

FILED
02-23-2026
Clerk of Circuit Court
Eau Claire County, WI
2026CV000103
Honorable Jon M. Theisen
Branch 4

STATE OF WISCONSIN CIRCUIT COURT EAU CLAIRE COUNTY

WISCONSIN PTA,
12605 West North Avenue
PMB 151
Brookfield, WI 53005,

Case No. _____

ADAMS-FRIENDSHIP AREA SCHOOL
DISTRICT,
201 West 6th Street
Friendship, WI 53934,

Case Code: 30701
Declaratory Judgment

SCHOOL DISTRICT OF BELOIT,
1500 Fourth Street
Beloit, WI 53511,

EAU CLAIRE AREA SCHOOL
DISTRICT,
500 Main Street
Eau Claire, WI 54701,

GREEN BAY AREA PUBLIC SCHOOL
DISTRICT,
200 South Broadway,
Green Bay, WI 54303

NECEDAH AREA SCHOOL DISTRICT,
1801 South Main Street
Necedah, WI 54646,

BELOIT EDUCATION ASSOCIATION,
c/o WEAC Region 6
33 Nob Hill Road
Madison, WI 53713,

EAU CLAIRE ASSOCIATION OF
EDUCATORS,
2004 Highland Avenue
Suite L
Eau Claire, WI 54701,

GREEN BAY EDUCATION
ASSOCIATION,
1136 North Military Avenue
Green Bay, WI 54303,

NECEDAH AREA TEACHERS'
ASSOCIATION,
c/o WEAC Region 4
2020 Caroline Street
La Crosse, WI 54603,

CHRISTINE HAMBUCH-BOYLE,
1822 Crestview Drive
Eau Claire, WI 54703,

DR. LEAH HOVER-PREISS,
1740 Wilderness Court
Friendship, WI 53934,

SHANE MCDONOUGH,
1366 Avondale Drive
Ashwaubenon, WI 54313,

JOSHUA MILLER,
1818 Emery Street
Eau Claire, WI 54701,

ORIANA MILLER,
1818 Emery Street
Eau Claire, WI 54701,

MERRIK MOORE,
834 County Road J
Friendship, WI 53934

MCKENNA ROUNDS,
217 Adams Street
Beloit, WI 53511

JULIE STRIDDE,
W5578 Island Drive
New Lisbon, WI 53950,

and

WISCONSIN PUBLIC EDUCATION
NETWORK,
4797 Hayes Road, Suite 103
Madison, WI 53219.

Plaintiffs,

v.

WISCONSIN STATE ASSEMBLY,
c/o Edward A. Blazel, Assembly
Chief Clerk,
17 West Main Street
Room 401
Madison, WI 53703,

WISCONSIN STATE SENATE,
c/o Cyrus Anderson, Senate Chief Clerk,
Room B20 Southeast
State Capitol
Madison, WI 53702,

REPRESENTATIVE ROBIN VOS,
in his official capacity as Speaker of
the Wisconsin State Assembly,
Room 217 West
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SENATOR MARY FELZKOWSKI, in
her official capacity as President of
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Madison, WI 53702,

and

REPRESENTATIVE DEB
ANDRACA, in her official capacity
as a member of the Joint Committee
on Finance,
Room 109 North
State Capitol
Madison, WI 53702,

Defendants.

SUMMONS

THE STATE OF WISCONSIN

To each person named above as a Defendant:

You are hereby notified that the Plaintiffs named above have filed a lawsuit or other legal action against you. The complaint, which is attached, states the nature and basis of the legal action.

Within 45 days of receiving this summons, you must respond with a written answer, as that term is used in Chapter 802 of the Wisconsin Statutes, to the complaint. The court may reject or disregard an answer that does not follow the requirements of the statutes. The answer must be sent or delivered to the court, whose address is Clerk of Circuit Court, Eau Claire County Circuit Court, 721 Oxford Avenue, Eau Claire, WI 54703 and to Plaintiffs' attorneys, whose address is Law Forward, Inc., 222 West Washington Avenue, Suite 680, Madison, WI 53703 and Wisconsin Education Association Council, 33 Nob Hill Road, Post Office Box 8003, Madison, WI 53708-8003. You may have an attorney help or represent you.

If you do not provide a proper answer within 45 days, the court may grant judgment against you for the award of money or other legal action requested in the complaint, and you may lose your right to object to anything that is or may be incorrect in the complaint. A judgment may be enforced as provided by law. A

judgment awarding money may become a lien against any real estate you own now or in the future, and may also be enforced by garnishment or seizure of property.

Dated: February 23, 2026.

Signed:

/s/ Electronically signed by Jeffrey A. Mandell

Jeffrey A. Mandell (SBN 1100406)

Douglas M. Poland (SBN 1055189)

Rachel E. Snyder (SBN 1090427)

Taylor A. Gilbertson (SBN 1126688)

LAW FORWARD, INC.

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/s/ Electronically signed by: Rebecca Ferber
Osborn

Rebecca Ferber Osborn (SBN 1034146)

Christine Galinat (SBN 1000693)

**WISCONSIN EDUCATION ASSOCIATION
COUNCIL**

Co-counsel for Plaintiffs Beloit Education
Association, Eau Claire Association of
Educators, Green Bay Education Association,
Necedah Area Teachers' Association, Leah
Hover-Preiss. and Shane McDonough

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Room 109 North
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Defendants.

COMPLAINT

“Education is the grand insurance policy of our liberties.”

— Journal and Debates of the Constitutional Convention 449 (1848),
in THE ATTAINMENT OF STATEHOOD (Milo M. Quaife ed.,
Wis. Hist. Soc’y 1928).

To manifest this axiomatic principle, adhere to our state Constitution, and defend Wisconsin students, both present and future, Plaintiffs¹ bring this Complaint against Defendants² the Wisconsin State Assembly, the Wisconsin State Senate, legislative leadership, and the Joint Committee on Finance and all of its members in their official capacities.

INTRODUCTION

1. Since statehood nearly 180 years ago, the Wisconsin Constitution has mandated the creation and maintenance of tuition free public schools across our State with a character of instruction as uniform as practicable.

2. Through those public schools, our Constitution guarantees every child in Wisconsin, ages four to twenty, the fundamental right of access to an equal opportunity for a sound basic education, without tuition.

¹ All Plaintiffs are identified in the caption and in paragraphs 36-63 below.

² For purposes of this Complaint, Defendants are collectively referred to as the Legislature.

3. The Wisconsin Supreme Court in *Vincent v. Voight* held “an equal opportunity for a sound basic education is one that will equip students for their roles as citizens and enable them to succeed economically and personally.” 2000 WI 93, ¶51, 236 Wis. 2d 588, 614 N.W.2d 388.

4. The Legislature has codified the standard for a sound basic education as one that provides all students the opportunity to be “proficient in mathematics, science, reading and writing, geography, and history, and to receive instruction in the arts and music, vocational training, social sciences, health, physical education and foreign language, in accordance with their age and aptitude.” *Id.*, ¶87 (citing Wis. Stat. § 121.02(L)).

5. The Court also made clear that “[a]n equal opportunity for a sound basic education acknowledges that students and districts are not fungible and takes into account districts with disproportionate numbers of disabled students, economically disadvantaged students, and students with limited English language skills.” *Id.*

6. The framers of Wisconsin’s Constitution always envisioned local school districts and the State sharing responsibility for ensuring that schools have adequate resources to deliver on this guarantee.

7. While control of public schools is largely local, the framers agreed at the constitutional convention that the primary responsibility for funding public schools—indeed, up to two-thirds of the cost—would fall on the State. They seeded the State’s obligation with the proceeds of a state trust fund established with the sale of certain federally granted public lands, with the intention of mitigating reliance on local

property taxes to fund Wisconsin public schools. But over time, education costs have far outpaced revenues from the state trust fund.

8. The Wisconsin Constitution expressly charges the Legislature with effectuating the constitutional mandate for tuition free public schools. Wis. Const. art. X, § 3.

9. Notwithstanding this clear constitutional command, the Legislature has failed to ensure that state funding to public school districts has kept pace with the increased educational costs, and the growing gap has imposed an ever-increasing burden on local taxpayers and property tax revenues.

10. In the 1999–2000 school year, public school district revenue broke down as 53.7% state, 41.6% local, and 4.7% federal. By 2023–24, the most recent year of available data, that mix had shifted to 45% state, 43% local, and 12% federal.

11. The state share notably declined, beginning in earnest after the 2008 recession, and has never fully recovered. Meanwhile, the local revenue share has increased, and the federal contribution has nearly tripled, driven largely by temporary pandemic relief funding.

12. In 2009—17 years ago—the Legislature repealed the statutory provision providing for automatically increasing the annual revenue limit by an amount indexed to inflation.

13. With federal funds expiring and a severely diminished state effort to fund public education, school districts across Wisconsin are facing financial crisis.

14. The Legislature has repeatedly recognized the gap between its constitutional obligations and the provisions it has allocated to Wisconsin public schools. It has convened legislative study committees, introduced broad overhaul plans, and enacted smaller tweaks and innovations across time. Yet, it has failed to follow through in actually setting the system right.

15. The Legislature has seemingly abandoned its commitment to the education of Wisconsin's public school children, especially those with high needs.

16. Adjusted for inflation, in the 2023–24 school year, Wisconsin spent \$800 less per public school pupil in state aid than it did in the 2009–10 school year.

17. By the end of fiscal year 2025, the State had a \$4.6 billion surplus and an approximately \$2 billion rainy-day fund.

18. In the 2023–24 school year, the State underfunded the education of students with disabilities by \$1.29 billion.

19. The Legislature completely stopped funding a program to assist school districts in meeting the needs of students in poverty after the 2022–23 school year.

20. The Legislature has also substantially underfunded aid to help school districts educate students with limited English proficiency.

21. At the same time, the Legislature continues to impose structural impediments that make it increasingly difficult for school districts to raise local property taxes to ameliorate the deficiencies in state funding. An outdated system of revenue controls punishes school districts with declining enrollments by limiting

their ability to raise and spend money. Districts are then forced to cut educational programs, often triggering further enrollment declines.

22. Because of the Legislature's actions, the revenue limits that constrain what public school districts can spend now lag far behind rising educational costs.

23. Had revenue limits kept pace with inflation since the 2009–10 school year, today school districts would receive an additional \$3,380 in revenue per-pupil.

24. Making matters worse, the Legislature has placed a significant additional strain on public education by creating and greatly expanding a competing system of largely unregulated and unaccountable voucher programs for private schools ("voucher schools"). These schools have expanded from educating 341 students in 1990 to over 59,000 students in the 2025–26 school year.

25. At a time when public schools are making significant cuts to educational programming and services, private school vouchers are costing State taxpayers nearly \$700 million in the 2025–26 school year alone. This violates the Wisconsin Supreme Court's ruling that private school vouchers are constitutionally permitted, so long as the State is already meeting its obligations to provide for public schools. *See Davis v. Grover*, 166 Wis. 2d 501, 539, 480 N.W.2d 460 (1992).

26. Private schools that accept vouchers are not required to meet the same federal and state mandates as traditional public schools. Despite this, the Legislature has given them preferred treatment. Most strikingly, the few private schools that provide special education services through the Special Needs Scholarship Program

receive state reimbursement at a minimum of 90% of their costs, while special education aid for public schools reimburses only about 35% of special education costs.

27. And to a lesser extent on a statewide basis, but just as devastating to some districts, including some Plaintiff districts, the Legislature has also created an alternative “public school” option in the form of independent charter schools, redirecting state aid away from public school districts to non-instrumentality or independent charter schools, which are also unaccountable to taxpayers and operate outside of the constitutionally mandated school district system.

28. Independent charter schools now receive per-pupil state aid payments in an amount (\$12,369 in the 2025–26 school year) that exceeds the low revenue ceiling threshold for public school districts (\$11,000 in the 2025–26 school year).

29. Due both to reduced state revenues in real dollars and legislatively imposed revenue limits, school districts across Wisconsin are now facing structural budget deficits that provide them little choice but to seek voter approval via referenda to fund school operating expenses through local property tax increases.

30. Of late, nearly every calendar year has set new records, both for the number of public school district referenda on ballots across the State and for the total dollar value of those referenda. In 2024, 150 operational referenda appeared on ballots across the State, surpassing the previous single-year record, set in 2022, by 59. Yet with only a 65% success rate, 52 school districts failed to secure the votes needed to fund their basic educational operations.

31. Teachers, administrators, support staff, parents, and students alike are extending themselves beyond the bounds of reasonable expectations to overcome the Legislature's dereliction. They are doing the best they can with inadequate resources.

32. Yet despite these efforts, the Legislature's persistent failure to adequately fund public school districts, coupled with decisions to cap school district spending and prioritize funding for private school vouchers and independent charter schools, has driven student outcomes, as measured by proficiency data, into steady decline. And high needs students have suffered the steepest proficiency losses.

33. Given their former excellence, it is difficult to imagine the current peril facing Wisconsin's once-extolled public schools. Not every Wisconsin school district faces the same predicament. Some wealthier school districts containing fewer high needs students are performing well. But an increasingly large number, including Plaintiff districts, are struggling. Students in those school districts, especially those with high needs, are falling short of the State's established thresholds for an adequate education.

34. The fault for this crisis lies not at the feet of students, parents, families, teachers, staff, administrators, school districts, or elected board members. At every level of our public education system, the people who operate that system are constrained by a lack of funding necessary to the essential work of ensuring all Wisconsin public school students receive fundamental educational rights guaranteed by the Wisconsin Constitution.

35. The shortcomings of our public schools are directly traceable to the Legislature's consistent failures to ensure adequate state funding of public schools and to legislate a rational school finance system that meets constitutional mandates.

36. Through this civil action, Plaintiffs seek to uphold our Constitution's educational promise to Wisconsin students, families, teachers, staff, administrators, and local communities. To this end, Plaintiffs ask this Court to enter a declaratory judgment that the Legislature has not fulfilled—and may no longer shirk—its constitutional obligation to fund Wisconsin public schools at a level sufficient to ensure that every Wisconsin student has an equal opportunity to obtain a sound basic education that equips them for their roles as citizens and enables them to succeed economically and personally in a tuition free public school where the character of instruction is as uniform as practicable.

37. For many Wisconsin school districts and the children they serve, time is running short.

PARTIES

38. Plaintiff Wisconsin PTA, the common name of The Wisconsin Congress of Parents and Teachers, Inc., is a Wisconsin nonprofit nonstock corporation operating as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Established in 1910, Wisconsin PTA is a longstanding volunteer organization whose mission is “to make every child's potential a reality by engaging and empowering families and communities to advocate for all children.” Wisconsin

PTA's mailing address is 12605 West North Avenue, PMB 151, Brookfield, Wisconsin 53005.

39. Wisconsin PTA has more than 100 local units in school districts and communities across the State. Its members are parents, educators, students, and citizens who actively participate in their schools and communities, speaking with a powerful voice on behalf of Wisconsin children. As a statewide entity, and through its local units, Wisconsin PTA invests time and resources into advocating for public schools, including for adequate funding, at the state and local levels.

40. Plaintiff Adams-Friendship Area School District serves students and families in the Adams-Friendship area by providing education and related support and social services to students from four-year-old kindergarten to twelfth grade. The district's principal place of business is in Adams County. Its mailing address is 201 W. 6th Street, Friendship, Wisconsin 53934.

41. Plaintiff School District of Beloit serves students and families in the Beloit area by providing education and related support and social services to students from four-year-old kindergarten through twelfth grade. The district's principal place of business is in Rock County. Its mailing address is 1500 Fourth Street, Beloit, Wisconsin 53511.

42. Plaintiff Eau Claire Area School District serves students and families in the Eau Claire area by providing education and related support and social services to students from three- and four-year-old head start programming and four-year-old kindergarten through twelfth grade. The district's principal place of business is in

Eau Claire County. Its mailing address is 500 Main Street, Eau Claire, Wisconsin 54701.

43. Plaintiff Green Bay Area Public School District serves students and families in the Green Bay area by providing education and related support and social services to students from three- and four-year-old head start programming and four-year-old kindergarten through twelfth grade. The district's principal place of business is in Brown County. Its mailing address is 200 South Broadway, Green Bay, Wisconsin 54303.

44. Plaintiff Necedah Area School District serves students and families in the Necedah area by providing education and related support and social services to students from four-year-old kindergarten through twelfth grade. The district's principal place of business is in Juneau County. Its mailing address is 1801 South Main Street, Necedah, Wisconsin 54646.

45. Plaintiff Beloit Education Association ("BEA") is a local union that serves as the certified collective bargaining representative for educators in the School District of Beloit. BEA's principal place of business is in Rock County. Its mailing address is c/o WEAC Region 6, 33 Nob Hill Road, Madison, Wisconsin 53713.

46. BEA members are professional employees of the School District of Beloit. Many are Wisconsin taxpayers and parents of children who attend schools in the School District of Beloit or other public school districts in the State.

47. BEA exists to promote the educational welfare of all students and the welfare of professional educators through a variety of means, including by enabling

its members to speak with a common voice on matters affecting educators and students.

48. The Eau Claire Association of Educators (“ECAE”) is a local union that serves as the certified collective bargaining representative for educators in the Eau Claire Area School District. ECAE’s principal place of business is in Eau Claire County. Its mailing address is 2004 Highland Avenue, Suite L, Eau Claire, Wisconsin 54701.

49. ECAE members are professional employees of the Eau Claire Area School District. Many are Wisconsin taxpayers and parents of children who attend schools in the Eau Claire Area School District or other public school districts in the State.

50. ECAE serves to promote the educational welfare of all students and to enable ECAE members to speak with a common voice to present their interests to the Board of Education and other authorities.

51. Plaintiff Green Bay Education Association (“GBEA”) is a local union that serves as the certified collective bargaining representative for educators in the Green Bay Area Public School District. GBEA’s principal place of business is in Brown County. Its mailing address is 1136 North Military Avenue, Green Bay, Wisconsin 54303.

52. GBEA members are educational employees of the Green Bay Area Public School District. Many are Wisconsin taxpayers and parents of children who

attend schools in the Green Bay Area Public School District or other public school districts in the State.

53. GBEA works to promote the educational welfare and equitable access to education for all students and to enable GBEA members to speak with a common voice to present their interests to the Board of Education and other authorities.

54. The Necedah Area Teachers' Association ("NATA") is a local union that serves as the certified collective bargaining representative for educators in the Necedah Area School District. NATA's principal place of business is in Juneau County. Its mailing address is c/o WEAC Region 4, 2020 Caroline Street, La Crosse, Wisconsin 54603.

55. NATA members are professional employees of the Necedah Area School District. Many are Wisconsin taxpayers and parents of children who attend schools in the Necedah Area School District or other public school districts in the state.

56. NATA works actively to improve the educational opportunities of children and to enable NATA members to speak with a common voice in presenting their interests to the Board of Education and other entities.

57. Plaintiff Christine Hambuch-Boyle is a resident of the Eau Claire Area School District, a retired teacher and speech language pathologist, an employee of the Wisconsin Public Education Network, and a taxpayer who resides at 1822 Crestview Drive, Eau Claire, Wisconsin 54703.

58. Plaintiff Dr. Leah Hover-Preiss is a resident of the Adams-Friendship Area School District and is employed by the District as a middle school math

interventionist, instructional coach, and the Director of the Gifted and Talented program. She is a parent of two children who attend schools in the Adams-Friendship Area School District. She is a taxpayer who resides at 1740 Wilderness Court, Friendship, Wisconsin 53934.

59. Plaintiff Shane McDonough is a resident of the School District of Ashwaubenon. He is employed by the Green Bay Area Public School District as a special education teacher. He is a parent of two children who attend schools in the Green Bay Area Public School District. He is a taxpayer who resides at 1366 Avondale Drive, Ashwaubenon, Wisconsin 54313.

60. Plaintiff Joshua Miller is a resident of the Eau Claire Area School District, a parent to a current District student, and a taxpayer who resides at 1818 Emery Street, Eau Claire, Wisconsin 54701.

61. Plaintiff Oriana Miller is a resident of the Eau Claire Area School District and a current tenth-grade student within the District who resides at 1818 Emery Street, Eau Claire, Wisconsin 54701.

62. Plaintiff Merrik Moore is a resident of the Adams-Friendship Area School District and a current tenth-grade student within the District who resides at 834 County Road J, Friendship, Wisconsin 53934.

63. Plaintiff McKenna Rounds is a resident of the School District of Beloit and a current twelfth-grade student within the District who resides at 217 Adams Street, Beloit, Wisconsin 53511.

64. Plaintiff Julie Stridde is a resident of the Necedah Area School District, a parent of one District student and one former District student, and a taxpayer who resides at W5578 Island Drive, New Lisbon, Wisconsin 53950.

65. Plaintiff Wisconsin Public Education Network (“WPEN”), a project of the Wisconsin Alliance for Excellent Schools, is a nonprofit, non-partisan alliance of parents, educators, board members, administrators, school districts, grassroots groups, and local advocacy teams who share a commitment to the ongoing success of Wisconsin’s public schools. WPEN’s mailing address is 4797 Hayes Road, Suite 103, Madison, Wisconsin 53219. WPEN invests significant time and resources advocating for adequate public school funding at both the state and local levels. WPEN has paid staff assigned to regions of the state whose work focuses on local advocacy.

66. Defendant Wisconsin State Assembly (“Assembly”) is one of two houses comprising the Wisconsin State Legislature, in which the Wisconsin Constitution vests the legislative power. Wis. Const. art. IV, § 1. The Assembly conducts business in the State Capitol and may be contacted through its Chief Clerk, Edward A. Blazel, 17 West Main Street, Room 401, Madison, Wisconsin 53703.

67. Defendant Wisconsin State Senate (“Senate”) is the other of two houses comprising the Wisconsin State Legislature, in which the Wisconsin Constitution vests the legislative power. Wis. Const. art. IV, § 1. The Senate conducts business in the State Capitol and may be contacted through its Chief Clerk, Cyrus Anderson, Room B20 Southeast, State Capitol, Madison, Wisconsin 53702.

68. Both the Assembly and the Senate are responsible for funding Wisconsin's public schools under article X, section 3 of the Wisconsin Constitution.

69. Defendant Robin Vos is an elected member of the Assembly, representing Assembly District 33. Vos serves as the Speaker of the Assembly. Vos's business address is Room 217 West, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as Speaker of the Assembly.

70. Defendant Mary Felzkowski is an elected member of the Senate, representing Senate District 12. Felzkowski serves as Senate President. Felzkowski's business address is Room 220 South, State Capitol, in Madison, Wisconsin. She is sued in her official capacity as Senate President.

71. Defendant Devin LeMahieu is an elected member of the Senate, representing Senate District 9. LeMahieu serves as the Senate Majority Leader. LeMahieu's business address is Room 211 South, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as Senate Majority Leader.

72. Defendant Joint Committee on Finance is a statutory, 16-member standing committee of the Wisconsin Legislature made up of members from both houses. The Committee's primary responsibility is to serve as the principal legislative committee charged with the review of all state appropriations and revenues. The Committee conducts business at the Wisconsin State Capitol, located at 2 East Main Street, Madison, Wisconsin 53702.

73. Defendant Mark Born is an elected member of the Assembly, representing Assembly District 37. Born serves as Co-Chair of the Joint Committee

on Finance. Born's business address is Room 308 East, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as Co-Chair of the Joint Committee on Finance.

74. Defendant Howard L. Marklein is an elected member of the Senate, representing Senate District 17. Marklein serves as Co-Chair of the Joint Committee on Finance. Marklein's business address is Room 316 East, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as Co-Chair of the Joint Committee on Finance.

75. Defendant Tony Kurtz is an elected member of the Assembly, representing Assembly District 41. Kurtz serves as Vice Chair of the Joint Committee on Finance. Kurtz's business address is Room 304 East, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as Vice Chair of the Joint Committee on Finance.

76. Defendant Patrick Testin is an elected member of the Senate, representing Senate District 24. Testin serves as Vice Chair of the Joint Committee on Finance. Testin's business address is Room 8 South, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as Vice Chair of the Joint Committee on Finance.

77. Defendant Eric Wimberger is an elected member of the Senate, representing Senate District 2. Wimberger serves as a member of the Joint Committee on Finance. Wimberger's business address is Room 409 South, State

Capitol, in Madison, Wisconsin. He is sued in his official capacity as a member of the Joint Committee on Finance.

78. Defendant Rob Stafsholt is an elected member of the Senate, representing Senate District 10. Stafsholt serves as a member of the Joint Committee on Finance. Stafsholt's business address is Room 15 South, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as a member of the Joint Committee on Finance.

79. Defendant Julian Bradley is an elected member of the Senate, representing Senate District 28. Bradley serves as a member of the Joint Committee on Finance. Bradley's business address is Room 316 South, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as a member of the Joint Committee on Finance.

80. Defendant Romaine Robert Quinn is an elected member of the Senate, representing Senate District 25. Quinn serves as a member of the Joint Committee on Finance. Quinn's business address is Room 123 South, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as a member of the Joint Committee on Finance.

81. Defendant LaTonya Johnson is an elected member of the Senate, representing Senate District 6. Johnson serves as a member of the Joint Committee on Finance. Johnson's business address is Room 131 South, State Capitol, in Madison, Wisconsin. She is sued in her official capacity as a member of the Joint Committee on Finance.

82. Defendant Kelda Roys is an elected member of the Senate, representing Senate District 26. Roys serves as a member of the Joint Committee on Finance. Roys's business address is Room 130 South, State Capitol, in Madison, Wisconsin. She is sued in her official capacity as a member of the Joint Committee on Finance.

83. Defendant Shannon Zimmerman is an elected member of the Assembly, representing Assembly District 30. Zimmerman serves as a member of the Joint Committee on Finance. Zimmerman's business address is Room 324 East, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as a member of the Joint Committee on Finance.

84. Defendant Jessie Rodriguez is an elected member of the Assembly, representing Assembly District 21. Rodriguez serves as a member of the Joint Committee on Finance. Rodriguez's business address is Room 306 East, State Capitol, in Madison, Wisconsin. She is sued in her official capacity as a member of the Joint Committee on Finance.

85. Defendant Alex A. Dallman is an elected member of the Assembly, representing Assembly District 39. Dallman serves as a member of the Joint Committee on Finance. Dallman's business address is Room 320 East, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as a member of the Joint Committee on Finance.

86. Defendant Karen R. Hurd is an elected member of the Assembly, representing Assembly District 69. Hurd serves as a member of the Joint Committee on Finance. Hurd's business address is Room 321 East, State Capitol, in Madison,

Wisconsin. She is sued in her official capacity as a member of the Joint Committee on Finance.

87. Defendant Tip McGuire is an elected member of the Assembly, representing Assembly District 64. McGuire serves as a member of the Joint Committee on Finance. McGuire's business address is Room 321 West, State Capitol, in Madison, Wisconsin. He is sued in his official capacity as a member of the Joint Committee on Finance.

88. Defendant Deb Andraca is an elected member of the Assembly, representing Assembly District 23. Andraca serves as a member of the Joint Committee on Finance. Andraca's business address is Room 109 North, State Capitol, in Madison, Wisconsin. She is sued in her official capacity as a member of the Joint Committee on Finance.

JURISDICTION AND VENUE

89. This Court has jurisdiction over the subject matter of this dispute pursuant to article VII, section 8 of the Wisconsin Constitution and Wis. Stat. § 753.03, which grant this Court subject matter jurisdiction over all civil matters within this State.

90. Further, this Court has power to issue declaratory judgment conferred by Wis. Stat. § 806.04.

91. Jurisdiction over Defendants is conferred by Wis. Stat. § 801.05(1)(b), (1), and (2).

92. Venue is proper under Wis. Stat. § 801.50(2)(a) in Eau Claire County because it is one of the counties in which the claim arose.

FACTS

The Foundational Role of Establishing Public Schools in the Founding of the State of Wisconsin

93. Wisconsin has recognized the vital role of public education in a democratic society since even before statehood. Indeed, the founding of the State of Wisconsin is tied inextricably to the grant of land from the United States government for purposes that include the establishment of schools and funding education for the State's residents.

94. Support for the establishment and funding of public schools was included in Wisconsin's first territorial laws. 1836 Wisconsin Act 29 provided that anyone who trespassed on school lands, or the sixteenth section of each township, "by cutting down, destroying, or hauling from off the same, any timber or wood of any kind, mineral, stone or stone coal" was required to pay a forfeiture to the township, which funds were to "be appropriated to the use of schools within the township."

95. In 1839, the Wisconsin territorial legislature officially established school districts, minimum credentialing requirements for teachers, and a funding mechanism that combined rental proceeds from the lease of school lands and local property taxes to support district schools.

96. In 1845, the Wisconsin territorial legislature passed a law specifically "authorizing the establishment of a free public school system in the village of Southport." *Buse v. Smith*, 74 Wis. 2d 550, 569, 247 N.W.2d 141 (1976).

97. In 1846, Congress paved the way for Wisconsin to join the Union, adopting an enabling act authorizing the Wisconsin Territory to form a government and adopt a constitution. In that act, Congress reaffirmed the Northwest Ordinance’s grant of land for public schools, stating: “That section numbered sixteen, in every township of the public lands in [Wisconsin], and, where such section has been sold or otherwise disposed of, other lands equivalent thereto, and as contiguous as may be, shall be granted to said state for the use of schools.” 9 Stat. 56, 29 Cong. Ch. 89.

98. When Wisconsin adopted its constitution several years later, the framers directed this grant to support public schools. *See* Wis. Const. art X, § 2.

The Inclusion of Funding for Public Schools in Wisconsin’s Constitution

99. Both the proposed state constitution of 1846 (which was not ratified) and the constitution of 1848 (which was ratified and remains in effect today) expressly charged the Legislature with creating and maintaining public schools open to all Wisconsin children. Wis. Const. art. X, § 3.

100. The constitutional convention determined that: towns and cities were required to tax residents to raise at least one-half of the amount that the State provided—that is, state funding would account for two-thirds of public education funding and local funding would account for one-third—to support local common schools. The delegates intended for schools to be funded from a combination of proceeds from the common school fund, created in article X, section 2, and local property taxes “to bring a sound education within the reach of every child in the state

through all coming time.” Journal and Debates of the Constitutional Convention 480 (1848), *in* THE ATTAINMENT OF STATEHOOD (Milo M. Quaife ed., Wis. Hist. Soc’y 1928).

101. The delegates anticipated that the State’s portion of public school funding would be derived from investment income generated by the common school fund.

102. Through grants from the United States and forfeited mortgaged lands in Wisconsin, one year after statehood in 1849, the State of Wisconsin held in trust more than 1,700,000 acres to be sold to create the common school fund.

103. Unfortunately, the delegates were not able to protect the common school fund from bad actors appointed to appraise the land in the common school fund. Those appraisers sold the land, deemed to be some of the best in the State, at rates of five to ten cents an acre, though the value was then as much as \$20 per acre.

104. Initial investment of the proceeds in risky loans to private individuals between 1849 and 1864 also resulted in significant losses. Subsequent investments in safer options, including bonds issued by the State and loans to school districts and municipalities, preserved the remaining principal but failed to spur meaningful growth.

105. This mismanagement of land sales and investment of the proceeds held in trust prevented the common school fund from becoming the strong endowment that the framers envisioned. As a consequence, the State has needed to supplement the income generated by the common school fund with additional state funding for public school districts.

106. In 1891, in addition to the proceeds of the common school fund, the Wisconsin Legislature began contributing revenue from state property taxes to the support of public schools. 1891 Wis. Act 332.

107. The State first attempted to equalize funding among school districts in 1927.

108. In 1949, Wisconsin adopted a school aid formula based on guaranteed property valuation. That system generally remained in place until the 1970s.

***The Creation of the Modern Funding Mechanism for
Wisconsin Public School Districts in the 1970s***

109. By the 1960s, as baby boomers flooded into public schools, Wisconsin's education costs soared.

110. To cover those increased costs, school districts across the State increased local property tax levies, nearly doubling overall property tax revenues from \$323 million in 1961 to \$624 million in 1971.

111. Discontent about skyrocketing property taxes escalated among Wisconsin residents to the point that, in 1972, several towns voted to withhold property tax collections from their local school districts in protest. Ultimately, no municipality actually refused to remit tax revenue to local school districts, but at least three municipalities withheld their funding for several weeks past the statutory deadline.

112. In response to public pressure and seeking to address the limitations a property-tax-funded system placed on educational opportunity, in 1972 Governor

Patrick Lucey created a task force to study and propose school-funding alternatives to relieve some of the burden from local property taxes.

113. In February of 1973, the task force recommended a new equalization formula for state funding, as well as a mechanism to mitigate increases in local property taxes due to increased per-pupil spending.

114. Under the new equalization formula, the State would calculate the distribution of funding to school districts based on the property value of each district, with the goal of reducing disparities in per-pupil spending.

115. A key feature of the new recommended formula was a “negative-aid provision,” under which those school districts with the greatest property value would remit a portion of their property tax revenue to the State for redistribution to school districts with less property value.

116. The task force’s recommended mechanism to slow property tax increases worked by reducing the amount of state funding a school district would receive if its per-pupil cost surpassed a legislatively determined amount.

117. Governor Lucey incorporated the task force recommendations into his proposed budget, initiating a school finance battle with the Legislature during the 1973–75 biennial budget process.

118. This battle fundamentally changed school finance in Wisconsin by (inadvertently) creating a playing field that pitted school districts against one another. Under Governor Lucey’s budget proposal, districts with high property value faced becoming “losers” because, under the proposed negative-aid provision, they

were projected to lose a portion of their revenue to the State, which would then direct the funds to other districts. By contrast, districts with low property value would “win” if the negative-aid provision were enacted. These “winner” and “loser” districts advocated for opposite reforms throughout the budget process, with the far less numerous, but more politically powerful, “loser” districts prevailing.

119. Ultimately, as a part of adopting a new equalization formula that included the task force’s proposed spending-control mechanism, the Legislature also incorporated a weakened version of the negative-aid provision, the implementation of which was delayed until 1976.

120. In the next biennial budget, the Legislature made the spending-control mechanism permanent and limited school districts’ spending increases to 9.5% per year.

121. The negative-aid provision was challenged in court before it even took effect. It was never implemented, after the Wisconsin Supreme Court held that the provision violated the Wisconsin Constitution’s uniform taxation clause. *Buse v. Smith*, 74 Wis. 2d at 581.

122. Although the new equalization formula took effect in 1976, with the negative-aid provision stricken, the remainder of the formula was unbalanced from the start. The districts with the greatest property values had access to more than ample funding for their students. But, contrary to its original purpose and design, without a mechanism for redistribution, the equalization formula could not effectively level funding across the State. School districts with less property value could not raise

sufficient property tax revenue, even while taxing at higher rates, because they had insufficient property-tax bases.

Changes to Wisconsin Public School District Funding in the 1990s

123. By the mid-1990s, the school finance system's over-reliance on local property taxes was again causing political unrest. Between 1985 and 1993, property taxes in Wisconsin rose by an average of more than 7% annually, due largely to school districts' increasing costs. Like in the mid-1960s, public pressure mounted for the state government to address rising property taxes.

124. This time, the Legislature did not seek to overhaul the equalization formula, but instead made three specific changes to the system:

- a. imposing limits, based on each school district's spending the prior year, on the total amount of per-pupil revenue that school districts could generate, and spend, from the combination of state general aid and local property taxes;
- b. creating qualified economic offers ("QEOs"), which limited the power of collective bargaining and were designed to slow increases in teacher salaries by allowing districts to avoid arbitration and associated costs if the district offered staff at least an annual 3.8% increase in salary and benefits; and
- c. guaranteeing that at least two-thirds of school funding would be provided by the State, thus restoring the framers' original compromise at the constitutional convention.

125. The stabilization promised by these changes has not been realized.

126. The promise that state funding would comprise two-thirds of total state and local funding for public education, as the constitutional framers had envisioned, was broken when the Legislature repealed the two-thirds funding commitment in 2003.

127. In 2009, the Legislature repealed the QEO provision and the annual per-pupil cost of living increase was repealed. Soon after, 2011 Wisconsin Act 10 stringently limited collective bargaining.

128. While the revenue limits remain, they have been modified in a way that makes them even more problematic than they were upon initial adoption, as explained further below.

129. The result is that Wisconsin's school finance system is now more broken than ever, relying on communities, oftentimes those without children in the public schools, to be willing to tax themselves to maintain school buildings and retain staff and programming.

130. And despite clear direction from the Wisconsin Supreme Court in *Vincent* that “[a]n equal opportunity for a sound basic education acknowledges that students and districts are not fungible and takes into account disproportionate numbers of disabled students, economically disadvantaged students, and students with limited English language skills,” the public school finance system does not adequately account for students with high needs. 2000 WI 93, ¶3.

131. Because of that shortcoming, the public school finance system fails all Wisconsin public school students.

Wisconsin's Current Public School Finance System

132. School districts in Wisconsin currently receive funding from three sources. In addition to the revenues provided by state aid and local sources (property taxes and other local funding), school districts receive funding from the federal government.

133. Together, state and local revenues accounted for 88% of all school funding in Wisconsin in the 2023–24 school year.

State Aid

134. State aid refers to the money that the State government provides to public school districts.

135. Since statehood, the State has funded the operation of public schools; at the time the Constitution was ratified, the State's contribution was intended to comprise the vast majority of school funding.

136. State aid is not intended to be mere supplemental funding for public school districts. Instead, state aid is the core of the public school finance system.

137. Aid is distributed to districts in installments on the following schedule: 15% in September, 25% in December, 25% in March, and the remaining 35% in June.

138. For many school districts, this schedule forces them to engage in short-term borrowing to ensure that the costs at the beginning of the school year are covered. The districts must then repay the short-term borrowed amount plus interest.

139. State aid to school districts falls into two distinct buckets: general aid and categorical aid.

State Aid: General Aid

140. School districts are also required, by law, to track financial transactions (receipts and expenditures) using a uniform system of accounting established by the Wisconsin Department of Public Instruction. Within that established framework, general aid for a majority of a school district's operational expenses, and per-pupil categorical aid, is deposited and tracked in Fund 10. Categorical aid for special education expenses is deposited and tracked in Fund 27. (Other categorical aids are deposited and tracked in other specified funds.)

141. General aid is distributed to school districts for financing general education programs. Its use is not restricted to any specific program or service.

142. The majority of general aid is distributed to school districts as equalization aid. That is, the amount of funding is calculated under the equalization formula the Legislature adopted more than 50 years ago, as amended across time.

143. In its current form, determining each school district's payment under the equalization formula is a complicated process involving a variety of factors that vary from school year to school year and requires at least three separate calculations that are then combined to reach a total value of state equalization aid to each individual school district. And without increases in the appropriation that funds equalization aid to account for rising costs, an increase in equalization aid to one

district under the formula necessarily means a decrease in equalization aid to another.

144. Equalization aid aims to address two policy goals, both of which remain consistent with the work done by the task force that Governor Lucey appointed. First, equalization aid seeks to mitigate reliance on property taxes as a source of funding for public schools. Second, equalization aid seeks to ensure that Wisconsin meets its constitutional guarantee that every student, regardless of their school district, has an equal opportunity for a sound basic education in a tuition free public school where the character of instruction is as uniform as practicable.

145. But in school districts that have both high property values and low family incomes, like some Plaintiff districts, neither policy goal is achieved. School districts with high property values receive far less state equalization aid than school districts with low property values. Property taxpayers residing in school districts with both high property values and low income bear a disproportionate share of the burden of funding public schools despite generally being the least able to afford picking up the tab. And Wisconsin students, especially in those districts, suffer as a result.

State Aid: Categorical Aid

146. Unlike general aid, categorical aid (with the exception of per-pupil aid³) must be used for a prescribed purpose or to aid a specific group of students.

³ Since the 2012–13 school year, school districts have received a statutorily prescribed per-pupil payment from the state based on each district's three-year rolling average pupil count. All school districts automatically receive this payment without regard for each district's relative property value or specific needs. Wis. Stat. § 115.437. In the 2024–25 school year,

147. Specific purposes and programs supported by categorical aid include: special education, transportation to and from schools, programming and curriculum for English learners,⁴ school lunches, mental health programs, alcohol and drug abuse prevention, and gifted and talented education.

148. Categorical aids do not cover the full cost of these programs, nor are they designed to fully meet student needs. Many categorical aids are funded from sum-certain appropriations, meaning that if claims for the aid exceed the amount appropriated, school districts receive only partial, prorated distributions.

149. School districts' extremely tight budgets make funding the remaining costs of these programs difficult, especially for districts that have high transportation costs or proportions of students with disabilities, English learners, and economically disadvantaged students.

150. For example, in the 2023–24 school year, the State did not reimburse \$1.29 billion out of the \$1.7 billion incurred by school districts in special education costs.

151. In the 2024–25 school year, of the 365 school districts that reported having one or more enrolled English learners, only 58 were eligible for categorical aid,

each district received \$742 per pupil. By approving per-pupil aids without regard to district circumstances, this approach works at cross-purposes to the equalization formula (that is, it's disequalizing) and exacerbates inequities in funding.

⁴ English learner is the term used by the Department of Public Instruction for school data reporting purposes. Many school districts, including some Plaintiff districts, have instead adopted the term “multilingual learner” as a more accurate framing for identifying students developing academic proficiency in more than one language.

and each of them received reimbursement of only 8.55% of the actual costs they incurred in providing services to those English learners.

152. Although Wisconsin had in the past provided categorical aid to school districts in which 50% or more of students were experiencing poverty, that categorical aid was discontinued after the 2022–23 school year. And, unlike other categorical aids, it was subject to the revenue limit, meaning that, rather than providing districts with additional funding that could be used to support the higher needs of economically disadvantaged students, the aid instead functioned as a form of property tax relief reducing the amount each recipient district could levy in taxes without increasing resources for the public schools at all.

Local Sources

153. Local funding includes property taxes and funds from other sources, including fees charged to public school students and families and private donations.

Local Funding: Property Taxes

154. Currently, the second largest share of school funding comes from local property taxes.

155. No later than November 1 each year, school districts are obligated to adopt a budget and establish a tax levy, within the bounds set by revenue limits, sufficient to operate and maintain the schools of the district.

156. By November 10 of each year, the school district clerk must certify the school district's levy to the clerk of each municipality with territory located within the school district.

157. Each municipality collects property tax revenue on behalf of itself and the other levying authorities within its boundaries, including school districts. Tax revenue is distributed by municipalities to school districts in uneven distributions in January, February, and August of each year. As is true of the inequal installment payments of state aid to school districts (*see* ¶¶137–38, *supra*), the timing and differentials in the distributions of local property tax revenue—both prescribed by state law—create additional difficulties and expenses for school districts at the beginning of each new school year.

Revenue Limits

158. Today, the total amount of funds that a school district may raise in property tax revenue is constrained by statutory revenue limits. As discussed above, this was not always the case. From statehood through the funding reforms backed by Governor Lucey’s task force in the 1970s, state law did not place any firm limits on the ability of local school districts to raise local property taxes to pay for public schools.

159. That changed, however, when the Legislature adopted 1993 Wisconsin Act 16, which imposed revenue limits on school districts for the first time. Originally the revenue limits were imposed for a five-year period, but the Legislature made them permanent in the 1995–97 budget.

160. Revenue limits capped the amount of general funds each school district could receive—and thus could spend—in any given year from the combination of state general school aids and local property taxes.

161. Any district seeking to raise revenue beyond its set revenue limit must first obtain voter approval through an operating referendum.

162. The basic function of the revenue limits remains constant today, 30-plus years later. The revenue limits continue to constrain school districts' taxing power and thus their spending power.

163. Revenue limits have changed in one crucial respect. From their enactment until 2011, state law prescribed a mechanism by which revenue limits increased on an annual basis (a per-pupil adjustment) to keep pace with inflation.

164. Until 2009, the annual per pupil adjustment was indexed for inflation, increasing based on positive changes in the consumer price index. For the 2009–10 and 2010–11 school years, the inflationary increase was replaced with the set statutory amount of \$200 per member.⁵

165. In 2011, the Legislature lowered the revenue limits, which on average led to a \$550 per-member decrease.

166. Since the decrease in 2011–12, there have been years with increases and years without any increase; and, importantly, for the last 17 years there has been no effort to ensure that the revenue limits have kept pace with inflation.

⁵ The number of students credited to a school district in the equalization aid formula and revenue limits includes students who live within the district but attend a private school through one of Wisconsin's voucher programs or open enroll in a nonresident district. When these and other provisions of the statutes seek to address the number of students credited to a school district, the statutory language for this count is "members," and several calculations are expressed in "per-member" terms.

167. Without such a mechanism, revenue limits have lagged well behind the cumulative impact of rising educational costs since the revenue limits were adopted.⁶

168. The Legislature does not impose a single revenue limit across all Wisconsin school districts. Instead, it uses a complex formula to calculate a distinct limit for each district.

169. That formula does not account for the changing needs of student populations. For example, if a school district receives an influx of students with high needs in the span of a few years, the formula cannot recognize this and the revenue limit will not change, so that the district may not have the ability to adequately support these students.

170. Many school districts, including Plaintiff districts, are confronting this reality now. Over the past two decades, the share of high need students in Wisconsin's public schools has grown significantly. Since 2005–06, students with disabilities have increased from roughly 14% to 15.7% of the student population. English learners have grown from 4.5% to 6.9%. Economically disadvantaged students have surged from 30.3% to 40.4%. Today's public school students have far greater needs than those of twenty years ago. By every measure, this calls for a greater state investment. Instead, the State has retrenched.

171. The revenue limit formula locks school districts into low caps determined in part by revenue and spending levels from when the limits were first

⁶ Indeed, although the Governor used his veto in the 2025–27 budget to enshrine a \$325 annual revenue limit increase for the next 400 years, the entire annual increase, if not funded with additional state aid, will be funded with property taxes in those school districts that choose to take advantage of the increase.

enacted more than 30 years ago, levels that themselves reflected what districts could afford to spend at the time, not what they actually needed. Without voter approval of a referendum authorizing higher property tax rates, districts remain trapped by these outdated baselines, as discussed in more detail below.

172. The Legislature has attempted to address this issue by adopting a “low revenue ceiling,” which is, effectively, a minimum statewide revenue limit. If a school district’s calculated revenue limit falls below the ceiling, the district’s revenue limit is automatically “raised” to the low revenue ceiling. The low revenue ceiling mechanism, however, is a band-aid that fails to address the chronic and widescale state underfunding of public schools.

Referenda to Surpass Revenue Limits

173. Each school district that needs general aid beyond its revenue limit must, as a matter of state law, seek permission from local voters via a referendum.

174. There are two types of referenda: operating and capital. Capital referenda authorize school districts to incur debt to finance capital projects, like constructing a new school building or renovating an existing building.

175. Operating referenda allow school districts to exceed their revenue limits and raise additional revenues both from state aid and/or by levying a higher property tax rate. How revenue sources are composed when revenue limits increase depends on a complex interplay of equalization aid formulas and statewide allocations, details that are rarely made clear to voters when a referendum appears on the ballot. If an

operating referendum is approved by voters, the school district can utilize the increased revenue to fund its operating budget.

176. School districts must choose wisely when to place operating referenda on the ballot, which type to propose, and how to communicate their purpose to voters. There are two types of operating referenda: recurring and non-recurring. Recurring operating referenda allow districts to exceed revenue limits up to a voter-approved amount indefinitely going forward. Non-recurring operating referenda, by contrast, authorize districts to exceed revenue limits for a fixed number of years, after which the district must return to voters for renewed approval. The stakes of these decisions are high, particularly when an operating referendum fails.

177. If a school district is subject to the low revenue ceiling and proposes an operating referendum that fails to pass, the school district is frozen for three years at the low revenue ceiling in place at the time of the referendum election. Even if the Legislature raises the low revenue ceiling during those three years, the school district will remain subject to the earlier, lower ceiling, and its students will not benefit from the legislative change until the three-year freeze expires—unless in the interim the district is able to pass an operating referendum.

178. Despite these legislative deterrents, school districts are still relying on operating referenda; 2024 was a record-setting year, measured by how many proposed operating referenda school districts put before voters, how many were adopted, and how many failed.

Local Funding: Other Sources

179. Revenue that falls into the “other local funding” category is generated from sources such as student fees, ticket sales, and interest earnings.

180. This is by far the smallest subset of funding for school districts in Wisconsin; however, in recent years it has been increasing, both in absolute amount and as an average percentage of district funding.

181. In the 2008–09 school year, statewide other local revenue made up 3.8% of total school funding, with more than \$400 million generated.

182. The 2008–09 data can be compared to the most recent data which shows that in the 2023–24 school year, other local revenue was 5.5% of total funding with \$845 million generated.

183. This sharp increase reflects the intense pressure on school districts to generate revenue (in most part by charging fees to students and families) to mediate the large gaps between their actual costs and the funding they can realize under revenue limits and insufficient state aid.

Federal Government Aid

184. In the 2023–24 school year, federal aid comprised 12% of all school funding in Wisconsin.

185. School districts have received federal aid to support programs such as school meals, special education, mental health programs, support for English learners, and professional development for educators and administrators, among other initiatives and programs.

186. Additionally, some school districts receive impact aid from the federal government if the district is home to tax-exempt federal property or children connected to the federal government, such as children living on reservations, military bases, or low-rent housing properties.

187. The federal government, pursuant to the Individuals with Disabilities Education Act, also provides funding for special education through federal grants that are routed through the Wisconsin Department of Public Instruction.

188. Federal aid for Wisconsin public schools was partially frozen or withheld in 2025. These federal actions led to legal challenges and to greater uncertainty about the type and amount of federal aid Wisconsin is likely to receive in the future for public schools.

The School Levy Tax Credit Is Not Aid to School Districts

189. A commonly misunderstood aspect of the public school finance system is the school levy tax credit. It is touted as state aid to school districts. In fact, it is not.

190. The school levy tax credit is designed to, and does, reduce local property taxes.

191. The school levy tax credit is paid by the State to municipalities, not to school districts. Municipalities then pass the credit on to property taxpayers on their annual property tax bills.

192. School districts receive no funds from or as a result of the school levy tax credit.

State Programs that Reduce Public School District Funding

193. It is impossible to fully explain the inputs that constitute Wisconsin public school finance without also addressing another phenomenon: programs that pull money out of school district coffers.

194. Beginning with the Milwaukee Parental Choice Program in 1990, the Legislature has created four programs that offer state funds to pay the cost of private school attendance for students from eligible families. For every student who enrolls in the Wisconsin Parental Choice Program (the statewide voucher program), the Racine Parental Choice Program, or the Special Needs Scholarship Program, the State reduces state general aid to the school district in which the student resides.⁷

195. In the 2025–26 school year, \$10,877 was deducted in aid for each voucher student in kindergarten through eighth grade, and \$13,371 was deducted for each voucher student in high school.

196. The Wisconsin Parental Choice Program historically has limited the percentage of students residing in a school district who may enroll in the program and receive a voucher for private school tuition. In the 2025–26 school year, the enrollment cap was 10% of students in a school district. The Legislature has removed the cap on enrollment for the statewide Wisconsin Parental Choice Program, so that beginning in the 2026–27 school year, each school district faces an unknown and unlimited number of students moving to voucher schools.

⁷ Beginning in the 2024–25 school year, the Milwaukee Parental Choice Program is funded entirely through the state's General Purpose Revenue fund so that money is no longer taken from the Milwaukee Public Schools' state aid allocation for each participating student.

197. The Special Needs Scholarship Program pays for students with disabilities (defined as those eligible for services under the federal Individuals with Disabilities Education Act (“IDEA”)) to attend private schools. In the 2025–26 school year, each voucher funneled \$16,049 into a private school that accepted the voucher, which was subtracted from the state aid provided to the student’s resident school district.

198. Under this program, private schools that submit financial statements showing costs in excess of the voucher amount are reimbursed up to 150% of the voucher amount, and state aid to the student’s resident school district is further reduced accordingly.

199. Additionally, if a private school’s spending on a student enrolled in this program exceeds 150% of the voucher amount, the State then reimburses the private school all additional eligible expenditures at a rate of 90%, although the resident school district does not suffer any aid reduction for those additional state reimbursements.

200. Taken together, the Legislature’s actions in creating and funding the Special Needs Scholarship Program mean that the State will reimburse less than half of the actual cost of educating a student with a disability in a public school and close to 100% of the cost of educating the same student in a voucher school. The student’s home district can lose up to 150% of the amount of the voucher in state aid, but if that student were to attend their home district, that district would be reimbursed only about 35% of actual costs associated with special education.

201. Similarly, independent charter schools that are overseen by certain statutorily identified authorizing bodies, including the Office of Educational Opportunity housed within the University of Wisconsin System, are funded by reducing the state aid to each pupil's resident school district (general aid first, but categorical aid if necessary).

202. School districts are not allowed to levy property taxes to replace the state aid they lose to independent charter schools.

203. For the Green Bay Area Public School District, the annual amount of state aid lost to private vouchers has risen to just over \$14 million, or 5.4% of its revenue limit, for the 2025–26 school year.

204. The District also lost just over \$1 million in state aid to independent charter schools for the 2025–26 school year.

205. The School District of Beloit will lose over \$1.8 million of state aid, or 2.5% of its revenue limit, to private vouchers for the 2025–26 school year.

206. The District will also lose more than \$7.7 million of state aid to independent charter schools in the 2025–26 school year.

207. On a statewide basis, the cost of Wisconsin's voucher programs has increased 1,000-fold from \$700,000 in 1990 (\$1.78 million today adjusted for inflation) to nearly \$700,000,000 today.

208. On a statewide basis, state aid to school districts will be decreased by nearly \$37 million diverted to independent charter schools in the 2025–26 school

year. And the total state aid directed to all independent charters for the 2025–26 school year will be over \$151 million when final distributions are made.

209. In the future, given the expansion of private school vouchers and independent charter schools, it is likely the annual diversion of state aid to private and independent charter schools will meet and then exceed \$1 billion relatively soon.

Wisconsin School Districts Can No Longer Stave Off Funding Crises

210. In inflation-adjusted terms, state per-pupil revenue, including general and categorical aid, peaked in 2002–03 at \$9,194 (in 2023–24 dollars). It has since declined, hitting a low of \$7,561 in 2012–13, a drop of \$1,633 per pupil from the peak. As of 2023–24, state per pupil revenue stood at \$8,361, still \$833 below the 2002–03 high.

211. This spending gap, in conjunction with revenue limits that lag behind inflation, has put school districts in a position where even those in the best position are struggling to respond to rising costs. For the vast majority of districts, including Plaintiff districts, the situation is reaching crisis proportions.

212. And the Legislature knows it. The Department of Public Instruction has advanced budget proposals to the Joint Committee on Finance year after year requesting adequate funding and articulating the dire circumstances school districts face. Yet the Joint Committee on Finance again and again has summarily rejected such budget requests.

213. The Legislature itself has studied the issue, convening a bipartisan Blue Ribbon Commission on School Funding in 2017. This Commission, comprising

Republican and Democratic legislators from both the Assembly and the Senate as well as expert members of the public, traveled the State for a year taking public testimony about public school funding. Ultimately, the Commission produced a report with 20 recommendations, generally focused on the obvious need to increase public school funding and to ensure that aid is distributed in greater amounts to those districts with greater numbers of high needs students. But the Legislature has largely ignored these recommendations.

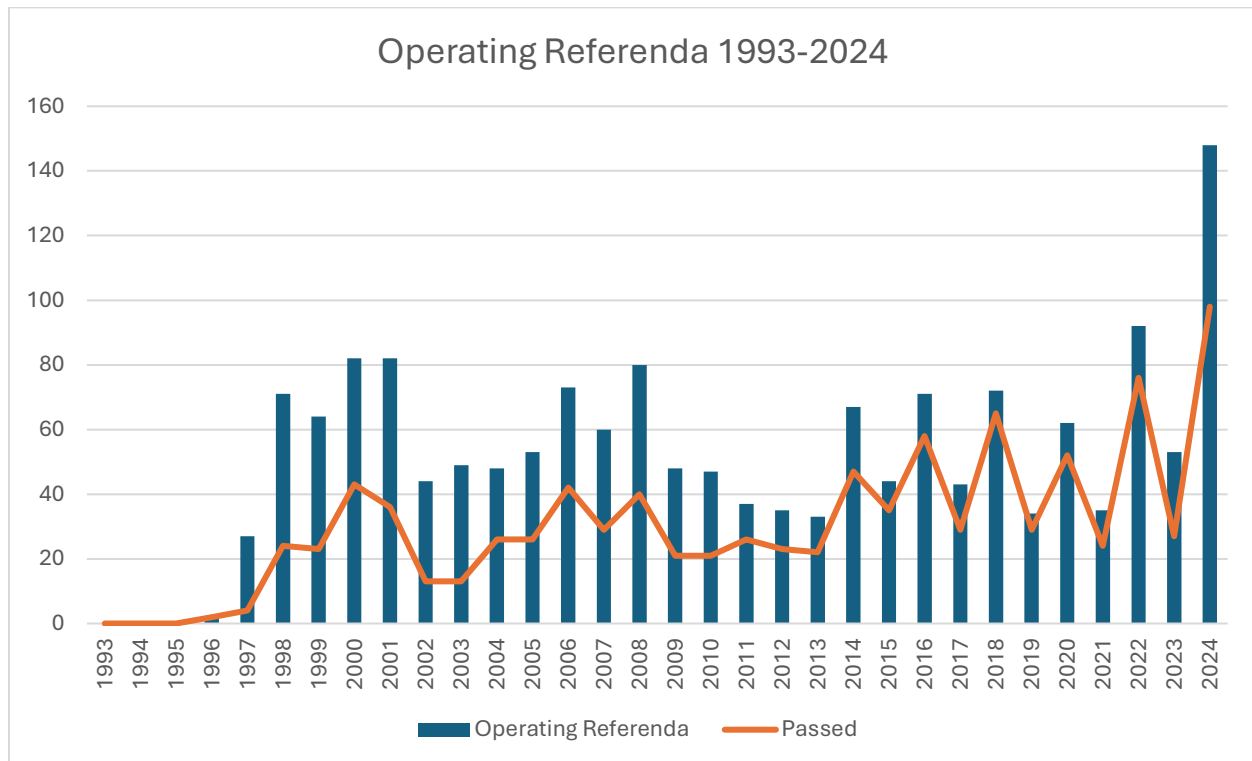
214. There is a common misconception that declining enrollment reduces the need for additional state funding because fewer students means that school districts require fewer resources. However, this overlooks the distinction between variable and fixed expenditures. Fixed expenditures, such as building costs, do not change when enrollment changes. Variable costs, such as personnel, can change in theory but are not always easy to reduce in practice. A classroom that drops from 20 to 19 students still requires the same teacher, but now has fewer students to share that cost. When enrollment declines by just a few students per grade from year to year, a school district must generally maintain the same facilities and employ the same number of teachers and support staff.

215. Given the vise that the Legislature has put school districts in—failing to provide sufficient state aid while maintaining a static revenue limit for many years and diverting increasing amounts of state funding away from public school districts—the sole option that districts have is to go to operating referendum and ask residents for authority to raise additional revenue. When state general aid does not increase

and school districts raise revenue limits to meet student needs, the additional financial burden for most districts falls on local communities through increased property taxes.

216. The number of districts seeking voter approval of referenda, especially to cover general operating expenses, rather than one-time needs or capital projects, highlights how impossibly tight school district budgets are and how state aid fails to provide necessary funds for school operations.

217. As previously alleged, 2024 was a record-setting year for operational referenda, with massive increases in how many were proposed, adopted, and rejected as compared to any previous year.



218. The increase in operating referenda showcases the reality that school districts do not have sufficient funding to meet their obligations, such that they are forced to ask local taxpayers for approval for funds to operate schools.

219. Forcing school districts to rely on voter approval for operating expenses is dangerous because voter appetites for and ability to pay increased property tax rates vary widely from district to district, jeopardizing a uniform education across the State and the adequacy of education in at least some districts.

220. Moreover, funding school district general operations by referendum is a massive waste of time and resources, both for families, communities, school districts and organizations, like Plaintiffs Wisconsin PTA, WPEN, BEA, ECAE, GBEA, and NATA, that advocate, both locally and at the state level, for adequate funding and educate voters about referenda.

221. Indeed, this is the precise situation the framers of the Wisconsin Constitution sought to avoid in agreeing that the State, rather than local school districts, should shoulder the lion's share (up to two-thirds) of public education costs.

222. In fact, the Legislature has affirmed this policy, recognizing that public education is a "state function" and that the State's public education finance system exists "to cause the state to assume a greater proportion of the costs of public education and to relieve the general property of some of its tax burden." Wis. Stat. § 121.01.

223. The burden on taxpayers is especially difficult in school districts that have both high property values and many low-income residents.

224. In the 2025–27 biennial budget for the State, the Legislature did not include any increase in general aid to school districts.

225. In the 2025–27 biennial budget, the Legislature allocated additional money for special education, creating a stepped increase of the reimbursement rate to school districts, aiming toward approximately 45% reimbursement over a two-year period.

226. However, the amount appropriated for special education reimbursements is a fixed sum that must be prorated among school districts if insufficient to fully satisfy all claimed expenses. (By contrast, appropriations for voucher programs and independent charter schools are “sum sufficient,” meaning the State guarantees full payment of all eligible expenses, no matter the final cost.)

227. Many school districts, including Plaintiff districts, anticipated that the Legislature would not follow through on its special education promise and, therefore, prudently budgeted for lower reimbursement rates.

228. For example, the Green Bay Area Public School District set its budget assuming a 39% state special education reimbursement rate as opposed to the 42% stated in the 2025–27 biennial budget.

229. The Necedah Area School District and the Eau Claire Area School District both set their budgets assuming a 38% state special education reimbursement rate.

230. Given continually rising costs and increasing numbers of students with disabilities, school districts spent more on federally mandated special education

services than the Legislative Fiscal Bureau estimated during the state budgeting process.

231. The amount appropriated by the Legislature has turned out to be inadequate to meet the rate promised. School districts are now expecting a prorated reimbursement rate of 35%, far lower than what districts anticipated even when they budgeted for less than the Legislature promised.

232. To cover the shortfall, districts are forced to divert even more funds than anticipated from their general education programs and operations to fully fund their special education program.

233. Indeed, some districts' transfers are so large that they need to seek operating referenda to cover the resulting shortfall in their general fund accounts.

234. Adams-Friendship Area School District, for example, is in the third year of a four-year operating referendum. Voters approved an additional \$3 million in property tax levy each year. And the District transfers 11.13% of its general fund, approximately \$3 million, to its special education fund each year.

235. Likewise, over the past eight years, the Necedah Area School District has directed all of its operational referenda revenue, over \$6.6 million in the aggregate, to its special education fund.

236. If the State reimbursed school districts at nearly 100% of special education expenses, like it does for certain Special Needs Scholarship Program voucher student expenses, the Necedah Area School District would have approximately \$1 million more annually in operational funds to support all students.

237. In sum, the State's education funding has decreased when taking inflation, increased numbers of students with disabilities, and rising costs (above inflation) needed to serve those students into consideration, and current legislative funding decisions continue to widen that gap.

Requirements for a Sound Basic Education

238. As the Wisconsin Supreme Court has held, most recently in *Vincent v. Voight*, "Wisconsin students have a fundamental right to an equal opportunity for a sound basic education. An equal opportunity for a sound basic education is one that will equip students for their roles as citizens and enable them to succeed economically and personally." 2000 WI 93, ¶87.

239. The Court further explained that the Legislature has enshrined specific standards in statute that define a "sound basic education."

240. These standards are framed in terms of subject matter in which students are expected to be proficient by the time they graduate from Wisconsin public high schools.

241. For example, districts must provide instruction to students at all levels in language arts, social studies, mathematics, science, health, physical education, art, music, and financial literacy. For middle and high school students, school districts must also offer career planning and foreign language instruction.

242. Additionally, the Court held in *Vincent* that "[a]n equal opportunity for a sound basic education acknowledges that students and districts are not fungible and takes into account districts with disproportionate numbers of disabled students,

economically disadvantaged students, and students with limited English language skills.” *Id.*

Examples of Wisconsin’s Public Education Crisis

243. As outlined in Figure 1 below, Wisconsin fourth- and eighth-grade test data since *Vincent* reflects that student proficiency in English language arts (reading) has been on a steady decline statewide. And although average math proficiency has not declined in all districts statewide since *Vincent*, the disparity among districts is bleak, demonstrating just how varied a student’s access to a sound basic education is from district to district.⁸

244. Additionally, the numbers of economically disadvantaged students, students with disabilities, and English learners has been on the rise statewide.

245. Students with disabilities comprised 15.7% of all public school students in Wisconsin in the 2024–25 school year. In 2005–06, students with disabilities comprised only 14%.

246. Economically disadvantaged students comprised 40.4% of all public school students in Wisconsin in the 2024–25 school year. In 2005–06, economically disadvantaged students comprised only 30.3%.

⁸ Comparing proficiency data from 1999–2000 to proficiency data from 2023–24 or 2024–25 is not an apples-to-apples comparison because the Department of Public Instruction modified proficiency standards in 2023–24 in a way that ultimately lowered proficiency thresholds. Moreover, the statewide assessments administered in 2023–24 were not the same as those administered in 1999–2000, further limiting the comparability of proficiency rates. If the data were properly adjusted for direct comparison, proficiency scores would be lower than reflected in DPI’s school and school district report cards for 2023–24 and 2024–25. To avoid confusion, Figures 1 and 4–8 compare data from 1999–2000 to data from 2022–23.

247. Students who are English learners comprised 6.9% of all public school students in Wisconsin in the 2024–25 school year. In 2005–06, English learners comprised only 4.5%.

**Figure 1: Fourth- and Eighth-Grade Reading and Math Proficiency
School Years 1999–2000 and 2022–23**

	4th Grade Reading Proficiency Rates 1999–2000	4th Grade Reading Proficiency Rates 2022–23	Change in Proficiency Rates	8th Grade Math Proficiency Rates 1999–2000	8th Grade Math Proficiency Rates 2022–23	Change in Proficiency Rates
Statewide	78%	44.8%	-33.2%	42%	30.5%	-11.5%
Adams-Friendship	68%	31.9%	-36.1%	26%	34.4%	8.4%
Beloit	68%	12.2%	-55.8%	20%	5.1%	-14.9%
Eau Claire	85%	50.6%	-34.4%	49%	34.4%	-14.6%
Green Bay	66%	29%	-37%	41%	14.7%	-26.3%
Necedah	77%	17.1%	-59.9%	32%	5.6%	-26.4%

248. Figure 1 demonstrates that between the 1999–2000 and 2022–23 school years, statewide fourth grade reading proficiency dropped from 78% to 44.8% (a 43% decline in the share of students reaching proficiency in reading) and statewide eighth grade math proficiency dropped from 42% to 30.5% (a 27% decline in the share of students reaching proficiency in math).

249. With one exception for math proficiency in the Adams-Friendship Area School District, Figure 1 also demonstrates that all five Plaintiff districts experienced declines in reading and math proficiency at levels greater than the state average declines.

250. Eleventh-grade math and reading proficiency is assessed with the ACT.⁹

**Figure 2: Eleventh Grade Reading Proficiency
School Years 2014–15 and 2022–23**

	11th Grade Reading Proficiency Rates 2014-15	11th Grade Reading Proficiency Rates 2022–23	Change in Proficiency Rates	Change in Share of Proficient Students
Statewide	45.7%	37.8%	-7.9%	-17.3%
Non- economically Disadvantaged	57.7%	49.1%	-8.6%	-14.9%
Economically Disadvantaged	24.4%	18.6%	-5.8%	-23.8%
English-fluent	46.9%	39.6%	-7.3%	-15.6%
English Learners	1.8%	1.8%	No change	No change
Students without Disabilities	50.9%	42.1%	-8.8%	-17.3%
Students with Disabilities	8.2%	6%	-2.2%	-26.8%

251. Figure 2 demonstrates that between the 2014–15 and 2022–23 school years, statewide eleventh-grade reading proficiency dropped from 45.7% to 37.7%, a 7.9 percentage point decline in the eleventh-grade reading proficiency rate, reflecting a 17.3% drop in the share of students reaching proficiency on the statewide assessment.

⁹ Proficiency rates are reported in Figures 2 and 3 beginning with school year 2014–15 because that is the first year the ACT was administered as the required statewide eleventh grade summative assessment.

252. When disaggregated based on poverty status, in the 2014–15 school year, 57.7% of non-economically disadvantaged students were proficient in reading while only 24.4% of economically disadvantaged students were proficient in reading.

253. By the 2022–23 school year, the rate of reading proficiency for non-economically disadvantaged students declined by 8.6 percentage points to 49.1%, reflecting a 14.9% drop in the share of non-economically disadvantaged students reaching reading proficiency.

254. By the 2022–23 school year, the rate of reading proficiency for economically disadvantaged students declined by 5.8 percentage points to 18.6%, reflecting a 23.8% drop in the share of economically disadvantaged students reaching reading proficiency.

255. When disaggregated based on language status, in the 2014–15 school year, 46.9% of English-fluent students were proficient in reading while only 1.8% of English language learners were proficient in reading.

256. By the 2022–23 school year, the rate of reading proficiency for English-fluent students declined by 7.3 percentage points to 39.6%, reflecting a 15.6% drop in the share of English-fluent students reaching reading proficiency.

257. By the 2022–23 school year, the rate of reading proficiency for English learners showed no improvement, remaining at a dismal 1.8%.

258. When disaggregated based on disability status, in the 2014–15 school year, 50.9% of students without disabilities were proficient in reading while only 8.2% of students with disabilities were proficient in reading.

259. By the 2022–23 school year, the rate of reading proficiency for students without disabilities declined by 8.8 percentage points to 42.1%, reflecting a 17.3% drop in the share of students without disabilities reaching reading proficiency.

260. By the 2022–23 school year, the rate of reading proficiency for students with disabilities declined by 2.2 percentage points to 6%, reflecting a 26.8% drop in the share of students with disabilities reaching reading proficiency.

**Figure 3: Eleventh-Grade Math Proficiency
School Years 2014–15 and 2022–23**

	11th Grade Math Proficiency Rates 2014-15	11th Grade Math Proficiency Rates 2022-23	Change in Proficiency Rates	Change in Share of Proficient Students
Statewide	36.3%	26.9%	-9.4%	-25.9%
Non- economically Disadvantaged	47.1%	36.8%	-10.3%	-21.9%
Economically Disadvantaged	16.9%	10.3%	-6.6%	-39.1%
English-fluent	37.1%	28.2%	-8.9%	-24%
English Learners	3.1%	1.4%	-1.7%	-54.8%
Students without Disabilities	40.5%	30.1%	-14.4%	-35.6%
Students with Disabilities	5.7%	3.7%	-2%	-35.1%

261. Figure 3 demonstrates that between the 2014–15 and 2022–23 school years, statewide math proficiency rates for students taking the ACT dropped from

36.3% to 26.9%, a 9.4 percentage point decline, reflecting a 25.9% drop in the share of students reaching math proficiency on the statewide assessment.

262. When disaggregated based on poverty status, in the 2014–15 school year, 47.1% of non-economically disadvantaged students were proficient in math while only 16.9% of economically disadvantaged students were proficient in math.

263. By the 2022–23 school year, the rate of math proficiency for non-economically disadvantaged students declined by 10.3 percentage points to 36.8%, reflecting a 21.9% drop in the share of non-economically disadvantaged students reaching math proficiency.

264. By the 2022–23 school year, the rate of math proficiency for economically disadvantaged students declined by 6.6 percentage points, reflecting a 39.1% drop in the share of economically disadvantaged students reaching math proficiency.

265. When disaggregated based on language status, in the 2014–15 school year, 37.1% of English-fluent students were proficient in math while only 3.1% of English language learners were proficient in math.

266. By the 2022–23 school year, the rate of math proficiency for English-fluent students dropped by 8.9 percentage points to 28.2%, reflecting a 24% drop in the share of English-fluent students reaching math proficiency.

267. By the 2022–23 school year, the rate of math proficiency for English learners declined by 1.7 percentage points, reflecting a 54.8% drop in the share of English learners reaching math proficiency.

268. When disaggregated based on disability status, in the 2014–15 school year, 40.5% of students without disabilities were proficient in math while only 5.7% of students with disabilities were proficient.

269. By the 2022–23 school year, the rate of math proficiency for students without disabilities declined by 14.4 percentage points to 30.1%, reflecting a 35.6% drop in the share of students without disabilities reaching math proficiency.

270. By the 2022–23 school year, the rate of math proficiency for students with disabilities declined by 2 percentage points to 3.7%, reflecting a 35.1% decline in the share of students with disabilities reaching math proficiency.

**Effects of the Legislature’s Failure to Adequately Fund
Plaintiff School Districts**

271. Plaintiff school districts are examples of the extreme degree to which the Legislature has underfunded public schools and demonstrate the reality that districts are required to serve an increasing number of students with exponentially increasing needs while provided consistently decreasing resources.

Adams-Friendship Area School District

272. The Adams-Friendship Area School District had a total membership of 1,442 and a cost per member of \$17,964 for the 2024–25 school year.

273. The District’s per member revenue limit for the 2023–24 school year was \$13,240.

274. In the subsequent school years, the District’s enrollment and costs per member have declined and the revenue limit has fallen by over \$1,500 per member.

275. The Adams-Friendship Area School District is in one of the ten poorest counties in the State, with a 2023 average per capita personal income of \$46,249 (well below the 2023 state average of \$64,976), yet it has very high property values, with a current valuation of nearly \$1.8 million per member.

276. As a consequence of these high property valuations, under the equalization aid formula, the District receives only about 22% of its revenue limit from state aid. The remaining 78% comes from local taxpayers.

277. Since 2000, the District has asked voters to pass six operating referenda and five capital referenda. Voters have approved four of the proposed operating referenda and two of the proposed capital referenda.

278. The District is in the third year of a four-year operating referendum and will need to ask taxpayers to approve another operating referendum when the current referendum term ends.

279. The current operating referendum provides the District with an additional \$3 million per year. Based on anticipated cost increases, the District expects that continuing its current programming into the 2027–28 school year and beyond would require seeking approval for an additional \$5 million per school year.

280. To avoid asking local voters to approve more than \$3 million per year in additional property taxes, the District is currently working to cut \$2–2.5 million in annual programming costs and other expenses.

281. Recent District cuts have already included about \$650,000 in personnel reductions.

282. Beginning in the 2026–27 school year, the District will not have an assistant principal at its middle school.

283. The District has not been able to hire a teacher to provide Spanish programming at the middle school.

284. The District had to close four elementary schools, requiring consolidating students into the sole remaining elementary school.

285. And following a failed capital referendum, the District will be forced to relocate its seventh and eighth grades to the high school building beginning in the 2026–27 school year. Fifth and sixth grades will remain in a building for which maintenance has been so severely delayed that the third floor becomes unsafe for use in May and June when the temperature on that floor frequently rises to over 100 degrees.

286. Furthermore, because of building age and deferred maintenance, the District is no longer able to obtain insurance on its middle school or administration buildings.

287. The middle school building has no air conditioning, and portions of the administration building lack both heat and air conditioning.

288. In the Adams-Friendship Area School District for the 2024–25 school year, 61.7% of the public school students were economically disadvantaged and 23.1% of the students were identified as having at least one disability. These were well above the statewide averages of 40.4% and 15.7%, respectively.

Figure 4: Adams-Friendship Area School District Fourth- and Eighth-Grade Reading and Math Proficiency School Years 1999–2000 and 2022–23

	4th Grade Reading Proficiency Rates 1999–2000	4th Grade Reading Proficiency Rates 2022–23	Change in Proficiency Rates	8th Grade Math Proficiency Rates 1999–2000	8th Grade Math Proficiency Rates 2022–23	Change in Proficiency Rates
All Students	68%	31.9%	-36.1%	26%	34.4%	8.4%
Economically Disadvantaged	55%	20.3%	-34.7%	11%	22.9%	11.9%
Students with Disabilities	27%	8.7%	-18.3%	0%	3.8%	3.8%

289. As shown in Figure 4, in the 2022–23 school year, 31.9% of the District’s fourth-grade students were proficient in reading.¹⁰

290. As shown in Figure 4, in the 2022–23 school year, fourth-grade high needs students were proficient in reading as follows:

- a. 20.3% of the economically disadvantaged students; and
- b. 8.7% of the students with disabilities.

291. As shown in Figure 4, in the 2022–23 school year, 34.4% of eighth-grade students were proficient in math.

292. As shown in Figure 4, in the 2022–23 school year, eighth-grade high needs students were proficient in math as follows:

¹⁰ As noted in footnote 9 above, comparing proficiency scores from different school years is complicated by changes in tests administered and proficiency thresholds established over time, but if data were properly adjusted for direct comparison, proficiency scores would be lower than reflected in DPI’s school and school district report cards for 2023–24 and 2024–25. This Complaint compares 1999–2000 data to 2022–23 data in an attempt to provide the most accurate comparison.

- a. 22.9% of the economically disadvantaged students; and
- b. 3.8% of the students with disabilities; and

293. As shown in Figure 4, these scores demonstrate a steep decline in proficiency in reading. In the 1999–2000 school year, 68% of all fourth-grade students were proficient in reading, including 27% of students with disabilities and 55% of economically disadvantaged students.

294. Although proficiency statistics for math in the Adams-Friendship Area School District ultimately improved over the same time period, math proficiency under 35% for all students and far less for economically disadvantaged students and students with disabilities is still dismal.

School District of Beloit

295. The School District of Beloit had a total membership of 5,849, and a cost per member of \$17,514 for the 2024–25 school year.

296. The District's per-member revenue limit for the 2023–24 school year was \$11,281.

297. The District has put forth operating referenda in 2023, 2024, and 2025, but each has failed. A capital referendum also failed in 2023.

298. The result of low revenue and failed referenda have forced the District to make substantial cuts to its budget.

299. During the 2024–25 school year, the District reduced its spending by about \$11 million. This has resulted in:

- a. 26 teacher vacancies;

- b. 13 unfilled paraprofessional positions;
- c. 48 additional staff reductions; and
- d. a 10% reduction in other partners services, including environmental health services, technology, copy services, and legal support.

300. Preserving teaching positions as much as possible, the District has cut positions in its human resources, communications, and finance departments.

301. The lack of funding has also exacerbated under-staffing in schools, including of paraprofessionals, special education assistants, social workers, school psychologists, behavioral therapists, school counselors, school nurses, maintenance staff, custodial staff, and security staff.

302. In elementary schools, there is not funding for a music teacher for each school. Many general education teachers are improvising music education for their students during the day.

303. Class sizes in many of the District's schools have increased.

304. In the 2024–25 school year, 18.3% of the District's students were English learners, 19.2% of its students had at least one disability, and 69.6% were economically disadvantaged. These were well above the statewide averages of 6.9%, 15.7% and 40.4%, respectively.

305. Additionally, 13% of the student population is currently experiencing homelessness.

Figure 5: School District of Beloit Fourth- and Eighth-Grade Reading and Math Proficiency School Years 1999–2000 and 2022–23

	4th Grade Reading Proficiency Rates 1999–2000	4th Grade Reading Proficiency Rates 2022–23	Change in Proficiency Rates	8th Grade Math Proficiency Rates 1999–2000	8th Grade Math Proficiency Rates 2022–23	Change in Proficiency Rates
All Students	68%	12.2%	-55.8%	20%	5.1%	-14.9%
Economically Disadvantaged	62%	9%	-53%	14%	3.4%	-10.6%
Students with Disabilities	35%	8.2%	-26.8%	0%	0%	No change
English Learners	63%	6.5%	-56.5%	0%	0%	No change

306. As shown in Figure 5, in the 2022–23 school year, 12.2% of fourth-grade students were proficient in reading.

307. As shown in Figure 5, in the 2022–23 school year, fourth-grade high needs students were proficient in reading as follows:

- a. 9% of economically disadvantaged students;
- b. 8.2% of students with disabilities; and
- c. 6.5% of English learners.

308. As shown in Figure 5, in the 2022–23 school year, 5.1% of eighth-grade students were proficient in math.

309. As shown in Figure 5, in the 2022–23 school year, eighth-grade high needs students were proficient in math as follows:

- a. 3.4% of economically disadvantaged students;
- b. none of the students with disabilities; and

c. none of the English learners.

310. As shown in Figure 5, these rates demonstrate a steep decline in reading proficiency scores. In the 1999–2000 school year, 68% of all fourth-grade students were proficient in English language arts. This included 35% of students with disabilities, 62% of economically disadvantaged students, and 63% of English learners.

311. The rates also reflect dramatic declines in math proficiency. As shown in Figure 5, the 1999–2000 school year, 20% of all eighth-grade students were proficient in math, including 14% of those who were economically disadvantaged. Math proficiency for students with disabilities and English learners was nonexistent in 1999–2000 and in 2022–23.

Eau Claire Area School District

312. The Eau Claire Area School District had a total membership of 11,365 and a per-member cost of \$17,349 for the 2024–25 school year.

313. The District's per-member revenue limit for the 2023–24 school year was \$11,735.

314. When revenue limits were implemented, the District was a low revenue district.

315. The lack of adequate state funding has prevented the District from being able to hire sufficient numbers of special education teachers, English language teachers, special education assistants, social workers, school psychologists,

behavioral therapists, school nurses, maintenance staff, custodial staff, and security staff.

316. Curricula in the District are also outdated, but the District does not have the funding to replace them. For example, the English language arts curriculum in the middle school is being phased in, but the lack of high-quality reading materials precludes the curriculum from being fully operational.

317. Building repairs and safety updates have been deferred across the District because of a lack of funding.

318. In the 2024–25 school year, 17.4% of the District’s students had at least one disability, 37.9% were economically disadvantaged, and 5.3% were English learners.

Figure 6: Eau Claire Area School District Fourth- and Eighth-Grade Reading and Math Proficiency School Years 1999–2000 and 2022–23

	4th Grade Reading Proficiency Rates 1999–2000	4th Grade Reading Proficiency Rates 2022–23	Change in Proficiency Rates	8th Grade Math Proficiency Rates 1999–2000	8th Grade Math Proficiency Rates 2022–23	Change in Proficiency Rates
All Students	85%	50.6%	-34.4%	49%	34.4%	-14.6%
Economically Disadvantaged	67%	32.2%	-34.8%	23%	18.4%	-4.6%
Students with Disabilities	51%	24.8%	-26.2%	9%	4.5%	-4.5%
English Learners	52%	15.6%	-36.4%	8%	0%	-8%

319. As shown in Figure 6, in the 1999–2000 school year, the District had relatively high proficiency scores. 85% of fourth-grade students were proficient in reading.

320. The lack of adequate state funding has resulted in lower proficiency levels for students. As shown in Figure 6, in the 2022–23 school year, 50.6% of fourth-grade students were proficient in reading.

321. As shown in Figure 6, in the 2022–23 school year, fourth-grade high needs students were proficient in reading as follows:

- a. 32.2% of economically disadvantaged students;
- b. 24.8% of students with disabilities; and
- c. 15.6% of English learners.

322. As shown in Figure 6, in the 2022–23 school year, 34.4% of eighth-grade students were proficient in math.

323. As shown in Figure 6, in the 2022–23 school year, eighth-grade high needs students were proficient in math as follows:

- a. 18.4% of economically disadvantaged students;
- b. 4.5% of students with disabilities; and
- c. none of the English learners.

324. As shown in Figure 6, the 2022–23 proficiency rates reflect a decline from those in 1999–2000 when 49% of all District eighth-grade students were proficient in math and, of those, 23% of economically disadvantaged students, 9% of students with disabilities, and 8% of English learners were proficient in math.

Green Bay Area Public School District

325. The Green Bay Area Public School District had a total membership of 20,918 and a cost per member of \$18,702 for the 2024-25 school year.

326. The District's per-member revenue limit was \$12,518 for the 2023–24 school year.

327. In subsequent school years, the District's membership and revenue limit have declined.

328. The District is among the lowest per-pupil spending school districts in the State.

329. In the 2025–26 school year, the District levied approximately \$14 million in property taxes to address state aid reductions for voucher programs.

330. The District was forced to take funds from its Fund Balance to cover its operating expenses for the 2025-26 school year.

331. Though the Legislature pledged to cover 42% of special education costs in the 2025–26 school year, the Green Bay Area Public School District conservatively budgeted for 39% of the cost to be reimbursed by the State.

332. New estimates show that the Legislature will not even reach the District's lower estimation. State reimbursements are now projected to cover only about 35% of school districts' special education costs.

333. In Green Bay, this means the District will transfer about \$30 million out of Fund 10, the general fund, to Fund 27, for special education costs.

334. To address a budget shortfall, the District closed six school buildings and one virtual school.

335. Additionally, the District has deferred purchase of instructional equipment, including textbooks and updated curricula.

336. The District is currently unable to offer a statutorily required seventh-grade world language program due to teacher shortages caused by inadequate state funding and has received a waiver from the Department of Public Instruction to forgo offering the class for two years.

337. Previously, the District was able to offer a robust summer school program; however, due to inadequate state funding, the District had to cut the program by two weeks and provides elementary summer school at limited hub sites, instead of at each neighborhood elementary school.

338. The District is not able to hire and retain sufficient numbers of certified and experienced teachers due to insufficient state funding. The District also does not have enough special education teachers, school social workers, school psychologists, behavioral therapists, school counselors, school nurses, maintenance staff, custodial staff, or security staff due to both a general lack of funding and the inability to be financially competitive with similar jobs in the private sector.

339. In 2024–25, 59% of the District's students were economically disadvantaged, 22% were English learners, and 17% had at least one disability. These were well above the statewide averages of 40.4% and 15.7%, respectively.

**Figure 7: Green Bay Area Public
School District Fourth- and Eighth-Grade Reading and Math Proficiency
School Years 1999–2000 and 2022–23**

	4th Grade Reading Proficiency Rates 1999–2000	4th Grade Reading Proficiency Rates 2022–23	Change in Proficiency Rates	8th Grade Math Proficiency Rates 1999–2000	8th Grade Math Proficiency Rates 2022–23	Change in Proficiency Rates
All Students	66%	29%	-37%	41%	14.7%	-26.3%
Economically Disadvantaged	47%	20.6%	-26.4%	14%	7.2%	-6.8%
Students with Disabilities	31%	10.2%	-20.8%	5%	3.4%	-1.6%
English Learners	27%	8.8%	-18.2%	3%	0.4%	-2.6%

340. As shown in Figure 7, in the 2022–23 school year, 29% of all District fourth-grade students were proficient in reading.

341. As shown in Figure 7, in the 2022–23 school year, fourth-grade high needs students were proficient in reading as follows:

- a. 20.6% of economically disadvantaged students;
- b. 10.2% of students with disabilities; and
- c. 8.8% of English learners.

342. As shown in Figure 7, in the 2022–23 school year, 14.7% of all District fourth-grade students were proficient in math.

343. As shown in Figure 7, in the 2022–23 school year, eighth-grade high needs students were proficient in math as follows:

- a. 7.2% of economically disadvantaged students;
- b. 3.4% of students with disabilities; and

c. 0.4% of English learners.

344. As compared to 1999–2000, these scores demonstrate steep declines in both reading and math proficiency.

345. As shown in Figure 7, in 1999–2000, 66% of all District fourth-grade students were proficient in reading and, of those, 47% of the District’s economically disadvantaged students, 31% of students with disabilities, and 27% of English learners were proficient in reading.

346. As shown in Figure 7, in 1999–2000, 41% of District eighth-grade students were proficient in math and, of those, 14% of the District’s economically disadvantaged students, 5% of students with disabilities, and 3% of English learners were proficient in math.

Necedah Area School District

347. The Necedah Area School District had a total membership of 683 and a cost per member of \$19,870 for the 2024–25 school year.

348. The District’s revenue limit per member was \$13,308 in the 2023–24 school year.

349. The District is located within Juneau County, with a 2023 average per capita personal income of \$49,419 (well below the 2023 state average of \$64,976), yet it has very high property values, with a current valuation of nearly \$1.6 million per student.

350. As a consequence, under the equalization aid formula, Necedah receives only about 22% of its revenue limit from state aid. The remaining 78% comes from local taxpayers.

351. The District has passed two operating referenda in the last eight years. The referenda have increased the burden on the community, where many community members live on low or fixed incomes.

352. Due to the tight nature of the District budget, and the fact that by statute less than 25% of the District's state aid payment is distributed in the first of four annual installments, the district must engage in short-term borrowing to cover payroll at the beginning of the school year. The District borrows \$1.5 million, which it repays—with significant interest—when the allocated state funding is distributed.

353. To cover the unreimbursed cost of providing special education services, the District must transfer 11.98% of its general operating fund (Fund 10) to its special education fund (Fund 27). This transfer was \$1.4 million in the 2024–25 school year.

354. The District has had to make significant cuts due to a lack of available funding.

355. Elementary classes that historically were 12–15 students now have an average of 18 students.

356. The increase in class size is not due to an increase in student enrollment. The District has experienced declining enrollment in recent years.

357. The District has been forced to eliminate administrators, its business manager, and two elementary school teachers in the last year.

358. High school business and family education classes were cut due to the lack of funding. Even a bus route was cut to reduce costs, resulting in longer bus rides for students.

359. Due to inadequate state funding, the District struggles to attract new employees in every position due in part to the inability to offer competitive starting pay and hire adequate support staff. The District is one of the lowest-paying school districts in its part of the State, but it cannot afford to increase the pay and thus experiences high turnover. The District experiences more than a 10% teacher turnover per year.

360. Teachers with 5 to 10 years of experience leave the most frequently for jobs in other school districts.

361. The lack of consistency created by high teacher turnover negatively impacts students and families because the staff is not effectively building year upon year skills, relationships, and understandings of community needs.

362. The District is fully staffed with special education teachers for the first time in seven years, but most of its teachers hold emergency licenses for special education and lack experience in the field.

363. The District has only one school counselor for grades six through twelve, and only a social worker, not a school counselor, for pre-kindergarten through fifth grade.

364. The District is currently able to offer a therapist's services, but the therapist is paid with a grant. If the grant expires and funding is not replaced, the therapist will likely need to be cut.

365. The District has delayed updating instructional materials, including its English language arts and social studies curricula.

366. The District has been forced to offer English language arts with long-term substitute teachers instead of permanent teachers.

367. The District cannot afford to hire a sufficient number of interventionists to provide students with the assistance they need to achieve proficiency.

368. The District superintendent has taken on the responsibilities of multiple additional roles, including transportation coordinator, business manager, and overseeing curriculum and instruction, because there is insufficient funding to hire people for these vacant positions.

369. The District superintendent has also requested (and received) a salary freeze to make sure more funds are directed toward student needs.

370. During the 2024–25 school year, 22.1% of students in the District had at least one disability, and 53.6% were economically disadvantaged. These were well above the statewide averages of 15.7% and 40.4%, respectively.

371. Over the last five years, 35 of the District's students have been homeless.

**Figure 8: Necedah Area School District Fourth- and Eighth-Grade Reading
and Math Proficiency
School Years 1999–2000 and 2022–23**

	4th Grade Reading Proficiency Rates 1999–2000	4th Grade Reading Proficiency Rates 2022–23	Change in Proficiency Rates	8th Grade Math Proficiency Rates 1999–2000	8th Grade Math Proficiency Rates 2022–23	Change in Proficiency Rates
All Students	77%	17.1%	-59.9%	32%	5.6%	-26.4%
Economically Disadvantaged	65%	14.3%	-50.7%	17%	4.3%	-12.7%
Students with Disabilities	n/a	18.2%	n/a	n/a	0%	n/a

372. As shown in Figure 8, in the 2022–23 school year, 17.1% of District fourth-grade students were proficient in reading.

373. As shown in Figure 8, in the 2022–23 school year, fourth-grade high needs students were proficient in reading as follows:

- a. 14.3% of economically disadvantaged students; and
- b. 18.2% of students with disabilities.

374. As shown in Figure 8, in the 2022–23 school year, only 5.6% of District eighth-grade students were proficient in math.

375. As shown in Figure 8, in the 2022–23 school year, eighth-grade high needs students were proficient in math as follows:

- a. 4.3% of economically disadvantaged students; and
- b. none of the students with disabilities.

376. As compared to 1999–2000, these scores demonstrate steep declines in reading and math proficiency.

377. As shown in Figure 8, in the 1999–2000 school year, 77% of District fourth-grade students were proficient in reading, and 65% of economically disadvantaged students were proficient in reading.

378. As shown in Figure 8, in the 1999–2000 school year, 32% of District eighth-grade students were proficient in math, and 17% of economically disadvantaged students were proficient in math.

379. These facts—especially student proficiency outcomes and the increasing burden placed on families to fund school districts with property taxes—demonstrate that students and parents, including Plaintiff students and parents, have been and will continue to be harmed by inadequate state funding for public schools.

380. Teachers and teachers' unions, including Plaintiff teachers and teachers' unions, are also clearly harmed. Among other things, the lack of adequate state funding severely limits professional development opportunities and the in-classroom resources and supports teachers need to effectively educate students. The lack of funding also creates problems that damage staff morale and encourage teachers to jump from district to district in search of better resourced positions.

381. These facts are also emblematic of the broader problems our school districts are facing, as our Plaintiff organizations, with members in our Plaintiff districts and beyond, can attest to.

CLAIMS FOR RELIEF

COUNT ONE

Declaratory Judgment Pursuant to Wis. Stat. § 806.04

The Legislature's current public school finance system and the insufficiency of state funding contributed to the system denies students an equal opportunity to obtain a sound basic education, as guaranteed by the Wisconsin Constitution article X, section 3.

382. Plaintiffs incorporate by reference all preceding paragraphs as if fully set forth herein.

383. To comply with the constitutional guarantee that every Wisconsin student be provided an equal opportunity for a sound basic education in a tuition free public school where the character of instruction is as uniform as practicable, school districts must have access to funding sufficient to allow them to provide the classes, resources, and supports that enable students to meet these benchmarks.

384. Our supreme court has also made clear that funds must be allocated in a manner that considers actual student needs.

385. In the 26 years since *Vincent*, Wisconsin's school finance system has deteriorated, primarily because of the Legislature's repeated decisions not to appropriate necessary state funds for public school districts.

386. Furthermore, the Legislature has restricted school districts' ability to raise revenue from property taxes to cover the shortfall in state aid by refusing to increase—and at times by decreasing—revenue limits.

387. The predictable consequence of these decisions is to force school districts to rely on referenda to cover essential costs, even though the Legislature has set up a system to punish them for going to referendum, regardless of the outcome.

388. Districts that do not obtain voter approval to increase property taxes must find other ways to balance their budgets, including by increasing student fees, consolidating schools, delaying purchases such as curriculum and technology, making needed upgrades and repairs to facilities, and cutting programs, staff, and/or supports necessary for the schools to meet their obligations to provide every student “an equal opportunity for a sound basic education.” *Vincent*, 2000 WI 93, ¶87.

389. Students suffer as a result. Since *Vincent*, Wisconsin student proficiency in math and reading has significantly declined.

390. The decline is especially stark for high needs students as shown in Figures 2–8 and the accompanying allegations.

391. Districts are also forced to severely reduce, or even cut programming that is statutorily required.

392. The Green Bay Area Public School District, for example, has not been able to retain the necessary number of middle school foreign language teachers and has been forced to seek a waiver from the Department of Public Instruction temporarily allowing the District not to provide the instruction required by state law.

393. The Necedah Area School District is able to provide only limited access to a therapist only because it has grant funding, not reliable state aid, and it has not

been able to update its instructional materials for mandatory subjects, including social studies and English language arts.

394. The Adams-Friendship Area School District is not able to provide Spanish instruction in middle school because it has been unable to hire a Spanish teacher.

395. In short, Wisconsin students, especially high need students, do not have access to an equal opportunity for a sound basic education in every Wisconsin school district.

396. This Court should declare that the Wisconsin public school finance system, and amounts appropriated for state aid, are inadequate because the Legislature has failed to meet its constitutional obligations to Wisconsin students under article X, section 3 of the Wisconsin Constitution.

COUNT TWO

Declaratory Judgment Pursuant to Wis. Stat. § 806.04

The Legislature's public school finance system does not provide a character of instruction for all Wisconsin students that is as nearly uniform as practicable, as guaranteed by the Wisconsin Constitution article X, section 3.

397. Plaintiffs incorporate by reference all preceding paragraphs as if fully set forth herein.

398. For nearly 100 years, the Wisconsin Supreme Court has interpreted article X, section 3 of the Wisconsin Constitution to require the Legislature to provide funding for public schools that allows for the character of instruction to be as nearly

uniform as practicable. *See State ex rel. Zilisch v. Auer*, 197 Wis. 284, 290, 221 N.W. 860 (1928).

399. While absolute uniformity is not required, *see Buse*, 74 Wis. 2d at 568, the Wisconsin Supreme Court has stated that there is a point at which deviation becomes too great, such that deference to the Legislature would be inappropriate and the court would intervene, *see Kukor v. Grover*, 148 Wis. 2d 469, 503, 436 N.W.2d 568 (1989).

400. The character of instruction provided in Wisconsin school districts is not presently as uniform as practicable. Indeed, because of the Legislature's failure to adequately fund school districts, it has reached a point where deviation among districts is unconstitutionally large.

401. First, the programming and services available to students from district to district varies widely.

402. Second, the quality of the programming available to students from district to district varies widely.

- a. Districts with the least amount of resources are choosing to delay curricular updates.
- b. Districts are also forced to hire teachers with almost no experience, sometimes relying upon emergency fill-ins and substitute teachers to provide legally mandated programming.
- c. Districts are forced to enlarge class sizes to a nearly unmanageable degree.

- d. Some districts are unable to provide adequate foreign language instruction.

403. Over decades, the Legislature has repeatedly chosen not to invest sufficient state funding into public school districts, while at the same time maintaining static revenue caps that constrain districts from raising the shortfalls through property taxes.

404. Insufficient state funding forces school districts to seek voter approval of operating referenda to raise revenue limits and increase property taxes—simply to cover the basic costs of public education. Since 2000, K–12 school districts in Wisconsin have averaged 60 operating referenda per year, with record highs in 2022 (91) and then again in 2024 (150).

405. This reliance on local funding and referenda ultimately exacerbates inequalities among school districts and undermines the uniformity of the educational opportunities offered to students from district to district.

406. Relying on voter approval to fund operating expenses is unsustainable, as districts vary widely in both their taxpayers' ability to absorb property tax increases and their willingness to approve them.

407. Additionally, a multitude of factors—including but not limited to population aging, political persuasion, increasing vacation property ownership, income levels relative to property value, and tax burden—may affect how willing a community is to approve operating referenda.

408. Accordingly, the Legislature's repeated decisions to disinvest from public schools, to block local school districts from obtaining necessary funding from their residents, and to disincentivize districts from pursuing the meager options the Legislature has not fully foreclosed, have necessarily eroded the uniformity of the character of public school instruction across the State.

409. This Court should declare that the Wisconsin public school finance system, and the amount of state funding provided, does not support programming that is as uniform as practicable because the Legislature has failed to meet its constitutional obligations to Wisconsin students under article X, section 3 of the Wisconsin Constitution.

COUNT THREE
Declaratory Judgment Pursuant to Wis. Stat. § 806.04

The constitutional rights of students with high needs cannot be met unless the Legislature changes the public school finance system and provides greater state funding for high needs students.

410. Plaintiffs incorporate by reference all preceding paragraphs as if fully set forth herein.

411. "Equal access to education is a fundamental right." *Vincent*, 2000 WI 93, ¶46 n.20 (lead op.) (citing *Kukor*, 148 Wis. 2d at 496).

412. The fundamental right to a sound basic education includes the programming established by the Legislature's statutory requirements and the means for students with varying needs to truly access those requirements. *Id.*, ¶87.

413. Students with high needs—whether they be students with disabilities, English learners, economically disadvantaged students, or students with other

needs—require additional supports to access their constitutionally guaranteed equal opportunity for a sound basic education.

414. To provide an equal opportunity for a sound basic education, school districts must, to a reasonable degree, tailor their instruction to meet the actual needs of their students.

415. Districts also must be able to ensure their teaching and support staffs are properly licensed and experienced.

416. The *Vincent* Court held as much: “An equal opportunity for a sound basic education acknowledges that students and districts are not fungible and takes into account districts with disproportionate numbers of disabled students, economically disadvantaged students, and students with limited English language skills.” *Id.*

417. The school finance system implemented by the Legislature fails to sufficiently account for students with high needs, exasperating already stretched resources, and making it almost impossible to provide all services appropriate and necessary for high needs students.

418. This Court should declare that the Wisconsin public school finance program is inadequate because it does not account for student needs, caused by the Legislature’s failure to meet its constitutional obligations to all Wisconsin students under article X, section 3 of the Wisconsin Constitution.

COUNT FOUR
Declaratory Judgment Pursuant to Wis. Stat. § 806.04

The Legislature's deficient special education reimbursement rate for Wisconsin public schools precludes them from providing all students an equal opportunity for a sound basic education, as guaranteed by the Wisconsin Constitution article X, section 3.

419. Plaintiffs incorporate by reference all preceding paragraphs as if fully set forth herein.

420. The Wisconsin Constitution guarantees students with disabilities the same right to an equal opportunity for a sound basic education as all other students. *See Vincent*, 2000 WI 93, ¶87.

421. Federal law also specifically protects students with disabilities, mandating that students with disabilities are entitled to a free appropriate public education (FAPE).

422. What FAPE means is different for each student, depending on that student's needs and circumstances. To meet the federal FAPE mandate, school districts are required to provide instruction and supports as memorialized in each student's individual education program (IEP).

423. Satisfying federal mandates is expensive, and the number of students who qualify for special education services under federal law is rising. While the Legislature provides state aid to reimburse school districts for some expenses, the reimbursement rate is deficient. The consequence of this deficiency is that school districts cannot meet their legal obligations to special education students without covering some of the special education expenses out of general operational funds. This

is visible when districts transfer money from Fund 10 (general education) to Fund 27 (special education).

424. When monies are removed from the general fund, all students, including students with disabilities, are hurt because the general fund covers the essential facilities maintenance, programs, and services utilized by all students.

425. For years, the Legislature has reimbursed local school districts for special education costs at a rate of about 30–35% of actual costs depending on the district. This deficiency—shorting state reimbursement by more than two-thirds of school districts’ actual special education costs—is a substantial problem, and one that is widely recognized.

426. In the 2025–27 biennial budget, the Legislature recently committed to investing more money into special education, providing a stepped raise in the reimbursement rate over the biennium. The Legislature’s announced goal was that, in the second year of the biennium, reimbursement of special education costs would approach 45%, but the Legislature failed to support this pledge with a sufficient allocation, such that it appears, based on recent estimates, that the actual reimbursement rate will not come anywhere near the announced goal.

427. While the Legislature’s recent interest in an increased reimbursement rate is an improvement, it does not solve school districts’ fiscal problems, nor does it come close to matching the reimbursement rate of nearly 100% of actual costs that private schools enjoy under the Special Needs Scholarship Program—a tacit

admission on the Legislature's part that schools necessarily incur higher costs to educate students with disabilities.

428. Moreover, the character of the reimbursement to private schools participating in the Special Needs Scholarship Program differs from that for public schools. The private school reimbursement comes from a sum-sufficient appropriation, not a sum-certain one, meaning that the private schools are reimbursed to the full extent of the eligible costs incurred. By contrast, public school reimbursements come from a sum-certain appropriation, such that the rate of reimbursement is prorated among public school districts once special education expenses exceed the amount the Legislature has budgeted for reimbursement.

429. When the Legislature deliberately and systemically reimburses school districts' special education costs at a deficient rate, it artificially tightens district budgets. That forces districts to make impossible funding and program choices that pit special education students' needs against all other needs.

430. Students inevitably lose in these circumstances, and which students lose the most depends on how much special education funding versus general education funding takes the financial hit.

431. The Legislature's policy decision to withhold sufficient funding to meet the specific and unique needs of students who require special education services necessarily deprives at least some students of their constitutionally guaranteed equal opportunity for a sound basic education.

432. This Court should declare that the Wisconsin public school finance system is inadequate because it does not sufficiently fund special education, caused by the Legislature's failure to meet its constitutional obligations to Wisconsin students under article X, section 3 of the Wisconsin Constitution.

COUNT FIVE
Declaratory Judgment Pursuant to Wis. Stat. § 806.04

The Legislature's school finance system deprives students with high needs an equal opportunity for a sound basic education that meets their needs, in violation of the Wisconsin Constitution's equal protection guarantee.

433. Plaintiffs incorporate by reference all preceding paragraphs as if fully set forth herein.

434. Article I, section 1 of the Wisconsin Constitution guarantees all Wisconsinites, including public school students and their families, equal protection of the laws.

435. The Legislature violates that guarantee by implementing a school finance system that fails to provide students with high needs an equal opportunity to a sound basic education.

436. The equal opportunity for a sound basic education is a fundamental right under the Wisconsin Constitution. *Vincent*, 2000 WI 93, ¶87.

437. Because students with high needs require additional resources to access an equal opportunity for a sound basic education and the public school finance system does not adequately account for high needs, high need students are deprived of an equal opportunity for a sound basic education.

438. Rather, whether high need students have access to a sound basic education varies from district to district and depends upon whether the property taxpayers of a particular district have sufficient income and willingness to offset inadequate state funding.

439. This is especially true for students with disabilities who attend school in public school districts. The Legislature reimburses public school districts less than 40% of the actual cost to educate students with disabilities, while, at the same time, the Legislature reimburses private schools participating in the Special Needs Scholarship Program nearly 100% of the actual cost to educate students with disabilities.

440. Whether students with disabilities have access to a sound basic education varies not just from district to district but also varies depending upon whether a student with disabilities attends a public school or instead uses a voucher to attend a private school under the Special Needs Scholarship Program.

441. The Legislature's inadequate funding for high needs students is not only a violation of students' rights under article X, section 3 of the Wisconsin Constitution, but also an equal protection violation under article I, section 1.

442. This Court should declare that the Wisconsin public school finance system is inadequate because it does not account for high need students and violates equal protection under article I, section 1 of the Wisconsin Constitution.

COUNT SIX
Declaratory Judgment Pursuant to Wis. Stat. § 806.04

The Legislature's school finance system violates the guarantee that the State will maintain a free government with recurrence to first principles, as set forth in the Wisconsin Constitution article I, section 22.

443. Plaintiffs incorporate by reference all preceding paragraphs as if fully set forth herein.

444. For nearly 180 years, the people of Wisconsin, as a whole, have been deeply committed to free public schools supported with state funding.

445. This commitment is embedded in at least three clauses of the Wisconsin Constitution, framed and adopted at the same time: article X, sections 2 and 3 and article I, section 22.

446. Article I, section 22 guarantees that the State will adhere to fundamental principles to maintain a free government: "The blessings of a free government can only be maintained by a firm adherence to justice, moderation, temperance, frugality and virtue, and by frequent recurrence to fundamental principles."

447. The free government clause has appeared in our Constitution, without amendment, since statehood.

448. "Free government" means, at its core, that the sovereign is the citizenry.

449. For the constitutional framers, as well as for today's Wisconsinites, an essential component of free government is tuition free common schools funded with state support, whether as a "fundamental principle" or as an inherent aspect of free government.

450. This fundamental principle even precedes Wisconsin statehood, embedded in the language of the Northwest Ordinance and the purposes for which Congress would grant certain tracts of land to new states.

451. At the time of the constitutional convention of 1847–48, the proponents of a state funded public school system viewed statewide common schools as a great equalizer, bringing together students from diverse backgrounds to reduce social division, and as “the grand insurance policy of our liberties.” Journal and Debates of the Constitutional Convention 449 (1848), *in* THE ATTAINMENT OF STATEHOOD (Milo M. Quaife ed., Wis. Hist. Soc’y 1928).

452. The framers guaranteed all students in Wisconsin an equal opportunity for a sound basic education with a character of instruction as nearly uniform as practicable. *See Vincent*, 2000 WI 93, ¶87.

453. In applying our state constitution, the Wisconsin Supreme Court has held that the right to public education is a fundamental right. *See id.*, ¶3.

454. Article X, section 3 expressly charges the Legislature with ensuring that the public education system meets these constitutional guarantees. And article X, section 2 reveals the foundational intent that state funding be directed “[t]o the support and maintenance of common schools, in each school district.”

455. Comparing state spending for public schools in 2000—when *Vincent* deemed the Legislature’s school finance system constitutional—to state public school spending in 2026 yields starker results. In inflation-adjusted dollars, the Legislature has authorized 9% less state aid (categorical and general) for public schools on a per-

pupil basis since its peak spending level in the 2002–03 school year. Yet since 2000, the per capita inflation-adjusted income of Wisconsin residents has increased by 25%.

456. The Legislature’s disinvestment in public schools has forced districts to rely much more heavily on local property taxes to fund general school operations. Whereas as recently as 2003, the system still embodied the framers’ 2-to-1 state-to-local funding ratio, today the ratio is far closer to 1-to-1. The property tax funding system has reached a breaking point as evidenced by the number of local operating referenda that have been offered but have failed.

457. In some districts, including in those least able to afford it, the reliance upon property tax is much greater. In the Adams-Friendship Area School District, for example, property tax comprises 78% of the district’s 2025–26 revenue limit, but the 2023 average per capita personal income of residents was \$46,249 (well below the 2023 state average of \$64,976).

458. Between 2000 and 2025, the numbers of students with exceptional needs has grown and, at the same time, the needs of all students have grown as they seek an education that will equip them to be productive and responsible citizens in a high-tech, complex, globalized, and divided world.

459. And since 2000, the Legislature has further exacerbated the funding problem by diverting more and more tax dollars that could be spent on public schools to private schools instead.

460. Taken together, the factors above render the current school finance system unconstitutional. The Legislature’s failure to provide adequate state funding

for public school districts violates article I, section 22 because “free government” is at risk. Also, the Legislature’s failure to prioritize public schools and allocate sufficient state funding to meet constitutional guarantees to public school students violates “recurrence to first principles.”

461. This Court should declare that the Legislature’s inadequate state funding for public schools impermissibly deviates from first principles and violates the guarantee under article I, section 22, enjoyed by all Plaintiffs, that the State will maintain a free government.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully ask that this Court:

A. Declare that Wisconsin’s current school finance system violates Wisconsin Constitution article X, section 3, such that the school finance system is invalid;

B. Declare that Wisconsin’s current school finance system violates Wisconsin Constitution article I, section 1, such that the school finance system is invalid;

C. Declare that Wisconsin’s current school finance system violates Wisconsin Constitution article 1, section 22, such that the school finance system is invalid;

D. Establish a schedule that will enable the Court—in the absence of a superseding state law, adopted by the Legislature and signed by the Governor in a

timely fashion—to adopt and implement a new school finance system that meets all relevant state constitutional guarantees;

E. Award Plaintiffs costs, disbursements, and reasonable fees incurred in bringing this action, pursuant to Wis. Stat. § 814.01; and

F. Grant such other relief as the Court deems proper.

Dated: February 23, 2026.

/s/ Electronically signed by Jeffrey A. Mandell

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