



School Administrators Alliance

Representing the Interests of Wisconsin School Children

2023–25 Legislative Agenda

The SAA believes that comprehensive education reforms in Wisconsin should emulate the evidence-based best practices of the states and nations that have significantly raised academic performance and closed achievement gaps. In pursuit of this objective, the SAA offers the following legislative priorities:

Special Education

The SAA recommends consideration of significant special education funding increases to achieve a balance in flexible, spendable revenues for all school districts.

Points to Consider:

- *Wisconsin special education categorical aid is distributed on a cost-reimbursement basis, on prior-year costs.*
- *The annual special education categorical aid appropriation increased from \$369 million to \$450 million in the 2019-21 State Budget.*
- *Prior to the 2019-21 increase, the appropriation had been frozen at \$369 million for a decade.*
- *The Governor requested funding to raise the reimbursement rate from 28% to 40% by the end of the biennium in the 2021-23 budget.*
- *The legislature only provided an increase of funding of approximately \$18 million in FY22 and \$68 million in FY23 bringing the base amount to approximately \$518 million.*
- *The current state reimbursement rate is likely to come in short of 30 percent of aidable costs due to increased reimbursement claims.*
- *Wisconsin school districts collectively transfer more than \$1 billion annually from district general funds to cover the funding gap between required special education costs and current state special education funding. Pulling resources from general funds in this fashion adversely impacts educational opportunities for all children.*

General Spending Authority

The SAA recommends distributing general revenue increases in a balanced fashion using both revenue limit/general aid and per pupil categorical aid to better meet the needs of all school districts.

Points to Consider:

- *The SAA has advocated for inflationary increases in general revenues since the 2013-15 State Budget cycle.*
- *The SAA cannot achieve consensus among members on how the state should distribute general revenue increases – revenue limit plus general aid or per pupil categorical aid.*

- *The state generally provides two-thirds of the general aid necessary to fund revenue limit increases, with the remaining one-third funded by local property tax increases. This option provides the biggest bang for the state tax dollar.*
- *The state pays three-thirds (all) of the cost of per pupil categorical aid increases. This option does not assume a local property tax increase.*
- *In general, school districts that fare well in the equalization aid formula favor revenue limit plus general aid. Those that do not do well in the equalization aid formula tend to favor per pupil categorical aid.*
- *In addition to balancing the distribution of general revenues using both of the options outlined above,*
- *The 2021-23 budget provided \$408 in General Aid with no corresponding increase in revenue limits. Therefore, these funds were not “spendable” to help meet the needs of students.*

Revenue Limit Equity

The SAA supports setting the low revenue ceiling at 90-95 percent of the statewide average revenue limit per student. A steadily improving low revenue ceiling policy is an important part of ensuring equitable resources for all children no matter where they live.

Points to Consider:

- *The low revenue ceiling, established in 1995-96, allows districts to increase their per pupil revenues up to a state-determined level per pupil without districts having to go to referendum. It is the policy mechanism in Wisconsin for low spending districts to narrow the disparity with higher spending districts in the state.*
- *The low revenue ceiling for 2021-23 is \$10,000 per pupil.*
- *The low revenue ceiling was stuck at \$9,000 per pupil from 2008-09 to 2011-12; and at \$9,100 per pupil from 2012-13 to 2017-18.*
- *The low revenue ceiling increased to \$10,000 in 2020-21 and has remained at that level through subsequent years.*

Children’s Mental Health

SAA appreciates the school mental health investments made in the last three state budgets, we believe a stronger, long-term commitment from the state is required to meet the needs of our students. SAA members increasingly express support for moving future investments toward a broad-based, flexible categorical aid to better meet the needs of more students in more school districts.

Points to Consider:

- *In the past state budget cycles, the SAA supported the creation and subsequent expansion of the School Mental Health Services Collaboration Grant Program and the School Mental Health Categorical Aid Program.*
- *Wisconsin state legislators have a greater appreciation for school mental health needs today than they did even four years ago.*

- *SAA members increasingly, and strongly, express support for moving away from grants to address school mental health challenges.*
- *The 2021-23 budget increased the Mental Health Categorical aide by \$6 Million in FY22 and in FY23; there were no changes to the current law structure.*
- *The 2021-23 budget also increased the Mental Health Grant by \$3.5 Million in FY22 and FY23 to support more schools in connecting youth to mental health services.*

Other Key Funding Issues

- Transportation Aid
- English Learners
- Early Learning
- Workforce shortages & staff pipeline