school districts.

One of the biggest concerns we have about the bill is there is no definitive analysis laying out what the impact of the bill will be on all school districts in Wisconsin. SAA members throughout Wisconsin need to have at least a reasonable idea of what that impact will be so they can respond to their legislators about the bill. Without that analysis, we simply believe the bill should not move forward.

While we do not support this bill, we are not unsympathetic to the arguments offered by proponents about the hardships of the current policy. We simply believe that these types of changes should not be considered in a piecemeal fashion; rather, they should be considered in the broader context of potential changes to the equalization aid formula. As an example of this broader context, the SAA has long supported increasing the secondary cost ceiling from its current 90% of statewide average shared cost per pupil to at least 100% of the state average. This policy change would clearly be positive for negative tertiary districts. It makes no sense from a policy standpoint that Wisconsin begins penalizing school districts under the equalization aid formula for spending at 90% of the state average.

Speaker Vos and Majority Leader Fitzgerald have created the Blue Ribbon Commission on School Funding to deliberate on possible changes to the equalization aid formula and other aspects of the Wisconsin school finance system. We believe that is where discussion of the subject of AB 803 belongs. It should be noted that at the Commission's first meeting held on December 14, 2017, the issues of negative aid and the secondary cost ceiling were raised as subjects for future discussion.

While I'm sure the SAA's position on AB 803 and our suggestion that it be discussed within the broader context of the Blue Ribbon Commission's charge will not be viewed favorably by the proponents, we believe it affords us the best way to maintain the integrity of the equalization aid formula and to balance the interests of all Wisconsin school districts on this issue.

Thank you for your consideration of our views. If you should have any questions on our position on AB 803, please call me at 608-242-1370.