

School Administrators Alliance

2025 State Budget Update

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Education in Wisconsin

Size and Scope

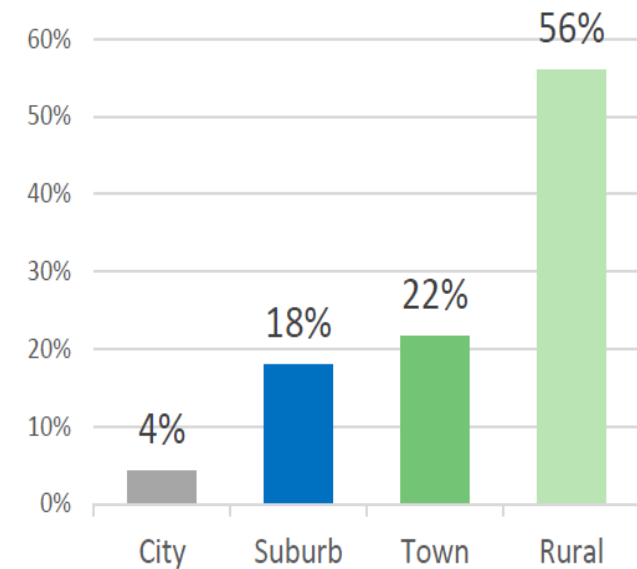
- Over 800,000 students in 421 school districts and 2,300 schools across the state
- K-12 school aids: 36.6% of the state's general fund (much of which acts to lower property taxes)
- Primarily a small school district state: Median size – 920 students (average 1,928)
- Over half (56%) of all schools are in rural communities, but they enroll only 20% of students



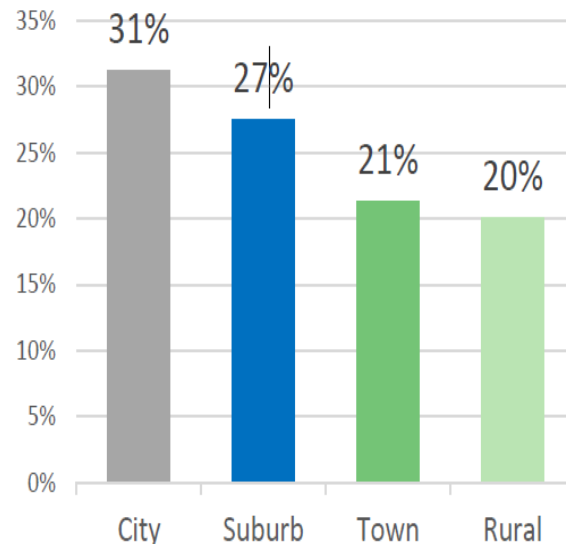
Education Landscape

School Districts by Locale

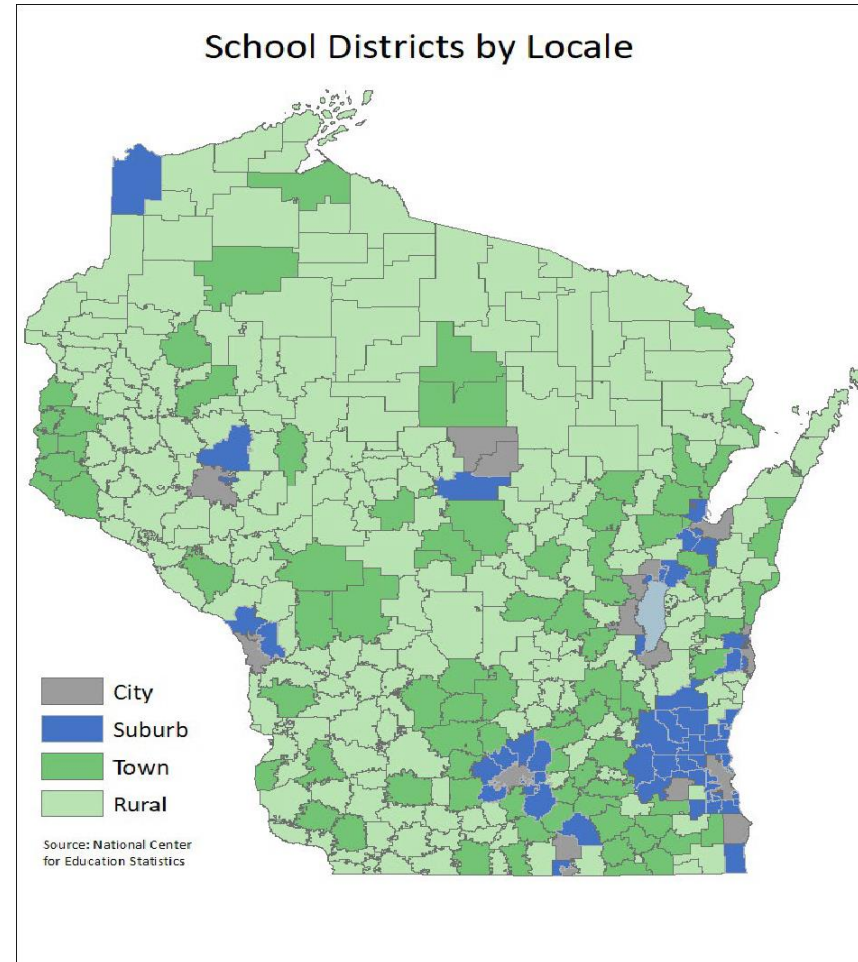
City Suburb Town Rural



School Districts

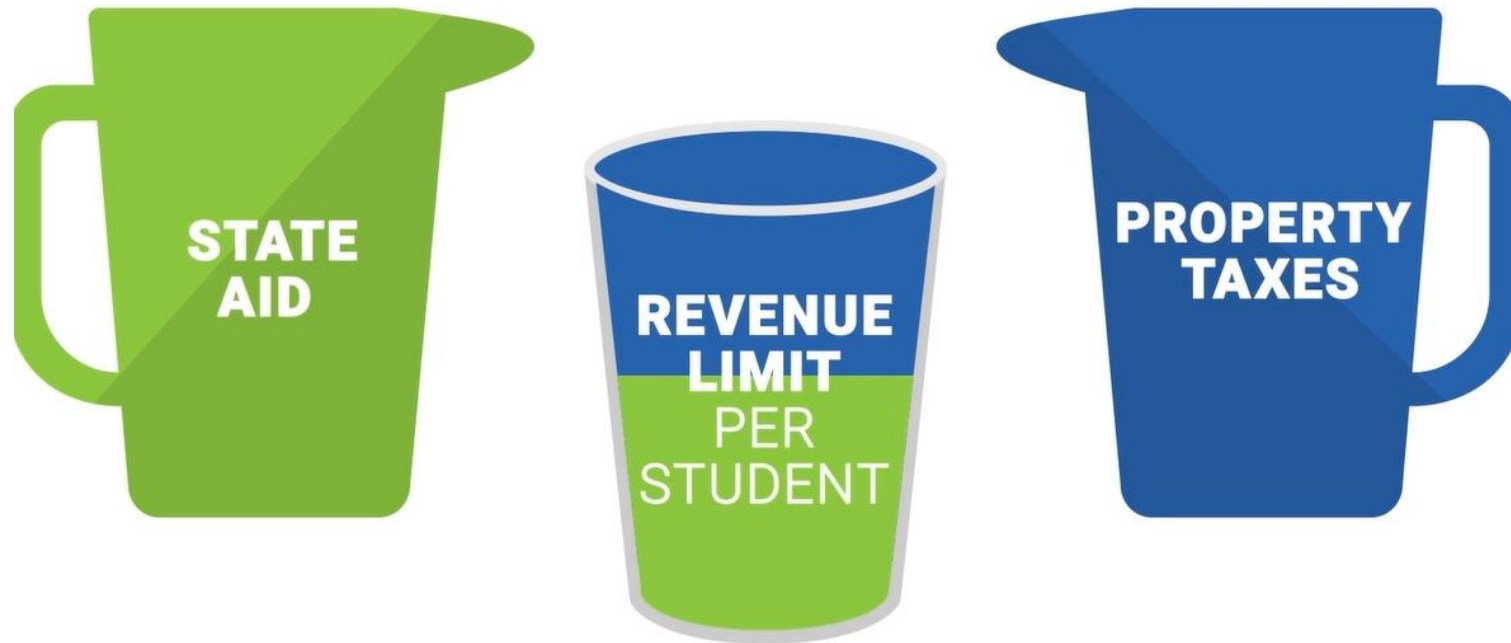


Enrollment



Revenue Limits & Referenda

The vast majority of school funding comes from the **revenue limit**.



$$[\text{Revenue limit}] - [\text{General aid}] = \text{Property taxes}$$



Revenue Limits and Referenda

- Originally intended to limit property taxes
- Indexed to inflation until 2009-10
- Since then, resources for schools have fallen behind basic operating costs
- One of last resorts for schools: Ask voters to **raise the revenue limit through referendum – a growing practice statewide**



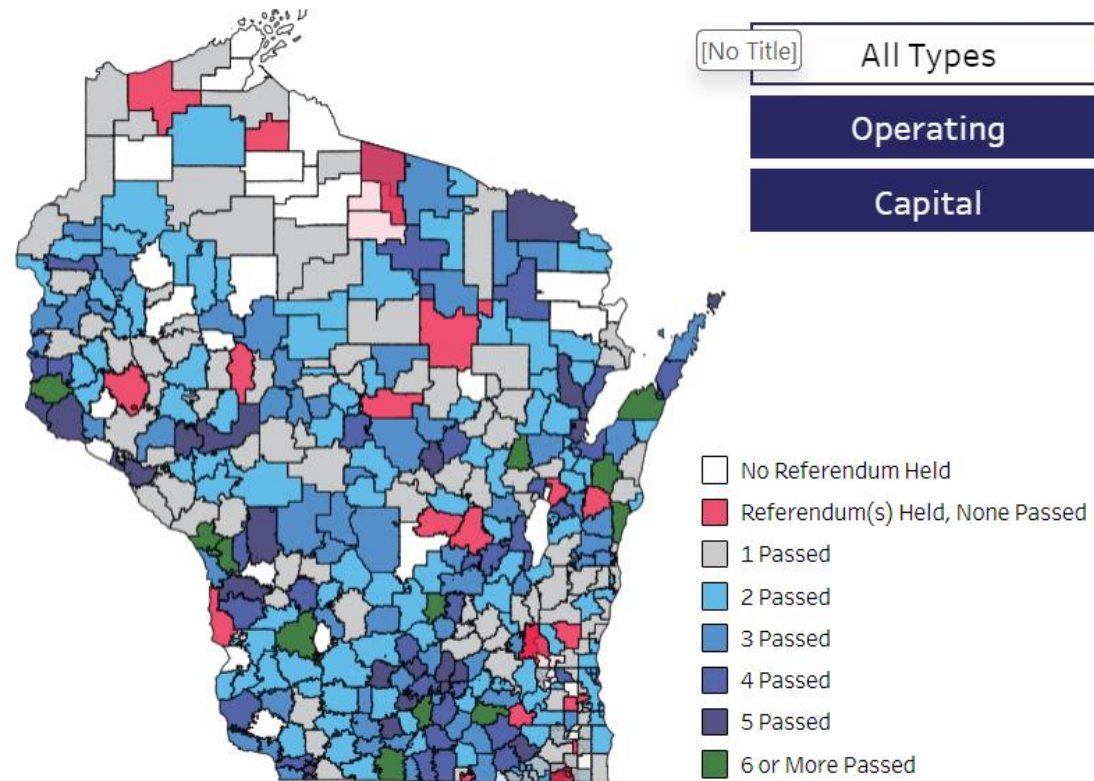
Growing Reliance on Referenda

Figure 2: Most Districts Have Passed a Referendum in Last Decade

Number of referenda passed since beginning of 2014, by school district and type

Most districts have passed at least one referendum in the past decade.

In 2024, voters approved 169 referenda, breaking the old record of 140 set in 2018.



Source: Wisconsin Department of Public Instruction



Categorical Aids

Not subject to the revenue limit (provides additional resources to districts)

Per pupil aid (began 2012-13)

Functions like revenue limit – provides flat per pupil general spending authority

Helps higher property wealth districts (who fare relatively less favorably from revenue limit/equalization aid increases)

Special education aid

Reimburses for a portion of mandated special education costs

2024-25: 29.14%

The remainder comes out of the district's general fund

Increased investment over the prior year:

2023-24: \$40.1 million

2024-25: \$16.7 million



2023-25 State Budget

- The \$325 increase is still below LFB estimated inflationary per-pupil adjustment (\$393 in 2023-24; \$403 in 2024-25)
- Represents between 1.3% and 3.3% increase in 2023-24 school district base revenue limits
- School districts are already \$3,380 per pupil behind where inflationary adjustments would have put them
- An increase of \$1,000 per pupil in the low revenue limit ceiling.



National Ranking Falls

- Wisconsin was 11th nationwide in 2002 education spending and ranked **11% above** the national average.
- Wisconsin fell to 25th by 2022, spending **7.2% below** national average.
- Wisconsin provides disproportionately less funding to rural districts: 11th lowest in the nation on state revenue to schools per local dollar (\$.82 versus \$1.18 nationally).



2025-27 State Budget Timeline

02/18/25:
Governor's
introduction of
State Budget

April:
Statewide
Public Hearings
(x 4-6)

May: JFC co-chairs
release deliberation
schedule & meet in
Executive Session



Last week of March/
first week of April:
JFC Agency Briefings

04/29/25:
LFB Releases
Non-Fiscal
Policy

June: Assembly
and Senate meet
to debate and vote
on JFC-approved
2025-27 State
Budget

Goal:
Passage by
7/1/25



SAA Approach to 2025-27 State Budget

- Get the Most for the Most in the Most.
- Maintain a unified voice statewide.
- Focus on several large buckets instead of many smaller items.

Special Education Categorical Aid:

Increase SPED Reimbursement rate to **60%** in both years.

Make the categorical aid sum sufficient.

General Revenue Increase:

Provide predictable, sustainable, and inflationary-responsive revenue limit increases.

Utilize a balanced, flexible funding approach, including per pupil and general aid.

Continue to expand on the 2023/25 LRC increase.

Build A Strong School Workforce:

Address workforce shortages with a multifaceted approach.

Utilize the budget to make the profession more attractive.

Support programs like Educators Rising and the Teacher Pledge Program.



Advocacy Opportunities

Engage with Lawmakers

- Superintendents, school leaders, and school board members meet with state legislators to explain the impact of budget decisions on schools.
- Share data on the demographics of your student population.
- Discuss with seasoned leaders the opportunity to organize legislative breakfasts or invite lawmakers to visit schools.

Attend a State Budget Hearing

- Consider attending with a group of more than two.
- Talk to experienced school leaders who have testified at State Budget Hearings.
- If you can not attend, email JFC with formal comments.



Key Points to Remember

- Don't negotiate against yourself.
- Engage other community leaders in advocacy efforts when possible.
- Beware of trade-offs for big ticket items.
- Be prepared for a possible delay in passage.
- Make sure to sign in to the SAA blog for the most recent updates.

