

The Joint Committee on Finance, led by Senator Howard Marklein (R-Spring Green) and Representative Mark Born (R-Beaver Dam), approved an [omnibus motion](#) outlining their proposed budget for K-12 education aids.

The proposal includes a modest increase in the special education reimbursement rate—rising to 35% in 2025-26 and 37.5% in 2026-27. Despite a Marquette Law School Poll where participants expressed 76% support for increased funding for Special Education Aid. The Budget also provides no increase in general school aids, meaning the full \$325 per pupil revenue limit increase will be funded entirely through local property taxes. Additionally, the proposal includes no increase in per pupil aid and only minimal increases in mental health, transportation, and sparsity aids.

The committee moved to expand High-Cost Special Education Aid as a partial response to widespread calls for increased general special education funding. Under the proposal, High-Cost Special Education Aid would be funded at levels sum sufficient to provide 50% reimbursement in 2025-26 and 90% in 2026-27.

Thank you to WASB for this summary of the Governor's recommended budget and the Joint Finance Committee's proposal:

Categorical Aids

Special Education Aids

General Special Education

- **Governor's Request:** Provide \$542,949,100 in 2025-26 and \$587,658,200 in 2026-27 for special education categorical aid and modify the appropriation from sum certain to be a sum sufficient appropriation paying 60% of eligible costs beginning in 2025-26 and annually thereafter. (currently 32.1%)
- **Joint Finance Approved:** Provide \$77,229,600 GPR in 2025-26 and \$151,744,700 GPR in 2026-27 for special education categorical aid. It is estimated that this funding would increase the proration rate to 35% in 2025-26 and 37.5% 2026-27.

High-Cost Special Education

- **Governor's Request:** Provide \$8,789,000 in 2025-26 and \$9,720,000 in 2026-27 for high cost special education categorical aid and modify the appropriation from sum certain to be a sum sufficient appropriation paying 40% of eligible costs beginning in 2025-26 and annually thereafter. (currently 25.9%)
- **Joint Finance Approved:** Provide an increase of \$14,606,700 GPR in 2025-26 and \$39,970,300 GPR in 2026-27 for high cost special education categorical aid. It is estimated that this funding would increase the proration rate to 50% in 2025-26 and 90% in 2026-27.

Mental Health Programs

- **Governor's Request:** Provide \$83,888,000 annually above base level funding of \$10,000,000 for school-based mental health services to expand the capacity of school districts and independent charter schools to offer mental health services and support to pupils, and rename the appropriation to "aid for comprehensive school mental health services."
 - Provide \$62,752,000 in 2025-26 and \$67,237,000 in 2026-27 above base level funding of \$12,000,000 to expand aid for school mental health programs, and rename the appropriation to "aid for school mental health programs; pupil services professionals."
 - Provide \$250,000 annually above base level funding of \$250,000 to expand the peer-to-peer suicide prevention grant program and modify the program to increase

the maximum grant award for the peer-to-peer suicide prevention grants from \$1,000 to \$6,000.

- **Joint Finance Approved:** Provide \$10,000,000 GPR of one-time funding in 2025-26 and 2026-27 to expand aid for school mental health programs.

Sparsity Aid

- **Governor's Request:** Provide \$10,016,800 in 2025-26 and \$10,236,800 in 2026-27 above base level funding of \$28,614,000 for sparsity aid. Modify the program beginning in the 2025-26 school year to increase per pupil payment amounts from \$400 to \$500 if the school district's membership in the previous school year did not exceed 745 pupils, and from \$100 to \$200 if the school district's membership in the previous school year was between 745 and 1,000 pupils.
- **Joint Finance Approved:** Provide \$896,000 GPR in 2025-26 and \$1,116,000 GPR in 2026-27 above base level funding of \$28,614,000 for sparsity aid, which would fully fund estimated eligibility under current law.

Transportation Funding

- **Governor's Request:**
 - **General:** Modify statutory language to increase the reimbursement rate for pupils transported over 12 miles to and from school in the regular school year from \$400 to \$450 beginning in the 2025-26 school year. It is estimated that the current funding level (\$24.0 million GPR annually) would fully fund payments at the increased rate.
 - **High-Cost:** : Modify the eligibility threshold for the high cost transportation aid program from 140% of the statewide average transportation costs to 135% of the statewide average beginning in the 2025-26 school year.
- **Joint Finance Approved:**
 - **General:** Modify statutory language to increase the reimbursement rate for pupils transported over 12 miles to and from school in the regular school year from \$400 to \$450 beginning in the 2025-26 school year.
 - **High-Cost:** Modify the eligibility threshold for the high cost transportation aid program from 140% of the statewide average transportation costs to 135% of the statewide average beginning in the 2025-26 school year.

General School Aids and Revenue Limits

General School Aid

- **Governor's Request:** Provide \$493,800,000 in 2025-26 and \$699,900,000 in 2026-27 above base level funding of \$5,581,190,000 for general school aids. The general school aids appropriation funds equalization, integration, and special adjustment aid. The bill funding would represent increases of 8.8% in 2025-26 and 3.4% in 2026-27 compared to the prior year.
 - Return to inflationary indexing for revenue limit adjustments.
 - In 2025-26= \$334 per pupil increase; In 2026-27=\$345 per pupil increase.
- **Joint Finance Approved:** No Increase

Low Revenue Adjustment

- **Governor's Request:** Set the low revenue adjustment amount under revenue limits at \$12,000 per pupil in 2025-26 and \$12,400 per pupil in 2026-27 and in any subsequent school year. Also, beginning in 2025-26, delete the statutory provisions restricting otherwise-eligible districts from any low revenue adjustment increases for three years after a failed operating referendum.
- **Joint Finance Approved:** No increase

Per Pupil Aid

- **Governor's Request:** Provide \$45,238,600 in 2025-26 and \$83,367,000 in 2026-27 to increase the per pupil payment from \$742 in 2024-25 to \$800 in 2025-26 and \$850 in 2026-27 and each year thereafter.
 - Also applied an additional 20% weight to students in poverty.
- **Joint Finance Approved:** No Increase

Early Literacy Initiatives

- **Governor's Request:**
 - Provide \$50,000,000 in 2025-26 to replace unreleased funding appropriated for use in the 2023-25 biennium on a literacy program created under 2023 Wisconsin Act 20.
 - Provide \$7,045,200 in 2025-26 and \$11,018,000 in 2026-27 to contract for literacy coaches and provide professional development to implement the requirements of the early literacy and reading improvement program created under 2023 Wisconsin Act 20.
 Modify the program beginning in the 2026-27 school year to increase the maximum number of literacy coaches statewide from 64 to 100, the maximum number located within the boundaries of a first-class city school district from 10 to 16, and the maximum number in other school districts from 4 to 6. Additionally, modify the program to repeal the program the sunset date.
 - Provide \$3,000,000 annually in a new appropriation for competitive grants to community-based nonprofit organizations to provide literacy tutoring, including high dosage tutoring, to pupils in five-year-old kindergarten to third grade who have not yet demonstrated the ability to read at grade-level.
 - Provide \$1,450,000 annually above base level funding of \$2,151,000 in the appropriation for assessments of reading readiness to provide aid to local educational agencies to offset the costs of administering diagnostic assessments of early literacy skills.
 - Provide \$2,625,500 in 2026-27 to reimburse school boards and independent charter schools for costs incurred in the previous school year to provide required intensive summer reading programs to eligible pupils.
- **Joint Finance Approved:** Provide \$250,000 annually above base level funding of \$2,000,000 to support literacy tutoring services provided through the Wisconsin Reading Corps.

Choice, Charter, Open Enrollment

- **Governor's Request:**
 - **Milwaukee:** Provide \$20,723,100 in 2025-26 and \$34,248,300 in 2026-27 over base year funding of \$313,658,100 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 28,900 pupils in 2024-25 to an estimated 29,440 pupils in 2025-26 and 2026-27. (increases of \$392 and \$395 to per pupil payments)
 - **Racine/Statewide:** Provide \$33,915,500 in 2025-26 and \$47,105,400 in 2026-27 over base year funding of \$275,299,900 for the Racine and statewide private school choice programs to reflect changes in pupil participation and per pupil payments under the bill. (increases of \$392 and \$395 to per pupil payments)
 - **SNSP:** Provide \$7,446,700 in 2025-26 and \$8,493,300 in 2026-27 above base level funding of \$45,143,200 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 3,000 pupils to 3,440 pupils in 2025-26 and 2026-27. Based on the increases in the per pupil aid and revenue limit adjustment

provided in the bill, the per pupil payment under the program would increase from \$15,409 in 2024-25 to \$15,801 in 2025-26 and \$16,196 in 2026-27.

- **Independent Charter:** The main appropriation for the program currently funds payments to charter schools that the City of Milwaukee, UW-Milwaukee, UW-Parkside, and the Waukesha County Executive contract to operate. The Administration estimates that 10,288 pupils in 2025-26 and 10,621 pupils in 2026-27 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 \$11,729 in 2024-25 to \$12,121 in 2025-26 and \$12,516 in 2026-27.
- **Open Enrollment:** Increases of \$392 and \$395 to per pupil payments
- **General Provisions:** Re-establish caps to enrollment for choice and charter programs. Link increases in payments for the programs to increases in the revenue limit.
- **Joint Finance Approved:**
 - **Under the motion, the various per pupil payments for the choice and charter programs would increase by \$135 per pupil in 2025-26 and a further \$128 per pupil in 2026-27 as a change to the prior year, in addition to the \$325 annual increase resulting from the per pupil revenue limit adjustment under current law** (the fiscal effect of which was included under previous Committee action). The following four items are reestimates for those payments.
 - **Milwaukee:** Provide \$3,968,400 GPR in 2025-26 and \$8,080,200 GPR in 2026-27 as a re-estimate of sum sufficient funding in the appropriation for the Milwaukee private school choice program.
 - **Racine/Statewide:** Provide \$3,721,700 GPR in 2025-26 and \$8,184,100 GPR in 2026-27 as a reestimate of sum sufficient funding in the appropriation for the Racine and statewide private school choice programs. Adjust GPR lapses by \$3,679,900 GPR-Lapse in 2025-26 and \$8,134,100 GPR-Lapse in 2026-27.
 - **SNSP:** Provide \$463,700 GPR in 2025-26 and \$1,018,900 GPR in 2026-27 as a reestimate of sum sufficient funding in the appropriation for the special needs scholarship program. Adjust GPR lapses by \$463,700 GPR-Lapse in 2025-26 and \$1,018,900 GPR-Lapse in 2026-27.
 - **Independent Charter:** Provide \$1,386,800 GPR in 2025-26 and \$2,796,300 GPR in 2026-27 as a reestimate of sum sufficient funding in the main appropriation for the independent charter school program. Adjust GPR lapses by \$79,300 GPR-Lapse in 2025-26 and \$163,500 GPR-Lapse in 2026-27.
Provide \$303,600 GPR in 2025-26 and \$626,400 GPR in 2026-27 as a reestimate of sum sufficient funding in the appropriation for the independent charter schools authorized by the Office of Educational Opportunity (OEO) in the UW System. Adjust GPR lapses by \$303,600 GPR-Lapse in 2025-26 and \$626,400 GPR-Lapse in 2026-27.
 - **Open Enrollment:** Increase the full-time open enrollment transfer amount by \$1,578 per pupil in the 2025-26 school year, in addition to the indexing calculation.

Dee Pettack
Executive Director
School Administrators Alliance
dee.pettack@wsaa.org