WISCONSIN LEGISLATIVE COUNCIL
ACT MEMO

2005 Wisconsin Act 125 [2005 Senate Bill 618]	SAGE Program and Milwaukee Parental Choice Program

2005 Wisconsin Act 125 makes the following changes in the Student Achievement Guarantee in Education (SAGE) Program and in the Milwaukee Parental Choice Program (Choice Program):

SAGE PROGRAM

The SAGE program provides five-year renewable grants to eligible school districts which are then required to reduce class sizes in SAGE schools to 15 pupils to one teacher in grades kindergarten through three and to have the SAGE schools meet other criteria (including keeping the school open certain hours, collaborating with community organizations, providing rigorous curriculum, and creating staff development and accountability programs). Under prior law, which applies through the 2006-07 school year, the amount of a renewal grant is based on ***$2,000*** multiplied by the number of low-income pupils enrolled in grades eligible for funding in each SAGE school in the school district.

Wisconsin Act 125 provides that, in the 2007-08 school year and any subsequent school year, the amount of a renewal grant is based on ***$2,250*** multiplied by the number of low-income pupils enrolled in grades eligible for funding in each SAGE school in the school district.

CHOICE PROGRAM

Under the Choice Program, state funds are used to pay for the cost of some children from low-income families who reside in the City of Milwaukee to attend, at no charge, private schools that: (a) are located in the City of Milwaukee; (b) meet certain criteria; and (c) have notified the State Superintendent by February 1 of the previous school year of the school's intent to participate in the Choice Program (Choice schools). The state general fund pays for 55% of the Choice Program, and the state aids to Milwaukee Public Schools (MPS) are reduced in an amount sufficient to pay the remaining 45% of the cost of the Choice Program. (MPS may levy property taxes to make up for this loss of state aid.)

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Wisconsin Act 125 makes the following changes in the Choice Program:

Participation Limit

Prior law limited the number of pupils who may participate in the Choice Program to 15% of MPS membership. Prior law provided that if the Choice schools had more spaces available than the maximum number of pupils allowed to participate, the Department of Public Instruction (DPI) was required to prorate the number of spaces available at each Choice school.

Wisconsin Act 125 changes the maximum participation limit to 22,500 full-time equivalent (FTE) pupils. The Act deletes the proration requirement and instead provides that whenever the State Superintendent determines that the 22,500 limit is reached, the State Superintendent must issue an order prohibiting the Choice schools from accepting additional pupils until the State Superintendent determines that the number of Choice pupils has fallen below 22,500 FTE pupils.

Pupil Eligibility

Family Income Criterion

Under prior law, one of the criteria that must be met for a pupil to attend school under the Choice Program is that the pupil is a member of a family whose total family income does not exceed 175% of the federal poverty level (FPL). Wisconsin Act 125 retains this criterion but, beginning with pupils who intend to participate in the Choice Program in the 2006-07 school year (which begins July 1, 2006), the Act provides that if the family income increases while a Choice pupil is attending school, the pupil remains eligible under the Choice Program as long as the family income does not exceed 220% of FPL. Act 125 further provides that siblings of a Choice pupil are subject to the 220% of FPL criterion, rather than the 175% of FPL criterion.

The Act also provides that if a pupil ceases to attend school under the Choice Program, the 175% of FPL criterion again applies should the pupil wish to reenter the Choice Program unless the pupil has a sibling attending under the Choice Program. As noted above, in that case, the 220% of FPL criterion applies.

Prior Year Status Criterion

Under prior law, one of the criteria that must be met for a pupil to attend school under the Choice Program is that, in the prior school year, the pupil must have been: (a) enrolled in MPS; (b) attending school under the Choice Program; (c) enrolled in grades kindergarten to three in a private school located in the City of Milwaukee other than under the Choice Program; or (d) not enrolled in school. Under Act 125, beginning with pupils who intend to participate in the Choice Program in the 2006-07 school year, this prior year status criterion is eliminated.

Choice School Accreditation or Approval

Accreditation or Approval

A pupil may attend a school under the Choice Program only if the school meets certain criteria. Act 125 creates a new criterion, namely that the school must either: (a) have been approved for scholarship funding for the 2005-06 school year by Partners Advancing Values in Education; or (b) achieve accreditation, by December 31 of the third school year following the first school year that

begins after June 30, 2006, in which the school participates in the Choice Program, from one of the following:

- Wisconsin North Central Association
- Wisconsin Religious and Independent Schools Accreditation
- Independent Schools Association of the Central States
- Archdiocese of Milwaukee
- Institute for the Transformation of Learning at Marquette University
- Any other organization recognized by the National Council for Private School Accreditation

If any of these accrediting agencies determines during the accrediting process that a school does not meet all of the requirements applicable to all private schools under s. 118.165 (1), Stats., the Act requires the accrediting agency to report that failure to DPI.

If a school's application for accreditation has been denied by an accrediting agency or if a school has not achieved accreditation within the time period specified above, the Act provides that the State Superintendent may (but is not required to) issue an order prohibiting the school from participating in the Choice Program in the following school year.

Deadline for Applying for Accreditation

If a school is not accredited or approved as described above, the Act imposes the following deadlines for applying for accreditation and the following consequences for failing to do so:

- If a school participated in the Choice Program in the 2005-06 school year and intends to continue participation in the 2006-07 school year, the Act requires the school to apply for accreditation by September 30, 2006. If the State Superintendent determines that an application was not made by this date, the school is prohibited from participating in the Choice Program in the 2006-07 school year.

- If a school participated in the Choice Program in the 2005-06 school year but did not participate in the 2006-07 school year, the Act requires the school to apply for accreditation by December 31 of the school year in which it enters or reenters the Choice Program. If the State Superintendent determines that an application was not made by this date, the State Superintendent may (but is not required to) issue an order prohibiting the school from participating in the Choice Program in the following school year.

- If a school did not participate in the Choice Program in the 2005-06 school year, the Act requires the school to apply for accreditation by December 31 of the school year in which it enters or reenters the Choice Program. If the State Superintendent determines that an application was not made by this date, the State Superintendent may (but is not required to) issue an order prohibiting the school from participating in the Choice Program in the following school year.

Notification to Parents of Prohibition Order

If the State Superintendent issues an order prohibiting a school from participating in the Choice Program for any of the reasons indicated above, the Act requires the State Superintendent to immediately notify the parent or guardian of each child attending the school under the Choice Program.

Testing of Choice Pupils

Testing of Pupils

The Act requires that every Choice school administer a nationally normed standardized test in reading, mathematics, and science to Choice pupils in the 4th, 8th, and 10th grades. The school may administer additional standardized tests to Choice pupils.

Beginning in 2006 and annually thereafter until 2011, the school must provide the scores of all standardized tests that it administers to the School Choice Demonstration Project.

Legislative Audit Bureau Report

If the School Choice Demonstration Project provides any standardized test score data to the Legislative Audit Bureau (LAB), the Act requires the LAB to review and analyze the standardized test score data received from the School Choice Demonstration Project. Based on its review, the LAB is required to report to the Legislature in 2007, and annually thereafter until 2011, on all of the following:

- The results of the standardized tests administered to Choice pupils as noted above.

- The scores of a representative sample of Choice pupils on: (a) the Wisconsin Knowledge and Concepts Examinations administered to pupils in the 4th, 8th, and 10th grades; and (b) the Wisconsin Reading Comprehension Test administered to pupils in the 3rd grade. (Current law requires that school boards administer these tests to pupils enrolled in the school district, including pupils enrolled in school district charter schools. Current law also requires independent charter schools to administer these tests. Neither current law nor Act 125 requires Choice schools to administer these tests.)

- The scores of a comparable group of MPS pupils on (a) the Wisconsin Knowledge and Concepts Examinations administered to pupils in the 4th, 8th, and 10th grades; and (b) the Wisconsin Reading Comprehension Test administered to pupils in the 3rd grade.

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