

**Joint Committee on Finance  
March 21, 2013**

**Department of Public Instruction Testimony  
On 2013-15 Biennial Budget Bill**

Good morning. I want to thank the chairs and the committee for the opportunity to testify this morning. As your elected State Superintendent of Public Instruction, I am here to advocate for a budget that reinvests in our public schools.

After two decades of revenue limits and an increasingly broken school finance system, last year's state budget forced the largest cuts to state aid and school revenue limits in history. The results of these cuts have been damaging and far reaching, particularly for our most vulnerable children.

K-12 public education took the largest share of the cuts in that budget, and, as a result, the portion of the general fund that is spent on K-12 public education is now at its lowest level since 1995-96. This trend is not a recipe for student success, or economic success.

As you know, there was new revenue growth and increased spending in the last state budget, but it mostly went to Medical Assistance and the structural deficit. There is \$1.4 billion in new revenue in this budget, but it mostly goes to roads and tax cuts, with the new education funding overwhelmingly going to vouchers. What does this say about our commitment to our public school kids?

The Marquette Poll this week noted that over 80 percent of Wisconsin citizens think their public schools are doing a good job, and over 70 percent think we should increase spending on public schools. Does this budget reflect those values?

Just reading the news the past couple of weeks, you can see the continued detrimental impact of our failure to adequately fund our schools:

- River Falls is looking at a \$400,000 in cuts;
- Elmbrook \$2.3 million;
- Sheboygan \$5.5 million;
- Beloit \$4 million;
- Superior \$400,000;
- Menomonee Falls \$2.4 million;
- Madison over \$8 million
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More talk of cuts in: Pulaski; Siren; Oconto; Platteville. This list is far longer and growing.

This budget does increase general school aids by \$129 million; however, the frozen revenue limit means that those funds will reduce property taxes but not allow new spending. No new textbooks or computers. No additional reading or career and technical education teachers.

No additional interventions or services. I understand why tax relief is important and politically appealing, but let's not confuse it with increased support for schools.

Further, the Legislative Fiscal Bureau summary of the budget lays out the numerous ways that even this small increase in general school aid will be reduced to pay for expansion of independent charter schools, voucher schools, and special education vouchers. The net result of these deductions is that school aids for our 870,000 students in public schools will increase by only \$39 million over the biennium, and public schools will see an actual CUT in state aid in the first year of the budget.

This morning, I call on you and your colleagues in the Legislature to stop the continued defunding of public education and approve a state budget that truly reinvests in public education. And, in this budget, we have the resources to do it. Certainly, \$1.4 billion in new revenue is enough to raise the public school revenue limit, increase school aids, and hold the line on property taxes at the same time.

There are several different areas in this budget where you could make different choices on how to allocate the state's resources:

- There is nearly \$130 million in new GPR spending on roads, including a permanent GPR transfer from the general fund to prop up the transportation fund. In addition to reducing the GPR available to invest in schools during this budget, the permanent GPR transfer to the transportation fund will reduce funding available for schools in every subsequent budget.
- The bill includes \$343 million for an income tax cut that will reportedly provide the average family a tax cut of about \$7 a month. This change, too, will permanently reduce the amount of money in the general fund and erode the state's ability to invest in education in the future.
- Specific to K-12 spending, the budget includes \$64 million for a questionable new K-12 incentive grant program based on a report card that doesn't include all public schools, doesn't include any choice schools, and is still in its infancy. Instead of providing all schools with sustainable resources to achieve the new standards and expectations that we have set for college and career readiness, the budget as it is currently written would provide fleeting bonuses to some schools while leaving too many others on the sidelines.
- And, in another area of great concern for me, the budget includes \$73 million for expansion of voucher schools to nine new districts across the state, and to substantially increase the voucher payments. By the end of this budget, under the Governor's proposal, voucher funding will have increased 32 percent, at a time when public school revenue limits are held flat.

We now support three school systems in Milwaukee: traditional public, independent charter and voucher. Among them there are many great schools, but there are far too many struggling schools. The performance in the voucher schools is no better, and sometimes worse, than MPS schools, and hardly constitutes a compelling case for expansion. There are too many ongoing issues to address in the Milwaukee and Racine voucher programs, and the academic data just

does not justify expansion. Moreover, the rapid statewide expansion of vouchers will impose Madison's will on local communities who are happy with their public schools.

Local control of education is further decimated by a state authorizing charter school board that would allow unelected officials to open independent charter schools anywhere in the state and enroll students from any district. Wisconsin has been a charter school success story. Fifteen years ago, Wisconsin had 17 charter schools that enrolled around 1,100 students. Today, we have 238 charter schools located in 97 districts across the state educating more than 43,000 students. Wisconsin ranks in the top ten states nationwide for charter schools, creating new educational options for children and parents. And, all this innovation has happened without the problems witnessed in other states that wasted taxpayers' money.

But this budget jeopardizes all this progress. The statewide charter authorizing board could dramatically impact education in every part of the state. While I oppose this provision outright, at a minimum I urge you to remove this item from the budget so it can get the rigorous review and debate it deserves.

Another troubling proposal in the budget is the effort to create a new statewide special education voucher system. Parents are the most important advocate for any child, but especially for children with special needs. But, under this proposal, parents would surrender their rights and legal protections under the federal Individuals with Disabilities Education Act (IDEA) at the private schoolhouse door. Additionally, even under a voucher program, private schools cannot be required to provide special education services or held accountable for student needs.

This is a dangerous experiment with our most vulnerable students and I again urge you to remove it from the budget. If you truly want to do something that will help children with disabilities, increase the revenue limits so that public schools have adequate resources to serve them, and increase state special education categorical aid, which has been frozen for the past four years and if frozen again, will reduce our reimbursement rate to less than 25 percent.

To put it in its most simple terms, the budget as proposed creates too many winners and losers, with the 870,000 children in our public education system drawing the short straw. It pits public school kids against voucher and independent charter school kids, and even public school against public school. This has to stop. The state cannot continue to play favorites. We can and must meet our constitutional obligation to invest in all of our kids.

Over the past several years, I've worked alongside many of you and your colleagues in the Legislature, with the Governor, and with parents, teachers, administrators, and students to modernize education so that every child is prepared for college and careers. And, as a result, we're making some of the biggest changes in public education that Wisconsin has ever seen.

We've established new standards in line with the world's highest performing countries; new, more timely and meaningful student assessments; new data systems and opportunities for digital learning; and new accountability and support systems for educators and schools. We're working with business leaders to reinvigorate career and technical education and, through partnerships with Wisconsin technical colleges and universities, to expand opportunities for students to earn college credit or industrial certifications while still in high school.

The scope and pace of change in our public schools is unprecedented. And it needs to be. We have some of the highest graduation rates, ACT scores, and Advanced Placement results in the country. But too many of our kids are falling behind, and too many of our kids are dropping out. Strong public education is necessary for a strong economy, a strong middle class.

I recommended and support funding in the Governor's budget that supports our college and career ready agenda – funding for new student assessments, which include the ACT and early reading screeners, as well as our educator effectiveness program, student academic and career plans, and data systems. These initiatives were developed by parents, educators, administrators and legislators working together, and reflect the best of Wisconsin's educational values.

But, without an increase in the revenue limit and new funding for our public schools, we won't be able to achieve the transformation we envision for our public schools. We are asking more than ever from our public schools, but without new resources, we'll have more of the same – fewer teachers, larger class sizes, fewer course offerings.

Legislative leaders have already begun to outline how modest changes in this budget could dramatically improve funding for our kids, and I thank them for their hard work.

We need a state budget that invests in all kids. I offer the technical expertise of the department to help you shape the priorities of this state budget and reinvest in our public school students.

I sincerely appreciate your willingness to engage on these important issues, and I would be happy to answer your questions.